

## Approved at the January 22, 2013

Flathead County Solid Waste District  
Board of Directors Meeting  
December 3, 2012 – **3:00 p.m.**  
(Rescheduled November 27, 2012 meeting)  
Landfill Office

### 1. Roll Call

Board Members present: Hank Olson, Chairman; Greg Acton, Vice Chair; John Helton, Member at Large; Lorin Lowry, City of Columbia Falls; Wayne Miller, Board of Health; Alan Ruby, Member at large and Cal Scott, County Commissioner.

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

Attendees: Julie Soule, Georgia Hensler, Joy Crane, Marty & Heidi Sue Puryer, Don Smith, Bud Antuna, Gary & Tammy Riecke, Lynette Hintz, Denise LaPalm, Michael & Sylvia Wilkerson, Sue Snyder, Lloyd & Faith Brynie, Patrick Cote, Jill Gotschalk, Paul Mutascio, Kim & Jera Schwegel, Dia Sullivan, Tom Payne, Al Johnson, Mariana Turner, Sally Hanger, Beth Morgenstern, Sue Hanson, Margaret Davis, Mayre Flowers, Gary Ridderhoff, Deb Rathbun, Belinda & Wes Hunt, Margaret Hilley and Camilla Lanham.

### 2. Introductory Remarks from Chairman

Hank Olson thanked everyone for attending and noted that there will be opportunity for the Bigfork attendees to address the Board during the Director's Report.

### 3. Comments from public

Kim Schwegel, 1145 Prairie View Road – Stated they have not yet received their appraisal. He said that some of the neighbors have shared their appraisals with each other and he has concerns regarding interior pictures that are included in the appraisal packet. He would like to request that the appraisals be secured from public view. Also, there have been some discrepancies regarding wrong roof types, heating sources etc.

Dia Sullivan, 1115 Prairie View Road – Agreed with Kim and is concerned with the discrepancies. She feels there was limited value given to the land.

Heidi Sue Puryer, 1085 Prairie View Road – Said she was approaching this situation as a cooperative citizen and hoped for a fair process. Her appraisal is over \$70,000 less than in 2009 when her property was last appraised. She was concerned that the comparables for her property were short sales. She feels the appraisal is a deliberate lowball.

Marty Puryer, 1085 Prairie View Road – Agrees with previous speakers. Feels he is being potentially forced sell under government duress. He asks for fairness.

Jera Schwegel, 1145 Prairie View Road – Also agrees with previous speakers. Feels that the appraisals are set up for a buyer's market. She would like to suggest the neighbors have another workshop with Dave and Jim to discuss the issues.

Hank stated that we aren't chasing you out of your homes, these appraisals are to get an approximate value for budgetary reasons. Heidi Puryer stated; you're not pushing us, but who else is going to want to buy our property? Marty Puryer reiterated what Heidi said.

4. Program Updates from Non-Profits

Mayre Flowers reported to the Board that Pacific Steel & Recycling has started accepting electronics for recycling. The materials are being demanufactured to the highest standards. She said that if this new opportunity is successful, we may not need to continue the annual e-waste event. Mayre also stated that the cities of Columbia Falls and Whitefish have received their grants to purchase the pharmaceutical take back containers. She is also updating the pharmaceutical brochure.

Alan Ruby questioned Mayre if Pacific is paying for electronics. Mayre said they are.

Mayre also addressed the recycling contract. She believes that recycling plastics 1–7 is a viable option. Valley Recycling is working with the new recycling center in Spokane.

5. Approval of the Board Meeting Minutes for October 23, 2012 - **Action Required**

**Alan Ruby moved to adopt the minutes for October 23, 2012. John Helton seconded. Motion passed.**

6. Action Agenda

a. Cancellation of December Board Meeting

The District's business is in sufficient order so that if the Board desires to cancel the December 25<sup>th</sup>, 2012 meeting doing so will not jeopardize landfill operations. The next meeting will be held on January 22, 2013 at 3 p.m. at the landfill office.

**John Helton motion to cancel the December 25, 2012 meeting of the Flathead County Solid Waste District Board of Directors. Greg Acton seconded. Motion passed.**

*The landfill neighbors would like another work session in order to address some of the discrepancies within the recent appraisals of their properties. The Board requested that the appraiser be at the next meeting or a workshop with the neighbors to address their concerns. Some of the neighbors were ill at ease regarding the use of interior photos within the appraisal document. Wayne Miller stated that the photos shouldn't be shared. Dave will speak with the County Attorney regarding omitting the photos from the document.*

b. Blue Bin Recycling Program Contract

Our current recycling contract with Valley Recycling/Evergreen Disposal (Valley) ends on January 31, 2013. This is the third five-year contract for this project and Valley has been the contractor since its inception. The program has grown in volume and success since its start but has been a financial expense to the District in 14 of the 15 years. For the first two contracts the

loss was less than \$10,000 each year but for the last contract the financial expense to the District has increased up to a high of \$97,508.64 in FY08. In total, the program has a net loss to the District of \$361,091.14. As we have discussed before there is an intangible benefit for the District for the savings in airspace by the removal of this material, along with the benefit of providing the option to our citizens to recycle and education for our younger generation. Also note that the District assumed responsibility for the recycling that the City of Kalispell was providing with Valley in August, 2008 and increased bins for the schools in Kalispell in November, 2008 adding to the expense of this program.

