

PORT & RESOURCE RECOVERY DEPARTMENT

Brown County

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DEAN R. HAEN
DIRECTOR

PROCEEDINGS OF THE BROWN COUNTY SOLID WASTE BOARD

A regular meeting was held on **Monday July 20th, 2015**
Brown County Resource Recovery Facility, 2561 S Broadway, Green Bay, WI

1) Call to Order:

The meeting was called to order by Solid Waste Board Chair John Katers at 2:30 pm.

2) Roll Call:

Present: John Katers, Chair
Mark Vanden Busch, Vice-Chair
Lisa Bauer-Lotto
Dave Landwehr
Bud Harris
Norb Dantine
Mike Van Lanen
Bill Seleen

Also Present: Dean Haen, Brown County
Chad Doverspike, Brown County
Mark Walter, Brown County
Chris Blan, Brown County

3) Approval/Modification – Meeting Agenda

A motion to approve the meeting agenda was made by Norb Dantine and seconded by Mark Vanden Busch. Unanimously approved.

4) Approval/Modification – Meeting Minutes of May 18th, 2015

A motion to approve the meeting minutes of May 18th, 2015 was made by Norb Dantine and seconded by Mark Vanden Busch. Unanimously approved.

5) Announcements/Communication

Mr. Haen mentioned that Ken Pabich has resigned from the Solid Waste Board; he has accepted a position in Sturgeon Bay. This will mean that his position as an urban non-Green Bay member of the Solid Waste Board will need to be filled on the Solid Waste Board.

Mr. Haen also added that Bill Seleen was appointed to the Solid Waste Board in May.

Bill Seleen introduced himself to the Board. He stated that he runs the Habitat for Humanity Restore. He explained that he used to work for the NEW Curative and has a lifelong interest in this topic.

6) 2016 Budget – Request for Approval

The Department's budget is made up by the staff and presented to the Solid Waste Board. The budget is first approved by the Solid Waste Board. On August 6th staff will be meeting with the Finance Department. On August 13th Mr. Haen will meet with the County Executive. In October PD&T will review the budget for approval and in November the budget will be brought before the County Board for approval. Along the way changes may be made at any step of the process. Mr. Haen explained that he will bring forward any 2016 Budget updates/changes to the Solid Waste Board at each meeting to make them aware of any changes that are made.

On the Resource Recovery side there are six cost centers; Transfer Station, Gas-to-Energy, Household Hazardous Waste, Recycling, Closure and General.

Mr. Doverspike was primarily responsible for putting together the transfer station cost center of the budget. There are very few changes on the revenue side. The Department did a better job of capturing all of the tons brought to the transfer station. There was a 9% increase in revenue from fees due to a better recognition of all of the waste streams, more tons result in more revenue. Under land rents, the money from farm land that is rented out goes into the general fund for other County uses. Miscellaneous charges, when the BOW landfill is audited there is sometimes disbursement of extra revenue.

On the expense side not much is changing. Under repairs and maintenance for grounds, \$30,000 is budgeted for 2016 a decrease from 2015 due to the shingle pad and reconstruction of the off-loading area. The Department is projected to spend \$62,000 on grounds in 2015. Another item under Intra-County Highway is building the shingle pad, which will affect the 2015 budget. Under contracted services; if the Department is expecting more tons there will have to be more hauling which will result in additional cost of hauling. Under Outagamie Landfill a \$0.50 tipping fee was included. Outagamie Co. is not indicating an increase in their tipping fee; however, in the near future Mr. Haen expects them to increase it, as BOW is looking at the rate structure in the three counties and changes are necessary. The Department wants to be prepared for that and instead of having a large increase when Outagamie increases theirs, a small \$0.50/ton increase is being recognized in as part of the budget. Mr. Katers asked about the rate stabilization account that would give the Department the capability of going up to a \$1,000,000 as a reserve fund to help offset future increases. Mr. Haen explained that the rate stabilization fund currently has \$507,000 in it. At the end of the year when there is excess revenue this is normally the landing spot for it. The rate stabilization fund can be used at the discretion of the Solid Waste Board, but is intended to be used when the South Landfill starts.

