

**Approved at the March 24, 2009 meeting.**

Flathead County Solid Waste District  
Board of Directors Meeting  
February 24, 2009 – **5:00 p.m.**  
Landfill Office

1. Roll Call

Board Members present: Bill Shaw, Acting Chairman; Greg Acton, City of Whitefish; Nancy Askew, Board of Health; John Helton, Member at Large; Dale Lauman, County Commissioner; Alan Ruby, Member at Large. Absent: Hank Olson, Chairman.

District Staff present: Public Works Director Dave Prunty, Operations Manager Jim Chilton and Recording Secretary Deborah Morine.

Attendees: Bob Morrow, Matt O'Connell, Peter Gross, John Stang, Adam Stein, Cheryl Talley and Mayre Flowers.

2. Introductory Remarks from Chairman

Bill Shaw opened the meeting and stated that Hank Olson would not be here this evening.

3. Comments from public

Mayre Flowers updated the Board on the Wastenot Project.

- She stated that they have hired someone to coordinate the school outreach and landfill tours. She said that they have 30 classroom presentations scheduled and will be doing tours once the weather permits.
- She reported that the recyclers at the three Kalispell schools are getting good use.
- The Small Business Hazardous Waste event is tentatively scheduled for May 29, 2009, but still needs to confirm with Veolia.
- The E-waste event isn't on the schedule yet as more research needs to be conducted. Regulations require that vendors who accept e-waste must dispose of the items at an approved site. Montana DEQ is willing to help fund the event for media outreach, but will not be able to supply staff.
- Is still working on a pharmaceutical take back program. Looking for ways to fund the program.
- Stated she would like to increase the Wastenot budget in order to continue research and possible funding mechanisms for the pharmaceutical program and update the hazardous waste brochure as well as staffing.
- Earth Day event will be held at FVCC on April 22 & 23, 2009. The Wastenot project will have a booth at the event.

Peter Gross – McGregor Lake. Stated he had talked with Jim Lynch from the Montana Department of Transportation. He stated there is no reason that the MDOT wouldn't renew the Marion lease and that

the 30 day notice could be changed. He stated that the property across the highway from the current Marion site is for sale; that is an option. He also said that he has heard a lot of comments regarding the lack of Board members present at the public meeting last week. He urged the Board to take a hard look to see if the money spent on consolidating the site is justified in these economic times.

4. Approval of the Board Meeting Minutes for January 27, 2009

**John Helton moved to adopt the January 27, 2009 meeting minutes. Nancy Askew seconded. Motion passed.**

Approval of the special Board Meeting Minutes for February 3, 2009

**Dale Lauman moved to adopt the February 3, 2009 special meeting minutes. Alan Ruby seconded. Motion passed.**

5. Action Agenda

There were no action items.

6. Director's Report

a. Container Site Consolidation for Kila and Marion

The second public hearing for the proposed consolidation to a new site located on Highway 2 near the Ashley Lake Road occurred on February 18<sup>th</sup>, 2009 at the Flathead Valley Community College. It was attended by approximately 120 citizens. Many of the same issues that the Board heard at the first meeting were brought up again. The main theme from most speakers was the safety concerns on Highway 2 at the proposed entrance and of citizens (women) safely using the site. Most folks agreed that the current Kila site is unacceptable and should be closed. Many Marion residents feel the current Marion site is excellent and don't want to see it closed.

Staff has attached the site plan view prepared by the engineer for the new site. We have also included in your packet the MEPA document prepared by the Department of Natural Resources and Conservation (DNRC) and the information prepared by staff highlighting the reasons for consolidation.

Staff recommends that the Board discuss the information provided by the citizens again and see if any new information was gathered at the public meeting. Based upon discussions with the DNRC it would be positive to have this proposed easement to the State Land Commission as soon as possible, if the District Board chooses to precede forward.

*The Board discussed how moving the site would be a savings to the District as well as concerns raised about driving to the new propose site and personal safety at the sites. John Helton stated he had driven out to the Ashley Lake Road area and walked around the proposed site and believes the site distance from the approach is more than adequate. He believes this is the best solution possible.*

*Alan Ruby regretted not being able to attend the public meeting as he was out of town. There was more discussion regarding the trout habitat issue that was brought up at the public meeting. Dave stated there has been a hydrogeological analysis and it is not likely that any potential spills could get as far down gradient as there is too much distance and obstacles.*

*Discussions concerning the travel distance from both Kila and Marion to the new site, personal safety, operating hours, lighting and stopping scavenging were topics as well.*

*Bill Shaw asked the Board if they need to give Dave direction so a decision could be made.*

*Alan Ruby agreed that the Board needs to give Dave direction.*

*John Helton asked if there was an option to renew the DOT lease at the Marion site. Dave stated there is an option to renew the lease and we could ask to have more than 30 days notice to evict; but, MDOT has already indicated the cost of the lease would most likely go up substantially.*

