

CHITTENDEN SOLID WASTE DISTRICT  
REGULAR MEETING

Date: Wednesday, March 8, 2023  
Time: 6:00 P.M.  
Place: **ZOOM Meeting Only**

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\*\*\* (E) Indicates enclosures (H) Indicates handouts (D) Discussion Only

1. (E) **Agenda** (6:00 p.m.)
2. **Public Comment Period** (6:00 p.m.)
3. (E) **Consent Agenda** (6:05 p.m.)
  - 3.1 Minutes of January 25, 2023 & February 22, 2023 (page 3)
  - 3.2 Program Updates (page 8)
  - 3.3 Executive Director Update
  - 3.4 Finance – Warrant, Cash Investment and Reserve Balances as of 1/31/2023 (page 20)
  - 3.5 Administrative Office – renovation update (page 22)
  - 3.6 SMI Processed Glass Management Agreement (page 24)
  - 3.7 Legislative Updates (page 36)
4. (E) **Executive Session –** (6:10 p.m.)
  - a. Williston Water Line
  - b. MRF Contract Discussion
5. **MRF Contract** (6:25 p.m.)

Board Action Requested: Approve contract
6. (E) **FY 24 Budget Adoption - Operating & Capital Budget** (page 42) (6:30 p.m.)

Board Action Requested: Approve Budget
7. **Other Business** (8:00 p.m.)

*Possible Action could occur on any agenda item, although not initially noted. If you need an accommodation, please call the District at 872-8100 upon receipt of this notice. All times listed are an estimated start and duration.*

**CHITTENDEN SOLID WASTE DISTRICT  
BOARD MEETING INSTRUCTIONS  
FOR THE PUBLIC – REMOTE ACCESS**

Date: Wednesday, March 8, 2023  
Time: 6:00 P.M.  
Place: ZOOM MEETING INSTRUCTIONS

**IMPORTANT:**

CSWD will hold a Zoom Only Board of Commissioners Meeting. The virtual meeting is accessible by computer or phone. Members of the public, joining the meeting remotely, are asked to preregister online using the link below. Following the meeting a recording will be available upon request.

Hi there,

**You are invited to a Zoom webinar.**

**When: Mar 8, 2023 06:00 PM Eastern Time (US and Canada)**

**Topic: Board of Commissioners Meeting**

**Register in advance for this webinar:**

[https://us02web.zoom.us/webinar/register/WN\\_6wvC9LHFSFOw33Jx5vPHJA](https://us02web.zoom.us/webinar/register/WN_6wvC9LHFSFOw33Jx5vPHJA)

**After registering, you will receive a confirmation email containing information about joining the webinar.**

***For those without internet access, call 802-872-8100 ext. 213 and leave a message to register for the meeting. A call-in number will be provided to you prior to the meeting.***

**Participants will be in listen only mode. Call in controls include: \*6 – toggle mute/unmute and \*9 to raise your hand.**

**DRAFT**

**CHITTENDEN SOLID WASTE DISTRICT  
ZOOM MEETING/Williston Town Hall  
January 25, 2023– Regular Meeting**

**PRESENT**

**BOARD MEMBERS:**

Bolton	-----
Burlington	Lee Perry
Charlotte	Ken Spencer
Colchester	Liz Hamlin Volz
Essex	Alan Nye
Essex Junction	Mike Sullivan
Hinesburg	Rick McCraw
Huntington	-----
Jericho	Leslie Nulty
	Tom Joslin, alt.
Milton	-----
Richmond	Logan Hegg
Shelburne	-----
So. Burlington	Paul Stabler
	Allison Lazarz, alt.
Underhill	Paul Ruess
	Dan Steinbauer, alt
Westford	Katie Frederick
Williston	Kelton Bogasky
Winooski	Bryn Oakleaf

**STAFF:**

Sarah Reeves	
Amy Jewell	Nola Ricci
Jen Holliday	Josh Tyler

**OTHERS PRESENT:**

Thomas Melloni, Esq.

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**AGENDA:**

1. Agenda
2. Public Comment Period
3. Consent Agenda
4. Administrative Office
6. Executive Session
7. Memorandum of Understanding

- 
1. **CALL TO ORDER and AGENDA** Chair Paul Ruess called the meeting to order at 6:00 pm.  
No changes to the agenda.

**2. PUBLIC COMMENT PERIOD** - No discussion.**3. Consent Agenda** – Accepted as presented.

**4. Administrative Office** – S. Reeves said that CSWD issued an RFP for the Administrative Office Fit up for the leased space in South Burlington. J. Tyler said that eight construction companies received the RFP and four companies bid on the project with a deadline of completion of mid-March. CSWD is commending that the Board approve the low bid, which is Opus Corporation.

**MOTION by Paul Stabler, Second by Katie Frederick, that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement with the Opus Corporation, Williston, Vermont, for construction fit up costs associated with the District's lease property at 19 Gregory Drive, South Burlington, for a contract amount not to exceed \$222,275. VOTING: unanimous; motion carried.**

**5. Executive Session**

**MOTION BY P. Stabler , SECOND by A. Nye, to move that the Board of Commissioners of the Chittenden Solid Waste District go into Executive Session to discuss contract negotiations in regard to the Town of Williston Waterline and the MRF Casella Contract where premature general public knowledge would clearly place the District, its member municipalities, and other public bodies or persons involved at a substantial disadvantage and to permit authorized staff, other invited interested parties, and the Solid Waste District attorney to be present for this session. VOTING: unanimous; motion carried to enter Executive Session at 6:10 p.m.**

**MOTION by A. Nye, Second by P. Stabler to exit Executive Session and reconvene the regular meeting. VOTING: unanimous; motion carried to exit Executive Session at 7:05 p.m.**

**6. ADJOURNMENT**

**MOTION by A. Nye, Second by K. Frederick to adjourn the meeting. VOTING: unanimous; motion carried.**

The meeting was adjourned at 7:05 PM.

\_\_\_\_\_  
Amy Jewell, Recording Secretary

***I agree that this is an original copy of minutes and they have been approved by motion of the Board of Commissioners at the \_\_\_\_\_ meeting held in Williston.***

\_\_\_\_\_  
**Secretary**

\_\_\_\_\_  
**Amy Jewell,**



**DRAFT**  
**CHITTENDEN SOLID WASTE DISTRICT**  
**ZOOM MEETING Only**  
**February 22, 2023– Regular Meeting**

**PRESENT**

**BOARD MEMBERS:**

Bolton	----
Burlington	Lee Perry
Charlotte	----
Colchester	Liz Hamlin Volz
Essex	Alan Nye
Essex Junction	Mike Sullivan
Hinesburg	Rick McCraw
Huntington	----
Jericho	----
	Tom Joslin, alt.
Milton	Henry Bonges
Richmond	-----
Shelburne	-----
So. Burlington	Paul Stabler
	Allison Lazarz, alt.
Underhill	Paul Ruess
	----
Westford	----
Williston	Kelton Bogasky
Winooski	Bryn Oakleaf

**STAFF:**

Sarah Reeves  
 Amy Jewell

**OTHERS PRESENT:**

Thomas Melloni, Esq.  
 Kate Heppner  
 Margaret Wiener

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**AGENDA:**

1. Agenda
  2. Public Comment Period
  3. Bond Loan Authorization
  4. Other Business
- 

1. **CALL TO ORDER and AGENDA** Chair Paul Ruess called the meeting to order at 6:00 pm. Henry Bonges requested information on Sarah's conference. She will update under Other Business.
2. **PUBLIC COMMENT PERIOD** - No discussion.

**BOND LOAN AUTHORIZATION** – P. Ruess stated that the voters approved authorization of CSWD to borrow up to \$22,000,000 and issue general obligation bonds to finance the cost of a new Materials Recovery Facility. S. Reeves noted that this is the first step in the bond request and we are asking to borrow \$10 million through the Vermont Municipal Bond Bank at this time and not the full \$22 million. This is because we are applying for grants and if those are awarded we do not want to borrow more than necessary. This will cover the down payment for the system, permitting, and design work.

S. Reeves noted that we are doing an interest only payments for the first five years so that we can get our feet under us as we get the new MRF operational and can get a better understanding of cashflow. Once we know the interest rate, we'll be able to plug in that information. We'll know by the end of this year the amount of additional funds we'll need to borrow.

S. Reeves noted that the documents as presented to the Board include a highlighted section, which calls attention to specific language that is not typical of standard bond bank documents. CSWD requested the specific language be included because we currently have a third party who operates the MRF and the additional wording preserves our flexibility if that relationship should change and CSWD decides to operate the MRF.

Thomas Melloni summarized that these documents authorize the District to enter into a \$10 million bond through the Vermont Municipal Bond Bank and forms a loan agreement. The change in the wording allows CSWD to enter into qualified management contracts. The bond will be a tax exempt obligation and any private operator would need to meet certain parameters, which as been previously discussed. This will be competitive bid process that will be completed by an estimated date of March 6, 2023 and signatures will be required by the Chair, Vice Chair, and the Treasurer. It is a State bond bank with an AA bond rating, which is favorable.

S. Reeves summarized that this is the standard loan document with the one exception to the wording.

**MOTION by Alan Nye , Second Paul Stabler, to move the adoption of the resolution of the BOARD OF COMMISSIONERS OF THE CHITTENDEN SOLID WASTE DISTRICT RELATING TO THE ISSUANCE OF ITS GENERAL OBLIGATION BOND as presented to the Board at this meeting.**

**Discussion:** Paul Ruess asked when the next opportunity to borrow additional money would be. S. Reeves said that this goes out twice per year, so most likely November/December 2023, or we would wait until the spring of 2024. He noted appreciation for Counsels work with this. S. Reeves noted that appreciation that Thomas is recommended as the Attorney in the State to work with Bonds so we are fortunate he is on our team. Lee Perry questioned the \$10 million is for equipment and the timing. S. Reeves noted that everything is customized and it's estimated at 12 to 14 months and with Van Dyke, they require 30% down, and then an additional 30% down and that totals about \$10 million.

**VOTING: unanimous; motion carried.**

**3. Other Business** – S. Reeves said she will be presenting at the Solid Waste Association of North America (SWANA)– Region 8 Technical Session at UMass regarding the MRF project and technology. She will provide an overview of the process and is excited to be representing both CSWD and women in solid waste, as she is the only female panelist. This session is March 1<sup>st</sup>.

In April she will be hosting a webinar for the Northeast Waste Management Official's Association (NEWMOA). The topic will be on jargon used in the solid waste industry. K. Bogasky asked if members could attend. S.Reeves will find out if membership is required and will provide information to the Board.

The next meeting will be on March 8, 2023, which will review the FY 24 Proposed Budget and it's likely we will not need a March 22, 2023 meeting.

**MOTION by A. Nye, Second by P. Stabler to adjourn the meeting. VOTING: unanimous; motion carried.**

The meeting was adjourned at 6:20 PM.

\_\_\_\_\_  
Amy Jewell, Recording Secretary

***I agree that this is an original copy of minutes and they have been approved by motion of the Board of Commissioners at the \_\_\_\_\_ meeting held in Williston.***

\_\_\_\_\_  
**Secretary**

\_\_\_\_\_  
**Amy Jewell,**

#3.2

## MEMORANDUM

To: Board of Commissioners

From: CSWD Staff

Date: March 3, 2023

Re: Program Updates

- Solid Waste Management Fee and Disposal (Jon) –

As of the end of January, from a budget perspective, the first seven months of FY23 is 2.6% above projected revenues. FY23 revenue is 0.6% higher than the same period in FY22.

Trash tonnage for the first two quarters of FY23 was down 0.4% compared to the same period in FY22. Of the overall tonnage, the Municipal Solid Waste (MSW) component was down 3.5%, the Construction and Demolition Debris portion was up 11.9%, and the Alternative Daily Cover portion (fee is 25% of the full rate) was down 10.3%. The pounds per capita per day MSW disposed was 2.76 in the first two quarters of FY23 which is less than it was in the for the same period of FY22.

Please refer to accompanying charts.

- Organics Diversion Facility (Dan) –
  - Monthly billable food scraps for January totaled 281.2 tons. This is 7% below the previous month and 13% below the FY22 average. It brings the fiscal year to date total to 2,485 tons – 7% or 190 tons below budgeted projections.
  - Further construction delays have pushed back the transfer date to the new ODF office space and scale house. Activation of the new scale is underway, and occupation of the space is now slated for mid-March.
  - ANR DEC issued a [Draft Policy for Source Separation of Food Residuals and Heavily Packaged Food Residuals](#) on February 15<sup>th</sup>. The draft policy is one of the end products following the depackaging stakeholder group that Dan participated in, and which wrapped up at the end of the year. As currently drafted, the new policy makes some big changes in the way the State will categorize and handle food waste.  
The biggest change is a clarification that source separated food residuals (traditional food scraps) shall no longer be mixed with packaged foods as an acceptable disposal method. In recent years this has been the preferred practice for food waste generated by many of the

larger grocery stores, much of which is then driven to Maine for comingled processing through a depackager for addition to an anaerobic digester in Exeter, Maine. Though convenient for the grocers, this practice unnecessarily degraded an otherwise “clean” stream of food waste, rendering it unfit and unavailable for animal feed or composting.

Additional language is included in the draft policy that specifies that “lightly packaged” materials shall be manually depackaged at the point of generation (think bakery items, clamshell enclosures, etc.).

The current language does not preclude any hauler or facility from processing its unpackaged source separated organics through a depackaging machine, but it mandates that these streams be kept separate from heavily packaged food streams.

Public comment is open on the draft policy through March 16<sup>th</sup>.

- **Materials Recovery Facility (Josh)**

- YTD average monthly inbound single stream material: 3,641 tons
- YTD average monthly marketed material: 2,922 tons
- 12-month, average commodity revenue (ACR): \$109.03/ton
- All data includes PGA tons and costs

- **Marketing & Communications (Alise/Michele) –**

- Marketing is working on a potential recruitment video and associated media buys to promote current and upcoming open CSWD staff positions.
- Staff is continuing to notify the public across Chittenden County and Vermont that the -8111 (Hotline) number will be going away in March when we move to new Admin offices. We will continue to provide the same excellent level of customer service and responsiveness that has been a hallmark of CSWD for 30 years, just more efficiently via one main phone line—802-872-8100.
- We have begun work on Phase 2 of the website overhaul with the selected development vendor, Burlington-based Bytes.co. We anticipate the new site will launch in early FY24.
- We are working with the Organics Diversion Facility staff on a 1/3-page rack card that outlines best management practices in place at the ODF to thwart the invasive species known as jumping worms. The card will direct folks to a [greenmountaincompost.com](https://greenmountaincompost.com) page for more details and will be offered to our wholesale customers and the general public.

## **Media Mentions – Jan/Feb**

<b>2.6.2023 UVM Gund Institute</b> <a href="#">Vermont's Food Waste Laws are Popular, But Vexing Issues Remain</a>
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- **Outreach (Beth):** The Outreach Team is planning for a week of activities for Earth Week (April 16-22). The plan is to focus our efforts on food waste reduction. We are working closely with Marketing to ensure that we have a good plan of action. So far, our events include backyard composting workshops, GMC tours, a tabling event with UVM and classroom lesson plans.

# CHITTENDEN SOLID WASTE DISTRICT

## Tons Disposed based on Solid Waste Management Fees (Year over Year)

Month	Total Tons per Month			
	FY 22 tons	FY 23 tons	Tons Diff.	% Diff
Jul	11,558	10,630	-928	-8.0%
Aug	11,729	12,808	1,079	9.2%
Sep	11,236	11,650	414	3.7%
Oct	11,289	11,126	-162	-1.4%
Nov	10,428	10,846	417	4.0%
Dec	10,583	10,183	-400	-3.8%
Jan	9,180	9,196	16	0.2%
Feb				
Mar				
Apr				
May				
Jun				
<b>Total Tons YTD</b>	<b>76,003</b>	<b>76,439</b>	<b>436</b>	<b>0.6%</b>
<b>Mgmnt Fee \$ YTD</b>	<b>\$2,052,079</b>	<b>\$2,063,857</b>	<b>\$11,777</b>	<b>0.6%</b>

	Tons	\$
FY 23 Budget	125,250	\$3,381,750
FY 23 Actual YTD	76,439	\$2,063,857
Difference	-48,811	(\$1,317,893)
FY 23 Actual % YTD vs Budget %	61.0%	
YTD % of Months	58.3%	

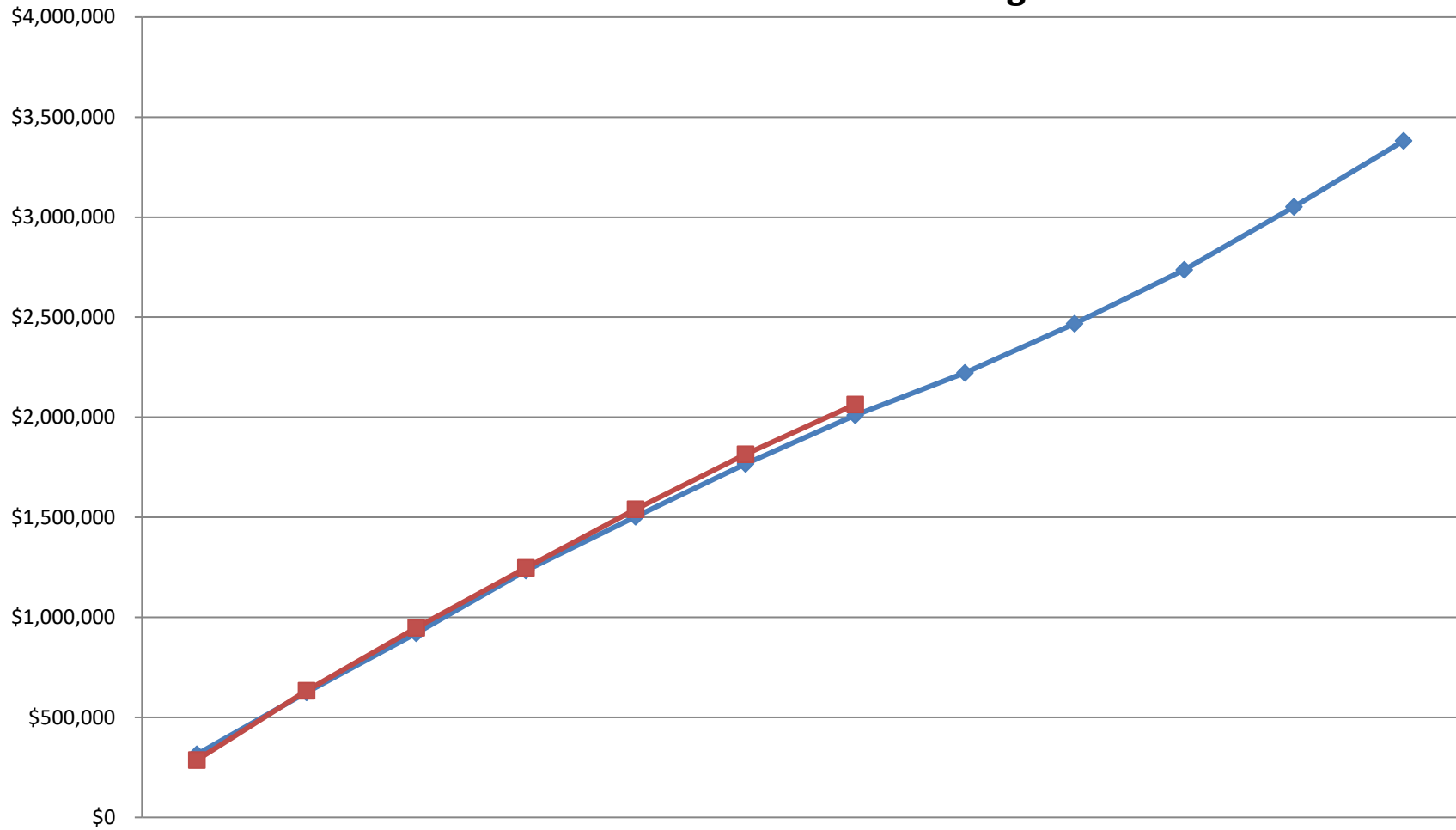
Chittenden Solid Waste District  
Solid Waste Management Fee FY 23 (Budget versus Actual)

Time	Tons	\$/Ton	\$
FY 23 Budget	125,250	\$27.00	\$3,381,750

\$	Budget \$			Actual		Difference		% of YTD Budget
	Percent	\$ per month	\$ YTD	\$ per month	\$ YTD	\$ per month	\$ YTD	
Jul-22	9.3%	\$315,360	\$315,360	\$287,004	\$287,004	(\$28,356)	-\$28,356	91.0%
Aug-22	9.1%	\$309,307	\$624,667	\$345,828	\$632,832	\$36,521	\$8,165	101.3%
Sep-22	8.8%	\$296,148	\$920,815	\$314,558	\$947,389	\$18,410	\$26,575	102.9%
Oct-22	9.2%	\$312,149	\$1,232,964	\$300,415	\$1,247,804	(\$11,735)	\$14,840	101.2%
Nov-22	8.0%	\$270,445	\$1,503,409	\$292,829	\$1,540,633	\$22,384	\$37,224	102.5%
Dec-22	7.8%	\$263,009	\$1,766,418	\$274,938	\$1,815,571	\$11,929	\$49,153	102.8%
Jan-23	7.2%	\$244,193	\$2,010,611	\$248,286	\$2,063,857	\$4,093	\$53,245	102.6%
Feb-23	6.3%	\$211,395	\$2,222,006					
Mar-23	7.3%	\$245,915	\$2,467,921					
Apr-23	8.0%	\$269,435	\$2,737,356					
May-23	9.3%	\$314,251	\$3,051,607					
Jun-23	9.8%	\$330,143	\$3,381,750					

TONS	Budget Tons			Actual		Difference	
	Percent	Monthly Tons	Tons YTD	Tons per month	Tons YTD	Tons per month	Tons YTD
Jul-22	9.3%	11,680	11,680	10,630	10,630	(1,050)	(1,050)
Aug-22	18.5%	11,456	23,136	12,808	23,438	1,353	302
Sep-22	27.2%	10,968	34,104	11,650	35,088	682	984
Oct-22	36.5%	11,561	45,665	11,126	46,215	(435)	550
Nov-22	44.5%	10,016	55,682	10,846	57,060	829	1,379
Dec-22	52.2%	9,741	65,423	10,183	67,243	442	1,820
Jan-23	59.5%	9,044	74,467	9,196	76,439	152	1,972
Feb-23	65.7%	7,829	82,297				
Mar-23	73.0%	9,108	91,404				
Apr-23	80.9%	9,979	101,384				
May-23	90.2%	11,639	113,022				
Jun-23	100.0%	12,228	125,250				

## CSWD - Solid Waste Management Fee Revenues Year-To-Date - FY 23 Actual v. FY 23 Budget



	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23
Budget	\$315,360	\$624,667	\$920,815	\$1,232,964	\$1,503,409	\$1,766,418	\$2,010,611	\$2,222,006	\$2,467,921	\$2,737,356	\$3,051,607	\$3,381,750
Actual	\$287,004	\$632,832	\$947,389	\$1,247,804	\$1,540,633	\$1,815,571	\$2,063,857					

