

Approved at the December 16, 2014 meeting

Flathead County Solid Waste District
Board of Directors Meeting
November 25, 2014 - 3:00 p.m.
Landfill Office

1. Roll Call

Board Members present: Greg Acton, Chairman; Wayne Miller, Vice Chair; John Helton, Member at Large; Gary Krueger, County Commissioner; Susan Nicosia, City of Columbia Falls; Hank Olson, City of Kalispell and Alan Ruby, Member at Large.

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

Attendees: Josh Brown, Scott Shreves, Tom Gordon and Mayre Flowers.

2. Introductory Remarks from Chairman

Greg Acton thanked everyone for attending and noted that all Board members were present.

3. Comments from public

Josh Brown - Evergreen Disposal / Valley Recycling: Thanked the Solid Waste District and Board for their past relationship and expressed his appreciation working with the County. He stated that depending on the decision of the Board, could impact Valley Recycling's business severely. He stated that Valley Recycling had to raise rates substantially based upon less sites and commodities collected as well as market rates and shipping challenges. He explained that Valley Recycling collects more commodities than what the county has contracted. He stated that he is unsure if they will be able to continue the donated bins at Albertson and Super 1. He is confident that Valley Recycling has provided good service, professional appearance and safety. He stated that he respects the relationship between Valley Recycling and the county and he is available to answer any questions should they arise during the action agenda.

4. Program Updates from Non-Profits

There were no updates.

5. Approval of the Board Meeting Minutes for October 28, 2014 – **Action Required**

Hank Olson moved to adopt the minutes of the October 28, 2014 meeting. Wayne Miller seconded. Motion passed.

6. Action Agenda

a. Award of Recycling Container Site Services Request for Proposal (RFP) – **Action Required**

Responses to the District's RFP for recycling hauling services were due to the District office on November 17th at 2 p.m. The responses were opened, read aloud and taken under advisement by staff. There were two responses to the RFP, one from Valley

Recycling/Evergreen Disposal and the other from North Valley Refuse. Republic Services sent in a letter stating they were not able to submit a response.

A spreadsheet of the supplied hauling costs for both companies is included in your packet. We used a previous 12 months of hauling data from the current program to analyze the responses. We excluded the Bigfork and Lakeside costs from the analysis since the sites will not be operating at the beginning of this contract (January 1, 2015). Staff is still discussing a few issues with the low cost response from North Valley Refuse.

Wayne Miller moved to award the Recycling Container Site Services RFP to North Valley Refuse and authorize the Public Works Director to negotiate any needed items and execute the contract. John Helton seconded. Discussions ensued.

Dave stated the RFP cost from North Valley Refuse requested the #1 and #2 plastics, steel and aluminum cans and mixed paper be separated instead of comingled. This request diverts from how these commodities are currently collected and from what was outlined in the RFP. Dave stated the bins can be configured to segregate the commodities and staffing at the sites should help keep the public from mixing them, but realistically, the commodities for the most part will end up comingled anyway.

There were general discussions regarding costs differences between the two bidders and how the low bid requests the commodities be separated. Dave stated he has talked with the County Attorney and was advised negotiating with the low bidder was acceptable so long as the Board accepts the bid. There were more discussions regarding what separating the commodities entails for the District and North Valley Refuse.

Alan Ruby was concerned about the integrity of process and can't support negotiating when the bid price (and how commodities are handled) was altered from the RFP. Dave stated the Board can reject the bid as written. Alan stated he can't support the bid as written and would ask for a proposal with firmer guidelines. John Helton agrees.

Hank Olson asked how the bids compare with the current contracted prices. Dave said Valley Recycling increased their costs from the current contract.

There were more discussions regarding allowing the District to negotiate with both bidders. Gary Krueger stated we asked for proposals because we were asking the companies for options. We are able to configure the bins and provide North Valley Refuse their request. Dave stated by changing the configuration of the bins, the potential of hauling more airspace is higher resulting in the bins hauled more frequently. Comingled materials would leave less airspace hauled.

