

Approved at the April 28, 2015 meeting.

Flathead County Solid Waste District
Board of Directors Meeting
Rescheduled March 17, 2015 - **3:00 p.m.**
Landfill Office

1. Roll Call

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

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

Attendee: Mayre Flowers.

2. Introductory Remarks from Chairman

Since both Greg Acton Chairman and Alan Ruby Vice Chairman were absent, Wayne Miller chaired the meeting. Wayne thanked everyone for attending and noted that highway 93 was “a mess”!

3. Comments from public

There were no comments.

4. Program Updates from Non-Profits

Mayre Flowers updated the Board on the following:

- School presentations are going well
- Assembled a new pharmaceutical disposal flier and “where to recycle” brochure
- Will have a booth at Depot Park for the Earth Day events on April 25.
- Xantera is working with Pacific Steel and Recycling to sponsor an e-waste event in Whitefish.
- Business Hazardous Waste Day will be May 15th
- Fix it Local list available soon

Hank Olson asked Mayre to give a school presentation to the Board so they can see what she does at the schools. Dave Prunty suggested interested board members sit in on a class presentation to get the full interaction with the kids.

John Helton asked for an update from the Makers Fair. Mayre stated there were about 600 attendees and the sorting display was informative for the public.

Susan Nicosia noted that Clean the Falls will be April 18 and Parkside Credit Union will sponsor a shredding event on that day.

5. Approval of the Board Meeting Minutes for February 24, 2015– **Action Required**

Susan Nicosia moved to adopt the minutes for the February 24, 2015 meeting. Hank Olson seconded. Motion passed.

6. Action Agenda

a. Award of Professional Engineering Services Request for Proposals – **Action Required**

The District solicited responses for the Professional Engineering Services contract via a Request for Proposals (RFP). Five firms responded by the due date of February 27, 2015. The review committee for the District consisted of Jim Chilton, Debbie Pierson (Flathead County Clerk and Recorder) and Dave Prunty.

The committee individually reviewed and scored each respondent and then tallied the scores and discussed the results. The average scores are shown below:

| <u>FIRM</u> | <u>SCORE</u> |
|------------------------|--------------|
| SWT Engineering | 93.0 |
| Great West Engineering | 82.3 |
| Herrera Engineering | 76.7 |
| Terracon Consultants | 75.0 |
| APEC Engineering | 67.7 |

The committee is recommending the RFP be awarded to SWT Engineering. If the Board agrees and awards the RFP, then the process calls for negotiations with that firm. If negotiations are unsuccessful the second highest scoring firm is then engaged in negotiations and so forth. Staff will return (hopefully) with a negotiated contract at the April board meeting.

Hank Olson moved to Award the Professional Engineering Services RFP to SWT Engineering and authorize the Public Works Director to initiate negotiations on the contract. John Helton seconded. Motion passed.

7. Director's Report

a. Strategic Plan DRAFT Revision – Chapter 5

The consultant finished the revisions to the draft provided to the Board last meeting. A copy of the final document was forwarded to the Board via email on March 6th. We will file this chapter for now and when the revision to the full plan is started in the next year or so we'll include it for final review and approval from the Board.

b. 2015/16 Fiscal Year Preliminary Budget

Staff has prepared the preliminary budgets for Solid Waste and Junk Vehicle Departments. Please note these numbers may be modified before and after the board meeting as the County continues the budget process.

The Solid Waste budget is anticipating \$6,625,608 in revenue. The majority of revenue (\$4.9 million) is generated from the assessment system paid by the residents and businesses. The gate revenue projection will be \$1,000,000 (up from \$900,000 from the current year) and recycling/miscellaneous revenue is forecast at \$120,000, mainly from the metals program. There is also a transfer in from the trusts totaling \$592,400, the majority of this from the land purchase trust for the purchase of land for the landfill expansion (100 yr capacity) or possibly other properties if approved by the Commissioners.

Expenses for the coming fiscal year are anticipated to be \$7,369,290 after transfers from the equipment replacement fund for purchases in the fiscal year. The District is requesting a 1.2 increase in FTE to cover the staffing of the Bigfork container site along with a 0.2 FTE to be used at the landfill in the busy summer months on Saturday and Sunday. This person will also be used to cover sick and vacation time at the sites and reduce overtime as a fill in operator at the landfill and truck driver. Staff is recommending a transfer to the lined cell lateral expansion trust of approximately \$500,000 from depreciation. This is the first year we are NOT making a cash transfer also. We have acceptable reserves currently and will not be constructing a liner for multiple years. The land purchase trust is planned at \$700,000 for future land acquisitions for the Landfill. This money could also be used for a container site land purchase or other land if necessary. The closure/post-closure trust will receive \$600,000 as has been done in the past and the \$4,000 grant to the Health Department for the sharps container program is also requested to be funded.