*Bill Shaw again asked the Board to give Dave direction.*

*Nancy Askew stated she would like to take action at the April meeting. She would like to see it on the agenda again next month to discuss.*

*The Board requested Dave to place the item on the Action Agenda for March.*

b. Union Negotiations with Operating Engineers

The labor agreement between Flathead County and the Operating Engineers, Local 400 for the landfill expired on June 30, 2008. The two parties have been bargaining in good faith since March, 2008. There has yet to be an agreement reached. Both parties have requested federal mediation (scheduled for next week) in hopes that we could finalize and conclude the negotiations. The parties have tentatively agreed on all issues except one. At issue is the union pension plan that allows the union employees to contribute to the union pension. This contribution has to be considered a contribution in lieu of wages and cannot be considered an employee contribution. The County was audited by the Internal Revenue Service and was told that since the contribution was set up as a deduction rather than a contribution in lieu of wages, that it was an employee contribution and must be taxed. That was an error on the County's part and has since been corrected. The County has proposed to treat this strictly as a benefit rather than as a wage and a benefit. The amount that is contributed on behalf of the employee reduces the employee's hourly wage for straight time. However, when overtime is paid, the pension amount is added back into the hourly wage for purposes of computing the overtime rate. The County consulted with an attorney in Billing. The attorney has recommended that the County treat a wage as a wage and a benefit as a benefit.

The Union does not agree with this principle and they want to continue as they have paid in the past. The employees wage for overtime purpose is not reduced by the amount elected to be placed into the pension.

At this point the Commissioners believe that the change is the correct method and have authorized the County negotiations team (Mike Pence, Raeann Campbell and Dave) to continue on with that direction. The Solid Waste Board does not have any authority over the collective bargaining agreement. It was one of the items the Commissioners reserved when they created the District years ago.

c. Fiscal Year 2009/2010 Budget Preparation

The County has started the budget preparation process for the coming fiscal year. Mike Pence, County Administrator, has been discussing with all County Department heads the concerns of the Commissioners for the coming fiscal year regarding the economic outlook. All Departments have been directed at this point to minimize their expenditures and look to no additions in personnel service unless “new” money is available for funding the position. The District has taken steps so far in reducing our personnel expense with reducing our employee force with the layoff last month. We are also looking to any capital expenditures and other expenses that can be delayed due to our revenue reduction at the gate.

d. Landfill Gas to Energy Project

Construction of the facility has been stopped until March. The costs of working in the winter were increasing the cost of the project. Flathead Electric Cooperative (FEC) has told staff that they anticipate starting back up in March.

FEC has also tentatively awarded their Request for Proposal to Terrapass for the Verified Emission Reduction credits (VERs). These are carbon based credits generated by the removal of landfill gas to the engine facility. Our agreement with FEC says we will split the revenue of the credits on a 50-50 basis. Personnel from Terrapass will be at the landfill and negotiating with FEC on 2/25/2009 to start reviewing the operations to see how much the credits could generate in revenue for the parties.

*Cheryl Talley from Flathead Electric Co-op addressed the Board and she introduced Adam Stein from Terrapas. Adam briefly explained the marketing of carbon credits and gave a background of how his company got into the business of purchasing them.*

*Cheryl distributed the proposal from Terrapass on how they would pay for the carbon credits if the District and FEC decide to sell. The carbon credits will be split in half between FEC and FCSW.*

*Cheryl explained that the FEC Board of Directors will be meeting tomorrow to vote on either selling or holding on to their carbon credits and asked the Flathead County Solid Waste Board what their choice would be. The Board agreed that the carbon credits should be sold as they would rather have the revenue. They would prefer the 10 year option, but would agree to the 5 year option at the FEC’s Board’s discretion.*

e. Refuse Operations

Operations proceeded well for the month. Tonnage/Volumes are shown below:

	<u>January</u>
Total MSW to landfill	6,341.70
Total Appliances Collected	497
Junk Vehicles Collected	7
Truck Trips to Landfill	437
Refuse tons/trip	5.89

The District landfilled 10.8% less waste in January, 2009 as compared to January, 2008 and our refuse trucks hauled 5.1% less waste comparing the same time frame.

Staff is also closely monitoring the revenue stream for the District. Our assessment system is relatively secure funding but the gate revenue is very dependent on the economy. So far we are under projections through seven months of the fiscal year 2008/2009. We budgeted \$1.2 million in gate revenue and through January (58% of the fiscal year) we have received \$564,382, or 47% of the projected revenue.

Last month we calculated that we were at 48.8% of the gate revenue through December. We had a busted calculation and apologize for the mistake.

f. District Financial Statements

Dave reviewed the financial statements with the Board.

7. Comments from Board Members

There were no comments.

8. Adjournment

**The meeting was adjourned at 6:15 p.m.**