

Saline County Regional Solid Waste Management District

Special Board Meeting Minutes

May 25, 2011

Board Members Present: Judge Lanny Fite, Mr. J.R. Walters, Mayor Jeff Arey, Dr. Don Brashears, and Mr. Bob McKeon

Board Members Present via Proxy: Mayor Jill Dabbs – Proxy: LaVenía Jones

Others Present: Mr. Michael Grappe', Executive Director; Mrs. Tai Marshall, employee; Mr. Gary Beck, Saline County Task Force

Mayor Arey called the meeting to order and asked everyone to sign in. Mayor Arey introduced and welcomed Ms. LaVenía Jones, who is Mayor Dabbs proxy for the meeting.

Approval of Solid Waste Plan: Mr. Grappe' stated that the Board had before them the 60 page Solid Waste Plan for approval. Mr. Grappe' stated that everything had been updated to reflect the current condition of the program. Mr. Grappe' stated the two primary changes are the ownership of landfill and what the District's plans are for composting, e-waste, recycling, household hazardous waste, etc. Mr. Grappe' stated that there are no immediate plans for major programs for this, but if it is not addressed in the Solid Waste Plan, the District will be ineligible for grant funding. Mr. Grappe' stated that ADEQ has reviewed this and returned it because the addendums needed to be corrected. Mr. Grappe' stated that pages 59-60 show the addendums and he needed to address the By-Laws and the Tire waste program. Mr. Grappe' stated that these are being updated per ADEQ and he is asking the Board to approve this for submittal on June 1, 2011. Dr. Brashears asked after June 1, 2011, if something unknown occurs, can the District make changes or are they locked in. Mr. Grappe' stated that the Board can request to make changes and follow procedure through ADEQ to amend the current plan. Mayor Arey stated that Mr. Grappe' had addressed every issue. Mr. McKeon asked if page 5 would still have to be amended about the members, because he does not see all the current members of the Board listed in this. Mr. Grappe' and the Board realized at this point the old plan had been copied instead of the new copy by mistake. Mr. Grappe' apologized and said he would send new updated version to Board. Mayor Arey and Judge Fite commented that they had seen the new copy and everything was updated. There was some discussion. Judge Fite made a motion to approve the new 2011 updates to the Solid Waste Plan. Mr. Bob McKeon seconded the motion. All approved. Motion passed with no opposition.

Review Resolution for New Lease: Mr. Grappe' stated that all Board members had a copy of the lease agreement. Mr. Grappe' asked the Board to look this over and approve negotiations for finalizing the lease and the updates that will need to be made to the new building. Mr. Grappe' stated that the building is \$350 per month plus utilities for five years, and the only exception to that would be if property taxes increased or insurance rates increased. Mrs. LaVenía Jones asked who the District's attorney is. Judge Fite replied Mr. Sam Ed Gibson. Mayor Arey stated that the Board does have to

approve a lease by Resolution #2 with the understanding that the chairman and director would go over this and request any changes that need to be made. Judge Fite made a motion to accept Resolution #2 of 2011. Dr. Brashears seconded the motion. All approved. The motion passed with no opposition. Mr. Grappe' stated that there would be some costs associated with this. Mr. Grappe' stated that since the District is a state agency, we have to abide by state regulations, meaning the building would have to meet ADA requirements and a structural engineer would have to inspect the building. Mr. Grappe' some remodeling would have to be done to meet these requirements. Mr. Grappe' stated the goal is to move to this location by mid-July because our lease will be up with Republic by mid-August. Mr. Grappe' stated that he can report the cost amounts to the Board by the June meeting. Mr. Grappe' stated that he would have the chairman's assistance on this every step of the way. Mr. Grappe' asked for approval to spend \$5,000 for renovations for building if needed before meeting. Mayor Arey stated that there will be some action needed on this at the June meeting and this will be added to the agenda. There was some discussion. Judge Fite made motion to proceed with the changes needed but not to exceed \$10,000. Mr. J.R. Walters seconded the motion. All were in favor. Motion passed with no opposition.