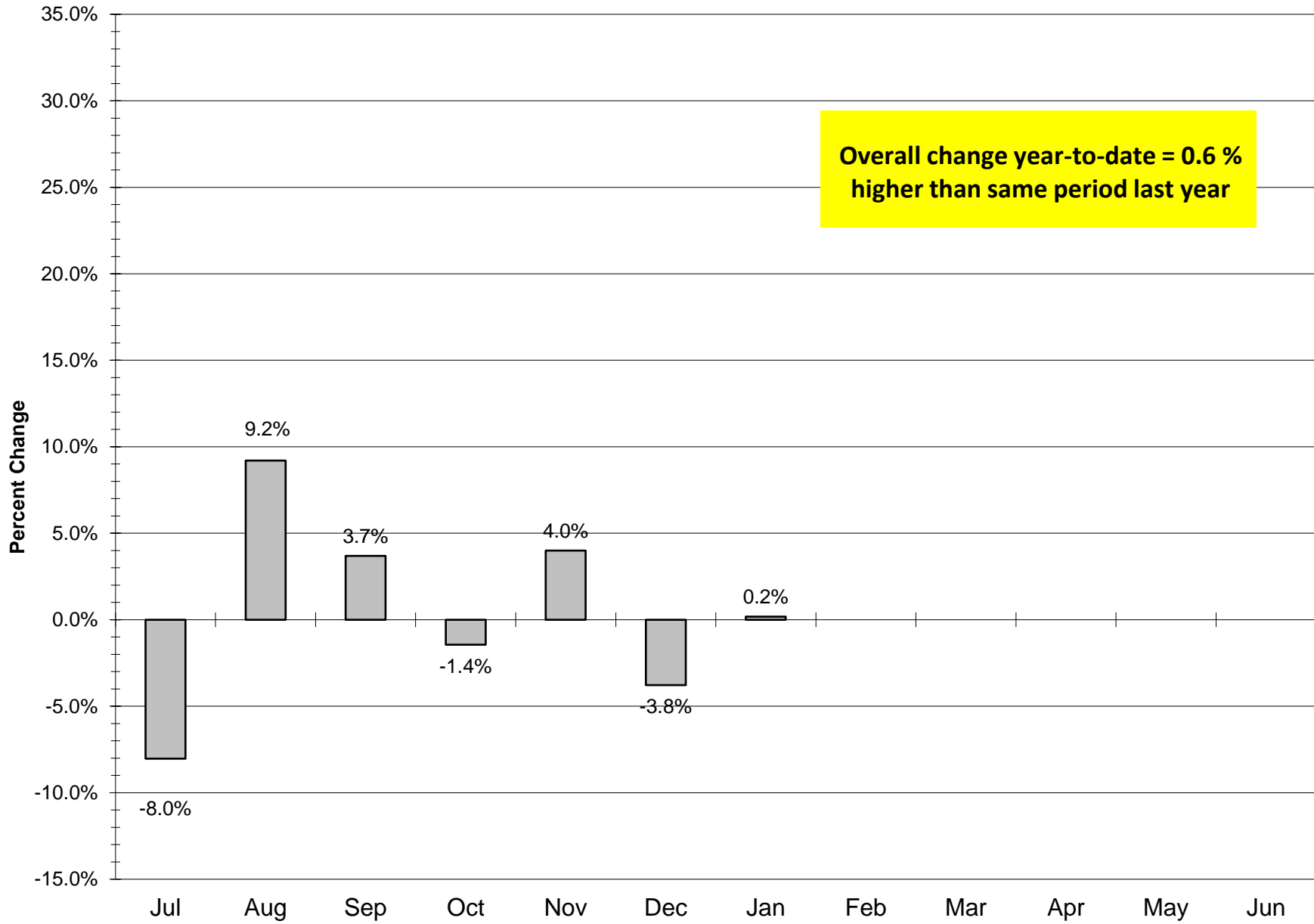


# CHITTENDEN SOLID WASTE DISTRICT

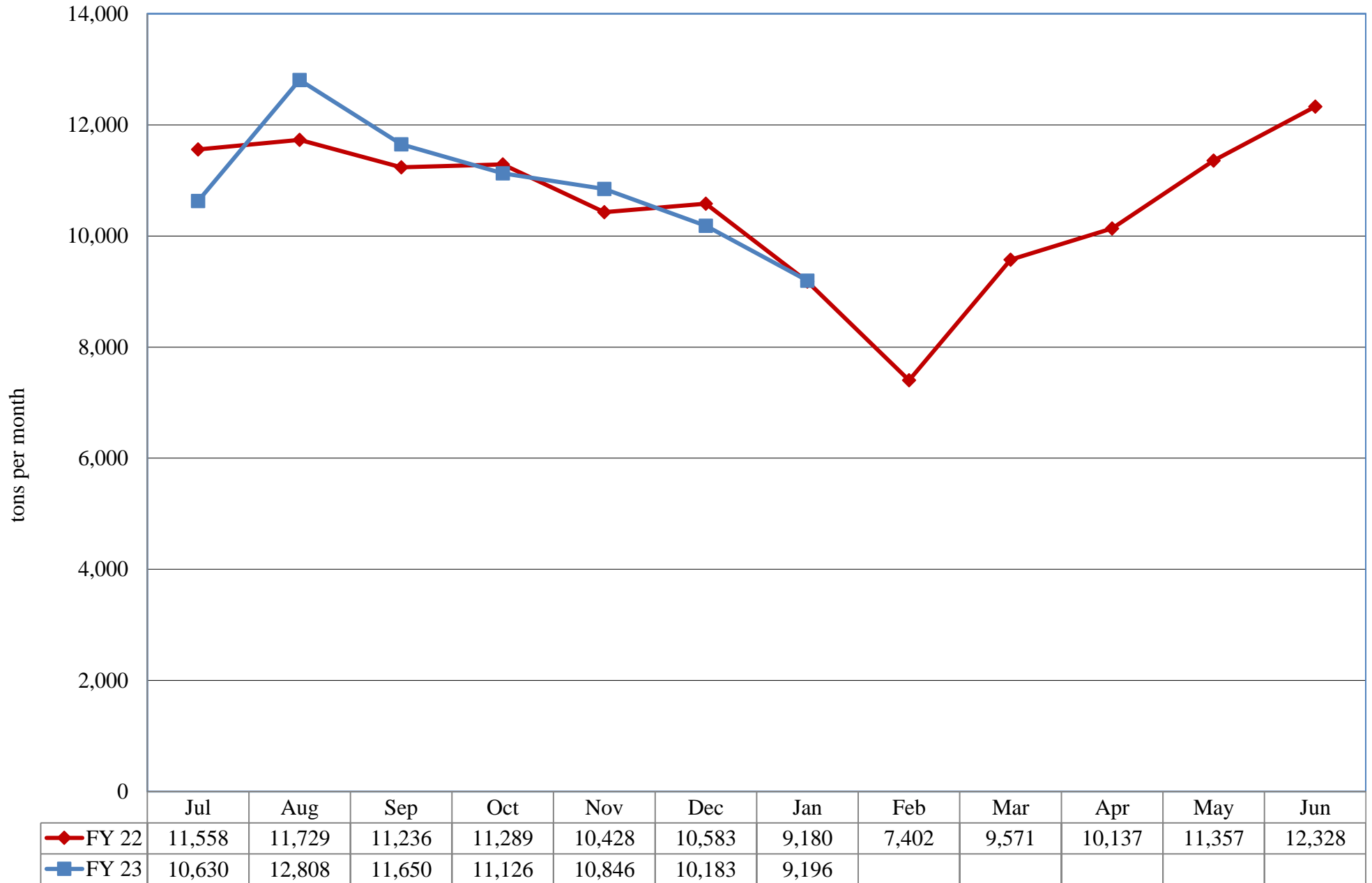
## SWMF Tons Refuse Disposed per Operating Weekday

Month	FY 22			FY 23			Difference FY 23 vs FY 22			
	Monthly Tons	# Operating Weekdays	Avg Tons/Day	Monthly Tons	# Operating Weekdays	Avg Tons/Day	Monthly Tons	# Operating Weekdays	Tons/Day Tons	Tons/Day %
Jul	11,558	21	550.4	10,630	20	531.5	-928	-1	-18.9	-3.4%
Aug	11,729	22	533.2	12,808	23	556.9	1,079	1	23.7	4.5%
Sep	11,236	21	535.0	11,650	21	554.8	414	0	19.7	3.7%
Oct	11,289	21	537.6	11,126	21	529.8	-162	0	-7.7	-1.4%
Nov	10,428	22	474.0	10,846	22	493.0	417	0	19.0	4.0%
Dec	10,583	23	460.1	10,183	22	462.9	-400	-1	2.7	0.6%
Jan	9,180	21	437.1	9,196	22	418.0	16	1	-19.1	-4.4%
Feb	0	20	0.0		20					
Mar	0	23	0.0		23					
Apr	0	21	0.0		20					
May	0	21	0.0		22					
Jun	0	22	0.0		22					
Total	76,003	258		76,439	258		436	0		
Average			294.6			296.3			1.7	0.6%

Difference in SWMF Tons Per Month Disposed  
FY23 versus FY22

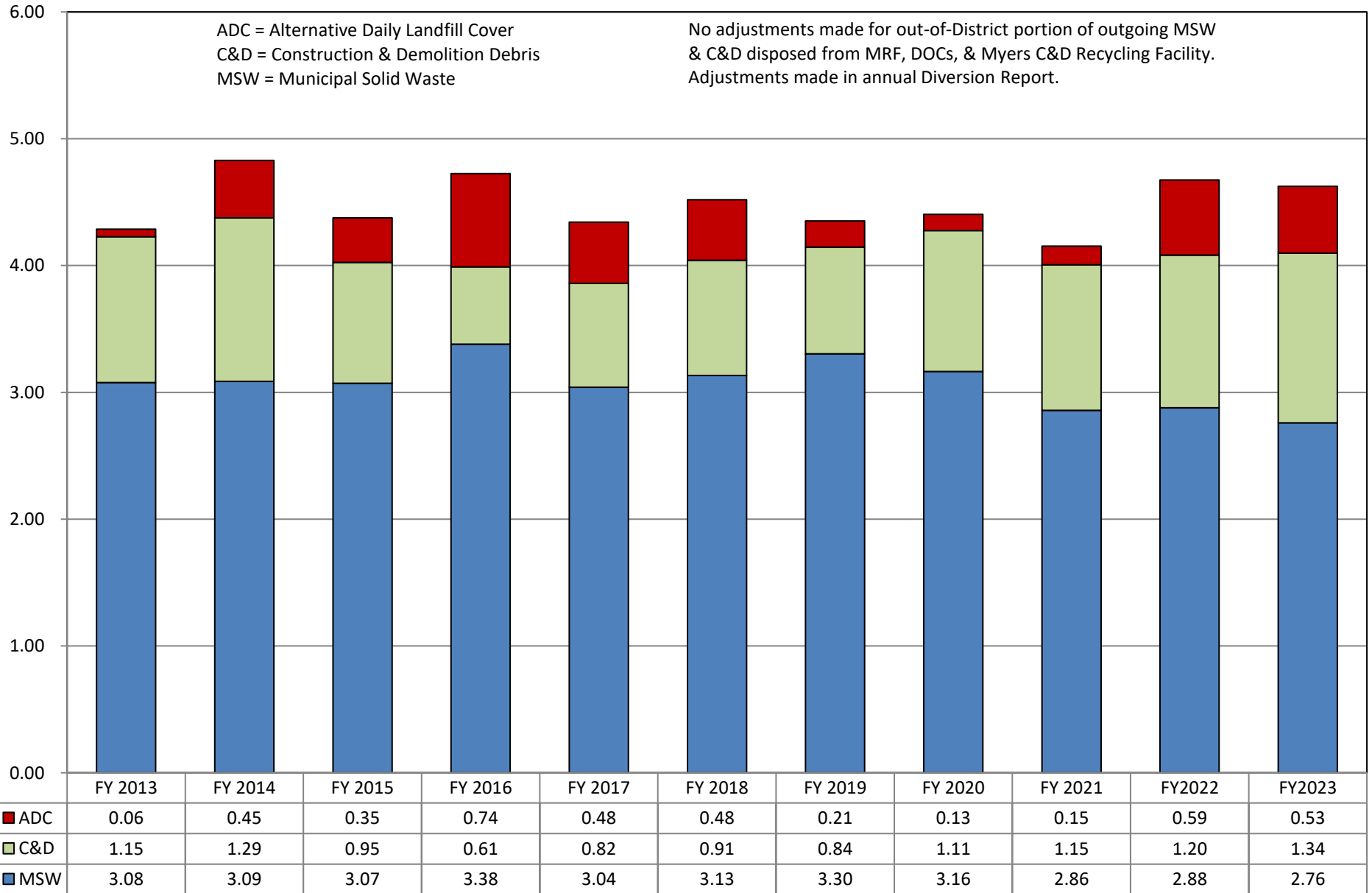


**CSWD - SWMF Tons Trash per Month - FY 23 v. FY 22**



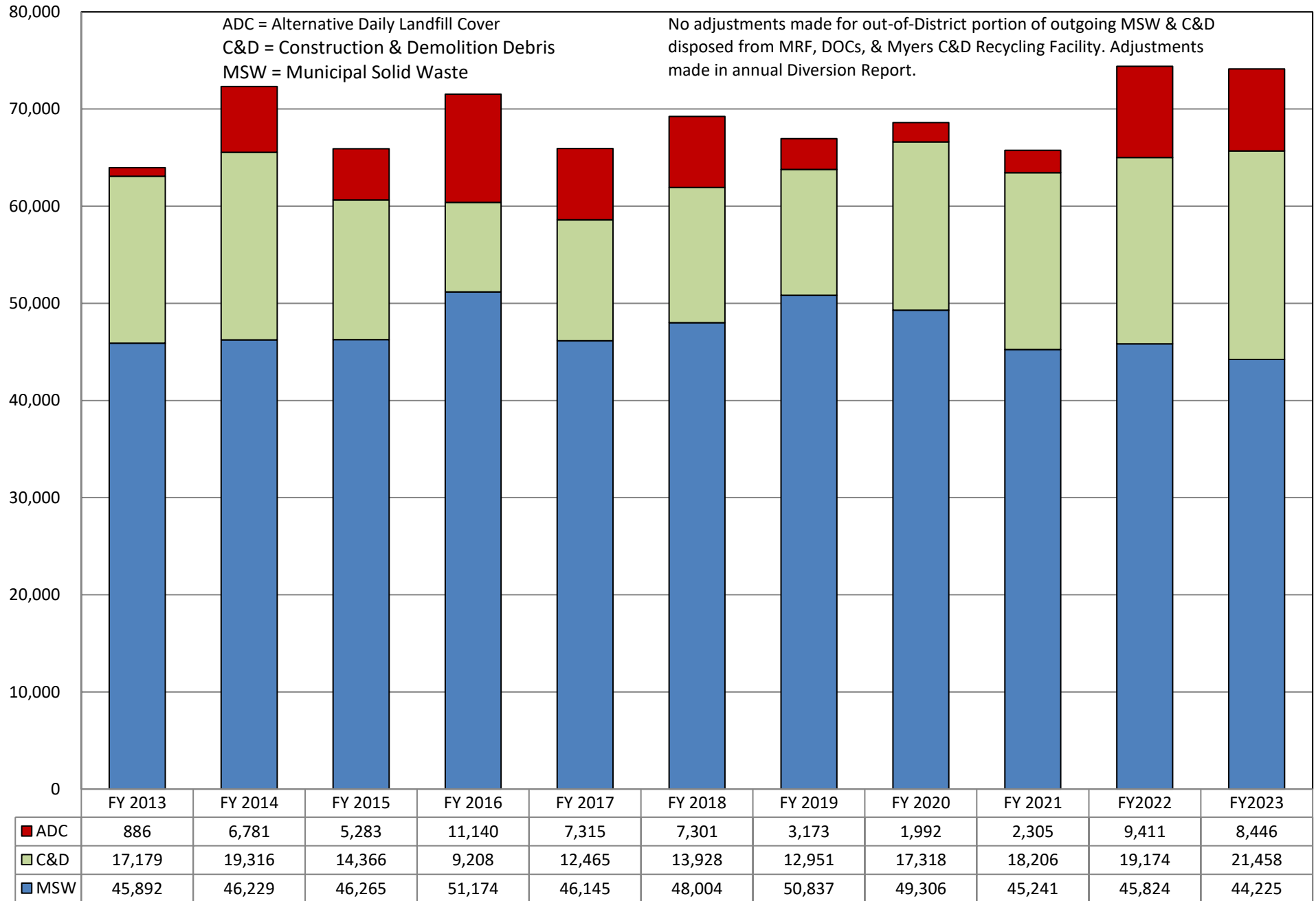
## CHITTENDEN SOLID WASTE DISTRICT

### Pounds per Capita per Day Landfilled or Incinerated - Fiscal Years 2013-2023 through 2nd Quarter



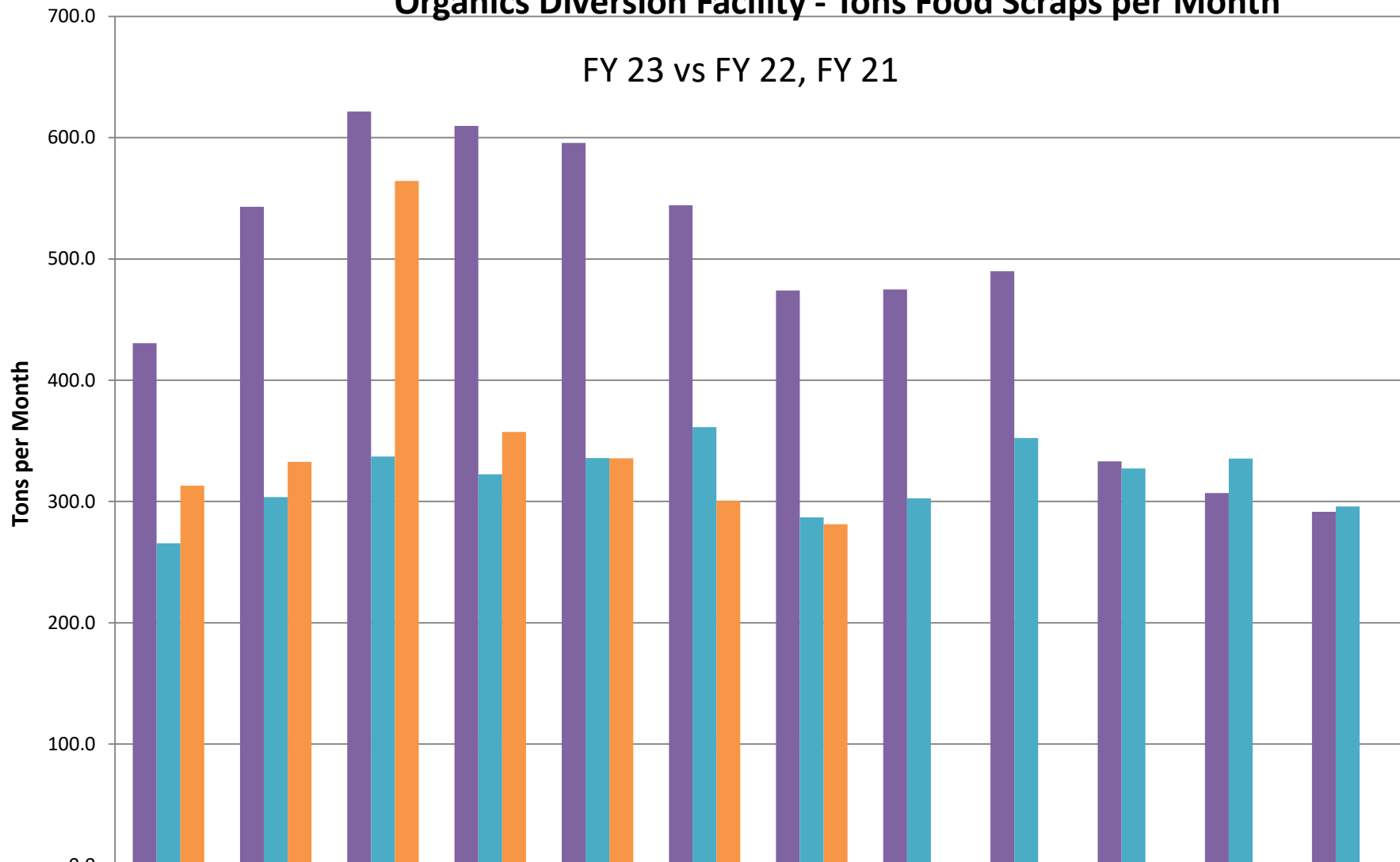
# CHITTENDEN SOLID WASTE DISTRICT

## Tons Landfilled or Incinerated - Fiscal Years 2013-2023 through 2nd Quarter



## Organics Diversion Facility - Tons Food Scraps per Month

FY 23 vs FY 22, FY 21

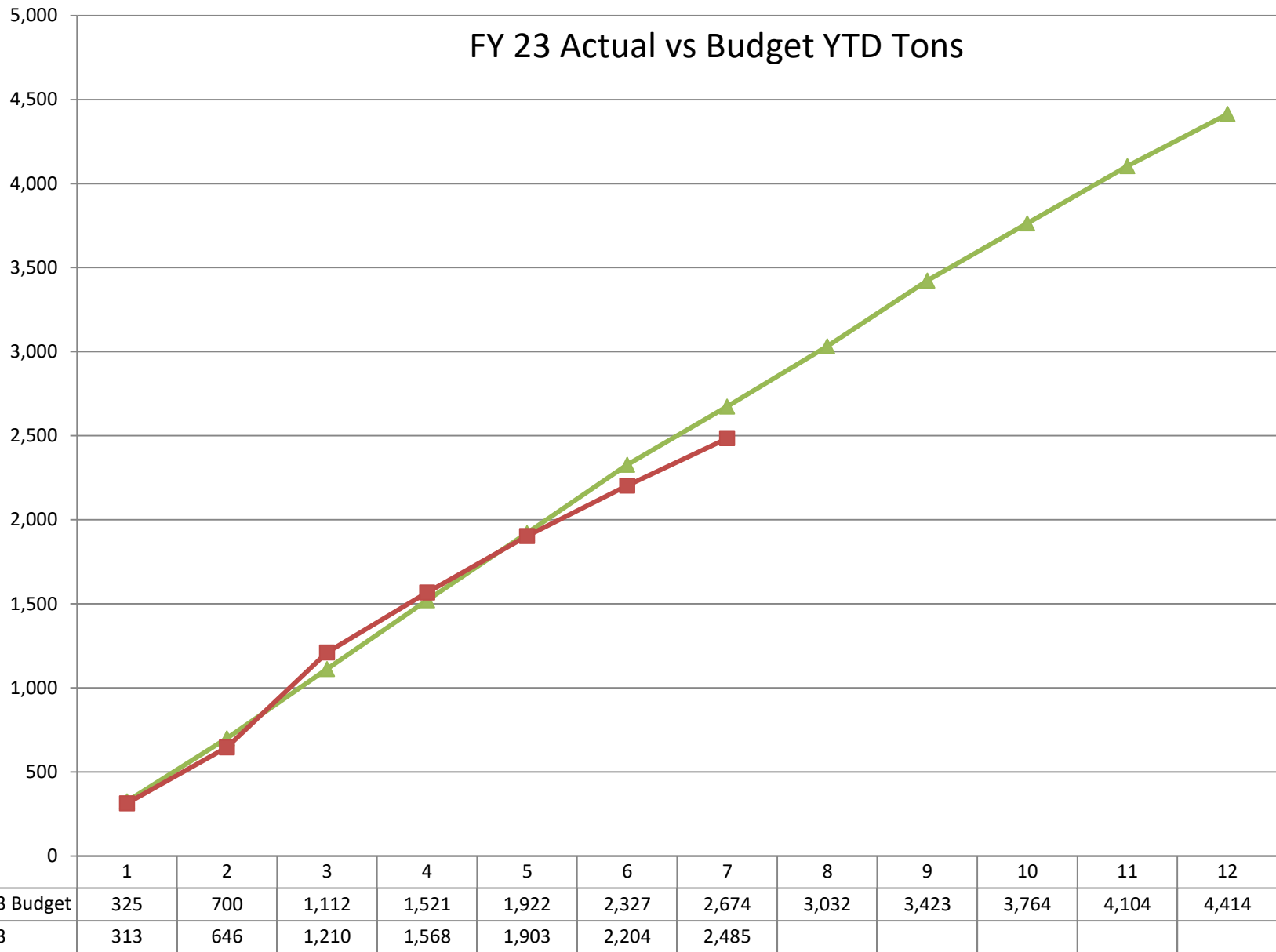


	1	2	3	4	5	6	7	8	9	10	11	12
FY21	430.4	542.9	621.5	609.6	595.6	544.3	474.0	474.8	489.9	333.1	306.9	291.6
FY22	265.7	303.7	337.2	322.5	335.7	361.3	286.9	302.5	352.2	327.2	335.4	296.0
FY 23	313.1	332.7	564.4	357.4	335.6	300.4	281.2					

## Organics Diversion Facility - Incoming Food Scraps

FY 23 Actual vs Budget YTD Tons

Cumulative Year-to-Date Tons



#3.4

To: Board of Commissioners  
 From: Nola Ricci, Director of Finance  
 Date: February 22, 2023  
 RE: Warrants, Reserves & Cash Balance

The following warrants have been reviewed by the Finance Committee and disbursements have been issued since the last submitted Finance Memo:

Warrant Date	Warrant Amount
01/11/2023	\$1,345,506.06
01/24/2023	\$ 261,629.69
02/07/2023	\$ 820,460.77

Reserve balances indicate how much of that cash has been assigned or committed for a particular purpose.

