

**Minutes
Board of Supervisors
November 5, 2014**

The Board of Supervisors of the Northwest Vermont Solid Waste Management District held its regular monthly meeting on Wednesday November 5, 2014 at the District Offices, 158 Morse Drive Georgia, VT at 6:30 PM.

Chairman Bill Rowe called the meeting to order at 6:45 PM.

Supervisors Present:

Amy Mashtare	Al Voegele, St. Albans Town
Mary Robinson, Richford	James Lintereur, Bakersfield
Barry Kade, Montgomery	Chris Leach, Swanton
Jaime Tibbits, Fairfield	Bill Rowe, So. Hero
Luke Choiniere, Highgate	Vincent Hickey, Berkshire
Paul Lambert, Georgia	Dave Supernault, Sheldon

Supervisors Absent:

David Clark, Fletcher	W.G. Cioffi, City of St. Albans
Terry Anderson, Isle La Motte	John Lawrence, Grand Isle
David Jacobs, No. Hero	
Pierre Letourneau, Enosburg	

Others Present:

John Leddy, Executive Director
Pam Bolster, Business Manager
Rich Backer, Program Coordinator

Monthly B.O.S. Agenda

- 1) **Welcome** – Mr. Rowe welcomed the board members.
- 2) **Review Agenda** – No additions or deletions from the agenda.
- 3) **VOTE: Minutes of the Board meeting of Sept 3, 2014.** Mr. Rowe called for a motion to approve the minutes as written. Mr. Lintereur moved to accept the minutes as written, Mr. Kade seconded the motion. All were in favor with an abstention from Mr. Supernault and the motion passed.
- 4) **Introduction and welcome of Richard Backer NWSWD's new program coordinator.** Introductions were made to Mr. Backer. Mr. Backer thanked the board for the opportunity to sit with them and to introduce himself. Mr. Backer gave a brief history of his background,

rich in forms of environmental management and in regulatory programs. In the last ten years Mr. Backer stated his history is primarily hazardous waste, pcb's, universal waste and private landfill management. Mr. Backer gave the board highlights of his first four months of employment with The District including the four household hazardous waste events, his work to increase the knowledge base and to efficiently handle disposal of materials such as small batteries, development of a spill prevention program, his work to revamp the program of collecting freon containing units and pcb light fixtures and diversion of sheet rock mud. Mr. Backer stated that overall he felt that these things have increased senior staff awareness with environmental management. He stated that he hoped through the winter he will be able to think about how we might want to reach out to the remote sites to bring some of what he is doing here to them. The board asked some questions specific to certain material's and an enthusiastic discussion ensued. Mr. Rowe asked him to explain his positions area of responsibility to the district. Mr. Backer responded by stating "Household Hazardous Waste Program- one set of regulatory rules, PCB being another". Mr. Leddy stated that Mr. Backer has brought a whole new level of sophistication to what we do. Mr. Lambert asked if will be doing outreach as well or only designing the programs and how they will be worked internally? Mr. Backer responded by stating he is the principle technician on the floor, that he will do outreach and is now one person at a time. He gave the board some thoughts on a training program for conditionally exempt generators of universal waste lamps. The board thanked Mr. Backer.

5)Old Business:

a) Executive Director's Report:

Mr. Leddy reported that in relation to Mr. Backer's presence that we are shipping later this week a large shipment of lamps, about a year's worth of batteries of which Mr. Backer had separated out into different types, PCB Ballasts and upcoming, the capacitors. Mr. Leddy stated that we are impressively organized right now in the warehouse. He stated that in addition we have a load of paper and cardboard leaving, and we are looking into selling the plastic that we have spent the last year sorting into resin types. He reported good news on the maple tubing front, the District has found a buyer for the tubing at .10 cents a lb, He said the current stock was approximately 15K lbs. and that we would need to have about 30K lbs to ship it. He said he would be putting the word out to maple sugar producers and asked the board for suggestions. Discussion ensued.