When the Gas-to-Energy system was built, money was borrowed from Phased Construction and the plan has been to pay it back in full. Mr. Haen explained that up until this year, 2015, there has been enough money made from Gas-to-Energy to pay back Phased Construction. This year the 12 month estimate for revenue is \$330,000 and expenses of \$864,000. The Department will be able to re-pay Phased Construction only what they are able to and run the Gas-to-Energy into 2016 until revenue cannot cover expenses. The Department may no longer be able to make payments to itself. Mr. Kater's asked to confirm that \$144,000 was included for repairs and maintenance. Mr. Haen confirmed that yes; there is \$144,000 for routine repairs and

maintenance of the engines. Depending on if the engines are kept running will determine if the repairs are made. Supervisor Dantine asked about selling the equipment once it is turned off. When the time comes to turn on the engines, the Board will decide the future of the engines.

The Household Hazardous Waste cost center has some changes in revenue. A new agreement with NEW Water will result in an increase in revenue based on the agreed upon terms. Last year, agreements for the Out-of-County Collection was renegotiated also resulting in increased revenue. There are many small dollar amounts that have changed in HHW. The purpose of HHW is to remove hazardous material and universal waste from the waste stream so they do not end up in the landfill or down the drain. In 2016, the Department will begin charging for universal wastes to cover disposal rates. Revenue will increase from \$386,000 to \$412,000.

Under past budgets, HHW was paid for by the landfill's revenue and more recently, HHW has been paid for by recycling revenue. With recycling markets being down this is not possible. The goal is to be able to have HHW stand on its own. With the increase in revenue, the Department hopes this will help.

Mr. Katers pointed out that pounds have been decreasing since 2011. He asked if this has resulted in a change to staffing. Mr. Haen stated that this has been a topic among staff for quite some time now. He did mention though that since the new DNR standards have been set materials have to be safely in containers within a 24 hour period. This takes time and people. HHW staff is also sent to the transfer station and landfills, as well HHW staff operate the front-end loader and maintain the recycling transfer station. He added that staffing is regularly evaluated and compared to changes in pounds. Mr. Haen added that when HHW was at its highest in pounds was because we were the only places to bring electronics. Since then many other electronic recyclers have opened. Charging for latex paint has also resulted in less pounds. VSQGs and Out-of-County collections offset costs to Brown County residents. In order to make processing time at the cash register go faster, rates for universal waste will change to \$0.25 per pound. Items that are hazardous will remain at \$0 for residents.

The Department expected Recycling revenue to be \$1.5 million in charges and fees. To date only \$41,000 has been received and only \$400,000 is expected to be received by the end of the year from the sale of recyclables. This is over a million dollar decrease in what was estimated and this is directly attributed to the sale of commodities. The Tri-County MRF had been selling commodities at \$100 a ton and it is down to \$78 a ton. In 2016 revenue is budgeted for \$1,000,000. It is anticipated that the markets may get slightly worse. Because of such low market rates charges will be implemented to the communities. In the past couple of years communities have been paid for the recycling that they brought because the markets were strong. Prior to 2009 the Department had been charging. Mr. Haen explained that even with the charges it is still less expensive to send this material for recycling than it is to send it to the landfill. In addition, recycling is state law and still the right thing to do with the resource. The charge this coming year is budgeted at \$15 - \$20 per ton. Mr. Van Lanen asked if the Department projected how much tonnage each municipality has each year to help them do their budget for the next year. Mr. Walter stated that he prepares a report every year for each municipality that notes how many tons of recyclables they bring to the recycling transfer station and that the tonnage doesn't change much from year to year.

Under expenses in the recycling cost center there is a \$10,000 increase in repairs and maintenance. This more closely reflects the average amount of repairs of the front end loader. Other significant changes include the use of Wolf Fueling which has driven fuel costs down. The

Department no longer has to spend time and labor having someone fuel up. Contracted Services MRF cost decrease from \$300,000 to \$217,000 because of the building expansion and compactor that will be installed meaning that there will be lower hauling costs.

Mr. Haen explained that closure cost center is for taking care of the east and west landfills. The only revenue that this cost center has is interest on money put away. There are no significant changes in expenses.