As of January 31, 2023, Reserve balances are as follows:

Landfill Post Closure	\$ 541,943.36
Facility Closure	\$ 1,464,178.31
Capital Reserves	\$ 10,490,751.09
Biosolids Reserve	\$ 288,848.68
Community Clean Up	\$ 89,414.87
Solid Waste Reserve	\$ 1,000,000.00
<u>Operating Reserve</u>	<u>\$ 1,750,000.00</u>
Total Designated:	\$ 15,625,136.31
Undesignated:	\$ 1,000,000.00

As of January 31, 2023

Cash & Cash Equivalent:	\$ 16,319,438.51
Cash available for current liabilities	\$ 1,694,302.20
Current Liabilities:	\$ 823,890.11





ADMINISTRATIVE OFFICE

1021 Redmond Road

Williston, VT 05495

EMAIL [info@cswd.net](mailto:info@cswd.net)

TEL (802) 872-8100

[www.cswd.net](http://www.cswd.net)

Breakdown of Community Clean Up Reserve by Location as of **January 31, 2023:**

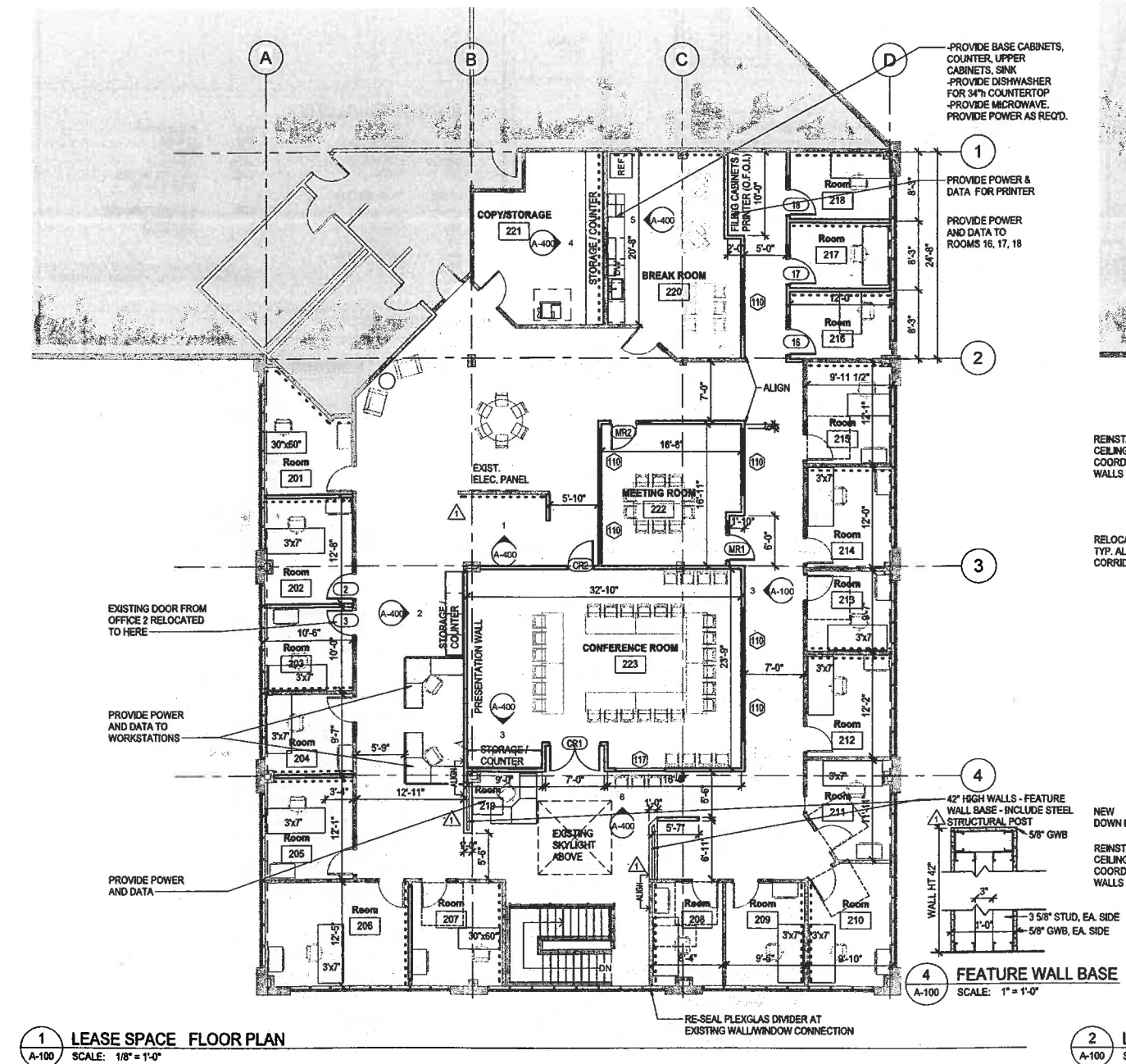
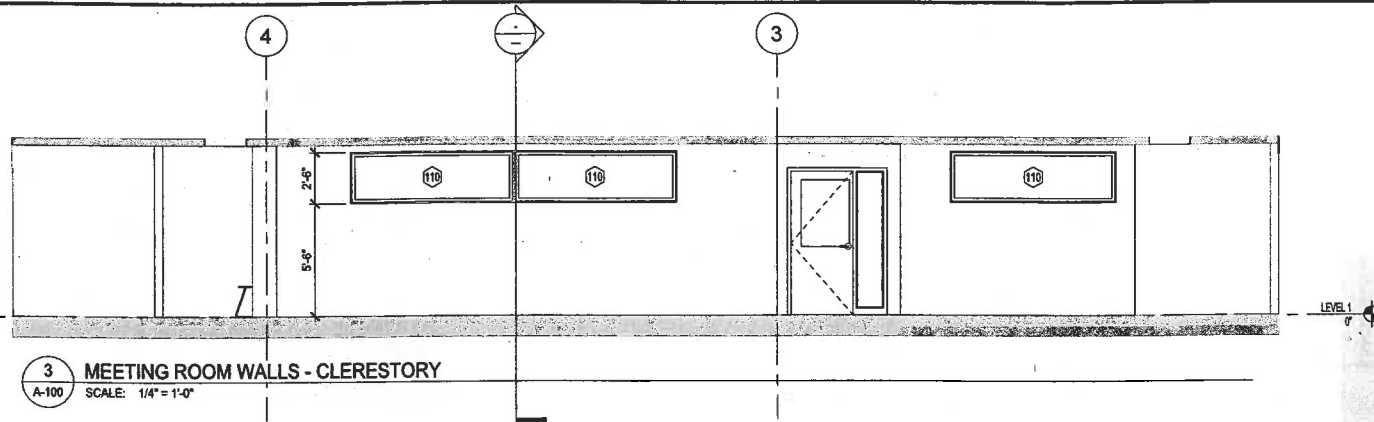
Bolton	\$ 0
Burlington	10,000.00
Charlotte	5,000.00
Colchester	7,500.00
Essex Jct	5,000.00
Essex Town	7,500.00
Hinesburg	5,000.00
Huntington	2,500.00
Jericho	5,000.00
Milton	7,500.00
Richmond	5,000.00
Shelburne	5,000.00
S. Burlington	7,500.00
St. George	2,500.00
Underhill	5,000.00
Westford	2,500.00
Williston	5,000.00
Winooski	1,914.87

**TO:** Board of Commissioners  
**FROM:** Josh Tyler, Director of Operations  
**DATE:** March 1, 2023  
**RE:** South Burlington Administrative Office Update

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Following the Board approval in January, CSWD signed a contract with Opus Corporation for the construction fit up costs associated with District's leased property at 19 Gregory Drive, South Burlington. Our contract budget and timeline are on track as expected.

The contract term is from January 31<sup>st</sup> with a project end date of March 10, 2023. The electrical inspection occurred, with only a few minor upgrades needing to be made. The doors and windows have been ordered and interior walls are being installed. The floor plan is included. Our expected move in date will be Monday, March 27, 2023. Our March Board meeting will still be held in the Williston location but moving forward our meetings will be held at our new location. We will be excited to showcase our new office!



## INTERIOR FINISHES NOTES

### MILLWORK

STORAGE/COUNTERS @ OFFICE & CONF. ROOM/COPY ROOM  
- P-LAM COUNTERTOP  
- WOOD VENEER BASE CABINETS  
- ALTERNATE #1: P-LAM BASE CABINETS

### BREAKROOM

- SOLID SURFACE COUNTERTOP  
- WOOD VENEER BASE & UPPER CABINETS  
- ALTERNATE #2: P-LAM BASE & UPPER CABINETS

### INTERIOR FINISH MATERIALS

FLOORING  
CARPET AT ALL AREAS U.N.O. - BY OTHERS

### WALL BASE

EXISTING WALLS - BY OTHERS  
NEW WALLS - PROVIDE VINYL BASE TO MATCH EXISTING WALLS

### WALLS

FRAMED TO DECK WITH ACOUSTIC INSULATION AT:  
- BREAK ROOM  
- ROOM 201  
- ROOM 202  
- ROOM 203

PAINT  
ALL GWB TO BE PAINTED - TENANT TO APPROVE.  
ASSUME 25% TO RECEIVE ACCENT PAINT

MFR: SPEC. BY OTHERS  
COLORS: UP TO 6 - PAINT PROVIDED BY TENANT  
SHEENS: CEILING - FLAT; DOOR TRIM - SEMI-GLOSS;  
WALLS - EGGSHELL

ACCENT WALL LOCATION.  
COLOR TO BE SELECTED BY TENANT

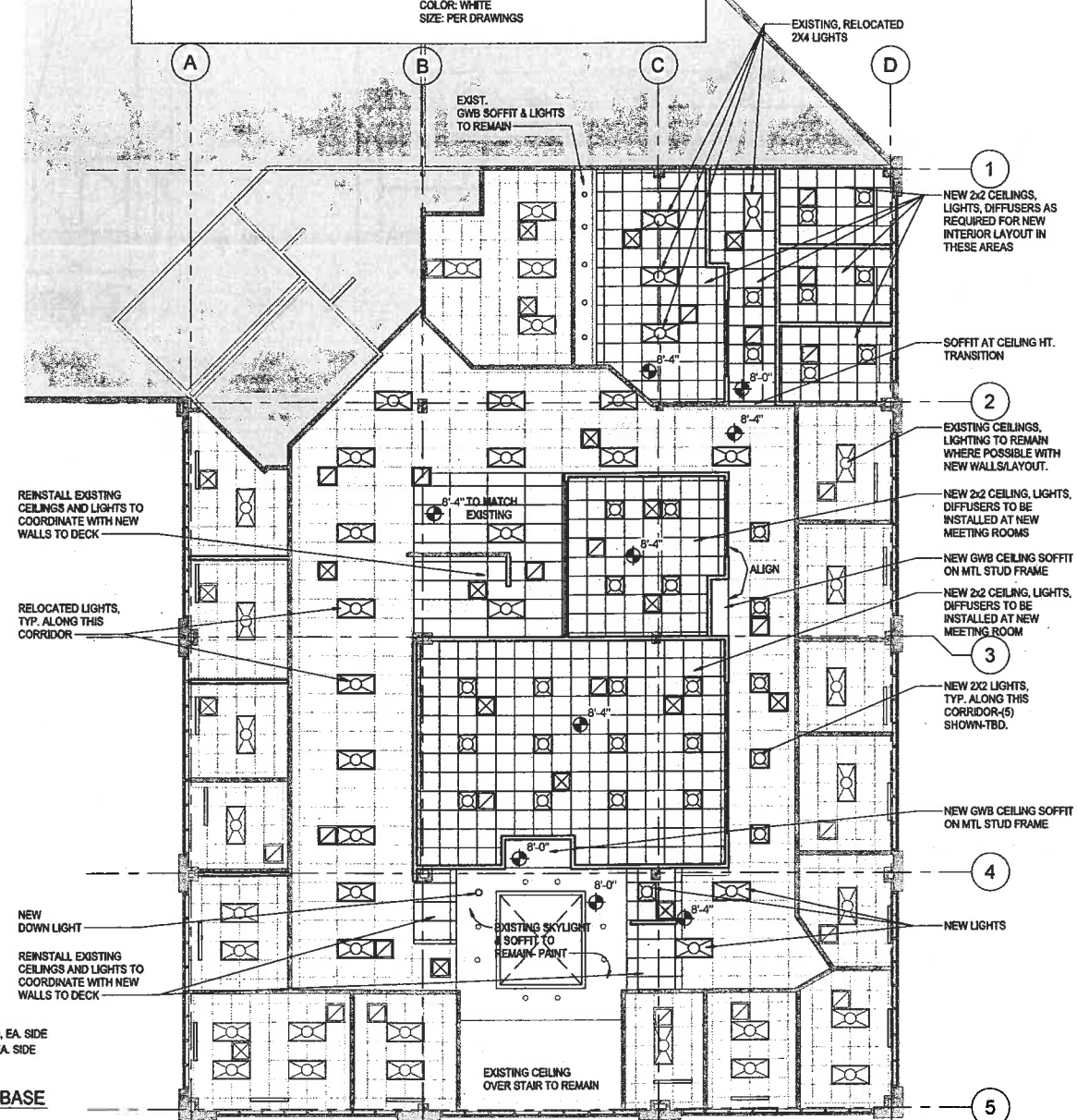
### CEILING

S.O.D.  
MFR: ARMSTRONG  
PRODUCT: CIRRUS - LAY-IN, 15/16" GRID  
COLOR: WHITE  
SIZE: PER DRAWINGS

## GENERAL NOTES

### GENERAL NOTES:

1. FRAMING AND DEMOLITION WORK IS COMPLETE.
2. EXISTING SPRINKLER TO BE MODIFIED TO COORDINATE WITH NEW INTERIOR LAYOUT, TYP.
3. EXISTING HVAC TO BE MODIFIED TO COORDINATE WITH NEW INTERIOR LAYOUT, TYP.
4. FIRE EXTINGUISHER CABINETS
5. ADD ALTERNATE: REPLACE ALL OFFICE DOORS (14 EXISTING, 4 NEW) WITH FULL GLASS DOOR.
6. PROVIDE POWER AND DATA AT ALL NEW OFFICES, CONFERENCE ROOMS, AND AS NOTED
7. WINDOW TYPE 110: 6'-0" W x 2'-6" H FIXED, SILL HT 5'-6"
8. WINDOW TYPE 117: 6'-0" W x 3'-4" H FIXED, SILL HT 3'-4"
9. FURNITURE SHOWN FOR REFERENCE ONLY.
10. INTERIOR WAYFINDING SIGNAGE BY OWNER.
11. EXTERIOR BUILDING SIGNAGE BY OWNER.
12. ALL NEW INTERIOR WALLS TO BE 3/8" STUD FILLED WITH ACOUSTIC INSULATION, WITH 1 LAYER GWB EA. SIDE, U.N.O. PREP & PAINT.
13. PROVIDE TRANSITION STRIP AT FLOORING MATERIAL CHANGES.
14. ALL M.E.P. AND FIRE PROTECTION TO BE DESIGNED/BUILT BY OTHERS. ANY LAYOUTS RELATED TO THESE SCOPES OF WORK SHOWN ON THE ARCHITECTURAL DRAWINGS ARE FOR REFERENCE ONLY.



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CSWD fit-up at  
Gregory Drive

SOUTH BURLINGTON,  
VERMONT

PROJECT: 2281  
ORIGINATOR DATE: SCALE:  
11/02/2022 As indicated  
DRAWN BY: CHECKED BY:  
JP CL  
DATE LOG:  
ISSUE FOR CONSTRUCTION 11/22/2022  
AS1001 12/17/2022

PROPOSED PLAN  
& RCP

A-100

**TO:** Board of Commissioners  
**FROM:** Josh Tyler, Director of Operations  
**DATE:** February 22, 2023  
**RE:** **Glass Recycling Service Agreement with Strategic Materials Inc.**

CSWD Materials Recovery Facility (MRF) manages inbound glass by crushing it early on in our processing system and then sending the crushed material to a primary indoor clean up system that removes ferrous material via a magnet, fibers via a high-pressure negative suction extraction and then separates the cleaned glass with a three fraction trommel screen. The glass is then conveyed to a secondary clean up system that re-crushes the material with a vertical shaft impactor, rock crusher, and then separates it into two different sizes with a Bivitec Flip Flow Screen. The fines fraction from the Flip Flow screen is tested and managed as processed glass aggregate. This process works very well for approximately eight to ten months out of the year and is sensitive to the mixture of cold weather and moisture. Weather dependent winter conditions have pushed staff to find alternate wintertime glass management outlets.

CSWD has historically contracted with 2M Resources , Saint-Jean-sur-Richelieu, QC, Canada, for winter management services and more recently have sent material to Carney Environmental, Raynham, MA. The cost of wintertime glass management is high, with the most recent costs around \$138.00/ton. CSWD contacted Strategic Materials Inc. (SMI) to ask if they might be an additional outlet. SMI recently processed a test load of CSWD glass and has proposed providing wintertime management services. CSWD staff has developed a Glass Recycling Service Agreement with SMI, included as attachment A, and recommends moving forward with the agreement. The total expense associated of the agreement over a fully executed three-year term will exceed \$100,000, requiring Board of Commissioners approval.

**Be it Resolved that the Board of Commissioners authorizes the Executive Director to enter into an agreement with Strategic Materials Inc., of Houston, TX, for a three year term commencing March 9<sup>th</sup>, 2023 through March, 2026 for the services to manage wintertime glass generated at the CSWD Materials Recovery Facility in accordance with the attached Glass Recycling Service Agreement, at a cost not to exceed \$120,000 annually.**

**GLASS RECYCLING SERVICE AGREEMENT FOR BOTTLE CULLET  
Strategic Materials, Inc. Service Agreement**

This Agreement is entered into on February \_\_\_\_\_, 2023, by and between the Chittenden Solid Waste District (hereinafter "Municipality" or "the District") and Strategic Materials, Inc., with a principal place of business in 17220 Katy Freeway, Suite 150 Houston, TX 77094, (hereinafter "Contractor" or "SMI") for services to the District. The District and Contractor are referred to collectively as "parties."

In consideration of the mutual covenants and Agreements as hereinafter set forth, the parties hereto agree as follows:

**ARTICLE 1: SERVICES PROVIDED**

Contractor agrees to perform the following service(s):

SMI agrees to pick up processed glass aggregate from the District Materials Recovery Facility (MRF) at minimum three times a week for ultimate disposition at the SMI, South Windsor Facility, located at 300 Rye St., South Windsor, CT 06074. Material pickup shall be within the MRF operating hours of 6:30 AM to 3:30 PM, Monday through Friday. All pickups will be scheduled through the District's operating contractor, Casella Waste Management.

**Location: 357 Avenue C, Williston, Vermont 05495**

Primary scheduling contacts:

Suad Caus: Casella Waste Management, Inc.  
Site Manager  
Chittenden MRF  
Cell: 802-338-1644  
Phone: 802-651-5484  
Fax: 802-660-2991  
Email [Suad.Caus@casella.com](mailto:Suad.Caus@casella.com)

Jeff Truax: Casella Waste Management, Inc.  
Chittenden MRF  
Cell: 802-651-5481  
Phone: 802-651-5484  
Fax: 802-660-2991  
Email [jeffrey.truax@casella.com](mailto:jeffrey.truax@casella.com)

Primary Service Agreement contacts:

Josh Tyler: CSWD  
Director of Operations  
Phone: 802-338-5304  
Email [jtyler@cswd.net](mailto:jtyler@cswd.net)

Brian Mital: CSWD  
Associate Director of Operations  
Phone: 802-233-0670  
Email [bmital@cswd.net](mailto:bmital@cswd.net)

**Material Quality and Quantity:** The Contractor collected a trial load November 15<sup>th</sup>, 2022, to validate material quality. Upon quality assessment the Contractor concluded that the CSWD processed glass contained approximately twenty percent (20%) “non glass residue” (NGR) and set the payment rate for material disposition. Both the Contractor and the District agree that all processed glass transported off site from the CSWD MRF will be at or below the 20% NGR threshold. All material quality assessments indicating an exceedance of 20% NGR will need to be verified with both analytical and photographic documentation provided by the Contractor and agreed upon in writing by both parties. The Contractor agrees to collect at minimum twenty-seven (27) tons of processed glass each scheduled pick up over the service period.

**Service Period:** The Contractor shall provide service over a period starting December 1<sup>st</sup> and ending March 31<sup>st</sup> of each Agreement year. The District will send processed glass to an alternative outlet April 1<sup>st</sup> to November 30<sup>th</sup> of each Agreement year. The parties may extend an earlier start or later end to the service period, pending weather conditions or other relative circumstances, in any particular Agreement year. Any changes to the service period shall be agreed upon in writing by both parties.

Contractor shall perform all services required under this Agreement in a good workmanlike manner consistent within industry standards and according to professional waste industry practices adhering to all applicable laws, rules and regulations. A Glass Recycling Service Agreement for Bottle Cullet provided by SMI is included as Attachment A.

#### **ARTICLE 2: COMPENSATION AND BILLING**

Compensation for the services provided will be \$96.00/ton for all processed glass removed from the CSWD MRF location. Material weights will be recorded on the District MRF scale located at the facility. Once the processed glass is loaded into the Contractor’s trailer for transportation, the processed glass will be the property of the Contractor.

**Invoices and Billing:** The Contractor will bill for services monthly based on tons received by the Contractor in the preceding month. CSWD will pay the invoice within 30 days of receipt of the invoice excepting any charges which may be in dispute.

#### **ARTICLE 3: TERM**

The term of this Agreement shall be from the Signature Date of this Agreement to March 31, 2024, with two (2) consecutive one (1) year options to renew under the same terms and conditions and by mutual agreement, unless this Agreement is terminated under Article 13 herein, for a fully exercised Term of three (3) years.

#### **ARTICLE 4: INDEPENDENT CONTRACTOR**

Contractor further acknowledges and agrees that it is an independent contractor and that nothing herein shall be construed to create the relationship of employer and employee between Municipality and Contractor.

#### **ARTICLE 5: ASSIGNMENT AND SUBCONTRACTING**

This Agreement is binding upon and inures to the benefit of the heirs, successors and assigns of

the parties hereto. Neither party hereto may assign its rights or obligations under the Agreement without the prior written consent of the other party. This Agreement shall be governed by the laws of the State of Vermont.

Contractor shall not enter into any subcontract for performance of any services contemplated under this Agreement nor assign any interest in the Agreement without the prior written approval of Municipality and subject to such conditions and provisions as Municipality may deem necessary or desirable in its sole discretion. If Municipality permits the use of subcontractors, no subcontractor may perform any work under this Agreement without first providing Municipality certificates of insurance showing all of the coverages required in Article 10 of this Agreement. Contractor shall be responsible for the performance of all subcontractors.

#### **ARTICLE 6: EQUIPMENT AND MATERIALS**

Contractor warrants that it has the necessary equipment to provide the services required by this Agreement. All equipment or materials used or supplied under this Agreement shall be of first quality and meet the specifications established by the District, if any. Contractor will be solely responsible for supplying, storing, maintaining, and replacing any and all equipment that is necessary for implementing the services under this Agreement. Municipality will not supply, nor will it pay for any repairs, maintenance or replacement of, or new equipment expenses, or temporary work related to equipment.

#### **ARTICLE 7: PERSONNEL**

Contractor is responsible for compliance with all applicable State of Vermont and Federal laws. Contractor will manage their own personnel without general oversight by the Municipality and shall oversee and coordinate sub-contractors that are approved by Municipality. All drivers and equipment operators will be properly trained and have all certifications and valid licensing required to operate said equipment. The Contractor must certify to the Municipality that all drivers operating a commercial motor vehicle are in a federally mandated random drug and alcohol testing program that complies with Federal Motor Carrier Safety Administration (FMCSA) requirements.

