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PORT AND SOLID WASTE DIRECTOR

PROCEEDINGS OF BROWN COUNTY SOLID WASTE BOARD

A regular meeting was held on **December 15, 2008**, 1:30 p.m., at the Brown County Materials Recycling Facility, 2561 S. Broadway, Green Bay, WI.

1. Call to Order

2. Roll Call

Present: Chair Jim Rasmussen (1:30pm)
Vice-Chair Mike Strenski
Chuck Rhyner
Norb Dantine
Allison Swanson
Mike Fleck
John Katers (arrived at 1:34pm)
Bud Harris (arrived at 1:32pm)

Also Present: Charles Larscheid, Brown County Port & Solid Waste Dept.
Wess Damro, Brown County Port & Solid Waste Dept.
Chad Doverspike, Brown County Port & Solid Waste Dept.
Dawn Goodman
Dale DeNamur, Brown County Purchasing Dept.
Sara Perrizo, County Internal Auditor
Craig Berndt, Allouez
Gene Kramer, Foth Infrastructure & Env.
Tony Walter, Green Bay Press-Gazette

3. Approval/Modification – Meeting Agenda

A motion to approve the agenda was made by Mike Fleck & and seconded by Norb Dantine The agenda was approved.

4. Approval/Modification – Meeting Minutes November 17, 2008

A motion to approve the minutes as amended (Item #2 was approved, Item #3 was approved) was made by Norb Dantine and seconded by Mike Fleck. The minutes were approved as amended.

5. Waste Transfer Station Operation & Hauling Request for Proposals (RFP) – Request for Approval

Director Larscheid provided a brief review of the timeline regarding the Waste Transfer Station Operation and Hauling RFP. Larscheid also indicated that anyone who would like to be on the Selection Committee should contact him, Dale DeNamur, Brown County Purchasing or Chad Doverspike, Facilities Manager.

Director Larscheid outlined staff's recommendation for this current RFP. Brown County will cooperate with contractors to obtain the necessary permits from the Wisconsin Department of Natural Resources (WDNR) for recycling or salvaging options, however all costs, processing, etc., in connection with the permits will be the responsibility of the contractor and not Brown County. Brown County reserves the right to review all information in the permit application before submittal to the WDNR. Larscheid noted that these expenses should be reflected in the contractor's RFP. All revenues from any recycling efforts will go directly to the contractor. Brown County will save from not having to dispose of those materials.

The WDNR has informed Brown County that they will not approve any recycling permit requests until at least 6 months of operation without problems is achieved. Therefore, during years two through five is when Brown County will approve any salvage or recycling options.

Proposals will be due by 3/2/09 with the new contract starting 7/1/09 if not sooner. The current contractor requires a 30-day notice for termination. The RFP requires the following prequalification: 1) if outside financing is required a written letter from a financial institution must be submitted with the proposal 2) if outside financing is not required then a letter stating such must be submitted with the proposal 3) a copy of the current WDNR solid waste hauling license 4) written letter from E-/ + rated bonding company for one year performance bond (5-year contract) 5) minimum of five years' hauling experience within the past 15 years 6) hauling must be with multiple tri-axle dump trucks or larger and/or semi-tractor trailers 7) documentation on current or past hauling customers, and 8) 2008 unaudited financial statements and audited financial statements or official tax returns for 2006 and 2007 (which will remain confidential).

If problems are encountered during the first year, the RFP includes an option allowing Brown County to require bond in the second year of the contract. Brown County will pay for the bond which costs between \$25,000 to \$40,000.

The Solid Waste Board recommended that it be clearly stated that a possible bond for year two may be required. It was noted that all material to be recycled hauled out of the Transfer Station must be weighed on the Brown County scale. A scoring methodology has been developed. Larscheid noted that an RFP does not require that the lowest bidder be selected.

Further discussion on the RFP ensued. The RFP has been reviewed by the internal auditor, Brown County Purchasing, Brown County Finance, Brown County Corporation Counsel and the Port & Solid Waste Department. Any changes to the RFP will be made by the Brown County Purchasing Department.

A motion to approve the document with changes was made by Chuck Rhyner and seconded by Mike Strenski. (Dale DeNamur, Brown County Purchasing, will draft up with final changes: add language indicating that depending on the selected contractor's performance, a performance/payment bond may be required in subsequent years of the contract) Unanimously approved.

6. East Landfill Gas-to-Energy Operation & Maintenance RFP Results - Informational
Director Larscheid stated this solicitation is an RFQ which is a quote because it is based mostly on price. RFQ's do not need pre-approval and the award of the RFQ is an administrative decision. The RFQ has a 90-day price hold. Chad Doverspike, Facilities Manager, indicated three quotes were received (Fabco, Ruy Energy, and Outagamie Clean Energy Corporation). An alternative approach and a base approach were requested in the RFQ. Doverspike indicated that the cheapest bid at this point was from the same company that is supplying the equipment for Brown County. This company recommended the equipment and spec'd the equipment so it will be a smooth transition if there are any problems with the equipment. This is a three-year term with the possibility of two one-year extensions. The contractor awarded the RFQ will provide all routine maintenance for the equipment. Larscheid noted that the price is within the projection range given by our engineer last fall. A question and answer session will be held with that group and once clarified, the award will be made and a contract signed. Start-up is expected by the end of February 2009.