Discussions included awarding the contract and the need to modify it as outlined in the RFP if North Valley Refuse were to win the bid; whereas were the bid to go to Valley Recycling, the outlined bid would not need modified.

Gary stated if we decline to separate the products, we could let the bidder (NVR) know and allow them the option to either concur with our request or withdraw their bid. He also suggested allowing a 6 month probation period to determine if comingling plastics would be a viable option for them. Wayne stated there's a feeling on inconsistency by giving them (NVR) the opportunity to change terms and price.

Alan Ruby moved to table the issue and not award the bid at this meeting and take the issue up again within 30 days. Susan Nicosia seconded.

Concerns were raised regarding tabling this action as now nothing can be discussed or decided at this meeting. Dave commented that we're coming to the end of the current contract at the end of December and he needs direction from the Board what to do. Recycling could come to an abrupt end unless Valley Recycling is willing to extend their current contract at the end of December.

Alan Ruby moved to rescind the motion to table. Wayne Miller seconded.

Discussions continued and it was determined that the proposal from North Valley Refuse would be acceptable at the price quoted if they allow commodities to be comingled as stated in the RFP, otherwise their bid would be rejected. The Board directed Dave to contact NVR to discuss these terms and if they are not acceptable, the Board will meet in December if necessary to adjust the motion to give the contract to Valley Recycling.

The Board directs the Public Works Director to award the Recycling Container Site Services RFP to North Valley Refuse and execute the contract at the proposed price provided that North Valley Refuse will allow comingling of materials. John Helton: No, Alan Ruby: Yes, Gary Krueger: Yes, Susan Nicosia: No, Wayne Miller: Yes, Hank Olson: No, Greg Acton: Yes. Motion passed.

- b. Cancellation of the December 23, 2014 Flathead County Solid Waste Board of Directors Meeting – **Action Required**

The District's business is in sufficient order so that the December meeting of the Solid Waste Board of Directors may be cancelled if so desired.

John Helton moved to hold the December meeting on the 16th only if the Director finds it necessary in order to award the Recycle contract to Valley Recycling. Otherwise, the December meeting will be cancelled. Wayne Miller seconded. Motion passed.

7. Director's Report

- a. Revisions to Chapter 5 of the Strategic Report for the Flathead County Landfill

A conference call regarding the Strategic Plan update occurred on November 6 with the consultants. CH2MHill summarized the info from the container site survey into multiple charts/graphs. Staff then reviewed and modified the charts/graphs as necessary. The consultant is now working on a draft of the rewrite of Chapter 5. Staff will receive the draft for review/comment and then we will provide the Board with a copy for their input, along with the Commissioners.

Greg stated he wants to be sure future changes based upon volume are addressed when the container sites reach capacity.

- b. Bigfork Container Site

The closing for this property was scheduled to occur on November 7, 2014. Later that day when Insured Titles tried to file the new Certificate of Survey (COS) for the splitting of the

new parcel the County Plat Room rejected the survey. There is a requirement from the MT Dept of Environmental Quality (DEQ) that both our new parcel and the remainder parcel state what the intentions are for sanitation (primarily septic). On our parcel we placed an exemption on the COS since we won't be generating any septic wastes. The parent parcel has a Certificate of Subdivision Approval (COSA) on it that shows where the well and septic leach field are to be located. The water well is very close to the new boundary line splitting the parcel and part of the radius of influence around the well is on our property. This affects the COSA for the parent property.

Since this was a subdivision of land we will have to amend the existing COSA for the sellers remaining parcel. This will take 60+ days to complete through the Flathead County Environmental Health Office and MT DEQ. Our engineer estimated a cost of approximately \$1,500 to complete the work.

The seller does have the option to place an exemption on their parcel that would allow for the sale transaction to be completed immediately. We would then proceed forward with modifying the COSA and removing the exemption. Emails have been exchanged (SW Board and Commissioners copied) with the seller asking them what option they would like to take. Staff said our preference was to close on the land immediately but that the seller would need to inform us of their decision and then we can proceed based upon their decision.