Contractor alone shall be responsible for ensuring compliance with all applicable regulatory requirements including but not limited to those from FMCSA and Vermont Occupational Safety and Health Administration (VOSHA). Contractor further agrees to include this provision in all subcontracts in accordance with Article 5.

#### **ARTICLE 8: SAFETY AND TRAFFIC CONTROL**

The Contractor alone shall be responsible for safety and security of his/her own personnel when on site at the CSWD MRF. Contractor is solely responsible for traffic control, which practices shall comply with the Manual on Uniform Traffic Control Devices, latest edition.

#### **ARTICLE 9: INDEMNIFICATION**

Contractor shall indemnify and hold harmless Municipality and Municipality's agents and employees, from and against all losses and all claims, demands, payments, suits, actions,



recoveries, claims of outstanding indebtedness, attorneys' fees, liens, and judgments of every nature, and description brought or recovered against them by reasons of any act or omission of the said Contractor, its agents, employees, or sub-contractors, in the execution of the work or in guarding the same. The Contractor shall defend the Municipality and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Contractor or of any agent or subcontractor of the Contractor. The Municipality shall notify the Contractor in the event of any such claim or suit, and the Contractor shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit.

Contractor shall assume full responsibility for the protection of all buildings, structures and utilities (both public and private). All damage, injury or loss to any public or private property, by the Contractor, or any sub-contractor, shall be replaced or restored to at least the original condition to the satisfaction of the Municipality at the Contractor's expense.

Nothing in this Agreement shall constitute a waiver by the Municipality of any statutory limits or immunities from liability.

#### **ARTICLE 10: INSURANCE**

**Before commencing work on this Agreement, the Contractor must provide certificates of insurance to show that the following minimum coverages are in effect.** Contractor agrees that it will provide and maintain during the entire term of this Agreement the following insurances with at least the indicated amounts of coverage and provide Municipality a certificate of insurance showing such coverages before providing any services under this Agreement:

- (1) Commercial General Liability insurance coverage with a policy limit of at least \$1,000,000 per occurrence and \$2,000,000 in aggregate;
- (2) Business Automobile Liability coverage with total liability limits of at least \$1,000,000; and
- (3) Statutory Workers' Compensation insurance.

If Contractor is not required by law to carry workers' compensation insurance, in place of proof of workers' compensation insurance Contractor may provide a fully executed Non-Employee Work Agreement specifying the particular provision of 21 V.S.A §601(14)(F) that exempts Contractor from having to carry such coverage.

The Contractor's policies shall name the Municipality as an additional insured.

#### **ARTICLE 11: WARRANTY AND BOND**

No Warranty or Bond will be required under this Agreement

#### **ARTICLE 12: NON-APPROPRIATION**

Does not apply to this Agreement



### **ARTICLE 13: TERMINATION**

Municipality may terminate this Agreement, with or without cause, upon 30 days written notice to the Contractor.

### **ARTICLE 14: DEFAULT**

The occurrence of any of the following shall constitute default by Contractor and, if not corrected within 10 days of Municipality providing Contractor written notice of the default, shall allow Municipality to terminate this Agreement:

- (1) failure to adequately perform or deliver the required services;
- (2) if applicable, failure to provide the required bonds or other security acceptable to Municipality before starting any work;
- (3) declaration of bankruptcy by Contractor;
- (4) making a material misrepresentation to Municipality;
- (5) persistently disregarding laws, ordinances, rules, regulations or orders of any public authority having jurisdiction; or
- (6) failure to perform any other material provision of this Agreement.

Upon default of this Agreement by Contractor, Municipality may withhold any payment due Contractor for purposes of set-off until such time as the exact amount of damages due is determined. Such withholding shall not constitute default or failure to perform on the part of Municipality.

Neither party shall be held responsible for delay or failure to perform when such delay or failure is due to any of the following uncontrollable circumstances unless the act or occurrence could have been foreseen and reasonable action could have been taken to prevent the delay or failure: fire, flood, epidemic, strikes, wars, acts of God, acts of public authorities, or delays or defaults caused by public carriers; provided the non-performing party gives notice as soon as possible to the other party of the inability to perform. The Municipality and the Contractor agree to attempt to resolve quickly all matters related to uncontrollable circumstances and use all reasonable effort to mitigate its effects.

In addition to the above, in the event of a State or Federal Disaster Declaration, Municipality reserves the right to suspend certain provisions of this Agreement to conform with FEMA or Vermont Emergency Management regulations and directives.

Upon completion of the Agreement Term or upon termination of the Agreement, the Contractor shall remove from District DOC locations all equipment and/or all temporary structures, waste

materials and rubbish resulting from its operations, leaving the premises in a neat and presentable condition. In the event of failure to do so, the same may be done by the Municipality at the expense of the Contractor.

#### **ARTICLE 15: REMEDIES**

Default or breach of this Agreement by Contractor shall entitle Municipality to seek remedies under law and as provided by this Agreement. In the event this Agreement is terminated by reason of default by Contractor, Municipality may recover the necessary costs of termination, including but not limited to, administrative, attorneys fees and legal costs, from Contractor. Except when caused by uncontrollable circumstances, if Contractor fails to meet any performance deadlines established by this Agreement, or fails to perform in accordance with the specification, terms, and conditions of this Agreement, Municipality shall have the right to purchase the service and materials from other sources on the open market or to purchase those items necessary to continue functioning until delivery from Contractor is complete. Municipality may deduct as damages from any money due or coming due to Contractor the differences between Contractor's price and the higher price or the costs of temporary items. Municipality may require Contractor, at Contractor's sole expense, to re-perform any items of work provided for in this Agreement that do not meet the established specifications, standards, or Municipality directives.

Any remedies available to Municipality are cumulative and not exclusive. The seeking or exercising by Municipality of a remedy does not waive its right to seek or exercise any other remedy available to it at law, in equity, by statute, or under this Agreement.

#### **ARTICLE 16: ARBITRATION**

Should disputes arise between the Contractor and the Municipality about this Agreement or any related matter, the parties agree to arbitrate any such controversy, pursuant to the Vermont Arbitration Act, 12 V.S.A. § 5651 et seq.

#### **ARTICLE 17: AGREEMENT DOCUMENTS**

This Agreement shall constitute the entire Agreement between the parties on the subject matters. All prior Agreements, representations, statements, negotiations, and understandings shall have no effect. There shall be no modifications or amendments to this Agreement or to the Attachment unless said changes, modifications or amendments are in writing duly executed by the parties.

#### **ARTICLE 18: SEVERABILITY**

The provisions of this Agreement are severable and if a court of competent jurisdiction holds any portion of this Agreement unconstitutional or invalid, the remainder of this Agreement shall not be affected and shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties do hereby execute this Agreement on the day and year first written above.

**Chittenden Solid Waste District**

**Contractor**

\_\_\_\_\_  
Signature of District Authorized Party

\_\_\_\_\_  
Signature of Contractor

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Attachment A**



## GLASS RECYCLING SERVICE AGREEMENT FOR BOTTLE CULLET

Subject to the attached Terms and Conditions and the following provisions, the supplier identified in the signature space at the end of this Agreement ("**Supplier**") grants to Strategic Materials, Inc. ("**Strategic**") the sole right but not the obligation to recycle all of the glass scrap and/or cullet generated or accumulated by Supplier at Supplier's facility(ies), as follows:

### PARTIES & FACILITIES

Strategic Headquarters	Supplier Mailing Address		Supplier Facilities	Local Contact	Strategic Facility
Strategic Materials, Inc 17220 Katy Freeway, Suite 150 Houston, Texas 77094	<b>Chittenden Solid Waste District</b>  <b>1021 Redmond Road</b>  <b>Williston, VT 05495</b>	1	Chittenden Solid Waste  357 Avenue C  Williston, VT 05495	Josh Tyler  Dir. Of Ops  802-338-5304	SMI-South Windsor  300 Rye St  S. Windsor, CT  06074
		2			
		3			
<i>Strategic's Supply Contacts</i>	Josh Tyler	4			
Dora Servidio  860-334-7263	802-338-5304	<i>Strategic Contact: Mike Rock   mrock@smi.com</i>			
dservidio@smi.com	jtyler@cswd.net				

### TERM

**Date of Agreement:** \_\_\_\_\_ **12/21/22** \_\_\_\_\_ **Effective** \_\_\_\_\_ **Service** \_\_\_\_\_ **Date:** \_\_\_\_\_ **1/1/23** \_\_\_\_\_

The initial term of this Agreement is three (3) years from the Effective Service Date shown above. This Agreement shall automatically renew for successive three (3) year terms (the renewal term) thereafter unless either party shall give written notice of termination to the other party at least sixty (60) days prior to the termination of the initial term or any renewal term.

### BASE RATES OF PAYMENT:

Base rates are based on the actual weight of Cullet received by Strategic, as determined by Strategic. Strategic may adjust fees, or reject and/or return at supplier's expense, cullet which contains foreign contaminants such as stones, ceramics, porcelain, paper, metal, wire glass, mirrored glass, leaded glass, CRT or electronic glass, rags, laminated glass, plastic, universal, biomedical or infectious waste, and general rubbish. Supplier also certifies that it will supply Strategic with only soda-lime type glass unless otherwise agreed to in advance and specified below under Other column. Supplier will not commingle different composition types of glass within any single container or bin.

Supplier's Facility (listed above)	Picked up or delivered	Flint bottle	Anther bottle	Green bottle	3-Mix bottle	Other
1	Picked Up					MIXSSU – Single Stream  (\$96.00)/ton
2						

3						
4						
Attach additional sheet as needed for additional Supplier Facilities						

#### ADJUSTMENTS

The base rates shown above shall be adjusted for each Supplier Facility from time to time based upon the combination of the amount of non-glass residue contained with Cullet received from such Facility (termed "~~Non-Glass Residue~~" or "~~NGR~~") and the amount of Cullet which is less than 3/8ths of an inch in diameter (termed "~~Undersize~~" or "~~Fines~~"), each of which decreases the value of the Cullet to Strategic. These adjustments are set forth in the most recent Tipping Fee Calculator matrix which is attached to this Agreement and incorporated herein by reference. Strategic shall adjust the Tipping Fee Calculator from time to time based upon changes in its market for glass cullet and costs of production, either or both of which may be seasonal. Unless otherwise agreed to, Strategic will not adjust the Tipping Fee Calculator more frequently than once a month. These adjustments can be made either by base price adjustments or by monthly chargebacks.

#### SIGNATURES

The undersigned individual, signing this Agreement on behalf of Supplier, acknowledges that he or she has read and understands the Terms and Conditions of this Agreement set forth above and on the following pages, which are incorporated by reference, and that he or she has the authority to sign the Agreement on behalf of Supplier. This Agreement shall be complete when signed by Strategic by its authorized representative in Houston, Texas.

SUPPLIER: Chittenden Solid Waste District  
(Print legal name of supplier above)

STRATEGIC MATERIALS, INC.

By: \_\_\_\_\_

By: Dora Servidio

Its: \_\_\_\_\_

Its: Regional Sourcing Manager

Date: \_\_\_\_\_

Date: 12/21/22

## TERMS AND CONDITIONS

- 1. Services Rendered.** Supplier grants to Strategic the exclusive right, but not the obligation, to recycle all of Supplier's waste glass materials ("**Cullet**") and Strategic agrees to furnish such services specified above, all in accordance with the terms of this Agreement.
- 2. Cullet Definition.** The Cullet to be recycled by **Strategic** pursuant to this Agreement is all soda lime bottle cullet scrap glass identified by chemical type and free from contamination generated by Supplier's Facility(ies). Cullet specifically excludes and Supplier agrees not to deposit in Strategic's equipment or deliver to Strategic's plant any radioactive, volatile, corrosive, highly flammable, explosive, biomedical, infectious, biohazardous, toxic, universal, or hazardous material as defined by applicable federal, state, provincial, or local laws or regulations. Supplier also agrees not to deposit in Strategic's equipment or deliver to Strategic's plant any glass ceramic blends such as pyroceram or neoceram.
- 3. Title.** Strategic shall acquire title to the Cullet **when** it is loaded into Strategic's truck or delivered by supplier to Strategic's plant. Title to and liability for any material other than Cullet which has been deposited into Strategic's equipment ("Excluded Waste") shall remain with Supplier and Supplier expressly agrees to defend, indemnify and hold harmless Strategic from and against any and all damages, penalties, fines and liabilities resulting from or arising out of the deposit in Strategic's equipment or delivery to Strategic's plant any Excluded Waste. Supplier agrees to comply with any description of and/or procedures with respect to removal of contaminants rejected by a potential purchaser or otherwise determined by Strategic not to be resalable or to have a reduced resale value. Strategic may require Supplier to pay Strategic the charges incurred by Strategic (plus overhead and lost profit) for hauling, processing and/or disposal of such material and for the reduction in resale value of such material, or Strategic may automatically offset such sums against other monies owed to Supplier.
- 4. 3-Mix Supply.** Any 3-Mix shall be supplied in accordance with the standards and practices set forth in Strategic Materials' Single Stream Glass Cullet Specification SSGC-2015/2016, Rev-02, attached hereto and incorporated herein by reference. In addition, Strategic may adjust fees, or reject and/or return at Supplier's expense, 3-Mix which contains Excluded Waste, cross-contamination from Construction & Demolition wastes, or excessive moisture. If disputes arise as to the composition of the 3-Mix supply, the parties will adopt a composition testing and dispute resolution program.
- 5. Indemnification.** Supplier agrees to indemnify, protect, hold harmless and defend Strategic (and its subcontractors) from and against any and all liabilities, claims, losses, or voluntary settlement payments, of whatever kind and nature, and the costs and expenses incurred incident thereto, including coats of defense, settlement and reasonable attorneys' fees incurred by Strategic, as a result of death or bodily injuries to any employee of Supplier or other person, destruction or damage to any property, contamination of or adverse effects on the environment, or any violations of federal, state or local laws, regulations or orders, caused by, resulting from, or incidental to, (i) Supplier's breach of any term or provision of this Agreement; (ii) the sole negligence gross negligence, concurrent negligence, or willful misconduct of Supplier; (iii) Supplier's use, operation or possession of the equipment; or (iv) any Cullet which contains contaminants as listed in Section 2. This Section 4 shall survive any termination of this Agreement.
- 6. Payments.** If applicable, Supplier agrees to pay Strategic on a monthly basis for the cullet, services and/or equipment furnished by Strategic in accordance with the charges and rates provided for herein. Supplier shall make payment to Strategic within ten (10) days of the receipt of an invoice from Strategic. Strategic may impose and Supplier agrees to pay a late fee for all past due payments, such late fee as determined by Strategic in an amount not to exceed the maximum rate for same allowed by applicable law. If applicable, Strategic agrees to pay Supplier on a consignment basis for ~~the~~ cullet value in accordance with the charges and rates provided for herein. Strategic shall make payment to Supplier within sixty (60) days from the sale of surplus cullet.
- 7. Service Changes.** Changes to the type, size and amount of equipment, the type or frequency of service, and corresponding adjustments to the rates, may be made by Agreement of the parties, evidenced either in writing or by the practices and actions of the parties without affecting the validity of this Agreement and this Agreement shall be deemed amended accordingly. This Agreement shall continue in effect for the term provided here in and shall apply to changes of and new service address location of the Supplier within the area in which Strategic provides collection service.
- 8. Responsibility for Equipment.** Any equipment furnished by Strategic shall remain the property of Strategic, however Supplier acknowledges that it has care, custody, and control of the equipment while at the Supplier's location and accepts responsibility for all loss or damage to the equipment (except for normal wear and tear or for loss or damage resulting from Strategic's handling of the equipment) and for its contents. Supplier agrees not to overload (by weight or volume), move or alter the equipment, and shall use the equipment only for its proper and intended purpose. Supplier agrees to provide unobstructed access to the equipment free from the proximity of any hazards on the scheduled collection day. If the equipment is inaccessible so that the regularly scheduled pick-up cannot be made, Strategic will promptly notify the Supplier and afford the Supplier a reasonable opportunity to provide the required access; however, Strategic reserves the right to charge an additional fee for any additional collection service required by Supplier's failure to provide such access.
- 9. Damage to Pavement.** Supplier recognizes the difficulty of ensuring that the Supplier's pavement or driving surface is adequate to bear the weight of Strategic's vehicles. Therefore, Supplier agrees that Supplier will be responsible for any damage to Supplier's pavement, curbing or other driving surfaces resulting from the weight of Strategic's vehicles providing service at the Supplier's location.
- 10. Liquidated Damages.** In the event Supplier terminates this Agreement prior to its expiration other than as a result of a breach by Strategic or Strategic terminates this Agreement for Supplier's breach, Supplier agrees to pay to Strategic as liquidated damages a sum calculated as follows: (1) if the remaining term under this Agreement is twelve or more months, Supplier shall pay its average monthly activity measured in tons times \$25/ton times the remaining months in the contract; (2) if the remaining term under this Agreement is less than twelve months, Supplier shall pay its average monthly activity measured in tons times \$25/ton multiplied by the number of months remaining in the term. Supplier expressly acknowledges that in the event of an unauthorized termination of this Agreement, the anticipated loss to Strategic in such event is estimated to be the amount set forth in the foregoing liquidated damages provision and such estimated value is reasonable and is not imposed as a penalty. In the event Supplier fails to pay Strategic all amounts which become due under this Agreement, or fails to perform its obligations hereunder, and Strategic refers such matter to an attorney, Supplier agrees to pay; in addition to the amount due, any and all costs incurred by Strategic as a result of such action, including, to the extent permitted by law, reasonable attorneys' fees.
- 11. Suspension and Termination for Cause.** If, during the term of this Agreement, either party shall be in breach of any provision of this Agreement, the other party

may suspend or terminate its performance hereunder until such breach has been corrected; provided, however, that no termination shall be effective unless and until the complaining party has given written notice of such breach to the other party and the other party has failed to cure such breach within at least thirty (30) days thereafter. In the event any such breach remains uncured for a period of thirty (30) days, the complaining party may terminate this Agreement by giving the other party written notice of such termination; which shall become effective upon receipt of such notice.

**12. Assignment.** Strategic may assign its rights and obligations hereunder to any subsidiary, affiliated, or successor corporation or entity. Supplier shall not assign its rights and obligations hereunder without the prior written consent of Strategic.

**13. Right of First Refusal to Provide Additional Service.** Strategic shall have a right-of-first refusal to acquire any and all Cullet generated at Supplier's existing, additional, unnamed, or future facilities that are not currently covered by this Agreement.

**14. Excused Performance.** Neither party hereto shall be liable for its failure to perform or delay in performance hereunder due to contingencies beyond its reasonable control including, but not limited to, epidemics, strikes, civil disturbance, acts or regulations of government bodies, any failure or loss of supply or market in any locale, fires and acts of God, and such failure shall not constitute a default under this Agreement.

**15. Binding Effect.** This Agreement is a legally binding contract on the part of Strategic and Supplier and their respective heirs, successors and assigns, in accordance with the terms and condition set out herein.

**16. Entire Agreement.** This Agreement represents the entire understanding and Agreement between the parties hereto and supersedes any and all prior Agreements, whether written or oral that may exist between the parties regarding same.

**17. Confidentiality.** Supplier agrees not to disclose the terms and conditions of this Agreement to any other party without the express written consent of Strategic.

**18. Governing Law.** The validity, interpretation, and performance of this Agreement shall be governed and construed in accordance with the laws of the State of Texas, excluding its conflict of laws provisions.

**These Terms and Conditions**

**are part of the Glass Recycling Service  
Agreement for Bottle Cullet.**

To: Board of Commissioners  
From: Jen Holliday  
Date: 03/02/2023  
RE: Legislative Update

Attached is a bill tracker that lists all solid waste related bills that have been introduced this year. Two of these bills, H.67 and H.158, have been taken up in the House.

[H.67](#) is a bill related to Extended Producer Responsibility for Household Hazardous Products and has been an initiative that CSWD has been leading for many years. This bill will require the manufacturers of certain household hazardous products to pay for the costs associated with collecting and disposal of those products. The bill applies to approximately 25-30% of what we collect at the Depot and Rover. I provided testimony in both the House Committee on Environment and Energy and the Committee on Ways and Means to explain the problem of increasing costs for Solid Waste Management Entities (SWMEs) to manage this material and how this bill will help. I also served as a conduit to the Committees on the SWMEs position on the bill and proposed changes. The bill passed unanimously in the House Committee on Environment and Energy and passed the Committee on Ways and Means 10-2-0. On 3/1 it was voted on the House floor on Second Reading with very little debate and very few no votes. It is up for a third reading today. If it passes, it will move on to the Senate in time for crossover which makes it viable to pass this year. Attached is a handout that CSWD helped develop and sent to our representatives.

[H.158](#), a bill that proposes changes to the bottle bill including:

- requiring manufacturers and distributors of beverages subject to the deposit system to participate in a producer responsibility organization (PRO) with an approved stewardship plan by 2025.
- Expanding the scope of beverages subject to the deposit system effective 1/1/2027 to include all liquid drinks for human consumption contained in glass, PET, HDPE, or metal except for milk, plant-based beverages, infant formula, meal replacement drinks or nonalcoholic cider.
- increasing the handling fee for non-commingled containers from \$.04 to \$.05.
- Requiring the PRO to achieve performance goals of redemption rates starting at 75% in 2026 and increasing every five years until 2040 with the goal of 90%.
- Requiring ANR to perform an impact analysis of the expansion on the current recycling system and MRFs (2025).
- Increasing the deposit by \$.05 not to exceed \$.10 if performance goals are not met.



- Moving unredeemed bottle deposit funds from the Clean Water Fund to the PRO for the first five years then in 2031 moving 50% of the funds to the Solid Waste Assistance fund and 50% back to Clean Water Fund.

I was asked to provide CSWD's perspective on the bill to the House Committee on Environment and Energy. My four main points were:

- H.158 will move recyclables from the recycling system to the redemption system and will not result in diverting a significant amount of additional material from the landfill.
- An expansion of containers subject to the deposit will have a negative financial impact on the MRFs resulting in increased costs for the public to recycle in Vermont.
- CSWD supports policies that divert glass from the landfill and the MRF and an expansion of the bottle bill on glass-only would be welcome.
- PET and aluminum marketed from CSWD's MRF is sold to the same markets as bottle bill material and can be turned back into the same products, including new beverage containers. This was to counter the claims from several witnesses and a primary reason why lawmakers want to expand the bottle bill, that single stream MRF commodities are too contaminated to be made into new beverage containers and are instead downcycled.

H.158 passed out of the House Committee on Environment and Energy on 3/1 with a 10-1-0 vote.