Staff was working on revising the program to help alleviate the issues we have had with bin space at the container sites and trying to minimize our expenses of the program in the new bid. We hoped with potential staffing at the sites we could manage the bins for better loads and pickup timing along with possible cardboard compactors at Somers and/or Creston. Recently we were contacted by Jeff Brewster, Division Vice President with Waste Connections. He is currently responsible for operations at Valley. Jeff stated that they have not been turning a profit on the program and would likely increase their costs charged to the District by 20% to 30%. Jeff also stated that the plastics are a financial loser and the elimination of them from the recycling program may be needed. Coupled with our current contract losses and a possible increase in expenses staff is concerned with the financial viability of this program in its current configuration.

Staff has been discussing with SWT Engineering the idea of issuing a Request for Qualifications/Proposal (RFQ/P) for recycling services for the District. The RFQ/P would state any requirements we would have for our desires for a program, such as commodities and container sites available for use, financial abilities and equipment. The contractors would then respond with their proposals for shaping a program for the District. We would ask for any expenses charged to the District if we require certain commodities for recycling or if there would be any revenue for the District or if the service would be provided at no expense to us but the contractor gets the revenue off the sale of the material. It is highly likely that we would see a reduction in the number of sites around the County and possibly a reduction in the commodities and volume of material recycled.

Staff has discussed with Valley the probable need to extend the current contract on a month to month basis until a direction is determined by the District. We would need to have a negotiated increase in the current rates. Staff anticipates this would most likely be around the 20% range from our previous discussions with them.

Since the economic downturn there has been many jurisdictions they have either suspended or eliminated their recycling programs due to economic hardship. As we have discussed before the difficulty with our recycling economically is the distance to market for the materials. With fuel expense continuing to be high this likely will not change the financial outlook for programs like this in our area.

**Alan Ruby moved to authorize the Public Works Director to negotiate with Evergreen Disposal/Valley Recycling for an increase in the rates charged for the Blue Bin recycling program. The extension will be on a month-to-month basis until a new contract is signed with the selected contractor. Wayne Miller seconded. Motion passed.**

*The Board had general discussions and attributed the shipping costs as the most significant expense over the last few years but agreed that recycling must continue. They also agreed to go out for RFQ/P for recycling services for the District to see if there is any interest.*

## 7. Director's Report

### a. Bigfork-Lakeside Container Site Closure

Staff has received many phone calls and emails on the possible closure of the Bigfork and Lakeside container sites. Most of the citizens are upset that the sites may be closing. After the explanations are given some citizens have any understanding and can agree with the issues and the District's desire to control and staff the sites. Many, of course, don't agree with the idea of closing the sites. The Commissioners are also receiving calls and emails asking them to not allow or reconsider the District's hope to consolidate the sites.

Staff, along with Hank Olson, attended the Lakeside Community Council meeting in Lakeside on October 30<sup>th</sup>. We gave a brief presentation on the District's reasoning behind the potential closure of Lakeside and then answered questions of the Council and a few citizens from the audience. As stated above, while the folks were not happy with the potential of the closure they gained a better understanding of the issues faced by the District and the need to consolidate the sites due to staffing desires, safety reasons and financial efficiency.

Included in your packet are some spreadsheets prepared by staff to analyze the financial impacts of the potential closures. There is a proposal statement, projected costs and savings spreadsheets and finally an estimate of the costs to the citizens to haul their wastes to either Somers or Creston if Bigfork and Lakeside are closed.

The closure of both the Bigfork and Lakeside sites are anticipated to have annual cost to the District of \$147,933. If just the Bigfork site is closed the annual expense is anticipated to be \$80,316. The staffing component of the proposal is the majority of the expense. The projected savings for the closure of Bigfork and Lakeside is \$211,118 and \$195,218 if just Somers is staffed and the Creston site remains in its current status with contracted labor and no staffing.

