

Approved with corrections at the July 23, 2013 meeting

Flathead County Solid Waste District
Board of Directors Meeting
June 25, 2013 – **3:00 p.m.**
Landfill Office

1. Roll Call

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

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

Attendees: Robert Crastra, Neil Clark, Josh Brown, Jeff Brewster, Kim & Jera Schwegel, Lynette Hintze, Brent Foley and Mayre Flowers.

2. Introductory Remarks from Chairman

Hank Olson thanked everyone for attending and noted that John Helton was absent.

3. Comments from public

There were no comments.

4. Program Updates from Non-Profits

Mayre Flowers stated that a memo with additional information on the WasteNot Project was included in the board packet. She added that while researching further, the WasteNot Project is reaching the majority of elementary schools in the valley as well as a few middle schools. The WasteNot project has been involved in the beginnings of the Household Waste Program, E-Waste Program, Pharmaceutical Take Back Program as well as community outreach regarding recycling.

Alan Ruby said that the recycling efforts at the Dragon Races and the Spartan Event were well received.

5. Approval of the Board Meeting Minutes for May 28, 2013 - **Action Required**

Wayne Miller moved to adopt the minutes of May 28, 2013. Greg Acton seconded. Motion passed.

6. Action Agenda

a. Recycling Program Request for Proposals (RFP) – **Action to be determined**

On May 3rd and May 17th staff met with representatives from Evergreen Disposal/Valley Recycling (Valley). Our goal was to initiate negotiations on their proposal for the blue box

recycling program. Mike Cullinane from SWT Engineering also participated in the negotiating sessions via telephone. Prior to the first negotiating session staff talked to Tara Fugina at the County Attorney's Office. Since this is a RFP the District is able to "negotiate" costs, terms and conditions within the proposed work. Staff provided Valley the program information sent via email to the board members after the RFP was opened. We have included the info in your board packet again for reference. This info summarizes the costs for Valley to service the program along with other pertinent information on the program.

Staff's initial discussion with Valley centered on the costs associated with implementing their proposal. The calculated costs per ton using 2012 tonnages for this program are very expensive as compared to our disposal expense. Since we only received one response staff doesn't have a corresponding proposal from another service provider to "cost compare" their supplied expenses for the services. We also discussed the duration of the contract and the possible bin configurations at the sites.

With a desire to see if there is another way to provide the service to our citizens and reduce expense, staff asked Valley to determine costs if they were to supply three 30 yard recycling containers at the Landfill, Columbia Falls, Somers and Creston container sites. We also asked they provide us costs for Albertsons and Super One in Kalispell under this scenario. Plastic, aluminum and steel cans would be placed in one bin; another bin would be for cardboard and one bin for paper products. If Valley wanted a fourth bin we would also be acceptable to this placement, except at Creston due to site size constraints. Our thoughts were that we hoped to reduce the hauling expense by only pulling full bins as compared to the compartmentalized bins we have used in the program. Valley agreed to provide the costs. We also asked them to provide the costs if the contract was to be for three or five years as compared to seven years that was in the RFP.

Valley's revised annual costs for the base recycling sites plus Albertsons and Super 1 with this revised bin configuration are shown below:

<u>Contract Duration</u>	<u>LF, C Falls, Somers, Creston</u>	<u>Albertsons</u>	<u>Super 1</u>
3 yr	\$53,724	\$51,120	\$38,148
5 yr	\$51,732	\$49,224	\$36,744
7 yr w/o discount	\$50,940	\$48,468	\$36,180
7 yr w/ discount	\$48,396	\$46,044	\$34,368

Valley said that they didn't find any significant reduction with this revised bin configuration. With the reduction in sites and the costs being on a monthly basis and not a "per pull" basis they couldn't risk the needed profitability due to not knowing the amount of pulls per site each month. The reduction in contract term also increased their costs. Valley did offer a discount of 5% if contamination in the bins was less than 3% by weight for each month.

Staff is struggling with the very high calculated cost per ton for this program for its continuation (three to four times our calculated disposal costs). For the last four years the program has removed between 1,100 tons and 1,200 tons of material each year. This is about 1% to 1.25% of the total waste sent to the landfill per year. However, the program also represents a very small part of our expenditure budget. If the Board is interested in continuing the program with a reduced level of service, the cost of the base service option is less than 1% of our expenditure budget. Or another way to look at this is that the annual assessment amount (\$80.73/unit) this program uses is between \$1.16 (7 yr contract) and \$1.22 (3 yr contract) from each residential assessment for funding. If the Board were to choose to implement the service

for all the current sites in the program for a seven year contract the District would be using \$4.29 from each residential unit to fund the program. There are currently 43,864.15 residential units paying the solid waste assessment.

The reality is that the District will need to subsidize the continuation of this program and to what level the Board can agree to. We have done this for the vast majority of its existence and are not uncommon for recycling programs throughout the country. At least with this contract set up on a monthly expense we are able to closely budget for our expenditures each year. The Board also has the option to reject the response from Valley and terminate the program.