This general office cost center captures all other activities within the department. A sewer line was run up to the landfill in Ledgeview and annually results in about \$30,000 in revenue. Intra-fund Transfer In is money from the Port for overhead cost for the building and utilities. Under the general office expenses is where all employee salaries are listed along with fringe benefits, general office expenses, repairs and maintenance, travel and training, utilities, and etc. In addition, Mr. Haen added \$100,000 contingency cost should damages be owed to Fox River Fiber even though our legal counsel has denied the claim.

This year the Department will use up some of the cash reserves that have been put away.

Mr. Haen explained several rates and fees that will change throughout the Department.

A motion to approve the 2016 Budget was made by John Katers and seconded by Lisa Bauer-Lotto. Unanimously approved.

7) Second Quarter Budget Status Report – Request for Approval

Mr. Haen explained that any of the year-to-date percentages should be around 40-60% since this report is 6 months into the year. Finance is requiring the Department to record interest as fair market value. This does not give an accurate representation of what money is there. Norb Dantine noted that this item does not require approval by PD&T and made a motion to receive the report and place on file.

A motion to receive the Second Quarter Budget Status Report and place on file was made by Norb Dantine and seconded by John Katers. Unanimously approved.

8) Recycling Commodity Markets – Update

Mr. Walter explained that this was sent to municipalities about how prices are set and what the BOW composite pricing has been for the past five years. He stated that in the composite market there has been no specific trend recently. Mrs. Bauer-Lotto asked what material makes up the majority of the weight. Mr. Walter stated that newspaper is the highest and OCC is the third. He added that glass is the second heaviest material that is brought through recycling and that is a material that is not clean enough to be sold. The last time it was moved the MRF had to pay \$10 a ton to get rid of it. It is less expensive to use it at the landfill in whatever way possible.

9) HHW Collection Program Analysis – Update

Mr. Blan explained that one of the goals with the budget is to lower HHW costs. He suggested that a comparison should be made between the Resource Recovery's HHW program and other HHW programs within the state to compare what efficiencies can be made, contracted costs and if there are more favorable rates. Mr. Blan stated that he petitioned AROW to see if they would reinstate the Hazardous and Special Waste Committee. Mr. Blan was made the Chair of this committee. The comparison of the HHW programs within the state resulted in Brown County's

HHW program outperforming the others. Mrs. Bauer-Lotto stated that she might be able to get 5-gallon open top buckets for free. MR. Blan noted that they would have to be UN approved for HHW to use them.

10) Fox River Fiber – Update

Kewaunee County uses dirt for their Alternative Daily Cover (ADC) at their landfill. It was proposed that the paper mill sludge from Fox River Fiber could be used for Kewaunee County's ADC. An amendment to the sludge disposal agreement and a memorandum of agreement have been drafted and are being negotiated with both Fox River Fiber and Kewaunee County for 5,000 tons of material a year at the same rate and conditions as Brown County.

11) Compactor and Building Expansion – Update

Mr. Doverspike explained that the compactor and building expansion is about 2-3 weeks behind schedule. However, everything is going well. The roof hatch has been installed, the concrete pit has been filled where the conveyor used to be, a small door will be installed soon for residents to drop off recycling eliminating staff time spent emptying the orange bins. There has been a lot of progress in the past 2 weeks. The compactor will be installed by mid-August and by the end of August everything will be ready.

12) Director's Report – Update

Mr. Haen informed the board that the shingle pad has been installed and the DNR has given plan modification approval. He also informed the board that he took the Resource Recovery Park Master Plan to the Town of Holland's board meeting. He stated that the Town Board was interested in the Resource Recovery Park aspect and how it could create jobs. They also wanted to know if they could get paid on anything that goes through the Resource Recovery Park as well as what goes through the landfill. The Town Board mentioned that they might want to open the agreement back up to make some changes, Mr. Haen stated that the County might want to do the same. The only way changes will happen if it is good for both parties.

13) Such other Matters as Authorized by Law

There were no other matters as authorized by law.

14) Adjourn

A motion to adjourn was made by Norb Dantine and seconded by Dave Landwehr.
Unanimously approved. Meeting adjourned at 4:02 p.m.