Vermont 2023/2024 Solid Waste Related Bills						
Year	Bill	Sponsors	Originating Committee	Bill Statement of Purpose	Status	Action
HOUSE						
2023	<a href="#">H.48</a>	Rep. Katherine Sims; Rep. Woodman Page; Rep. Brian Smith; <b>Rep. Carol Ode</b> ; Rep. David Templeman; Rep. Heather Surprenant; Rep. Kristi Morris; Rep. Larry Labor; Rep. Leslie Goldman; Rep. Lisa Hango; Rep. R. Scott Campbell; Rep. Robert "Bobby" Farlice-Rubio; Rep. Scott Beck; Rep. Terri Williams	<a href="#">House Committee on Environment and Energy</a>	<b>An Act Related to Solid Waste Management:</b> The bill proposes to establish a Landfill Siting Commission to evaluate and identify a new site for the location and operation of a landfill in the State. This bill also proposes to establish the Vermont Materials Management Council to assist the Secretary of Natural Resources in the long-term management of solid waste in the State. In addition, the bill proposes to ban from landfill disposal in the State landfill leachate, septage, or sludge that is generated by a facility that lacks a certification from the Secretary of Natural Resources or lacks approval from the Secretary of Natural Resources for disposal at a landfill. The bill also proposes to establish a Landfill Closure and Planning Account in the Waste Management Assistance Fund to be used by the Secretary of Natural Resources to close existing landfills, plan for new landfills, and remediate contamination caused by landfills in the State. The Landfill Closure and Planning Account would be funded by increases on the tax on solid waste facilities and an increase on the tax on hazardous waste.		
2023	<a href="#">H.50</a>	Rep. Dane Whitman; Rep. Katherine "Kari" Dolan; Rep. Amy Sheldon; <b>Rep. Carol Ode</b> ; <b>Rep. Trevor Squirrel</b>	<a href="#">House Committee on Environment and Energy</a>	<b>An Act Relating To Prohibiting The Labeling Of Consumer Products That Contain Pfas As Compostable:</b> This bill proposes to prohibit the sale, offer for sale, or distribution of a consumer product in the State that has a total organic fluorine concentration of greater than 100 parts per million.		
2023	<a href="#">H.67</a>	Rep Kari Dolan; <b>Rep. Carol Ode</b> ; Rep Amy Sheldon; <b>Rep Gabrielle Stebbins</b>	<a href="#">House Committee on Environment and Energy</a>	<b>An act relating to household products containing hazardous substances:</b> This bill would require that manufacturers of household products containing a hazardous substance participate in a stewardship organization and implement a plan to collect household products containing a hazardous substance free of charge to the public.		
2023	<a href="#">H.130</a>	Rep Dolan, <b>Rep Ode</b> , Rep Roberts, Rep Taylor Small, <b>Rep Squirrel</b> , rep Whitman	<a href="#">House Committee on Environment and Energy</a>	<b>An Act relating to the management of biosolids:</b> This bill would require the Secretary of Natural Resources to manage all biosolids and domestic septage generated or imported into the State as Class B biosolids. The Secretary of Natural Resources would be prohibited from managing biosolids and domestic septage as exceptional quality biosolids or Class A biosolids.		

Year	Bill	Sponsors	Originating Committee	Bill Statement of Purpose	Status	Action
2023	<a href="#">H.158</a>	Rep Sheldon; Rep Bongarz, Rep Morris, Rep Satcowitz, Rep Torre	<a href="#">House Committee on Environment and Energy</a>	<b>An act relating to the beverage container redemption system:</b> This bill proposes to expand the scope of beverages subject to the beverage container redemption system to include all drinks in liquid form and intended for human consumption, except for milk, dairy products, plant-based beverages, infant formula, meal replacement drinks, or nonalcoholic cider. The bill would also require all manufacturers and distributors of covered beverages to participate in a producer responsibility organization that shall manage the collection and disposition of beverage containers. In addition, the bill would increase from four cents a container to five cents a container the fee a manufacturer or distributor of a beverage container pays to a retailer or redemption center for redemption of a container of a beverage brand that is not part of a commingling program.		
2023	<a href="#">H.193</a>	Rep. Dolan, Rep Ode, Rep Squirrel	<a href="#">House Committee on Environment and Energy</a>	<b>An act relating to increasing revenue for the Environmental Contingency Fund:</b> This bill proposes to increase revenue for the Environmental Contingency Fund by increasing the solid waste franchise tax and increasing the tax on hazardous waste. All additional revenue from the increase in the taxes would be deposited into the Environmental Contingency Fund.		
<b>SENATE</b>						
2023	<a href="#">S.82</a>	Sen. Lyons	<a href="#">Senate Committee on Natural Resources and Energy</a>	<b>An act relating to the development of a committee to study the impacts of PFAS in leachate from landfills in the State:</b> This bill proposes to create a study committee to evaluate the impacts of PFAS in leachate from landfills in the State.		
2023	<a href="#">S.44</a>	Se. Bray, Sen Clarkson, Sen MacDonald, Sen McCormack, Sen Watson, Sen White	<a href="#">Senate Committee on Natural Resources and Energy</a>	<b>An act relating to household products containing hazardous substances:</b> This bill would require that manufacturers of household products containing a hazardous substance participate in a stewardship organization and implement a plan to collect household products containing a hazardous substance free of charge to the public.		

# VOTE YES FOR HOUSE BILL 67:

## Extended Producer Responsibility for Household Hazardous Waste in Vermont

Household Hazardous Waste (HHW) includes any household products that are toxic, poisonous, reactive, corrosive, or flammable. Because these products are so common and easy to purchase, many people forget that HHW can be extremely harmful to their health and the environment. Vermont municipalities are required by law to keep HHW out of landfill-bound trash **to protect Vermont's water quality and human health**. Municipalities do this by operating special collection events or facilities around the state, paid for by towns and Solid Waste Management Entities (SWMEs).

### Problems with the Current System

**1. Costs of collecting HHW are increasing dramatically.** HHW collection costs have increased more than 50% for some municipalities due to a limited number of service providers, and labor and supply chain shortages. In 2022, municipalities spent more than \$2.2 million on these vital services with some Vermont towns spending between \$100-\$400 to manage a single carload of household chemicals. These cost increases are not sustainable. Municipalities face increased pressure to charge collection fees at events, which can drive residents to store dangerous chemicals at home, hide chemicals in their trash, pour them down the drain, or dump them illegally on Vermont's landscape and waterways.

**2. Producers of hazardous products are not invested in Vermont's environment.** Vermont municipalities have no influence on how products are made but are responsible for managing them when they become waste. HHW is the most

toxic portion of the waste stream and the most expensive to manage, but producers have no stake in their end-of-life management. Those who profit from their products should be responsible for minimizing their environmental impact.

**3. Vermont municipalities are doing a good job, but much more needs to be done.** Despite our efforts, it's estimated that 855 tons of HHW is still being disposed into Vermont's

landfill each year. Cost-cutting measures have resulted in fewer collection events. Without producer support, public participation and collection rates will begin to fall. Municipalities require a reliable funding source to increase collection and keep toxic chemicals out of the environment.

### The Solution: Extended Producer Responsibility for HHW (H.67)

H. 67 establishes an EPR program for HHW in which producers of hazardous products form a Stewardship Organization (SO) that will assume responsibility for the cost of collection and disposal of their unwanted leftover products. The SO will use existing HHW programs in Vermont and add additional collections if necessary to meet specific performance goals.

**Above: A Busy HHW Collection Event in Lamoille County**

*(continued on back)*



## WHAT EPR FOR HHW WILL DO

- ▲ Cost of collection and disposal will be covered for municipalities resulting in an annual savings to Vermont residents and businesses of approximately \$2.2 million. This will allow Vermont municipalities to direct more resources toward residential recycling and food scrap diversion to save diminishing landfill capacity.
- ▲ The EPR program also includes increased education and outreach, which will bolster HHW collections and keep more of these toxic chemicals out of Vermont's environment.
- ▲ Small businesses that currently pay for disposal of leftover chemicals will have these costs eliminated under this program.
- ▲ EPR for HHW brings producers to the table to develop a plan that creates cleaner land and water for all Vermonters. Producers of these products will now have a stake in making Vermont a healthier place to live, and this incentivizes the manufacturers to develop less toxic products.

***Vermont retailers would not have any responsibility under this EPR program.  
There will be no fee on products at retail locations.***

## Extended Producer Responsibility is Successful in Vermont

Extended Producer Responsibility (EPR) is a proven solution in Vermont for the sustainable end-of-life management of materials that are difficult or expensive to divert from the waste stream. **Vermont's existing EPR programs for electronics, mercury lamps and thermostats, paint, and batteries are tremendously successful.** These programs are popular with Vermonters who enjoy the increased collection convenience at no cost, resulting in some of the highest collection rates for these materials in the US.

### What Products are Covered in H.67?

Any hazardous product that isn't already collected as part of a EPR program in Vermont would be covered by H. 67, including the following:

✓ Adhesives	✓ Lubricants/degreasers
✓ Aerosols	✓ Mineral Spirits
✓ Automotive chemicals	✓ Non-refillable propane cylinders
✓ Cleaning solutions	✓ Paint thinners/removers
✓ Furniture strippers	✓ Pool/hot tub chemicals
✓ Hobby/craft supplies	✓ Rust remover
✓ Acids	✓ Tar and bug remover
✓ Lighter fluid	✓ Turpentine

**Questions?** Contact your local solid waste representative: <https://dec.vermont.gov/waste-management/solid/local-districts>



February 28, 2023

## FISCAL YEAR 2024 BUDGET

Dear Board of Commissioners and Citizens of Chittenden County,

I present to you Chittenden Solid Waste District's Fiscal Year 2024 Budget proposal. It provides necessary funding for facilities, operations, public programs, and capital programs to meet the Board's strategic goals over the coming year. It also lays the foundation to continue to advance those goals towards the future. I am happy to tell you that the financial condition of CSWD is sound, therefore **I do not see a need for any municipal assessments or per capita fees**. We continue to be self-sufficient, relying on revenue from facility user fees, material sales, and fees charged to haulers when disposing Chittenden County trash at the landfill to cover the costs of the services we provide.

### *Managing Increasing Costs Across Programs*

Costs continue to increase in several key areas, specifically health benefits, hauling services, fuel costs, waste disposal fees we pay at the transfer station, and processing fees we pay our MRF operator. The cost-of-living adjustment provided in July 2022 was below the 12-month average for June, leaving employees behind the curve. This budget proposes a 7% COLA for July 1, which is slightly below the December 2022 index of 7.4%. We monitor the US Bureau of Labor Statistics' consumer price index for the Northeast (Urban B/C class) and use this as the foundation for COLA recommendations. CSWD's recommendation is in line with budgeted adjustments for similar organizations, like the Champlain Water District, Addison County Solid Waste Management District, and Rutland Solid Waste Management District. In an effort to mitigate the costs associated with healthcare benefits, CSWD moved to a lower-priced plan and increased the employee contribution to healthcare premiums. Employees now contribute 3.5% of their salary/wages towards the costs of providing healthcare benefits, up from a previous contribution of 3.25% of salary/wages. These two changes decreased the impacts to the District, and the resulting overall increase to employee Total Compensation per Full-Time Equivalent was 1.9% over FY23.

### MATERIALS RECOVERY FACILITY:

MRF processing costs are rising significantly in FY 2024 due to a new operating contract with MRF operator, Casella Waste Systems. CSWD pays Casella a per-ton fee to operate the MRF and to market the sorted materials. This processing fee is increasing by 55%, from \$45/ton to \$70/ton as of March 1, 2023. **To remain a self-supporting facility, we will be raising the MRF tip fee from \$80/ton to \$85/ton as of July 1.**

Unexpectedly, the second and third quarters of FY 2022 produced the strongest commodity markets results in over a decade. As quickly as the markets rose, they receded, and we entered the second and third quarters of FY 2023 with depressed pricing yet again. High demand in spring of calendar

2022 was due to manufacturers over-ordering supplies, and the resulting softening of the markets was due to manufacturers working through what they'd purchased in the spring. The demand remains suppressed heading into FY 2024, however pricing is beginning to normalize. This budget assumes a conservative average commodity revenue of \$80/ton, but I expect we will surpass that average.

### *Modern Facility*

In November 2022 Chittenden County voters voiced overwhelming support for the construction of a new Materials Recovery Facility on Redmond Road in Williston. Of the 33,000 votes cast on the bond request, 83% were votes in favor. CSWD is grateful for, thankful for, and humbled by the literal vote of confidence. The vote authorized a not-to-exceed bond amount of \$22,000,000. We are working to reduce this burden through a combination of grants, zero-interest loans, and District capital reserves. We are proposing a state-of-the-art facility, complete with high-tech sorting equipment and an education center. Advanced sorting capability will mean that we'll have the space and flexibility to expand what can be recycled in our blue bins/blue carts, allowing more to be diverted from the landfill and directed to manufacturers as raw materials. In this fiscal year, we will be selecting a construction firm and aim to break ground in spring of 2024.

### ORGANICS DIVERSION FACILITY:

**Organics Diversion Facility tip fees are increasing from \$65/ton to \$70/ton starting July 1.** The increase reflects the goal of bringing the ODF closer to self-sufficiency. This goal took a significant hit in FY21-22 as Casella began diverting most of their collected food scraps to their depackaging facility. This reduction represented approximately 30% of the inbound compost feedstock and, while some material has come back to the ODF we are still operating far below where we were in FY 2021. We've budgeted anticipated food scraps tons inbound to 4,900 tons.

In FY24 we will complete Phase II of the build-out of the facility. The build-out includes a new scale, new residential food scrap drop-off area, new entrance to the ODF, and a new traffic flow through the facility. This phase of construction at the ODF increases site safety, allows us to accept up to 7,000 tons of food scraps annually for composting, and allows us to add real-time contamination checks which will lead to greater quality control and customer education opportunities.

We've normalized our sales expectations back to FY18-19 levels, as the Covid-related compost sales boom has receded. Having a local to Chittenden County resource able and willing to accept the county's food scraps means that county residents and businesses can feel good about complying with the state's mandate to keep food scraps out of the landfill because the food scraps are becoming compost, and that the cost to manage those food scraps remains affordable.

### DROP OFF CENTERS:

As mentioned in last year's budget letter, in order to eliminate the DOC subsidy, **we are raising bag prices in FY 2024.** We are continuing to review our materials management practices and policies to obtain a truer understanding of the costs of managing waste materials through the system, particularly those materials for which we currently do not charge a fee. These no-fee materials are subsidized by the CSWD general fund, and the subsidy required by the DOC system is growing, this

year topping out at \$487,000 without a price increase. The increases are bringing CSWD back to pre-Covid pricing practices, with the smallest bag priced at \$3.00 (up from \$2.00), a medium bag up to \$8.00 and the largest bag up to \$11.00. These increases get us closer to covering the costs of managing recycling and food scraps as part of the price of a bag of trash (the smallest bag price still doesn't cover those costs) and allow the DOCs to generate a small amount of revenue to contribute to the capital reserve fund.

#### *Friendly Neighborhood DOC*

Even though the DOCs are District facilities, they are very much seen as "local". This capital budget includes long-awaited improvements to the DOC in Milton as well as redesigning the DOC in Burlington. The remaining DOCs will receive updates in successive out-years.

We are also proposing changing the DOC schedule for all sites (except Hinesburg) to a Tuesday – Saturday schedule, 8:00am 3:30pm. This schedule adds service days to Milton and Burlington and provides two-days off in a row for our hard-working DOC staff members. The five-day schedule creates significant efficiencies for our Maintenance Team to perform vital repairs and improvements at the DOCs while they are closed to the public, improving effectiveness and safety. Our six DOCs serve 28% of Chittenden County as a primary source of waste disposal, recycling, and management of special materials not accepted elsewhere. More than 75% of Chittenden County residents use the DOCs each year, such as for electronics recycling, bulky waste disposal, or leaf and yard waste drop off. We recognize that we perform a vital function in the community, and the challenge is to do so safely, efficiently, economically, and in an environmentally responsible manner.

#### SOLID WASTE MANAGEMENT FEE:

**I am recommending that the Solid Waste Management Fee remain at \$27.00 per ton of trash disposed, however the time has come to review the uses of the fee and to discuss a regular schedule of small increases.** This is the fee charged to haulers when they dispose trash in the landfill in Coventry. The fee has not risen in ten years, despite dramatic increases in District expenses.

As the economy slowly recovers and grows, as it is forecast to do through 2023-4, waste reduction education will be even more important. Our team of solid waste professionals is dedicated to ensuring our members' solid waste is managed in an environmentally sound, efficient, effective and economical manner. I continue to work with our team positioning CSWD to make sure we remain a stable and predictable service provider to the citizens of Chittenden County.

Sincerely,



Sarah Reeves, Executive Director



# **FY 2024 BUDGET PROPOSAL**

**TO VIEW BUDGET DETAIL VISIT  
[CSWD Financial Information](#)**



*Chittenden Solid Waste District*

**1021 REDMOND ROAD  
WILLISTON, VT 05495  
802-872-8100**

## **CHITTENDEN SOLID WASTE DISTRICT FY 2024 BUDGET PROPOSAL**

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*Individual Program Budgets with Details and Comparisons to previous years are available on line at <https://cswd.net/about-cswd/financial-information/>*

A.

To: Board of Commissioners  
From: Sarah Reeves, Executive Director  
Nola Ricci, Director of Finance  
Date: February 28, 2023  
RE: Fiscal Year 2024 Budget Proposal

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## OVERVIEW

Fiscal Year 2024 brings many important changes to the future of CSWD. We will be breaking ground on the new Materials Recycling Facility, reconfiguring the CSWD Drop Off Center at Burlington, redesigning the CSWD Drop Off Center at Milton, and feeling settled into our leased Administrative building at 19 Gregory Drive in South Burlington.

In Fiscal Year 2024, we welcome the new Operating Administration department under the Operating Programs. This new department will absorb the responsibilities of our former Engineering department. With this change we can develop a more robust Operating Program and continue to progress forward.

The proposed budget for FY24 remains conservative and acknowledges some of the increases we've experienced, and those we anticipate, as costs rise. Capital construction projects at the Organics Diversion Facility are expected to be completed by the end of FY23. FY24 will be the first full fiscal year at the leased Administration building, and administrative staff will use this opportunity to deliberate on future administrative building needs and expenses.

### **Materials Recovery Facility Highlight**

In November 2022, Chittenden County voters voiced overwhelming support for the construction of a new Materials Recovery Facility on Redmond Road in Williston. Of the 33,000 votes cast on the bond request, 83% were votes in favor. CSWD is grateful for, thankful for, and humbled by the literal vote of confidence. The vote authorized a not-to-exceed bond amount of \$22,000,000. We are working to reduce this burden through a combination of grants, zero-interest loans, and District capital reserves.

In late Q2/early Q3, we will be selecting a construction firm and aim to break ground in early Q4 2024. Preliminary engineering and design work for the new MRF is budgeted in FY23 as a capital expense and would be reimbursable through bond proceeds. Full project debt service is unknown as of the date of this memo because there are two grant requests outstanding and the financing package is still being developed, however a revenue sufficiency study performed for the project shows tip fees and commodity sales revenue generated by the facility to be sufficient to pay annual operating costs + debt service of \$1,200,000.

## CSWD SOURCES OF REVENUE

CSWD's revenue has three main components: Solid Waste Management Fees (SWMF), User Fees (tip fees), and Material Sales. The remaining revenue comes from rental income, license fees, bin sales, grants, and Extended Producer Responsibility program reimbursements. **CSWD receives no municipal payments (assessments, per capita fees, tax payments, etc.) from our member communities.**

- Solid Waste Management Fees: \$27/ton charged on each ton destined for disposal. Four material types make up the tons subject to the SWMF-municipal solid waste, construction & demolition debris (C&D), construction & demolition debris fines, and material eligible to be used as alternate daily landfill cover (ADC). C&D fines and ADC are charged 25% of the SWMF, or \$6.75/ton. **In FY23, SWMF are 22% of the revenue budget.**
- Tipping/User Fees: Fees charged for material disposal at Drop-Off Centers (DOCs), the Materials Recovery Facility (MRF), the Organics Diversion Facility (ODF), and the Environmental Depot. **In FY23, Tip/User Fees are 58% of the revenue budget.**
- Material Sales: Revenue generated from the sale of products we make—compost products, Local Color paint, baled recyclables—or products we purchase on behalf of the public and then resell, like compost bins. **In FY23, Materials Sales are 17% of the revenue budget.**

## REVENUE SNAPSHOT

Revenue (in thousands)	FY22 Actual	FY23 Budget	FY24 Budget	Change from FY23 Budget	Change from FY22 Actual	% of Overall Revenue
Tip Fees	7,572	7,724	8,937	15.70%	18.03%	58.0
Material Sales	4,815	2,541	2,629	3.46%	-22.88%	17.1
SWMF	3,409	3,382	3,336	-1.36%	-1.46%	21.7
All Other	761	385	500	29.87%	-34.30%	3.2
<b>TOTAL</b>	<b>16,557</b>	<b>14,032</b>	<b>15,402</b>	<b>9.76%</b>	<b>-6.98%</b>	<b>100%</b>
Cost of Goods Sold	240	172	122	-29.07%	-49.17%	
<b>Gross Profit</b>	<b>16,317</b>	<b>13,860</b>	<b>15,280</b>	<b>10.25%</b>	<b>-6.36%</b>	

## Tip Fees, User Fees, and Material Sales Assumptions:

- MRF tip fees were last raised in March 2020. We've held the tip fee at \$80/ton since then, however MRF processing costs are rising significantly in FY 2024 due to a new operating contract with MRF operator, Casella Waste Systems. CSWD pays Casella a per-ton fee to operate the MRF and to market the sorted materials. This processing fee is increasing by 55%, from \$45/ton to \$70/ton as of March 1, 2023 and as a result in order for the MRF to remain self-supporting **we are budgeting a modest increase in the tip fee to \$85/ton in FY24.**
- The fiscal year average commodity revenue (ACR) value from material sales through December 2022 was \$54/ton, down from approximately \$158/ton average through the same period in FY22. Cardboard and mixed paper pricing plummeted after setting 10-year records the previous year. The severe decrease was due to mills and manufacturers reducing purchasing material

and instead worked through the material they purchased the year before during the buying frenzy. This decreased demand is expected to continue through at least the 2nd quarter of FY24. Plastics pricing is stable, with good demand for HDPE-Natural (milk jugs) and for PET. We have budgeted MRF materials sales very conservatively at \$80/ACR. We are assuming 47,500 tons of inbound recycling, and marketing 38,000 of those tons.

- The MRF Operating contract with Casella expired on June 30, 2022 and has been renegotiated (awaiting Board approval as of the date of this memo). MRF expenses are budgeted to rise due to a projected 55% increase in the processing fee. Commodity revenue is expected to be flat to FY23 budget. The extremely high commodity revenue realized in FY22 is widely acknowledged to be an anomaly. The excess revenue was shifted to the capital reserve, per the CSWD Reserves Guideline.
- Organics Diversion Facility tip fees are increasing from \$65/ton to \$70/ton starting July 1. The increase reflects the goal of bringing the ODF closer to self-sufficiency. This goal took a significant hit in FY21-22 as Casella began diverting most of their collected food scraps to their depackaging facility. This reduction represented approximately 30% of the inbound compost feedstock and, while some material has come back to the ODF we are still operating far below where we were in FY 2021. We've budgeted anticipated food scraps tons inbound to 4,900 tons.
- We are not expecting pandemic-level product sales in FY24 and instead have budgeted a normalized (to FY18-19 levels) sales expectation.
- The Drop Off Centers continue to show need of significant subsidy, this year \$430,000. Revenue is down at the DOCs in large part due to the loss of the Richmond facility and the continued limited use at the Burlington site. There is not yet an agreement on a renovated facility in Burlington, however discussions with the City continue in earnest. The new goal is to have an expanded facility in place by Q2 FY24. Additional pressure on DOC revenue is due to the many items managed at the DOCs that do not have adequate (or any) revenue associated with them, meaning we are subsidizing the collection and management of certain materials such as universal waste, some electronics, and leaf and yard debris. Recycling and food scraps are bundled in the pricing of trash when brought together as a unit, and we are currently not recovering the full cost of all three of those material streams. When the tip fees increase at the MRF and ODF, we do not always adjust DOC pricing to accommodate the increases. This budget proposes **increasing bag fees at the DOCs to \$3.00 (small), \$8.00 (medium), and \$11.00 (large)**. Increasing these fees eliminates the current subsidy need of the DOCs. Please review the accompanying memo for a fuller discussion of the DOC pricing strategy and options.

#### Solid Waste Management Fee:

Solid Waste Management Fees (the fees charged to haulers when they dispose trash in the landfill in Coventry) revenue is projected to be slightly lower than FY23 budget (-1.36%). We used the Solid

Waste Disposal and Diversion Trends Model developed for CSWD by SERA, Inc to generate our projections for FY24. The model estimates the SWMF to be 1.5% lower than FY22 actuals. Supporting the model's output, the state's Joint Fiscal Office is projecting flat economic conditions in FY24 as uncertainty remains regarding efforts to rein in high inflation. The Solid Waste Management Fee will remain at \$27.00 per ton of trash disposed, however the time has come to review the uses of the fee and to discuss a regular schedule of small increases. The fee has not risen in ten years, despite dramatic increases in District expenses.