The Board discussed the different recycling options in the proposal, the costs of service and the possibility of raising the landfill assessment fee to help support the recycling program. Contract duration was also a topic of discussion. The Board agreed that recycling containers at the schools will be pulled and recycling efforts will most likely be concentrated at the Landfill, Columbia Falls site, Somers site and the Creston site in addition to potentially keeping containers at Albertson's and Super 1 in Kalispell. Alan Ruby would like to see the recycling program continue at all the container sites, but realizes it might be cost prohibitive.

After more discussion regarding increased recycling costs and the potential need to raise the landfill assessment, it was agreed that Dave will talk with the Commissioners regarding the issue and see if they would favor an increase in assessment to help support the recycling program.

Wayne Miller moved to table the discussion until the July meeting so Dave can meet with the Commissioners and get their opinion on the matter. Greg Acton seconded. Motion passed.

b. **Essex Container Site Construction – Action Required**

Bids were received and opened on June 18th for the Essex Container Site Construction Project. Bids were received from seven firms. They are shown below:

<u>Bidder</u>	<u>Bid Amount</u>
Pave Co	\$273,038.56
Schellinger Construction	\$298,936.50
T and T Contracting	\$299,375.00
LaSalle Sand and Gravel	\$312,541.05
Sandry Construction	\$344,565.00
Noble Excavating	\$360,989.00
LHC	\$361,304.67

The engineer has reviewed the bids and provided the certified bid table and their recommendation. The engineer's estimate for the project is \$360,000. The FY 13-14 budget includes \$275,000 for construction and engineering. The project will incur increased consulting expense for engineering and explosives consulting in the amount of approximately \$24,000. This consulting allowed us to generate sufficient material onsite for the fill to reduce the total construction cost. The ten inch natural gas main also runs along the site so the blasting consultant was needed. The lowest, most responsive bid is from Pave Co.

Alan Ruby moved to award the bid for the construction of the Essex Container Site Construction project to Pave Co and authorize the Public Works Director to execute the contract documents. Wayne Miller seconded. Motion passed.

7. Director's Report

a. Columbia Falls Container Site Hours of Operation

At the April Board meeting Lorin Lowry provided a letter written by Susan Nicosia, Columbia Falls City Manager, requesting on behalf of the City Council that the District modify the current hours of operation at the site (8 a.m. to 5 p.m., seven days per week) to 10 a.m. to 7 p.m., seven days per week. The Board directed staff to include this item on the agenda for the May meeting. Since Lorin was not available for the May meeting the Board delayed discussing the item until June's meeting.

The District has been slowly gaining control of the container sites throughout the valley over the last eight or so years. With this work we have been able to install fencing and gates on sites that the District owns or has secured long term leases. This allowed us to institute hours of operation which was a significant change to the 24-7-365 operations previously enjoyed by County residents. Recently with this change the District also has been able to staff our busiest site, Columbia Falls, for the last three years. The Board decided at that time to make the Columbia Falls site hours consistent with the landfill hours.

Staff is concerned that while the Council is not asking for more hours in an operating day, they are requesting those hours be later in the day. That will have a cascading effect on our staffing for the container site program (drivers and attendants) and at the landfill. Our other sites are open from 6 a.m. to 7 p.m. and a few have no fencing or gated access. If we were to start our driver(s) later in the day we will have issues at other sites where we need to have trucks on the road at 7:30 a.m. to make room in the cans for the incoming refuse. We also would have concerns that the landfill would need to now modify its operating hours so when the truck came in from Columbia Falls at the end of the day we could dump and process the waste at the tipping face. It is not acceptable to continually leave a load in the truck over night. Hot loads occur and the District places that truck in jeopardy with refuse left in the truck. This only occurs when a breakdown prevents us from ejecting the load. It also is not allowed under the Solid Waste rules to leave an unprocessed (uncovered) load at the tipping face.

The letter states that our hours of operation do not leave time for citizens to use the site if they are working. It is staff's opinion that our operations are open seven days per week and that the vast majority of citizens would have one, or more likely, two days off per week where they could use the site. There is also the option of purchasing the services of the private local hauler (Evergreen Disposal) if a citizen is unable to make the District's hours work with their schedule.

It is staff's desire that in the future if the Commissioners agree to increase our staffing to the other busy container sites in the valley floor (Somers, Creston, Bigfork, Lakeside) they have the 8 a.m. to 5 p.m. hours. These are normal business hours for County operations and the Solid Waste Department should be no different. Changed hours may have some improvements for some residents but there will be others that are unhappy with a later opening that doesn't fit into their schedule.