Mr. Leddy reported that he had spoken with the Town of Fairfax by phone about their interest in joining the District and went to their select-board meeting on Monday night. They discussed what it would take to join, the cost associated with it, what membership means. He

said they were very welcoming. Mr. Leddy said that one of their concerns of joining The District is that it would take away their freedom to offer trash services to their residents by a town contracted hauler, their current system which they like. Mr. Leddy assured them that this would not inhibit them from offering that service. Because they offer that contracted service though The District surcharge was concerning to them as they get the bills associated with this service. They said that they would need to crunch some numbers, look at total tonnage etc., see how it would affect their budgeting. They are planning on scheduling a vote and Mr. Leddy said he would be talking with them about the process and letting them know it must be an Australian Ballot.

He said The District has been working with quite a few schools. Mr. Shepard will be attending the Youth Environmental Summit, high school students gather to discuss environmental studies and conservation. Mr. Shepard will be presenting to students and teachers solid waste districts and solid waste issues and how it affects them. There is a dozen students from Franklin and Grand Isle Counties attending. Mr. Leddy said that Mr. Shepard recently went to talk to Berkshire Elementary about beginning composting with them. They are motivated and will probably start on-site composting in the spring. Mr. Leddy directed the board in their board packages to the notes he put together from the Board Retreat. He reviewed the notes with emphasis on home composting-simple systems, drop off site composting, community composting, food scrap hauling – The District to continue hauling for now but looking for a method for someone to take that over, education, outreach, awareness. He said that though there are still questions, the retreat brought some great ideas and thoughts. He noted that the retreat primarily focused on organics as that is the biggest change. He asked the board at their leisure to read through the notes and to share any additional thoughts they may have as it is a “living document”.

Mr. Leach asked if the haulers had any input into the things we’ve discussed. Mr. Leddy said that The District has meant with them once and will again before winter is over.

b) Finance Report:

Ms. Bolster reported that in the world of finance she noted to the board that The District had been contact by the VT Dept. of Labor, specifically the UC (Unemployment Compensation) Division and that they would be auditing the organization. The auditor sent a comprehensive list of reports he wished to look at and it appears he wishes to look at just about everything. Ms. Bolster said initially he wanted to review everything from 2011 to date but after speaking with him and explaining the labor intensity of that he said he would focus on 2013. The scheduled date is December 11, 2014. It could take numerous days.

Ms. Bolster noted to the board that there is an on-going workman's comp issue a claim that the labor board is involved in now and that there will be a formal hearing. Workman's comp will keep The District informed. The board asked if there had been other claims. She reported that there had and reviewed the past claims, all minor, no real safety issues with one exception again not a safety issue, but involved a pre-existing condition and was very costly to workman's comp, it has been two years and this case is now closed. She explained that due to these past claims workman's comp insurance has shown a substantial increase and that she is looking for some ways to try to decrease that cost. The board suggested a safety officer and Ms. Bolster said that Mr. Backer has been asked to play a larger role in safety issues. A discussion of OSHA occurred. Ms. Bolster stated that at one point she and Mr. Leddy had discussed having a voluntary inspection by OSHA and that is a future consideration. The board asked that Mr. Backer formally be made safety officer with the appropriate training. Mr. Backer reported he was willing but had told Mr. Leddy that he would need clear lines as to what that role would be. Mr. Leddy again stated that the addition of Mr. Backer and his eye for safety issue's is an asset and we will be giving safety the attention it deserves.

Ms. Bolster directed the board to the FY15 Profit and Loss. She noted that we are 1/3 of the way through the Fiscal Year and reported the following. On the income side 36% of our total budgeted income is in without reporting from All Cycle or Burlington Transfer Station for October so there is additional income. Trash income, Recycling and Sale of Recyclables income all look good. On the expense side 35.6% of our total budgeted expense is in, slightly high but some of this is due to timing issues. Administration expense is high, mainly due to insurance, both how it is paid (we've made 2 quarterly payments so far and we are not through the second quarter), also it is under budgeted slightly due to the increase in workman's comp insurance as previously discussed but to put a dollar amount on it, approximately 13K. As well The District's general liability insurance increased 3K. Training and Development expense is high primarily due to Mr. Backer's taking RCRA Training, necessary and important to the organization. Equipment supplies and maintenance expense is high noted that this is due to welding of appx. 4K to the used boxes recently purchased, 1.1k on wheels for boxes, some steel etc. Trash Disposal is high at 36.4% but pretty hand in hand with the trash income which is good. Other drop off site costs are a little high due to site work in North Hero. Composting is slightly high due to chipping expense. HHW costs a little high due to seasonal issues and she noted that they are working with a new HHW vendor for disposal. Ms. Bolster said that receipts and payments for the month look good. Drop off sites are doing well.