#### **EXPENSES SNAPSHOT**

	Actual	Budget	Forecast	Change from FY23 to FY24	
	FY22	FY23	FY24	\$	%
Expenses					
Payroll Expenses					
Salaries & Wages	3,163,688	3,459,112	3,752,336	293,224	8.5%
Benefits	1,307,131	1,501,030	1,630,639	129,609	8.6%
Total Payroll Expenses	4,470,819	4,960,142	5,382,975	422,833	8.5%
Travel & Training	53,282	96,568	118,175	21,607	22.4%
Administrative Costs	49,720	123,474	182,885	59,411	48.1%
Professional Fees	177,566	268,330	280,690	12,360	4.6%
Equipment & Fleet	807,663	772,967	772,074	(893)	-0.1%
Supplies	120,559	119,623	133,644	14,021	11.7%
Materials Management	4,804,118	6,150,788	6,691,366	540,578	8.8%
Property Management	510,873	490,262	597,111	106,849	21.8%
Promotion & Education	109,675	163,052	142,178	(20,874)	-12.8%
Community Support	23,210	106,300	100,950	(5,350)	-5.0%
Total Expenses	11,127,484	13,251,506	14,402,047	1,150,542	8.7%
Net Ordinary Income	5,189,689	608,022	878,311	270,289	44.5%

#### **Key Points:**

- Full-time Equivalent (FTE) staffing needs increased by 3.21 from 49.45 to 52.66. The cost-of-living adjustment provided in July 2022 was below the 12-month average for June, leaving employees behind the curve. Although this budget proposes a 7% COLA for July 1 (which is slightly below the December 2022 index of 7.4%), the overall total compensation increase is just 1.9% per full-time equivalent over FY23.

	FY23	FY24	% Difference
Payroll Expense	4,920,892	5,382,975	
Full Time Employee	49.45	52.66	
Expense per Employee	100,306	102,221	1.9%

- We monitor the US Bureau of Labor Statistics' consumer price index for the Northeast (Urban B/C class) and use this as the foundation for COLA recommendations (following District practice in place for the past decade). CSWD's recommendation is in line with budgeted adjustments for similar organizations, such as the Champlain Water District, Addison County Solid Waste Management District, and Rutland Solid Waste Management District. In an effort to mitigate the costs associated with healthcare benefits, CSWD moved to a lower-priced plan and increased the employee contribution to healthcare premiums. Employees now contribute 3.5% of their salary/wages towards the costs of providing healthcare benefits, up from a previous contribution of 3.25% of salary/wages. These two changes decreased the impacts to the District.
- Finance department costs are lower now that the new budgeting, accounting and payroll software systems have been implemented.
- Administrative costs are higher due to the new expense of a lease payment for the office space at 19 Gregory Drive. General Supplies are also slightly higher, corresponding to a physical return to the office for most Admin staff.
- Travel and Training assumes a return to attending conferences, workshops, and trainings in person; how much will occur remains to be seen. Where we can continue to attend events remotely, we will do so. We have promoted several employees to new leadership positions and will be providing training to them to support their growth and success.
- Materials Management is up moderately, reflecting general increases in transportation costs. Materials Management is how we refer to hauling services we use to move materials we produce (compost, recyclables) to market, and move materials we collect (MSW from Drop-Off Centers, trash we generate, etc.) to disposal. We have negotiated a wintertime glass management contract with a new vendor which will significantly reduce this cost, from \$130/ton to \$95/ton.

## **RESERVE FUNDS**

Please see the FY24 Reserve Funds memo included in the budget packet for details on the reserve balances.

In FY22, the District revised the Reserve Fund Guideline and structure. The new structure establishes a priority funding mechanism, minimum and maximum balances, and proposes to restrict certain funds (Closed Landfill, Facility Closure, and Biosolids). As each priority reserve reaches its maximum, remaining excess revenue flows ("waterfalls") to the next priority reserve fund in order, as illustrated below:

<b>Reserve Type</b>	<b>Reserve Name</b>	<b>Minimum Carry Value</b>	<b>Maximum Carry Value</b>
Restricted	Biosolids Reserve	Current depreciation of Biosolids Trailers, as contracted	\$650,000 or cost of replacing Biosolids trailers
Restricted	Landfill Post Closure Reserve	Original cost of calculated closure less operating reduction	Original cost of calculated closure
Restricted	Facilities Solid Waste Termination Reserve	Calculated cost of facility solid waste termination	Highest past calculated cost of facility solid waste termination
<b>Reserve Type</b>	<b>Reserve Name</b>	<b>Minimum Carry Value</b>	<b>Maximum Carry Value</b>
Temporarily Restricted	Material Recycling Facility Reserve	10% of total Bond	10% of total Bond
Assigned	Facilities Decommission Reserve	Calculated cost of facilities decommissions	Highest past calculated cost of facilities decommissions
Assigned	Solids Waste Management Reserve (General Fund)	3 months of budgeted administrative expenses	6 months of budgeted administrative expenses, or highest past calculated cost
Assigned	Community Clean Up Fund	Current balance due to communities	Maximum carry over allowed to communities
Assigned	Operating Reserve	3 months of budgeted operating expenses	6 months of budgeted operating expenses, or highest past calculated cost
Assigned	Capital Reserve	Current value of fully depreciated assets	Current value of total asset depreciation
Unrestricted	Undesignated Fund	5% of budgeted revenue	10% of budgeted revenue

### Assigned FUNDS

#### Capital Reserve

In FY21, we moved to a single Capital Reserve fund rather than separate capital reserves for each program. This was done to reflect the reality of our accounting and banking system, to improve strategic planning efficiency, and to eliminate proprietary feelings over capital funds. CSWD is one singular fund, and as such all “reserve funds” exist merely on paper – although some long-term reserve dollars are held in interest-bearing accounts, in general funds are not deposited into separate bank accounts. There are no separate pots of money destined for use in particular programs. The District formerly budgeted individual capital reserve fund contributions and tracked each program’s contribution and total, albeit not precisely. This practice gave the impression that separate funds existed.



Beginning in FY22, we no longer budgeted for programs to contribute to the capital reserve if the program is being subsidized. In previous budgets, each program that used capital funds would budget a capital fund contribution, which would occur as an expense. When the revenues, expenses, and allocations were tallied, nearly every operating program would be “in the red” and require subsidized support, which is funded through solid waste management fees. This practice did not support transparent accounting of the individual operations programs’ relative economic health. Subsidies are now accounted for “below the line” so that the operating health of each program is clear.

### Operating Reserve

The Operating Reserve provides a buffer against unexpected events (such as we experienced with COVID-19) or large unbudgeted but necessary operating expenses, such as if outside vendor contracts that are deemed necessary change without notice. This reserve allows us to weather the unanticipated and provide time to discuss and implement a new direction without resorting to snap decisions. In FY23, the Operating Reserve was seeded with excess MRF revenue.

### RESTRICTED FUNDS

The Biosolids, Closed Landfill, and Facilities Closure reserve funds are considered Restricted Funds as a best practice. Restricting these reserves means that the funds attributed to these programs may be used only for the expenses of these programs. Excess funds, after their restricted use, may be redistributed as deemed appropriate by management.

### BOTTOM LINE

Each year, we need to “get to zero”. In FY24, we are projecting \$875,311 in income after capital and allocations needing to be transferred to reserves.

Revenue	\$15,401,763	
Cost of Goods Sold	\$121,405	
Gross Profit		<b>\$15,280,358</b>
Expenses		<i>\$14,402,047</i>
<b>Income from Operations</b>		<b>\$878,311</b>
Transfer from (to) Closed Landfill Reserve	\$176,452	
Transfer from (to) SWMF Reserve	\$7,236	
Transfer from (to) Biosolids Reserve	(\$45,500)	
Transfer from (to) Operating Reserve	(\$176,385)	
Transfer from (to) Capital Reserve	(\$934,614)	
Transfer from (to) Community Clean Up Reserve	\$95,000	
Facility Closure Reserve	(\$500)	
<b>Net</b>		<b>-</b>

Chittenden Solid Waste District  
FY24 Proposed Budget  
Summary

B.

	Actual FY22	Budget FY23	Forecast FY24	Change from FY23 to FY24 \$ %	
<b>Net Ordinary Income</b>					
<b>Income</b>					
Tipping Fees	6,071,345	6,317,097	6,740,521	423,424	6.7%
Special Waste	89,911	59,250	730,109	670,859	1132.3%
Hazardous Waste	70,333	68,000	62,000	(6,000)	-8.8%
Biosolids	1,340,166	1,279,437	1,404,358	124,921	9.8%
Solid Waste Management	3,409,238	3,381,750	3,335,702	(46,048)	-1.4%
Sale of Materials	4,815,492	2,540,711	2,628,603	87,892	3.5%
License Fees, Fines & Penalties	15,834	14,910	14,000	(910)	-6.1%
Rents	71,600	71,400	75,000	3,600	5.0%
Product Stewardship	213,028	190,700	169,000	(21,700)	-11.4%
Interest & Dividends	12,720	2,000	61,000	59,000	2950.0%
Grant Revenue	277,801	106,470	106,470	-	0.0%
Equipment Sale/Trade	168,899	-	-	-	0.0%
Other Income	749	-	75,000	75,000	100.0%
Total Income	16,557,115	14,031,725	15,401,763	1,370,038	9.8%
<b>Cost of Goods Sold</b>					
Bins & Containers	34,090	19,467	-	(19,467)	-100.0%
Paint	12,498	19,000	19,000	-	0.0%
Organics	193,355	133,730	102,405	(31,325)	-23.4%
Total Cost of Goods Sold	239,942	172,197	121,405	(50,792)	-29.5%
<b>Gross Profit</b>	16,317,173	13,859,528	15,280,358	1,420,830	10.3%

Chittenden Solid Waste District  
FY24 Proposed Budget  
Summary

	Actual FY22	Budget FY23	Forecast FY24	Change from FY23 to FY24 \$ %	
<b>Expenses</b>					
Payroll Expenses					
Salaries & Wages	3,163,688	3,459,112	3,752,336	293,224	8.5%
Benefits	1,307,131	1,501,030	1,630,639	129,609	8.6%
Total Payroll Expenses	4,470,819	4,960,142	5,382,975	422,833	8.5%
Travel & Training	53,282	96,568	118,175	21,607	22.4%
Administrative Costs	49,720	123,474	182,885	59,411	48.1%
Professional Fees	177,566	268,330	280,690	12,360	4.6%
Equipment & Fleet	807,663	772,967	772,074	(893)	-0.1%
Supplies	120,559	119,623	133,644	14,021	11.7%
Materials Management	4,804,118	6,150,788	6,691,366	540,578	8.8%
Property Management	510,873	490,262	597,111	106,849	21.8%
Promotion & Education	109,675	163,052	142,178	(20,874)	-12.8%
Community Support	23,210	106,300	100,950	(5,350)	-5.0%
Total Expenses	11,127,484	13,251,506	14,402,047	1,150,542	8.7%
Net Ordinary Income	5,189,689	608,022	878,311	270,289	44.5%

Chittenden Solid Waste District  
FY24 Proposed Budget  
Summary

	Actual FY22	Budget FY23	Forecast FY24
<b>Subsidies, Reserve Transfers &amp; Year End Adjustments</b>			
<b>Other Income</b>			
Subsidies & Transfers			
Solid Waste Management Subsidy	2,622,835	3,018,109	3,342,938
Operating Reserve Subsidy	-	-	939,292
Transfer from Landfill Post Closure Reserve	133,984	189,919	177,452
Community Clean Up Fund	15,766	95,000	95,000
Transfer from Undesignated Funds	46	-	-
Total Subsidies & Transfers	2,772,631	3,303,028	4,554,681
Total Other Income	2,772,631	3,303,028	4,554,681
<b>Other Expenses</b>			
Reserve Transfers			
Transfer to Solid Waste Mangement Reserve	3,409,559	3,381,750	3,335,702
Transfer to Facility Closure Reserve	404	-	500
Transfer to Landfill Post Closure Reserve	514	1,000	1,000
Transfer to Operating Reserve	3,865,259	30,617	1,115,677
Transfer to Biosolid Reserve	62,012	46,375	45,500
Transfer to Capital Reserve	624,571	451,308	934,614
Total Reserve Transfers	7,962,320	3,911,050	5,432,992
Total Other Expenses	7,962,320	3,911,050	5,432,992
Total Other Income & Expenses	(5,189,689)	(608,022)	(878,311)
Net Income	0	0	(0)

## Chittenden Solid Waste District Administrative Descriptions

### **Administration Program**

The Administrative program encompasses the expenses of human resources, the Executive Director, risk management, information and technology, infrastructure and general support services.

### **Compliance Program**

The Compliance program oversees the Solid Waste Management Ordinance and ensures the regulated community maintains compliance. Additionally, the Compliance program oversees the District Safety program.

### **Finance Program**

The Finance program provides management, oversight, and control of CSWD financial assets, as well as accurate and timely financial information to facilitate sound management decisions.

### **Outreach and Communications (O&C)**

The Outreach and Communications program manages statutory mandates for raising awareness of CSWD services and educating residents, businesses, and institutions in reducing and properly managing the waste they generate.

Chittenden Solid Waste District  
FY24 Proposed Budget  
Administrative Summary

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	Administration	Compliance	Finance	Outreach & Communication	Solid Waste Management Fee	Total Administrative
<b>Net Ordinary Income</b>						
<b>Income</b>						
Solid Waste Management Fee	-	-	-	-	3,335,702	3,335,702
License Fees, Fines & Penalties	-	14,000	-	-	-	14,000
Interest & Dividends	-	-	60,000	-	-	60,000
Total Income	-	14,000	60,000	-	3,335,702	3,409,702
<b>Gross Profit</b>	-	14,000	60,000	-	3,335,702	3,409,702
<b>Expenses</b>						
Payroll Expenses						
Salaries & Wages	538,024	119,398	324,029	586,563	-	1,568,014
Benefits	193,911	29,142	147,715	224,823	-	595,591
Total Payroll Expenses	731,935	148,540	471,744	811,386	-	2,163,605
Travel & Training	39,100	7,000	1,450	34,900	-	82,450
Administrative Costs	30,165	6,900	3,900	22,487	-	63,452
Professional Fees	39,560	8,500	55,000	28,855	-	131,915
Equipment & Fleet	178,926	5,200	80,000	4,720	-	268,846
Supplies	5,300	800	6,000	33,600	-	45,700
Materials Management	-	-	150	-	-	150
Property Management	130,960	-	2,400	-	-	133,360
Promotion & Education	-	-	-	135,978	-	135,978
Community Support	-	-	95,000	4,700	-	99,700
Total Expenses	1,155,946	176,940	715,644	1,076,626	-	3,125,156
<b>Net Ordinary Income</b>	(1,155,946)	(162,940)	(655,644)	(1,076,626)	3,335,702	284,546

Chittenden Solid Waste District  
FY24 Proposed Budget  
Administrative Summary

	Administration	Compliance	Finance	Outreach & Communication	Solid Waste Management Fee	Total Administrative
<b>Subsidies, Reserve Transfers &amp; Year End Adjustments</b>						
<b>Other Income</b>						
Subsidies & Transfers						
Solid Waste Management Fee Subsidy	1,155,946	162,940	620,644	1,076,626		3,016,156
Community Cleanup Fund	-	-	95,000	-	-	95,000
Total Subsidies & Transfers	1,155,946	162,940	715,644	1,076,626	-	3,111,156
Total Other Income	1,155,946	162,940	715,644	1,076,626	-	3,111,156
<b>Other Expense</b>						
Reserve Transfers						
Transfer to Capital Reserve	-	-	59,500	-	-	59,500
Transfer to Solid Waste Management Reserve	-	-	-	-	3,335,702	3,335,702
Transfer to Facility Closure Reserve	-	-	500	-	-	500
Total Reserve Transfer	-	-	60,000	-	3,335,702	3,395,702
Total Other Expenses	-	-	60,000	-	3,335,702	3,395,702
Total Other Income and Expenses	1,155,946	162,940	655,644	1,076,626	(3,335,702)	(284,546)
Net Income	-	-	-	-	-	-

## Chittenden Solid Waste District Operating Descriptions

### **Operating Administration**

The Operating Administration program (formerly Engineering) provides resources for compliance, design, project management, and applicable permitting. Additionally, this program oversees capital projects through the lifecycle of feasibility, design, and construction management.

### **Drop Off Centers (DOCs)**

CSWD Drop Off Centers provide residents and small businesses with economical options for the management of their trash, recycling, food scraps, compostable yard debris, and certain special recyclables.

### **Hazardous Waste**

The Hazardous Waste program includes both the Environmental Depot and Paint Depot. The Environmental Depot manages the hazardous waste of the residents and small businesses of Chittenden County. The Paint Depot manages discarded paint and produces recycled paint for the CSWD Local Color Program.

### **Materials Recovery Facility (MRF)**

The Materials Recovery Facility manages single stream recycling from Chittenden County and Northern Vermont through sorting and preparing recyclables for domestic commodity sales.

### **Organics Diversion Facility (ODF)**

The Organics Diversion Facility manages the acceptance, processing, and transfer of organics for use in compost and anaerobic digestion.

### **Property Management**

The Property Management department maintains and protects CSWD's investment in residential and business tenant property.



Chittenden Solid Waste District  
FY24 Proposed Budget  
Operating Summary

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	Operating Administration	Drop Off Centers	Materials Recovery Facility	Organics Diversion Facility	Property Management	Hazardous Waste Depots	Total Operating
<b>Net Ordinary Income</b>							
<b>Income</b>							
Tipping Fees	-	2,413,236	3,996,090	331,195	-	-	6,740,521
Special Waste	-	730,109	-	-	-	-	730,109
Hazardous Waste	-	-	-	-	-	62,000	62,000
Sale of Materials	-	217,196	1,589,070	769,587	-	52,750	2,628,603
Rents	-	-	-	-	75,000	-	75,000
Product Stewardship	-	37,500	-	-	-	131,500	169,000
Other Income	-	75,000	-	-	-	-	75,000
Grant Revenue	-	-	-	-	-	106,470	106,470
Total Income	-	3,473,041	5,585,160	1,100,782	75,000	352,720	10,586,703
<b>Cost of Goods Sold</b>							
Paint	-	-	-	-	-	19,000	19,000
Organics	-	-	-	102,405	-	-	102,405
Total Cost of Goods Sold	-	-	-	102,405	-	19,000	121,405
Gross Profit	-	3,473,041	5,585,160	998,377	75,000	333,720	10,465,298
<b>Expenses</b>							
Payroll Expenses							
Salaries & Wages	247,967	824,788	13,521	426,262	-	349,220	1,861,758
Benefits	50,214	469,116	2,081	203,028	-	160,205	884,644
Total Payroll Expenses	298,182	1,293,904	15,602	629,290	-	509,425	2,746,402
Travel & Training	4,350	1,500	6,465	12,900	-	4,300	29,515
Administrative Costs	1,250	78,650	28,034	8,249	-	-	116,183
Professional Fees	23,000	150	1,725	3,050	-	2,750	30,675
Equipment & Fleet	-	47,305	42,100	219,273	-	24,900	333,578
Supplies	-	20,250	1,100	21,944	1,000	22,000	66,294
Materials Management	-	1,187,535	3,557,475	160,008	-	396,700	5,301,718
Property Management	-	72,674	113,468	104,284	66,890	71,300	428,616
Promotion & Education	-	-	-	6,200	-	-	-
Community Support	-	1,250	-	-	-	-	1,250
Maintenance & Roll Off Allocation	-	591,731	6,802	37,408	6,802	37,408	680,150
Total Expense	326,782	3,294,949	3,772,770	1,202,606	74,691	1,068,783	9,740,581
Net Ordinary Income	(326,782)	178,092	1,812,390	(204,229)	309	(735,063)	724,717

Chittenden Solid Waste District  
FY24 Proposed Budget  
Operating Summary

	Operating Administration	Drop Off Centers	Materials Recovery Facility	Organics Diversion Facility	Property Management	Hazardous Waste Depots	Total Operating
<b>Subsidies, Reserve Transfers &amp; Year End Adjustments</b>							
<b>Other Income</b>							
Subsidies & Transfers							
Operating Reserve Subsidy	-	-	-	204,229	-	735,063	939,292
Solid Waste Management Fee Subsidy	326,782	-	-	-	-	-	326,782
Total Subsidies & Transfers	326,782	-	-	204,229	-	735,063	1,266,073
Total Other Income	326,782	-	-	204,229	-	735,063	1,266,073
<b>Other Expenses</b>							
Reserve Transfers							
Transfer to Operating Reserve	-	-	1,115,677	-	-	-	1,115,677
Transfer to Capital Reserve	-	178,092	696,713	-	309	-	875,114
Total Reserve Transfers	-	178,092	1,812,390	-	309	-	1,990,790
Total Other Expense	-	178,092	1,812,390	-	309	-	1,990,790
Total Other Income and Expenses	326,782	(178,092)	(1,812,390)	204,229	(309)	735,063	(724,717)
Total Net Income	-	-	-	-	-	-	-

Chittenden Solid Waste District  
Self-Funded Descriptions

**Biosolids Program**

The Biosolids program provides efficient and effective residuals management for participating community members. This program is developed to be self-funding.

**Closed Landfill Program**

The Closed Landfill program oversees the 30-year post closure period through responsible maintenance, reporting and monitoring according to the safety standards of applicable governing bodies. This program is funded through monies reserved at the launch of the closing project.

**Maintenance & Roll-off**

The Maintenance department provides material hauling and supports facility operations through ongoing maintenance of CSWD assets.

Chittenden Solid Waste District  
FY24 Proposed Budget  
Self-Funded and Maintenance Summary

H.

	Biosolids	Closed Landfill	Maintenance & Rolloff
<b>Net Ordinary Income</b>			
<b>Income</b>			
Biosolids	1,404,358	-	-
Interest & Revenue	-	1,000	-
Total Income	1,404,358	1,000	-
<b>Gross Profit</b>	1,404,358	1,000	-
<b>Expenses</b>			
Payroll Expenses			
Salaries & Wages	-	10,328	312,235
Benefits	-	846	149,558
Total Payroll Expenses	-	11,174	461,793
Travel & Training	2,960	-	3,250
Administrative Costs	1,950	100	1,200
Professional Fees	4,600	113,500	-
Equipment & Fleet	-	-	169,650
Supplies	-	250	21,400
Materials Management	1,349,348	40,150	-
Property Management	-	12,278	22,857
Total Expenses	1,358,858	177,452	680,150
<b>Net Ordinary Income</b>	45,500	(176,452)	(680,150)

Chittenden Solid Waste District  
FY24 Proposed Budget  
Self-Funded and Maintenance Summary

	Biosolids	Closed Landfill	Maintenance & Rolloff
<b>Subsidies, Reserve Transfers &amp; Year End Adjustments</b>			
<b>Other Income</b>			
Subsidies & Transfers			
Transfer from Landfill Post Closure Reserve	-	177,452	-
Total Subsidies & Transfers	-	177,452	-
Allocations			
Maintenance Allocation	-	-	680,150
Total Allocations	-	-	680,150
Total Other Income	-	177,452	680,150
<b>Other Expenses</b>			
Reserve Transfers			
Transfer to Biosolids	45,500	-	-
Transfer to Landfill Post Closure	-	1,000	-
Total Reserve Transfers	45,500	1,000	-
Total Other Expenses	45,500	1,000	-
Total Other Income and Expenses	(45,500)	176,452	680,150
Net Income	-	-	-

I.

To: Finance Committee  
From: Josh Tyler, Director of Operations  
Date: January 5, 2023  
RE: Fiscal Year 2024 Capital Budget

---

### Operating Capital

Presented in this enclosure is a capital budget and timeline for FY24, FY25 and FY26; The new Materials Recycling Facility (MRF) construction project will be presented in a separate memorandum. This memo highlights the projects and procurements planned for FY24.

CSWD has invested heavily in significant infrastructure and rolling stock upgrades over the last three (3) years. Infrastructure investments have focused on increasing facility service life to a minimum of 20-years. For example, the Drop-Off Center in Hinesburg, the ODF (upon completion in spring 2023), and a revamped Drop-Off Center in Milton (spring 2023) all have a 20-year service life. Rolling stock investment has focused on the purchase of new equipment rather than leased equipment or used equipment to maximize useful life, manage higher parts costs with warranties, minimize costly down time due to old repurposed and antiquated equipment as well as realize a higher trade in value at the time of replacement.