Lorin said the city is getting requests from residents to have the container site open later. He pointed out prior to the site being staffed the hours were 6 a.m. to 7 p.m.; if the hours were from 10 a.m. to 7 p.m., how would it affect the hauling? Dave stated the potential for an "overflow"

situation is greater and we would not have equipment to dispatch after hours to rectify the issue. Dave said we would like consistency system wide and focus the garbage into business hours.

Wayne Miller asked to have this item added to the action agenda for the July meeting.

b. Groundwater Corrective Actions Evaluation

On May 30th, staff and our hydrogeologist Scott Mason from Hydrometrics had a telephone conference with senior staff from the DEQ Solid Waste Bureau regarding the letter written by Mr. Martin Van Oort from DEQ. Mr. Van Oort was requesting that the District install a new groundwater monitoring well after his review of the Groundwater Corrective Actions Evaluation the District submitted. Mary Hendrickson, who oversees the groundwater monitoring program of the DEQ's Solid Waste Bureau did not agree with Mr. Van Oort's request and informed the District that we do NOT need to install another well. She said that DEQ is pleased with the District's corrective actions and the evaluation report we submitted. Staff sent a reply letter to DEQ on the three issues Mr. Van Oort raised in his letter. DEQ said they would respond to that letter so we would have it in writing that a new monitoring well is not needed.

c. Landfill Expansion Project

Three owners have informed the District they would like to proceed forward with the sale of their property with the current appraisal. Staff had the owners send an email confirming this and that was then forwarded on to the County Attorney's Office. Tara Fugina will be working on the contracts and other associated documents in the immediate future.

Three other owners forwarded the names of appraisers they wish to utilize to have another appraisal. The County Attorney's Office will review them and then forward on to the Commissioners for final review/approval. Staff will then get in contact with the appraisal service to order the work.

Alan Ruby asked that the Board be updated quarterly with a map of properties purchased.

d. Ground Green Waste Program

Staff informed the Board last month that our outlet for the ground green waste (brush, limbs, stumps etc.) has reduced tremendously. Stone Container used to take all the material but is not in business anymore. Both Plum Creek and Stoltze have used some in the past depending on their own inventory of material. The Stoltze co-generation plant is near completion but we are unaware of the volume they may utilize from our materials. Currently, all brush and limbs are being sent to the disposal area. Large stumps are still be stockpiled for hopeful beneficial use at some point.

After we grind this material we have had requests by citizens and landscaping companies to use the material at their homes or for clients. We believe this may be an outlet for some of the material as compared to landfilling. Staff is interested in the Boards ideas or opinions on utilizing this material in this fashion.

The Board suggested asking the County Parks Department if they could use the material and/or contact the landscape material wholesalers to see if they could use the product.

e. Visual Tree Buffer for Landfill Perimeter

The District has installed thousands of small trees and bushes along the southern and eastern perimeter of the south landfill boundary. We worked with Angel Rosario of the Natural Resources and Conservation Service (NRCS) to design the current buffer.

For the most part the trees have become well established. We did struggle with rodent issues and have had to replace many of the Poplar trees. The Caragana and Spruce have done well. The stock we used came from the major nurseries that offer the best pricing but the bare root trees are one to two feet to start with. As we are all aware, growing many of our trees in MT is a slow process. The faster the growth, the faster they are to die typically. The tap roots should be very well established at this point. Angel said that once we reach this level the trees should be self sufficient. We do, however, continue to run the irrigation system we installed to help them grow a little faster.

If we were to purchase some larger trees to fill in areas where we have lost the trees a cost of \$15 to \$20 per foot is a reasonable budgetary number. \$2,000 at an average of \$17.50 per foot for six foot trees would buy 19 trees. The District could do this for a couple of years to supplement the current buffer area if the Board desires to move forward.

Time is still on our side but the trees will never provide a complete visual buffer for the landfill. When the fill height is 20 to 30 feet above the existing ground surface the landfill will be visible from Highway 93.

The Board directed Dave to continue to plant more trees as a buffer as budget allows.

f. Container Site Rules and Regulations

Staff has been working on drafting the policy for the container site regulations and will be presenting a draft at the July meeting for the Boards review and discussion.

g. Refuse Operations

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

<u>May</u>	
Total MSW to landfill	10,126.58
Total Appliances Collected	654
Junk Vehicles Collected	1
Truck Trips to Container Sites	481
Refuse tons/trip	7.65

The District landfilled 10.9% more waste in May, 2013 as compared to May, 2012 and our refuse trucks hauled 6.5% more waste comparing the same time frame.

Gate revenue for fiscal year 2013 was projected to be \$750,000. Through May the gate has generated \$849,617.39 or 113.3% of revenue through 92% of the fiscal year. Last year at this time the gate has generated \$707,547.89 for 11 months of FY2012.

h. Budget and Financials

Dave reviewed the budget and financials with the Board.

8. Comments from Board Members

There were no additional comments from the Board Members.

9. Adjournment

The meeting was adjourned at 5:13 p.m.