Ms. Bolster asked for the boards attention in discussing past due accounts. She informed the board where the two problem accounts were currently which showed some small progress over the last month, any current tipping issues they may have with transfer stations and also informed them of their current lien status. She then explained the lien process and said that to avoid court and court expense we should have a security agreement in effect with all haulers, stating that we will place a lien under these terms (to be decided). The District does not have this though will be working to enact this security agreement for FY16 in July of 2015. Ms. Bolster said she had spoken to an attorney and based on the information available said that liens would probably not be the most effective method at this time. The attorney suggested a legal agreement outlining a payment plan. Ms. Bolster expressed her desire to follow this advice and her reasons why. She also noted that she has spoken with Chittenden Solid Waste who had also been advised to avoid liens and deals with one of the same accounts with the same issues. They handle things pretty much as we have, payment plans, constant contact etc. Chittenden is stricter at the time of licensing though, making it so all haulers must be current at time of licensing. Ms. Bolster explained that NWSWD has in its license agreement that all haulers must be within 60 days past due or have an approved payment plan at the time of licensing. She stated that they would be working on re-writing The District Licensing Agreement. Ms. Bolster contacted Burlington Transfer Station to have them put one of the problem accounts on a cash basis for the surcharge. She informed the board of her discussion with All Cycle and the fact that they will if an agreement is signed put any account on a cash basis for surcharges only if they put them on a cash basis for tipping charges. They will not assume any risk and will not put them on a cash only basis for surcharges if they extend credit to them for tipping charges. She also noted that within our licensing agreement we state and have the authority to pull a license for past due funds and Mr. Leddy stated it was in our ordinance as well. An active discussion ensued including Ms. Bolster noting her discussion with a collection agency. The question of whether the surcharge is actually a tax came up and this question will be pursued with Ms. Bolster noting there is conflicting opinion as to the answer.

Ms. Bolster detailed a potential payment plan for one of the problem accounts. The board asked Ms. Bolster to research unanswered questions, to find out about liens on customer lists as mentioned by Mr. Kade which would impede a sale and to work on with legal assistance re-writing The District Licensing Agreement and incorporating a Security Agreement. As well Mr. Voegelé asked that we research available ways to place a mark on these accounts aside from a lien so that there is public knowledge of this debt, some notice of tax liability. Some discussion ensued and Ms. Bolster said she would look into some things regarding this. Mr. Rowe asked for a motion to

move to other business to hold a vote. Mr. Lintereur made the motion and it was seconded by Ms. Robinson.

6) New Business:

a) Discussion: Draft District FY16 Administrative Budget.

Ms. Bolster began by stating that much of the budget is done by averages, usually looking three years back but calculations are adjusted based on similar business practice, in other words if business was substantially different three years ago but similar for the last two we might only look back two years. She also stated at times she will look at the first quarter of the current year to help calculate an appropriate figure. Ms. Bolster said that they have calculated income this year which includes the addition of Highgate and Franklin. She noted that she felt very comfortable with the income calculations. Regarding expenses, personnel was highlighted as there will be some restructuring within the warehouse. The District would like to take two existing part time positions and turn them into full time positions. This brings up the insurance issue. Planned in this budget is to offer these positions health insurance 100% paid for a single plan with the employee picking up the difference in cases of two person or family plans. Dental and Vision will be offered at their cost. Ms. Bolster informed the board and a discussion ensued about the non-discrimination policies within the Affordable Care Act which have been put on hold until Health and Human Services, realizing the impacts this could have on businesses as it presents significant implementation issues have drafted and adopted regulations regarding such. The District has been given the legal authorization to do this at this time though it may need to be re-visited in the future.