Review of the three-year summary will highlight a significant decrease in capital expenses toward the out years. The existing investments made to date will bring the District to a regular capital pattern where rolling stock replacement will be more spread out and will see a purchase phase (FY20 to FY24) and a maintenance phase (FY25 to FY30). District staff has made significant efforts to generate accurate capital costs in developing the operating capital budget as well as following through with capital purchases, upgrades and projects as planned.

Please note that this is a description of intended projects and procurements and is inclusive of all potential capital expenses for FY24. Approval of the budget does not mean work will proceed without a proper bidding process and associated Board approvals according to CSWD financial policies. All capital projects greater than \$100,000 will require approval from the Board of Commissioners. In addition to Board notice of projects exceeding \$100,000, Staff will regularly report updates of facility projects that are under the \$100,000 threshold.

<b>CSWD Capital Budget Highlights Fiscal Year 2024</b>	
<b>Organics Diversion Facility</b>	<b>\$1,060,000</b>
<b>Roll-Off and Maintenance</b>	<b>\$360,000</b>
<b>Drop Off Centers</b>	<b>\$285,000</b>
<b>Hazardous Waste and Latex Paint</b>	<b>\$80,000</b>
<b>Administrative infrastructure</b>	<b>\$95,000</b>
<b>Materials Recovery Facility</b>	<b>\$35,000</b>
<b>New MRF Funding Payments</b>	<b>\$523,711</b>
<b>Capital Contingency</b>	<b>\$243,871</b>
<b>FY 24 Capital Projects</b>	<b>\$2,682,582</b>

Descriptions of items included in the FY24 capital budget are as follows:

\$750,000	Organics Diversion Facility primary screener, (10-15-year life)
\$523,711	New MRF Funding Payments – Bond Interest FY24
\$285,000	Burlington Drop Off Center Construction, (5 – 20-year life)
\$250,000	Purchase new Maintenance Loader, (5 – 7-year life)
\$150,000	Organics Diversion Facility Phase III grading
\$110,000	Purchase new Maintenance Mini-Loader, (5 – 7-year life)
\$80,000	Refurbish outdoor hazardous storage buildings for the Environmental Depot, (10-year life)
\$60,000	Drop Off Center materials analysis

There are sufficient cash reserves available to fund the capital expenditures budgeted for FY24.

# CSWD CAPITAL PROJECTS

# 3 YEAR PLAN

J.

## MATERIALS RECOVERY FACILITY

### Site Work

		FY24	FY25	FY26
General	Repave lot			
	Replace Stormwater System (1993)			
	New Roof			
	Building Structure upgrades			
	Full Tip Floor			
	HVAC			
	Replace Septic system (1993)			
	contingency			
cost to transfer material while down				
Sub Total		\$0	\$0	\$0

### Building & Building Repair

General	Refurbish Tip Floor			
	Building Roof (1993)			
	Presort Enclosure (2003)			
	Refurbish bathroom			
	Refurbish Tip Floor Steel Side wall			
	Sprinkler System Modifications			
Sub Total		\$0	\$0	\$0

### Capital Equipment

Fiber Line	Sorting Conveyor			
MSW compactor				
Single Stream System	MC 1			
Sub Total		\$0	\$0	\$0

### Rolling Stock

general	2 c.y. Compactor & 35 c.y. Roll-Off			
	Forklift #1 (2021)			\$35,000
	Forklift #2 (2021)			\$35,000
	#1 Skid Steer(2022)			
	#2 Skid Steer (2023)			
	Front End Bucket Loader			
	SCISSORS LIFT	\$35,000		
Sub Total		\$35,000	\$0	\$70,000
Total MRF		\$35,000	\$0	\$70,000



# CSWD CAPITAL PROJECTS

# 3 YEAR PLAN

## ORGANICS DIVERSION FACILITY

### Site Work

	FY24	FY25	FY26
Expanded food collection pad		\$75,000	
Sub Total	\$0	\$75,000	\$0

### Building & Building Repair

ASP watering system	\$35,000		
Concrete Pad Replacement (mixing bay)			
Sub Total	\$35,000	\$0	\$0

### Capital Equipment

Komptech L3 Screener (2012 purchased used; 10 year useful life)	12-15 year useful life	\$750,000		
ASP Trommel screener (2022)	15 year useful life			
ASP BLOWER SYSTEM (AERATED STATIC PILE)				\$50,000
Sub Total		\$750,000	\$0	\$50,000

### Rolling Stock

2003 MACK PUMP TRUCK (4500 GAL TANK)	rehab	\$25,000		
Loader #1 (2021)	10 year useful life			
Loader #2 (2018)	7 year useful life		\$260,000	
Loader #3 (2021) JD 524	12 year useful life			
Organics collection insert for F550	7 year useful life	\$100,000		
Used Triaxle Dump truck (ADT)	12 year useful life			
stacking conveyor (2021)	20 year useful life			
Sub Total		\$125,000	\$260,000	\$0

### ODF Expansion

Phase III				
site grading		\$150,000		
Sub Total		\$150,000	\$0	\$0
<b>Total ODF</b>		<b>\$1,060,000</b>	<b>\$335,000</b>	<b>\$50,000</b>

# CSWD CAPITAL PROJECTS

# 3 YEAR PLAN

Roll-OFF and Maintenance		FY24	FY25	FY26
<b>Capital Equipment</b>				
new roll-off containers		\$ -	moved to ops budget	\$ -
Sub Total		\$ -	\$ -	\$ -
<b>Rolling Stock</b>				
2023 KENWORTH ROLL OFF TRUCK T800 #1	10 year useful life			
2012 KENWORTH ROLL OFF TRUCK T800 #31	encumbered (\$255,000)	\$ 25,000		
2017 KENWORTH ROLL OFF TRUCK T800 #2	10 year useful life			
2005 JD 644G Loader EDOC			\$ 30,000	
2022 FORD F350 PICKUP TRUCK - Rack Truck				
2014 JD 644K Loader Maint		\$ 250,000		
2014 Volvo L30GS mini-loader (maybe skid steer)		\$ 110,000		
2015 enclosed trailer HH/lawnmower				\$ 12,000
Used Oil Trailer			\$ 25,000	
Sub Total		\$ 360,000	\$ 55,000	\$ 12,000
<b>Total Roll-Off and Maintenance</b>		<b>\$360,000</b>	<b>\$55,000</b>	<b>\$12,000</b>
<b>Drop Off Centers</b>				
<b>Site Work</b>				
BDOC	Flynn Ave Pine Street Construction	\$ 285,000		
Sub Total		\$ 285,000	\$ -	\$ -
EDOC	Design for Expansion Overlay lot and road		\$ 60,000	\$ 30,000
Sub Total		\$ -	\$ 60,000	
WDOC	Design for Optimization		\$ 25,000	
Sub Total		\$ -	\$ 25,000	\$ -
<b>Total Drop Off Centers</b>		<b>\$ 285,000</b>	<b>\$ 85,000</b>	<b>\$ -</b>

# CSWD CAPITAL PROJECTS

# 3 YEAR PLAN

## HAZARDOUS WASTE AND LATEX PAINT

### Building & Building Repair

	FY24	FY25	FY26
Refurbish outdoor haz store bldgs. (2) added to ops budget	\$ 80,000		
Sub Total	\$ 80,000	\$ -	\$ -

### Rolling Stock

new forklift (2008) used		\$ 34,000	
Sub Total		\$ 34,000	
<b>Total HAZARDOUS WASTE AND LATEX PAINT</b>	<b>\$ 80,000</b>	<b>\$ 34,000</b>	<b>\$ -</b>

## Administration

### Capital Equipment

New Server, routers switches, - every 5 yrs.			
POS upgrade consultant			
DOC bag analysis	\$ 60,000		
NetSuite upgrades			
Full District Revenue Sufficiency Analysis			
website upgrades	\$ 35,000		
New Phone System - (every 5 years)			
Sub Total	\$ 95,000	\$ -	\$ -
<b>Total Administration</b>	<b>\$ 95,000</b>	<b>\$ -</b>	<b>\$ -</b>

## Old MRF

### Site Work

<b>Building and Site (decomissioning/repurpose)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$350,000</b>
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## NEW MRF

### Funding Payment

Bond Interest		\$523,711	\$839,804	\$839,804
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<b>Capital</b>		<b>\$ 2,438,711</b>	<b>\$ 1,348,804</b>	<b>\$ 1,321,804</b>
<b>Contingency</b>		<b>\$ 243,871</b>	<b>\$ 134,880</b>	<b>\$ 132,180</b>
<b>Capital Total</b>		<b>\$ 2,682,582</b>	<b>\$ 1,483,684</b>	<b>\$ 1,453,984</b>
<b>MRF input</b>		<b>\$ (525,000)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ODF input</b>		<b>\$ -</b>	<b>\$ (15,000)</b>	<b>\$ (15,000)</b>
<b>DOC input</b>		<b>\$ (178,000)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cap Reserve Net Cost</b>		<b>\$ 1,979,582</b>	<b>\$ 1,468,684</b>	<b>\$ 1,438,984</b>



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K.

## MEMORANDUM

TO: Sarah Reeves

FROM: Jon Dorwart & Nancy Plunkett

DATE: October 20, 2022

RE: FY 2024 Projected SWMF Revenue

As you know, CSWD's Solid Waste Management Fee (SWMF or Fee) is imposed on all solid waste generated in the District as established in Article VIII of CSWD's Solid Waste Management Ordinance. Certain materials are exempt from the SWMF or are subject to a reduced Fee. Generally, the Fee is assessed at disposal sites, such as transfer stations and the landfill in Coventry. Haulers, including CSWD, which hauls waste from the District's Drop-Off Centers, recover the cost from their customers (the waste generators) through the rates they charge. The SWMF was originally set at \$17.61 in 1993. It was raised to \$22.06 in 2009 and to \$27.00 in 2013.

Estimated SWMF revenue for FY 2024 is \$3,335,702. The estimate is based on projections of waste generation and diversion from the Solid Waste Disposal and Diversion Trends Model prepared for CSWD by Skumatz Economic Research Associates. Variables impacting projections in the Model were updated including the expected economic growth rate for the coming year.

SWMF revenues rose 5.3% from FY 2021 to FY 2022, as the COVID-19 pandemic impacts abated. The CY 2021 receipts are in line with those of CY 2019. This strong and expected improvement follows the less than expected impacts of the pandemic FY 2021 totals. Calendar year disposed tons for 2021 were 134,644, a 6.8% jump from CY 2020. The difference between disposed tons and SWMF tons is that some tons disposed are charged a discounted SWMF rate. For example, certain materials used for road building in the landfill (e.g., fines from C&D processing) or alternative daily landfill cover (ADC) are charged 25% of the full rate under the CSWD ordinance, and some tons are not charged at all (Green Up Day litter collected). To illustrate the difference, 100 disposed tons of ADC equals 25 SWMF tons. Consequently, the total tons disposed is always greater than the total SWMF

tons. Post-pandemic, both the District's diversion rate increased as did disposed ADC. There is no guarantee either of these trends will continue to climb in the next projected fiscal year, which could impact the SWMF collected.

Projections under such unusual conditions continue to be extremely difficult to prepare (i.e. pandemic related issues, international conflict, reduced labor force, supply chain disruptions, and shifting consumer preferences). Severe reductions in waste generation in FY21 did not occur and picked up to 'normal' levels in FY22. Looking at three quarters of data, tons projected to be disposed in CY22 are expected to be lower than FY22 actuals by 0.6%. It is not expected that waste generation will return to pre-pandemic levels in FY23, but economic activity has improved, and the impact of federal investment continues. However, inflation and changes to monetary policy coupled with the risk of recession and international political volatility are countervailing forces. Federal support from the pandemic and resulting surpluses is underscored as a key driver for the State's economy as of July 2022 (updated in August, 2022) economic review and revenue forecast update by economist Tom Kavet for the state Emergency Board and Legislative Joint Fiscal Office (<https://lifo.vermont.gov/subjects/revenue-and-tax/state-forecasts/consensus-revenue-forecasts-legislative-economic-outlook>). Regarding the overall state economic outlook, Kavet concluded, "While downside risks abound, even with dramatically slowing economic growth in FY23 and FY24, [state tax] revenues could remain at historically high levels. Given the heightened level of uncertainty, interim quarterly revenue updates should be considered if external conditions appreciably worsen in FY23." Regarding the outlook in the housing construction industry specifically, Kavet stated in his report, "As interest rates rise, prices should moderate, but the absence of excess supply will temper price declines and provide a shorter recovery period...The current absence of overbuilding, however, should support resumed growth towards the end of the 5-year forecast horizon." From our perspective this entails a risk that recession may dampen the future amount of material generated, but also gives some confidence C&D materials may remain higher than normal especially in consideration of some of the larger ongoing and potential construction projects (i.e., Burlington downtown redevelopment, Beta Tech, Burlington High School and other commercial/housing projects ongoing or in the pipeline). Whether we will enjoy as high or increasing diversion rates in the future also could be in question since recent increases may have been driven in part by the pandemic response. Ultimately a wide variety of factors could impact the amount of disposed material in potentially unpredictable ways.

Given Kavet's Vermont economic forecast and using the Skumatz model, the SWMF is projected to be 1.3% lower than the FY 2023 estimate and 2.5% lower than projected for CY 2021 resulting in a baseline of 123,545 tons at \$3,335,702 in revenue for FY 2024.

Disposal data from recent calendar and fiscal years and SWMF projections are shown in the following table:

TONS DISPOSED	MSW	C&D	C&D Road	ADC*	TOTAL	SWMF TONS
			Build*			
CY 2020 actual	87,357	30,819	707	7,162	126,045	120,143
CY 2021 actual	88,485	34,806	1	11,352	134,644	126,129
FY 2022 actual	87,747	35,439	1	16,274	139,461	127,255
CY 2022 - actual thru 3Q	64,469	27,544	1,250	13,239	106,502	95,635
CY 2022 - actual + projected 4Q	86,969	35,884	1,460	14,239	138,552	126,778
FY 2023 budget projection	88,800	36,000	800	1,000	126,600	124,600
FY 2024 budget projection	86,595	36,500	800	1,000	124,895	123,545
25% of SWMF FY 2023			200	250		
SWMF Tons	123,545					
SWMF Revenue	\$3,335,702					

\*These are regular C&D fines from the C&D recycling facility plus painted concrete from demolition projects in FY21 & beginning of FY22 used in landfill road building. The SWMF rate for these and ADC is 25% of the full rate.

Chittenden Solid Waste District  
Fiscal Year 24 Proposed Budget  
Reserve Funds

L.

Excess income is allocated to specified reserve accounts based on their established priority and reserve type.

Reserve Types include:

**Restricted Reserves:** resources subject to constraints. Due to the nature of their restriction, expenses must be tracked to prove the funds are used as authorized.

**Committed Reserves:** include encumbrances not otherwise reflected in Restricted Reserves. Limitations on spending imposed by the annual operating budget naturally lapse with the passage of time and thus do not remain binding indefinitely. Committed Reserves allows for the inclusion of encumbrances committed to, but not yet obtained.

**Assigned Reserves:** may be established by the Board from time to time to meet the future needs of CSWD. These reserves are established and may be changed by resolution of the Board in accordance with the Open Meeting Law requirements.

**Undesignated Funds:** not considered special revenue fund and include the unrestricted surplus funds not accounted for and reported in another fund

In FY24, CSWD will manage the following Restricted Reserves:

**Biosolids Reserve** – established by the contract with the members of wastewater treatment plants for the disposal of sludge. Reserves are often designated to reduce the impact of market conditions on the fees assessed from biosolids or to collect funds for the purchase of capital equipment. Budget projections for FY24 indicate **an increase of \$45,500.**

**Landfill Post Closure Reserve** – designated to assure funding exists to meet the requirements of the 30-year process of closing the landfill that began in 1996. Members of the operations team perform an annual audit to review the current closing cost and adjust for inflation and alterations, as necessary. Excess funds will remain in this fund until CSWD reaches custodial care through resolution with the state, expected no sooner than Fiscal Year 2025. A portion of the reserve earns interest through interest-bearing accounts. Both expected expenditures and expected interest earned are included in the annual budget. Budget projections for FY24 indicate **a reduction of \$176,452.**

**Facilities Solid Waste Termination Reserve** – mandated to safely remove solid waste from closed operating facilities as required by state law. Members of the operations team perform an annual review of the current termination cost adjusting for inflation and alterations, as necessary. Funds for this reserve reside in an interest-bearing account; revenue from the account is included in the Finance budget. Budget projections for FY24 indicate **an increase of \$500.**

In FY24, CSWD will manage the following Temporarily Restricted Reserves:

**Materials Recycling Facility Reserve-** developed in FY23 to maintain a minimum fund balance per the bond agreement. Additional funds will be deposited as available, until management is confident bond payments can be completed through the net ordinary income at the Materials Recycling Facility.

Chittenden Solid Waste District  
Fiscal Year 24 Proposed Budget  
Reserve Funds

In FY24 CSWD will manage the following Assigned Reserves:

**Solid Waste Management Reserve** – designated to provide support to management services as described in the Charter through a management fee structure. Budget projections for FY24 indicate a **decrease of \$7,236**. Upon completion of the “waterfall effect” the fund will return to the maximum balance maintained in that reserve.

**Operating Reserve** – designated to provide funds to operating programs and reduce the reliance on the solid waste management subsidy. It is assumed contributions are made in years when operation allocations balances are in excess; withdrawals are made when operational allocations balances are insufficient. In the event operating reserves are depleted, funding will be withdrawn from the Solid Waste Management Reserve. Budget projections for FY24 indicate an **increase of \$176,385**. Upon completion of the “waterfall effect” the fund will return to the maximum balance of \$1,750,000 and the excess funds will be redistributed.

**Capital Reserves** – established to preserve funding for future capital projects, asset upgrades and replacement of depreciated or disposed assets. Budget projections for FY24 indicate an **increase of \$934,614 from the department budgets and a decrease of \$2,682,582 for capital projects, for a net decrease of \$1,747,968**. Upon the completion of the “waterfall effect” an additional \$74,149 will be redistributed to this fund.

**Community Clean Up Fund** – designated to member communities for local permissible projects. Budget projections for FY24 indicate a **decrease of \$95,000**. Upon completion of the “waterfall effect” it will replenish to \$95,000.

Reserve Fund	Assumed Balance at the end of FY23	Assumed Changes per FY24 Proposed Budget	FY24 Capital Plan	Waterfall adjustments	Balance at the end of FY24
<b>RESTRICTED</b>					
Landfill Post Closure Reserve	353,024	(176,452)	-	-	176,572
Biosolids Reserve	335,224	45,500	-	-	380,724
Facilities Closure Reserve	1,464,178	500	-	-	1,464,678
<b>TEMPORARILY RESTRICTED</b>					
Material Recycling Facility Reserve	2,200,000	-	-	0	2,200,000
<b>DESIGNATED</b>					
Solid Waste Management Reserve	1,000,000	(7,236)	-	7,236	1,000,000
Operating Reserve	1,750,000	176,385	-	(176,385)	1,750,000
Capital Reserve	5,025,717	934,614	(2,682,582)	74,149	3,351,898
Community Cleanup Fund	95,000	(95,000)	-	95,000	95,000
<b>UNDESIGNATED</b>					
Undesignated	1,000,000	0		0	1,000,000



CHITTENDEN SOLID WASTE DISTRICT  
FY 24 SCHEDULE OF PROGRAM TIPPING FEES

M.

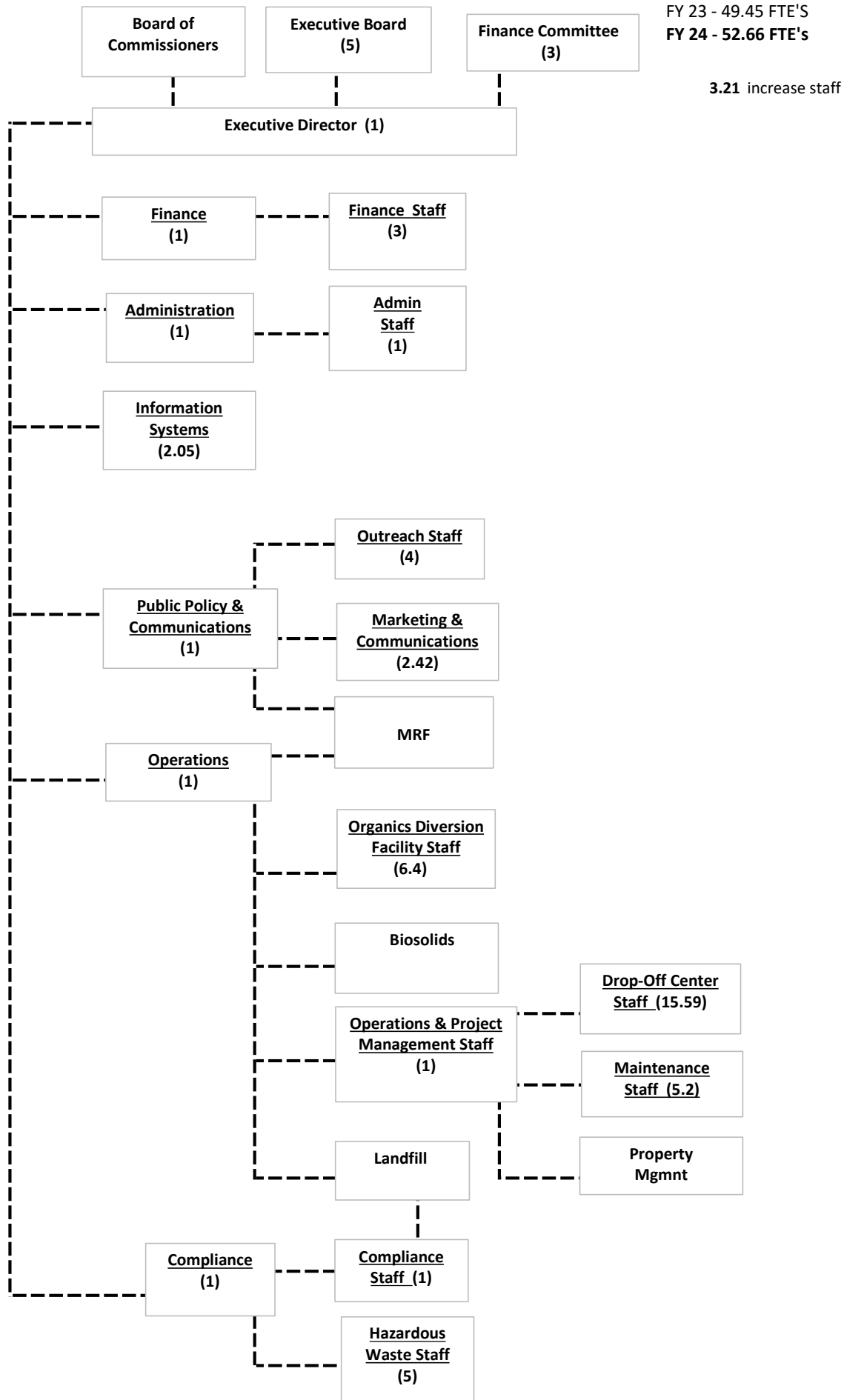
	FY22	FY23	FY24	Change from FY23 to FY24
<b>MATERIALS RECYCLING FACILITY</b>				
<i>Materials Sales fluctuate with market price.</i>				
Budgeted Tipping Fees:				
In-District materials, per ton	\$ 80.00	\$ 80.00	\$ 85.00	\$ 5.00
Out-of-District materials, per ton	\$ 80.00	\$ 80.00	\$ 85.00	\$ 5.00
<b>DROP-OFF CENTERS</b>				
<i>Items accepted vary by facility</i>				
Household Trash				
Small - up to 13 gallons	\$ 2.75	\$ 2.00	\$ 3.00	\$ 1.00
Medium - 14 to 35 gallons	\$ 5.25	\$ 6.00	\$ 8.00	\$ 2.00
Large - 36 to 45 gallons	\$ 7.50	\$ 8.00	\$ 11.00	\$ 3.00
per cubic yard	\$ 41.25	\$ 42.00	\$ 48.00	\$ 6.00
at Drop-Off Center in Burlington, per pound	\$ 0.21	n/a	n/a	
Recycling				
Blue-bin Recyclables, with paid trash items	No charge	No charge	No charge	\$ -
Blue-bin Recyclables ONLY	\$ 2.00	\$ 2.00	\$ 2.00	\$ -
Organics				
Food Scraps, with paid trash items	No charge	No charge	No charge	\$ -
Food Scraps (per 5 gallons), without paid trash items	\$ 1.50	\$ 1.00	\$ 1.00	\$ -
Tree limbs, trunks, clean stumps, & brush:				
Up to 1 cubic yard (Milton & Essex)	n/a	No charge	No charge	\$ -
Up to 3 cubic yards (Williston)	No charge	No charge	No charge	\$ -
Each cubic yard in excess of 3 cy	\$ 10.00	\$ 5.00	\$ 5.00	\$ -
Pallets & clean lumber:				
Up to 1 cubic yard (Milton & Essex)	No charge	No charge	No charge	\$ -
Up to 3 cubic yards (Williston)	n/a	No charge	No charge	\$ -
Each cubic yard in excess of 1 cy	\$ 5.00	\$ 5.00	\$ 5.00	\$ -
Per ton	\$ 50.00	\$ 50.00	\$ 50.00	\$ -
Yard debris	n/a	No Charge	No Charge	\$ -
Special Materials				
Non-covered Electronics ~ per pound (by appt. only)	\$ 0.18	\$ 0.18	\$ 0.18	\$ -
Gypsum wallboard (clean, new scrap):				
Small loads (up to 2 cy), per cubic yard	\$ 22.50	\$ 22.50	\$ 22.50	\$ -
Large loads, per ton	\$ 90.00	\$ 90.00	\$ 90.00	\$ -
Tires ~ up to 16"	\$ 2.25	\$ 3.00	\$ 3.00	\$ -
Tires ~ 16.5" to 19"	\$ 3.75	\$ 3.00	\$ 3.00	\$ -
Tires ~ per ton	\$ 200.00	\$ 225.00	\$ 225.00	\$ -
Propane cylinders over 20 lbs.	\$ 5.00	\$ 5.00	\$ 5.00	\$ -
Mercury-containing products*	No charge	No charge	No charge	\$ -
Propane cylinders 20 lbs. & under*	No charge	No charge	No charge	\$ -
Dense Construction & Demolition Materials				
up to 13-gallon bag/barrel	\$ 5.50	\$ 5.00	\$ 5.00	\$ -
up to 33-gallon bag/barrel	\$ 10.50	\$ 10.00	\$ 10.00	\$ -
up to 45-gallon bag/barrel	\$ 15.00	\$ 15.00	\$ 15.00	\$ -
per cubic yard	\$ 82.50	\$ 82.00	\$ 82.00	\$ -