To calculate the expense for the citizen's costs there were some assumptions that were made. Staff split the year into summer and winter, six months each. We also used our tonnage reports to estimate that the winter hauling was reduced by one third of summer. Then we assumed that citizens would haul their refuse to the site every other week and finally that half of the Bigfork customers would go to Somers and the other half to Creston. Lakeside citizens all went to Somers and the split for tonnage was again one third less in winter than in summer. The expense to the citizens to haul their refuse from Bigfork to Creston and Somers totaled \$116,187 and for the Lakeside citizens was \$123,729. Please note there are some who would not have to travel the full miles calculated to either Creston or Somers based upon where their property is located so these costs have some uncertainty.

Staff also discussed with the Montana Department of Transportation (MDT) the concerns we heard from citizens regarding a left turn lane on Highway 82 heading east bound for citizens from Lakeside. We provided the daily traffic count information we had for

Lakeside (estimated at 535 ADT in summer) and it was forwarded to their safety bureau for analysis and review.

A draft memo was prepared and included in your packet addressed to the County Commissioners from the Solid Waste Board. This memo was to update them on the consolidation project. As stated above the Commissioners are also receiving many calls and emails so this information is needed to help them with their discussions and knowledge of the District's desires. It is anticipated that we would forward this memo to the Commissioners after the New Year so Commissioner Krueger will be seated. Any comments on the memo would be appreciated from the Board.

*Dave read the draft memo prepared for the County Commissioners.*

i. Public Discussion

Unidentified, Bigfork: Asked if there will be a meeting in Bigfork. Hank stated yes.

Paul Mutascio, Bigfork: Stated he is President of the Community for a Better Bigfork. He acknowledged the fiscal tasks of the District and after reading the Strategic Plan pointed out that the plan doesn't take into consideration the secondary impacts of the broader community. They have calculated the cost to the citizens in the Bigfork area would be \$575,000 annually because of the added distance to drive to the Somers or Creston sites. He stated that the use at the Somers site will double; is the site prepared for the extra usage? He would also like to see facts regarding accidents vs. tonnage collected. He stated they are trying to bring all the groups together to come to a resolution. Need to put our heads together and think of alternatives. He suggested a moratorium for closing the Bigfork site until the Strategic Plan can be revisited.

Sally Hanger, Bigfork: Distributed a letter dated November 27, 2012 from the Bigfork Steering Committee. It reads that the BSC wholly supports Dr. Charlotte French in her efforts to stop the closing of the Bigfork Green Box site. Sally stated that we can make this work.

Beth Morgenstern, Bigfork: Questioned how the county can provide an entitlement, and then take it away. She stated her concerns that the theory of people hauling their trash every other week isn't viable. Suggested that the garbage trucks come at less congested times of the day. She also said that traveling on highway 82 is a death trap.

Margaret Davis, Lakeside: Stated that the Bigfork and Lakeside communities are the fastest growing communities in the county. She stated that the District hasn't taken into account how the lower valley property values will be impacted with the added usage of the Somers site. The Somers site on highway 82 really needs a left turn lane added.

Sylvia Wilkerson, Bigfork: acknowledged her appreciation of government employees. She said they moved from San Diego and when looking into the area took into consideration the municipal amenities available. She was happy to have a place to dump trash anytime; it's not a convenience that most communities have. She stated that it's not possible for a private garbage hauler to get to their home, so it's not an option for them. She looks forward to the meeting in the spring.

Denise LaPalm, Bigfork: Asked if the funding for new employees to staff the Somers site is coming from closing the Bigfork site. *There were discussions between Dave and Denise on funding and staffing the sites.*

Wayne Miller interjected and stated that this is a board meeting held in public; not a public meeting. There's entirely too much discussion going on. The Board will hear the comments from the public and not engage in dialogue at this time. Hank Olson agreed and thanked Wayne for the clarification.

Joy Crane, Bigfork: Stated that they are willing to pay a little more in taxes to have this resolved.

Tom Payne, Bigfork: Believes that driving the garbage truck that haul more per trip vs. citizens driving individually is less costly. He lives where the private haulers would have a difficult time getting to not to mention the distance he would have to haul the cart to the road. The purpose of the Solid Waste Department is to serve the public interest.

The Board addressed the attendees regarding the assessment system and how it's spread out over the county as a whole. It isn't equitable to divided the assessment into sections and charge some more for services and some less.

Tammy Riecke, Bigfork: Asked how much land; what dimensions would be needed for a container site. Jim stated dimensions would need to be a minimum of 250' x 400'.

Al Johnson, Bigfork: Asked when the meeting in Bigfork will take place. Dave stated mid spring. Mr. Johnson asked if the Board would have made their decision by the time they meet with the residents. He stated there's a bunch of people in this room that are good at problem solving; solutions exist. He urged the Board not to make any decisions until they've heard from "all these folks".

Wayne Miller stated that the Strategic Plan recommends consolidating sites, but in his mind, he's not yet made that decision.