There currently is a difference of \$743,682 between revenue and expense. The Bigfork container site is fully funded in the expense line. Revenue will start on the repayment of half of the capital expense in FY17 and carry on for 20 years. Staffing and other operational expenses will also be covered after this initial year of operations. This accounts for some of the overage. We also are experiencing the increase in 4.0 FTE for the container site monitor program approved for the current fiscal year. We have continually had cash reserves in the \$3 to \$4 million range for multiple years. Spending this reserve down is possible but eventually the District will need to look at increasing the landfill assessment from its current rate of \$80.73/unit. It was last changed in 2007. Also of note is the transfer to the trusts and the depreciation account which shows an expense but is going to "savings accounts" in essence.

The Junk Vehicle budget is anticipating \$129,296 in revenue. The Montana Department of Environmental Quality (DEQ) provides funding for this department through a grant. Monies are generated through the licensing of motor vehicles in Flathead County. DEQ will reduce the revenue given to the District for the next fiscal year by the amount remaining in the District program at the end of the current fiscal year.

Expenses are estimated at \$67,410 for the program. There has been a significant reduction in the volume of work for this program the last few years. In years past the District would haul 300 to 400 vehicles in a year. Currently, with the increase in scrap metal value the vehicles are now worth hauling for the revenue generated on the scrap so we are down to 20 to 30 vehicles in a year as the vehicle owners and salvage companies take advantage of this value. In previous years the District kept any remaining unspent money and transferred it to the CIP budget line item but DEQ changed that facet of the program. Now any remaining money at the end of the year will adjust the revenue received for the next fiscal year up to the total of the grant. We have reduced the

program again this year to 0.4 FTE from 0.5 FTE which includes time for the JV inspector and office personnel.

Dave reviewed the preliminary budget with the Board.

Susan Nicosia asked when the special fee would be implemented for the new Bigfork site. Dave stated it would take effect in the 2016 tax year. There were also discussions regarding possibly implementing a minimal refuse assessment on undeveloped properties.

c. Refuse Operations

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

| <u>February</u> | |
|--------------------------------|----------|
| Total MSW to landfill | 6,889.17 |
| Total Appliances Collected | 690 |
| Junk Vehicles Collected | 0 |
| Truck Trips to Container Sites | 377 |
| Refuse tons/trip | 6.3 |

The District landfilled 32% more waste in February, 2015 as compared to February, 2014 and our refuse trucks hauled 24.8% more waste comparing the same time frame.

Gate revenue for fiscal year 2015 was projected at \$900,000. Through February we received \$737,972.25 or 82% of revenue through 67% of the fiscal year.

We have been informed by the City of Columbia Falls that we are no longer able to haul our leachate to their treatment plant. DEQ has informed them that their permit doesn't allow for the material at this time. Staff is discussing options with our engineer and hydrology consultants to help us through this spring's issue and then also look to a long term solution. Currently, it appears the best option may be to build a lined leachate holding pond and then remove the liquid in the summer months and spray it out over our lined area for evaporation. Utilization of the leachate reinjection lines build by FEC for the energy facility will continue but there is a saturation level with that system that precludes its use indefinitely.

Staff has been analyzing a change in the scheduling of the employees. We have been on a 4x10 hour schedule for approximately 17+ years. We have struggled in the last few years to have coverage of shifts through overtime and have not completed work tasks that we feel need to be done for the level of operations we desire. Jim has worked with the Foremen to create a 5x8 hour schedule that we plan on implementing on April 5th. We notified the employees the week of March 9 of this change. The Union has stated they will file either a grievance or an Unfair Labor Practice against us. Our Labor Attorney, Mike Dahlem, has been consulted multiple times along with Mike Pence and Tammy Skramovsky, Human Resources Director, about this change. Mr. Dahlem has said that the Union has no basis for their charges and we should prevail in any type of hearing. We have offered to sit at the bargaining table with them on this issue but we are not

obligated to accept any offer they may present other than what is currently in the Collective Bargaining Agreement.

d. Budget and Financials

Dave updated the Board.

8. Comments from Board Members

Wayne Miller asked if there were any comments regarding the letter from Any Home Services about businesses not being allowed to dump at the container sites. Jim stated he was at the container site the day he was informed he couldn't dump his business trash. Consensus of the Board is the Policy and Procedures define the use of the container sites.

Dave Prunty informed the Board he had two phone calls on Friday praising the staffing of the Creston and Somers container sites and having a "rover" go between Bigfork and Lakeside. Wayne asked if the outside perimeter of the Creston site will be cleaned soon. Jim stated it will be attended to as the snow melts.

John Helton asked if the Container Site Policy and Procedures are being handed out. Jim stated they are.

Gary Krueger stated that Board members don't have to take phone calls outside on their own time. People should address the Board during meeting times.

Hank Olson asked that the Policy and Procedures be reviewed at the next meeting.

9. Adjournment

The meeting was adjourned at 4:38 p.m.