CHITTENDEN SOLID WASTE DISTRICT  
FY 24 SCHEDULE OF PROGRAM TIPPING FEES

	FY22	FY23	FY24	Change from FY23 to FY24
<b>DROP-OFF CENTERS, continued</b>				
<i>Items accepted vary by facility</i>				
Other Items				
Appliances without refrigerants	\$ 5.00	\$ 5.00	\$ 5.00	\$ -
Appliances with refrigerants	\$10-\$15	\$10-\$15	\$10-\$15	
Batteries (household and lead acid)*	No charge	No charge	No charge	
Electronics -non-covered	\$1-\$15	No charge	No charge	
Electronics - items covered by State program	No charge	No charge	No charge	
Fluorescent lamps*	No charge	No charge	No charge	
Small furniture item	\$ 11.00	\$4-11	\$4-11	
Large furniture item	\$ 22.00	\$16- 22	\$16- 22	
Twin box spring	\$ 18.75	\$ 20.00	\$ 20.00	\$ -
Twin mattress	\$ 18.75	\$ 20.00	\$ 20.00	\$ -
Full/double/queen mattress	\$ 11.00	\$ 25.00	\$ 25.00	\$ -
Full/double/queen box spring	\$ 11.00	\$ 25.00	\$ 25.00	\$ -
King mattress	\$ 22.00	\$ 30.00	\$ 30.00	\$ -
King box spring	\$ 22.00	\$ 30.00	\$ 30.00	\$ -
Crib mattress	\$ 6.00	\$ 6.00	\$ 6.00	\$ -
Hard cover books*	No charge	\$ -	\$ -	\$ -
Scrap metal	No charge	No charge	No charge	\$ -
Textiles*	No charge	No charge	No charge	\$ -
Tires	\$ 2.75	\$ 3.00	\$ 3.00	\$ -
Tires ~ Up to 19"	\$ 5.25	\$ 3.00	\$ 3.00	\$ -
Tires ~ 20" to 24.5"	\$ 14.00	\$ 15.00	\$ 15.00	\$ -
Tires ~ large equipment tires	\$ 56.00	\$ 56.00	\$ 56.00	\$ -
Used oil*	No charge	No charge	No charge	\$ -
Used oil filters*	No charge	No charge	No charge	\$ -
Ashes (accepted as trash)		\$2-8; \$42 (Cubic Yard)	\$2-8; \$42 (Cubic Yard)	\$ -
<b>HAZARDOUS WASTE - ENVIRONMENTAL DEPOT &amp; ROVER</b>				
Environmental Depot				
Household hazardous waste		No Charge	No Charge	\$ -
Business hazardous waste ~ Conditionally Exempt Generators	Call For Pricing	Call For Pricing	Call For Pricing	
Rover				
Household hazardous waste		No Charge	No Charge	\$ -
<b>BIOSOLIDS</b>				
<i>price based on agreed-upon contract with member towns</i>				
Sludge				
Sludge per wet ton for disposal (average projected blended rate, opt out)	NA	NA	NA	\$ -
Sludge per wet ton for disposal (average projected blended rate)	\$ 87.40	\$ 91.30	\$ 96.06	\$ 4.76
Sludge per wet ton for land application (average projected blended rate)	NA	NA	NA	\$ -
Sludge per wet ton for alkaline treatment (average projected blended rate)	\$ 92.87	\$ 99.01	\$ 104.67	\$ 5.66
<b>Organics Diversion Facility</b>				
Food Waste				
Tip fee, per ton	\$ 60.00	\$ 65.00	\$ 70.00	\$ 5.00
<b>Solid Waste Management</b>				
Budgeted Fee:				
Management Fee, per ton	\$ 27.00	\$ 27.00	\$ 27.00	\$ -

# FY 24 CSWD ORGANIZATIONAL CHART

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## MEMORANDUM

**TO:** Board of Commissioners  
**FROM:** Sarah Reeves, Executive Director  
Josh Tyler, Director of Operations  
**DATE:** February 27, 2023  
**RE:** CSWD FY24 DOC Overview and Pricing Options

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### Historical Background

The Drop-Off Center (DOCs) operation has been a function of CSWD since the District's inception. The system of six locations provides convenient and cost-effective solid waste management service to Chittenden County residents and small businesses and provides some services that curbside haulers can't or won't provide. The current six DOCs are strategically located across Chittenden County: Williston in the geographic center, Milton in the north, Hinesburg in the southeast, and South Burlington, Burlington, and Essex in the densest population centers. The 2019 CSWD Household Survey showed that 23% of Chittenden County uses the DOCs as their primary option for solid waste management, and that 83% use the DOCs to manage some part of their waste, either all of it or as an outlet for special materials not collected by their curbside hauler.

The philosophy of the Board of Commissioners and CSWD staff has long been to provide convenient, cost-effective solid waste management services in such a way as to not directly compete with curbside haulers. This has been accomplished in part by focusing on providing low- to no-fee service for a myriad of materials that are cumbersome or dangerous to manage, or that require specific segregation. These special materials (called "Special Waste" or "Special Recycling") have been subsidized by the District as a matter of practice through Board approved annual budgets. This practice is somewhat in conflict with the CSWD Charter, which says that "the generators of waste should pay disposal costs that reflect the real costs to society of waste management and disposal,..." and that "Once the District has a disposal facility, it will rely primarily on tipping fees for revenues,...". This has generally been interpreted to mean that if the District constructed a landfill, it would set the landfill tip fees in such a way as to not require an assessment from each member city and town. It has also been interpreted to mean that District waste management facilities should charge fees necessary to satisfy their operation and capital needs.

As the DOCs Accepted Materials list has grown over the decades, costs have risen accordingly. The DOC system has evolved beyond where fees charged for bagged trash are sufficient to cover all costs of managing all materials. The DOC budget has required a general District subsidy for years, the extent of which has only been made clear since 2017. Prior to then, some expenses that should have been assigned to the DOC system were assigned to a "Special Waste" budget, which was accounted for separately from the DOC budget and was fully subsidized, masking the true cost of the DOCs. In 2017, we recombined special waste costs back into the overall DOC budget. In light of this, the Board of Commissioners and District staff evaluated the Drop Off Center (DOC) program in June of 2018 at a day-long retreat. The structure of the DOC program was reviewed, and the following direction was provided to staff:

- Maintain the system as it exists regarding facility locations and acceptance criteria.
- Look at expansion only where our community wants and needs facilities.

- Safety is a top priority at all locations.
- Identify where we are losing money, specifically whether pricing is in line with costs.
- Determine an estimate of capital expenditures required for long-term infrastructure investment.
- Consider customer convenience when making decisions.

### **2018 - Present**

Over the last five years many significant events have taken place: the 2018 global recycling market crisis, the COVID-19 global pandemic, the 2021 Town of Richmond selectboard decision to end CSWD's management of the DOC in Richmond, and most recently two years of significant economic inflation. These events generated interesting data regarding operational changes at the DOCs, created new economic pressures on the program, and pushed staff to be innovative and resourceful as we continue to provide service to approximately 350,000 annual customer trips.

<b>DOC average Daily trips</b>	
<b>January 2013 to February 2023</b>	
Monday	675
Tuesday	869
Wednesday	567
Thursday	900
Friday	961
Saturday	2,630
<b>total annual estimation</b>	<b>343,304</b>

The most significant impact was the COVID-19 pandemic. In late March 2020, we experienced a potential exposure at three of our DOCs simultaneously, leading us to close all DOC locations immediately. The DOC at Williston re-opened within two days under restricted material acceptance criteria and a streamlined pricing structure to limit customer contact and optimize throughput. As more information and guidance became available the District slowly and deliberately reopened each DOC site. The last site to reopen was in Burlington, where it was determined that this site could not meet District safety expectations and provide the historic material acceptance at the same time. We reopened that site as an organics-only drop off, which continues to this day. Over the summer of 2021 the Town of Richmond opted to not renew the District DOC lease and instead bid out the service contract, resulting in the Town awarding the contract to Casella. December 2021, CSWD decommissioned the DOC in Richmond after twenty-seven years of service.

### **DOC Capital Projects**

CSWD has talked with the Town of Milton regarding expanding the Milton facility footprint and adding additional service days. The northern part of Chittenden County is experiencing growth and population shift, and the Town has long requested additional service. Milton is willing to provide additional property to facilitate an expansion and has indicated willingness to agree to a longer-term initial lease to allow CSWD to adequately depreciate some of the assets at the facility. We have also engaged with the City of Burlington to expand the footprint at the Pine Street location (preferred) or to construct at Flynn Avenue, to increase the Burlington level of service back to at least accepting trash, recycling, organics, and leaf and yard waste, and to expand the number of operating days. Fiscal year 2024 anticipates construction at both Burlington and Milton in the second and fourth quarters, respectively. CSWD needs to address how the DOCs will contribute to the capital reserve, given that for over a decade capital needs have been funded by excess revenue from the Materials Recycling Facility.

- Burlington reconstruction tentatively slated for FY24, Q1 and Q2
- Milton build-out: FY24, Q4
- Williston updates: Permitting FY25, Build in FY26
- Essex updates: FY28.
- South Burlington updates: FY30
- Hinesburg updates: FY32

### **Long-Term Vision**

The goal of CSWD management and staff is to continue to provide excellent local drop-off service in an efficient, effective, environmentally sound, and economical manner and to do so safely and conveniently for both CSWD employees and our customers. Balancing the components of this goal means having a long-term vision for the DOCs.

Staff envisions a tiered service-level approach, designed to maximize efficiency, cost-effectiveness, and customer convenience and safety. The fullest level of service would be at Williston, Essex, and Milton. These sites have several advantages which formed the rationale for implementing “Tier 1” service:

<b>Williston</b>	<b>Essex</b>	<b>Milton</b>
CSWD owns the site	Very long queuing space	Room to expand
Largest footprint, room to expand	Permanent structures in place, in good condition	Town supports expansion, long-term lease
Very long queuing space	Near county population center	Growing population
Accepts trailers	Room to accept trailers	Accepts trailers
Central county location		
Scale access for heavy loads		

These three DOCs would accept all materials, representing an increase in service at Essex and Milton. They would be the “anchor” facilities and would be prioritized when considering closures (meaning, these three would remain open when possible if other facilities need to close). South Burlington and Hinesburg would manage the next tier of materials, with Burlington accepting a third tier.

<b>Tier 1</b>	<b>Tier 2</b>	<b>Tier 3</b>
All Materials on DOC Accepted Materials List	Trash, Recycling, Organics, Leaf & Yard, Scrap Metal, Special Materials, Bulky Waste, Small Tires	Trash, Recycling, Organics, Leaf & Yard, Scrap Metal, Special Materials
<i>Williston, Essex, Milton</i>	<i>South Burlington</i>	<i>Burlington, Hinesburg</i>

Site size constraints, queuing safety concerns, and permit limitations are the factors restricting providing Tier 1 service at South Burlington, Hinesburg, and Burlington. Essex and Milton would be built out in order to accept the full suite of materials.

### **DOC Operating Days**

District staff have evaluated the importance of consistency throughout the DOC system, regarding communicating our services to the public, how we manage materials through our sites, and how we can accomplish tasks efficiently. We are proposing shifting operating days to a Tuesday through Saturday schedule (except for Hinesburg, whose days of operation are limited by permit to one day per week only). Currently, DOCs are open on a staggered schedule Monday through Saturday, with Williston open all six days and the remaining DOCs open from one to five days. This operating shift:

- Allows our roll-off team to service all sites on Monday while sites are free of customers, increasing efficiency.
- Allows our maintenance team to perform necessary service needs on Mondays while the facilities are closed, ensuring a safe workspace and increasing project efficiency.
- Provides operators two consecutive days off.
- Provides straightforward messaging for our Outreach and Education team.
- Adds two operating days to Milton and three operating days to Burlington.
- Will aid recruitment of new operators.
- Will minimize on-call hours for coverage and overtime hours associated with scheduling needs.

Proposed schedule:

DOC	Days of Operation	Hours of Operation	Notes
Burlington	Tuesday-Saturday	8:00 AM - 3:30 PM	Schedule change will take place after site expansion Q2
Essex	Tuesday-Saturday	8:00 AM - 3:30 PM	Effective 7/1/23
Hinesburg	Saturday	8:00 AM - 3:30 PM	Town permit restricts operation to one day per week only
Milton	Tuesday-Saturday	8:00 AM - 3:30 PM	7/1/23; Temp closed during site expansion Q4
South Burlington	Tuesday-Saturday	8:00 AM - 3:30 PM	Effective 7/1/23
Williston	Tuesday-Saturday	8:00 AM - 3:30 PM	Effective 7/1/23

#### DOC Revenue – Board Discussion

Over the last five years CSWD has prioritized a comprehensive review of all major operating programs to identify any potentials for optimization, minimize or eliminate general fund subsidy, and generate individual program funding for operator wages and benefits and capital requirements. It is important to note, that shifting operating programs to cover individual operator wages and benefits as well as capital needs, independent of general fund subsidy is the goal. Initial changes to the DOC system are looking to be implemented in FY2024 beginning with the above mentioned new daily operational schedule as well as a review of program revenues.

Average Revenue per Customer “Trip”:

			Average Dollars/Trip				Average Dollars/Trip
	2021				2022		
DOC	Total Trips	Revenue			Total Trips	Revenue	
Burlington	8,816	\$10,081	\$1.14		7,297	\$8,367	\$1.15
Essex	74,322	\$430,229	\$5.79		75,966	\$429,871	\$5.66
Hinesburg	15,953	\$101,837	\$6.38		16,928	\$109,361	\$6.46
Milton	37,914	\$264,335	\$6.97		40,266	\$302,239	\$7.51
Richmond	28,108	\$205,146	\$7.30		NA	NA	NA
South Burlington	81,357	\$438,546	\$5.39		83,988	\$448,577	\$5.34
Williston	91,714	\$1,026,225	\$11.19		80,293	\$895,725	\$11.16
<b>Grand Total</b>	<b>338,184</b>	<b>\$2,476,399</b>	<b>\$6.31</b>		<b>304,738</b>	<b>\$2,194,139</b>	<b>\$6.21</b>
<b>W/o Burlington</b>			<b>\$7.17</b>				<b>\$7.23</b>

The current DOC pricing strategy has two parts. Items that have direct costs through service vendor management (third party or CSWD Roll-Off) are priced to cover service fees; examples are tires, mattresses, C&D, bulky waste, gypsum, furniture, carpets, and appliances. The other component is associated with bagged trash (Municipal Solid Waste, or “MSW”). CSWD does not charge a fee for recycling or food scraps if a customer brings in a bag of MSW in the same trip. The historic practice allocates the MSW revenue to cover the cost of managing MSW bags, recycling, organics, special waste, household hazardous waste accepted at the DOCs, operator wages and benefits, and capital infrastructure needs. Under this practice the MSW bag pricing has never fully covered all those costs and so a subsidy has been required, typically coming from the solid waste management fee (SWMF).

DOC system revenues have decreased over the last three years primarily due to the closing of the DOC in Richmond and the reduction of services offered at in Burlington. Additionally, as the tip fees increased at the Materials Recycling Facility and Organics Diversion Facility, we have not always adjusted DOC pricing accordingly to accommodate the increases. The DOCs have actively subsidized Special Waste materials, as well as the cost of managing leaf and yard debris and clean wood, which have seen increased costs due to inflation. CSWD restructured MSW bag pricing after reopening sites from the COVID-19 closure, late summer/early fall 2020. Bag pricing has not increased since, yet CSWD has incurred significant costs due to two years of high inflation.

Staff anticipates an increase in operating revenue due to increasing the operating days at Milton and Burlington, however the estimated increase is not expected to cover all DOC revenue and capital needs. Staff is projecting that additional revenue will be needed to support the DOCs to maintain the service level expected by our member communities and maintain a fiscally robust and responsible program moving forward and to do so without a subsidy. The expected DOC budget shortfall this year, without an increase to bag pricing, is \$429,732. This is the fifth straight year that the DOCs have needed a subsidy.

Last year, during the FY23 budget discussion with the Board of Commissioners and subsequently with each member municipality's legislative body, Sarah Reeves stated that DOC bag prices were likely to increase in FY24. Operations staff presented an option to increase bagged trash prices to the Finance Committee for review in January 2023. There was extensive discussion on the topic at two committee meetings, and the committee asked staff to bring options to the full Board for consideration and discussion.

*Four Options for increased revenue funding solutions have been identified and are outlined below for Board discussion.*

**Option #1: Assess member towns a service fee**

The CSWD Charter allows the District to assess each member town a service fee to support operational programs and charter mandates. Due to the identified economic pressures regarding increased revenue needs one avenue could be a per capita fee. Several solid waste districts and solid waste alliances in Vermont assess their member communities a modest per capita fee to support certain functions of the district or alliance. CSWD has never assessed any member town a service fee as the revenue from the solids waste management fee, sale of materials, and tipping fee revenues have historically covered all revenue needs. This would be a significant shift in philosophy and practice. District staff does not recommend this Option but wanted the Board to have all options available for discussion.

**Option #2: Charge the full cost of management for each individual item we accept**

Historically CSWD has not charged for items identified as critical to keep out of the landfill due to the nature of the material or CSWD/State mandate. Special waste items such as batteries, used oil, or light bulbs fall under this category as they are mandated to be kept out of the landfill by both CSWD and the State and are also easy to conceal in a garbage bag. Incentivizing a free and convenient drop off location provides the public an avenue to responsibly manage these wastes. During the early days of the COVID-19 pandemic when CSWD operated under a restricted material acceptance criteria DOC operators did report an observation of restricted materials being disposed of as MSW, particularly batteries and metal. District staff does not recommend this Option as through anecdotal evidence, providing the most convenient path to properly managing special waste and household hazardous waste (HHW) items provides the public with highest potential to manage these items appropriately. However, we could consider charging for materials that are not hazardous in nature, such as clean wood, which do not currently carry a fee. For example, we currently only charge a fee for clean wood if a customer brings in more than one cubic yard at a time, or three cubic yards at Williston.

**Option #3: Facility usage fee**

Option three would apply a base facility usage charge to any customer coming into a DOC to drop off any material. Adding on this fee is a shift away from the District historic pricing strategy but would not be mutually exclusive to CSWD. Addison County Solid Waste Management District charges a \$1.00 service charge to all vehicles visiting the Middlebury Drop Off Center for those items that carry a materials management fee. Customers dropping off no-fee items, like HHW, aren't charged the service fee. The application of a facility usage or service fee acknowledges the cost of the DOC system overhead and facility capital needs without adding cost to a specific item managed within the system. A facility usage fee could also be applied to CSWD's other facilities, particularly the MRF and ODF.

**Option #4: Increase the MSW bag pricing**

In line with our historic pricing strategy Option four would be a bag price increase to the three MSW bag sizes we accept. Currently MSW bags are priced at \$2.00 for a thirteen-gallon bag, \$6.00 for a thirty-three-gallon bag, and \$8.00 for a forty-five-gallon bag. The estimated revenue associated with the existing MSW bag pricing structure is \$1,730,932. Staff is proposing two potential price increase paths.



- Path A) increases prices to \$3.00 for a thirteen-gallon bag, \$8.00 for a thirty-three-gallon bag, and \$11.00 for a forty-five-gallon bag. The estimated revenue associated with this option is \$2,338,756.
- Path B) increases prices to \$4.00 for a twenty-gallon bag, \$8.00 for a thirty-three-gallon bag, and \$10.00 for a forty-five-gallon bag. The estimated revenue associated with this option is \$2,457,131.

Management is very sensitive to the significant percentage increase of the smallest bag in Option 4B, and as is our practice, we discussed the increases with DOC operators and sought their input. Most operators supported moving the pricing to a larger small bag with a larger price. They felt that the current pricing of the smallest bag is too low, and that customers would understand and accept the increase, particularly if more gallons were allowed.

FY23			
bag size	number of annual bags received	pricing	revenue
13 Gallon Bag	161,431	\$2.00	\$ 322,862
33 Gallon Bag	158,612	\$6.00	\$ 951,674
45 Gallon Bag	43,056	\$8.00	\$ 344,447
MSW loose (yards)	2,665	\$42.00	\$ 111,948
total			\$ 1,730,932
Option #4A			
FY24			
bag size	(using FY23 bags rec'd)	pricing	revenue
13 Gallon Bag	161,431	\$3.00	\$ 484,293
33 Gallon Bag	158,612	\$8.00	\$ 1,268,899
45 Gallon Bag	43,056	\$11.00	\$ 473,615
MSW loose (yards)	2,665	\$48.00	\$ 127,941
total			\$ 2,354,749
Option #4B			
FY24			
bag size	(using FY23 bags rec'd)	pricing	revenue
20 Gallon Bag	161,431	\$4.00	\$ 645,724
40 Gallon Bag	158,612	\$8.00	\$ 1,268,899
50 Gallon Bag	43,056	\$10.00	\$ 430,559
MSW loose (yards)	2,665	\$46.00	\$ 122,610
total			\$ 2,467,793

CSWD has a mandate (mirroring the state's) to provide a "Pay As You Throw" incentive to customers to minimize their waste. Historically, this has been why our pricing has been associated with a price-per-gallon and why the gallon limit has not been associated with a commercially produced bag size.

Current FY23

Price	Gallon	Price/Gallon
\$ 2.00	13	0.15
\$ 6.00	33	0.18
\$ 8.00	45	0.18
\$ 42.00	202	0.21

FY24 Option 4A

Price	Gallon	Price/Gallon
\$ 3.00	13	0.23
\$ 8.00	33	0.24
\$ 11.00	45	0.24
\$ 48.00	202	0.24

FY24 Option 4B

Price	Gallon	Price/Gallon
\$ 4.00	20	0.20
\$ 8.00	40	0.20
\$ 10.00	50	0.20
\$ 46.00	202	0.23