Mr. Johnson asked that the Board add a motion to next month's meeting to not make any decisions regarding closing Bigfork until after a public meeting.

Greg Acton stated this isn't the first consolidation the Board has been through. Changes were made to address residents concerns that were brought to the Board during previous public meetings.

Faith Brynie, Bigfork: Suggested a moratorium of two or three years so the residents can pull together a workgroup to thoroughly research the issue. She asked to collaborate with the Board to find a solution.

Unidentified: Asked for confirmation that unless the Bigfork site is manned, it's going to have to close. Hank stated yes.

Gary Riecke, Bigfork: Suggested setting up "districts" (similar to the TV districts on the tax rolls).

Faith Brynie, Bigfork: Stated families in Bigfork would be spending \$182 per year extra.

Bud Antuna, Lakeside: Suggested eliminating the metals area in order to expand the Lakeside site. He also recommended blocking off the street during the times the garbage trucks are dumping the cans.

Lloyd Brynie, Bigfork: Inquired about the people who clean up the sites. Dave said that they are independent contractors. If the sites are closed, the District would hire three people to staff the sites. Dave suggested a visit to the Columbia Falls container site as an example of gaining control of the unregulated sites.

There were comments regarding added traffic to highway 82 if the sites close.

Alan Ruby suggested that the Bigfork public meeting should be in January or February. The consensus of the attendees was to wait until late spring to give them time to pull together a workgroup.

Wayne suggested adding the formation of a study group on next month's agenda.

b. Landfill Expansion Project

Our appraiser, Gene Lard, has started the appraisals for the properties in the southwest corner and the SkyAir property. Gene was out of the office in early November for a family wedding but returned in the middle of the month and is continuing to work on the appraisal. We have had some more citizens sign the form asking for an appraisal so we now have only two properties in the southwest corner area that are not receiving appraisals (Hook and Donk/Olson). Gene now anticipates being completed with the work in early December.

Gene has completed six appraisals and we have included a summary spreadsheet of the properties and the fair market value determined in your packet. We also received a letter from the Rathbun's stating they would like to sell their house immediately to the District for the amount (\$220,000) determined in the appraisal. Staff also spoke to a real estate agent who represents one of the homeowners in the southwest corner. They are "under water" with their property due to taking out a home equity loan and the agent was trying to help them with their issues.

c. Canyon Container Site Construction

We have completed the logging project at the site and have paid the contractor for their services. Total expense for the project to Badger Excavating was \$14,734.76. Revenue from the logging has generated \$14,601.15. This total includes anticipated revenue from Stoltze Timber for one load but the check has not been received by staff. The slash piles have been burned and the site is ready for the construction work next summer.

We will bid the project in late winter/early spring with the hope of starting construction in late June or early July when weather is acceptable.

d. Union Negotiations with Operating Engineers Local 400

Our landfill operators, who are represented by the Operating Engineers Local 400, ratified the last, best and final contract offer presented by the County in early November. The Commissioners signed the agreement on November 19<sup>th</sup>. The contract is for three years and will end on June 30, 2015. New to this contract is a “wage only” opener for the third year. The employees feel they are grossly underpaid, according to their business agent, so we agreed to include this clause for our desire to execute a three year deal. The Union was holding to only a one year deal until the very end of the negotiations. We believe we have a very good contract for our employees that pay a fair wage along with an excellent benefit package.

e. Refuse Operations

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

<u>October</u>	
Total MSW to landfill	8,136.14
Total Appliances Collected	577
Junk Vehicles Collected	4
Truck Trips to Container Sites	457
Refuse tons/trip	6.79

The District landfilled 1.0% more waste in October, 2012 as compared to October, 2011 and our refuse trucks hauled 6.3% less waste comparing the same time frame.

Gate revenue for fiscal year 2012 was projected to be \$750,000. Through October the gate has generated \$374,369.63 or 50% of revenue through 33% of the fiscal year. Last year at this time the gate has generated \$352,419 for four months of FY2011/2012.

f. Budget and Financials

Dave reviewed the Budget and Financials with the Board.

8. Comments from Board Members

John Helton said he saw the boom truck full of wood shavings today. Jim said we are using the chips to control the mud on the tipping face.

Alan Ruby reported that Flathead Electric Coop decided not to budget to increase the generator capacity of the LFGTE plant this (fiscal) year, but will consider it next year. FEC is also looking into the viability of the landfill gas at the Missoula landfill.

Cal Scott wished everyone a Merry Christmas.

Greg Acton also wished everyone a Merry Christmas.

Hank Olson confirmed that at the January meeting a committee will be formed to collaborate with the Bigfork workgroup.

9. Adjournment

The meeting was adjourned at 6:11 p.m.