Insurance rates for health for 2015 went up across the board. BCBS rates increased 7-10% depending upon the plan – bronze, silver, gold or platinum. The platinum plan (The District Plan) increased 7.7%. MVP rates increased slightly more than BCBS. All numbers were re-run and the BCBS Platinum Plan is still the most economical with the current District Philosophy on Healthcare.

Mr. Voegelé asked if there were pay increases for current personnel calculated into the budget? Ms. Bolster replied, yes, 2% for administrative staff, 4% for drop off site personnel.

Mr. Lintereur asked if we had calculated in upgrading the St. Albans Site or adding an additional site. Mr. Leddy responded that no this had not been included as he felt this was a little further out than this budget but what is included is the Bakersfield site becoming weekly rather than every other week. A discussion of fee structures occurred and District Staff will continue to evaluate and adjust the current fee schedule.

As our history indicates that we have always had a larger surplus than planned and Ms. Bolster stated that she looked very closely at each line item that came in higher or lower in the attempt to figure out why. In many cases it is unforeseen events, logging operation funds, new towns etc., but this is an area which will be further discussed with the board.

Though this budget is still conservative Ms. Bolster felt they were a little less conservative than usual with this budget.

Ms. Bolster stated that she had done extensive work to come up with a capital maintenance plan to set aside funds monthly from our budget. To bring us up to date based on our depreciation schedule, The District needs to set aside 75K and this is based on just our mobile equipment – Caterpillar Truck, the Box Truck and the trailer but does not include the skid steer. As this budget was challenging with a lot of changes to be able to comply with new regulations she suggested an alternative to having this in the FY16 budget but stated to the board that both she and Mr. Leddy understand the importance of having this as a part of the budget and will work in FY17 to include it. She suggested that the CD that will mature in May-a little over 55K with the balance of approximately 20K taken from surplus be put into a capital maintenance account which will give us where we should be at this time. She noted the knowledge that The District cannot rely on surplus to fund capital maintenance.

Ms. Bolster discussed the addition in FY16 of a new box truck to the current fleet. She relayed that if the board approves this capital maintenance plan this will give them just from the depreciation funds of the current box truck 15K for a down payment on a new truck.

Mr. Rowe questioned the rapid personnel growth and asked for details of how many on staff. A discussion ensued.

Some queries regarding recyclable sales, and sales of recyclables income arose and a discussion ensued.

b) VOTE: Shall the board hold a public hearing on the Draft FY16 District Administrative Budget on Wednesday December 3, 2014 at 6:30 PM at the District Office ?

Mr. Rowe asked for a motion. Mr. Leach moved to hold a public hearing on the Draft FY16 Administrative Budget as stated above. Mr. Supernault seconded the motion. All were in favor and the motion passed.

c) VOTE: Whereas the voters of the Town of Franklin has voted to Become a member of the Northwest Vermont Solid Waste Management District (NWSWD) and have accepted the Terms of Admission as drafted by the Board of Supervisors; Does the NWSWD Board of Supervisors vote to accept the Town of Franklin as an equal member of the District?

Mr. Rowe stated that as a formal vote a roll call is necessary. Mr. Leddy

Provided the board members with a detail of the vote. Mr. Rowe called for a Motion. Mr. Lintereur moved that The District accept the Town of Franklin as equal member of The District. Ms. Robinson seconded the motion. A roll call was held, all were in favor and the motion passed.

7) Other Business:

a) Vote: Shall the board authorize Ms. Bolster with the aid on an attorney to draft a letter to Duffy's spelling out a repayment method and the consequences of not meeting such agreement, and to further investigate methods of protecting the district interest from debt from customers in their intangible assets in the event of a sale. Mr. Rowe asked for a motion. Mr. Voegele moved to authorize Ms. Bolster as stated above, Mr. Lintereur seconded the motion. All were in favor and the motion passed. Mr. Rowe then for a motion to move back to new business, Mr. Leach made the motion, it was seconded by Mr. Voegele without opposition.

8) Public Comment: None.

The meeting adjourned at 8:50 PM