7. Brown County Mixed paper Request for Quote (RFQ) results - Informational
Director Larscheid indicated this RFQ has not yet been signed. Brown County Purchasing has a price hold for 90 days. Wess Damro, Recycling Manager, indicated Harmon & Associates requested a change in the terms of the current contract without negotiating. Since a mutually-agreeable contract modification was not reached, this contract was sent out as an RFQ. There were five potential vendors for this quote. The results have been received and Kurt Hogarty, Brown County Purchasing is working on a contract with Harmon & Associates. Damro indicated the terms are better than before and the procedure used for the last five years will continue for another two years until single stream is implemented. Discussion ensued.

8. Materials Recycling Facility (MRF)
 - Processed Materials Market Update
Wess Damro, Recycling Manager, provided a PowerPoint presentation on 2008's revenue. Damro indicated the market for processed recycled materials continues to change quite rapidly and Brown County has suffered a loss. The Solid Waste Board questioned why more is being paid out to our customers than is being received. Damro indicated: 1) communities are paid one month behind, and 2) because the Department cannot charge at this time. A new billing and charging fee will go before the County Board on Wednesday and, if approved, would begin in January 2009. No payments or charges will be made in December 2008. Larscheid indicated that had Brown County known the market was going to drop so drastically, a modification would have been made sooner. Brown County will lose approximately \$150,000 before approval is received to charge a fee. Damro noted that the department anticipated receiving \$2.9 million for the sale of material in 2008 but actually brought in closer to \$3.5 million. The 2009 budget shows a proposed \$2.6 million.

- **MRF Budget Revisions**
Damro reviewed expenses incurred for 2008 and expenses projected for 2009. Damro indicated 2009 expenses should decrease due to single stream and less associated costs. Education expenses, however, went up because of converting to single stream. Expenses for 2009 should be reduced by approximately \$200,000 than was originally proposed and approved six months ago. Customers have been made aware of the 2009 fees.
Damro indicated he is projecting a loss of \$74,000 due to the weak material value. Materials delivered to the facility in December will be charged \$56 per ton. This fee can be adjusted monthly. Discussion ensued on storing any product until the price goes up; aluminum could be stored for up to four months.

9. Director's Report

- *Transfer Station*
Director Larscheid noted that due to lower fuel prices, Badgerland's rate for November was \$9.75 per ton versus the previous charge of \$14.50 per ton. Brown County's actual cost to operate the transfer station was \$34 per ton and currently we are breaking even if these prices hold.
- *VandeHei Property*
Director Larscheid indicated that although selling the Vandehei property was approved in the 2009 budget, staff is recommending the property be leased until December 2009 due to the slow housing market. It was decided to lease the property with the understanding that whoever buys it must allow the crops to be taken off by November.
- *Drug Collection*
Wess Damro, Recycling Manager, stated the Brown County Sheriff's Department is implementing a year-round prescription drug collection beginning in January or February of 2009. Collected drugs will be brought to the Household Hazardous Waste Facility where they will be managed and disposed of as hazardous waste. The Sheriff's Department is using disposal through Wisconsin Public Service. Damro noted that Brown County will have the most effective drug collection program in Wisconsin. This program will also be marketed to other counties and a press conference is being planned.
- *Energy Independence Grant*
Director Larscheid explained Wisconsin's goal of achieving 25% efficiency and energy use or use of alternative energy by the year 2025. Brown County is applying for this grant with full support from County Executive Tom Hinz. Director Larscheid will be on the oversight committee for energy independence, and alternative energy.
- *Gas-to-Energy*
Doverspike presented a PowerPoint showing the progress at the Gas-to-Energy site.
- *Open Solid Waste Board Position*
Director Larscheid has recommended appointment of Dawn Goodman, Town of Green Bay, to the Solid Waste Board. Goodman would be filling the unexpired term of former Board Member Roger Ostrenga.

10. Closed Session

19.85(1)(e): Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business. . . .pertaining to recycling operations.

A motion was made by Mike Fleck and seconded by Allison Swanson to go into closed session. Unanimously approved. Roll call was taken:

Present: Chair Jim Rasmussen
Vice-Chair Mike Strenski
Charles Rhyner
Norb Dantinne
Allison Swanson
Mike Fleck
John Katers
Bud Harris

Also Present: Dawn Goodman

A motion was made by Norb Dantinne and seconded by Mike Fleck to return to open session: Unanimously approved. Roll call was taken:

Present: Chair Jim Rasmussen
Vice-Chair Mike Strenski
Charles Rhyner
Norb Dantinne
Allison Swanson
Mike Fleck
John Katers
Bud Harris

Also Present: Dawn Goodman

-- Return to Open Session --

Chair Rasmussen indicated that during closed session the Board discussed the recycling operation. No action was taken.

11. Such Other Matters as are Authorized by Law

There were no other matters to discuss.

12. Adjourn

A motion to adjourn was made by Mike Fleck and seconded by Norb Dantinne. Unanimously approved. Meeting adjourned at 2:45 p.m.

James Rasmussen, Chair
Solid Waste Board

Charles Larscheid, Director
Port & Solid Waste Department