The seller has requested that the modification to the COSA be completed before the closing of the property. Our engineer will begin that work quickly so we can complete this transaction in January or February, 2015.

c. Landfill Gas Training Services

SCS Field Services operates the LFG energy system for Flathead Electric Cooperative. After our destruction of the landfill gas extraction well last month and the resulting work of our employee to try and cap the well pipe SCS offered to provide a free training service to our employees. The well that was destroyed is one of three that produces hydrogen sulfide gas. This gas is very dangerous if inhaled. Annual training occurs on the hazards of LFG and we have protocols in place of what to do in the event of damaging one of the wells. In the "heat of the moment" our employee didn't follow the protocol. It became obvious that we need to conduct more training in this area.

SCS provided a trainer that is an expert in the nuances of a LFG system and is specifically trained in the hazardous associated with LFG. The training lasted about two hours and we had two sessions so we were able to get most of our employees to attend. It resulted in a little overtime but that is very inconsequential as compared to providing our employees with the info needed to work around these types of hazards.

d. Construction of Phase IV B Groundwater Protection System

Sandry Construction has continued work on the liner project. They are nearing substantial completion. A punch list has been developed and provided to them to complete the project. Discussions have continued regarding their statements regarding the filing of a claim due to the interpretations of the specifications on Bid Item No. 7 and 8 (general excavation to stockpile (7) and excavation to fill (8)). We have continued to maintain our position that the specification language is clear. We believe the volume of soil moved to fill is a quantity of its own and the

same with volume hauled to stockpile. Sandry contends that the soil they excavated to fill should also be counted as excavation to stockpile also because they placed it in a temporary stockpile immediately adjacent to the fill area.

Part of the punch list items are in regards to this issue. The release of full retention funds to Sandry would not occur until the issue of this claim has been resolved.

e. Refuse Operations

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

	<u>October</u>
Total MSW to landfill	9,127.60
Total Appliances Collected	612
Junk Vehicles Collected	2
Truck Trips to Container Sites	433
Refuse tons/trip	6.69

The District landfilled 2.0% less waste in October, 2014 as compared to October, 2013 and our refuse trucks hauled 1.5% less waste comparing the same time frame.

Gate revenue for fiscal year 2015 was projected at \$900,000. Through October we received \$500,007.48 or 55.6% of revenue through 33% of the fiscal year.

At the January meeting we will have the results from our bidding of a new wheel loader for the operation.

Two of our possible candidates for the container site monitor positions declined our offer of employment. They found other jobs prior to our offer. We are continuing with the search for employees.

f. Budget and Financials

Due to being unavailable from Finance, there were no budget or financials to discuss.

8. Comments from Board Members

Gary Krueger addressed the ongoing problem of tires being left at container sites around the county. He stated that some tire companies charge for tire disposal and feels that gives people reason to get rid of the old tires themselves thereby helping to create the problem. He would like to possibly give the tire companies an incentive to keep the tires and dispose in a proper way or offer to accept 4 at the landfill and charge a minimal fee for additional tires. Dave stated that most of the large tire companies utilize Enviro Tire and some (like Les Schwab) load their own trucks to haul to another location. The trouble possibly lies in the small repair shops who do tire repair or people who collect tires for years and improperly dispose of them at container sites. Once the Creston and Somers container sites are staffed, the issue could shift.

John Helton asked if Jim or Dave has advised the Forest Service or State Land Departments that the Creston and Somers sites will be staffed soon.

Regarding the RFP, Wayne Miller stated he didn't want there to be any misunderstanding that we were working around the system to benefit one company over the other.

Susan Nicosia commented on the amount of time spent tonight debating how to educate the public. Recycling cost money, the District doesn't make money on recycling. Dave stated with recycling at the staffed sites only, much of the contamination and improper sorting will be eliminated.

Greg Acton stated that the new contract will be only four sites and we should get a better understanding how this new system is going to work after the first year. Also, with less sites and more efficient pulls, North Valley Refuse proposal could make a significant difference in the cost to recycle.

9. Adjournment

The meeting was adjourned at 5:11 p.m.