Discuss an Interlocal Agreement: Mr. Grappe' stated that he met with Mr. Robert Jones, the Executive Director for Pulaski County's District, and discussed House Bill 206 to charge waste coming in and out of their district. Mr. Grappe' stated that he originally stated there was no action required for our District. Mr. Grappe' stated that he met with ADEQ. Mr. Grappe' stated that he was notified that there are waste haulers licensed in Saline County that are disposing of waste outside the District. Mr. Grappe' stated that he would like to put an agreement in place that states if you are a waste hauler in Saline County and you are disposing of waste in Saline County then you are not affected; however, if you are a waste hauler in Saline County and disposing of waste outside of Saline County, then you will be charged for disposing of that waste outside of Saline County. Dr. Brashears asked if it would matter what landfill outside of Saline County. Mr. Grappe' stated that each landfill charges rates and this would be an extra charge on top of the regular gate rate for whichever landfill. Mr. Grappe' said he is still working on this and will report back to the Board at the next meeting. Judge Fite stated that this would NOT affect the gate rates at the landfill in Bauxite. Mr. Grappe' stated that the point of this is to keep the waste haulers that we license in Saline County to keep bringing their waste to Saline County and not elsewhere. Mr. Grappe' stated that there will soon be a statewide assessment that is an expansion of the interlocal agreements involving the specialty waste that is generated by the gas drillings. Mr. Grappe' stated that Districts will be entitled to a percentage of the collection cost for this specialty waste. Mr. Grappe' stated that legislation is looking at this to enforce to help out the districts. There was some discussion on this.

Review updated Accounts Receivable: Mr. Grappe' asked Mrs. Tai Marshall to report to the Board her findings on why the District owes some past account holders money. Mrs. Marshall had provided the Board members documentation of each account holders account history showing proof for the remaining credit on their accounts. Mrs. Marshall stated that she had been researching this and some of these accounts started with a credit when they opened their accounts and ended with a credit because they never used all of this credit. Mrs. Marshall stated that some of these actually made double

payments due to cross in billing. Mrs. Marshall stated that some account holders paid by invoice totals instead of balances due. Mrs. Marshall stated that some of these credits go as far back as 2009. Mrs. Marshall stated that she has spoken with several account holders that still owe the District money and provided lost invoices and history reports to show how these still owe so that they will send the District the money owed. Mrs. Marshall stated that a few have agreed to a payment plan. Mrs. Marshall stated that a couple have already paid their balance. Mrs. Marshall stated that Central AR Foundation Homes has filed bankruptcy and she is working with Mr. Grappe' to file. Judge Fite asked about Dewpoint. Mrs. Marshall stated that we were told they have filed bankruptcy but have not received that information at this time. Mr. Grappe' said we are working to figure this out. There was some discussion about some specific accounts. Judge Fite made a motion to write refund checks to these account holders for the amounts they are entitled to. Mr. Bob McKeon seconded the motion. The motion passed with no opposition. Judge Fite asked how past due are most of the accounts that owe us. Mrs. Marshall stated several are well over 120 days past due. Judge Fite stated that he would like the District to make an honest effort in attempting collections for this and turning these over to collections if need be or pulling waste hauler licenses if needed. Mr. Grappe' stated that some of the account holders don't have waste haulers license just account and that we have already sent out certified letters which is the first step towards collections. Mr. Grappe' stated that the second step is pulling hauling license and the third step will be turning over to collections. Mr. Grappe' stated that during the snap shot audit that was recently performed, the major account holders owing the District were set aside and accounted for. Mr. Grappe' stated that this paperwork should be available for viewing soon.

Recycling Issues: Mr. Grappe' stated that tomorrow he would be going with Republic to locate sites for the four roll off bins for Yard Debris collection sites, two in Benton and two for Bryant. Mr. Grappe' stated they would be looking for the new locations for the new roll offs for recycling collections. Mr. McKeon stated that the Mayor of Alexander is agreeable to having a roll off placed at the Alexander City Hall for recycling collection as well. There was some discussion on this. Mr. Grappe' stated that he had meeting with Mr. Gary Beck on Friday to discuss New Focus of Benton being a white goods collection site and developing a plan for this. Mr. Grappe' stated that he soon will be meeting with Benton and Bryant schools to discuss having students be responsible for teaching younger students about recycling. Mr. Grappe' stated a goal of getting school sports teams, booster clubs, and other school groups involved in helping with recycling efforts and offering some sort of reward by a sponsorship/scholarship program for this. Mr. McKeon agreed this would be a good idea. Mr. Grappe' stated that Faulkner County school district has an excellent recycling program and he would like to implement this in the Saline County school district. Mr. Grappe' stated that ADEQ stated at the regional District meeting yesterday that grant money is being heavily audited because of the disparity ratio. Mr. Grappe' stated that the District needs to maximize the grant money. Mr. Grappe' stated that ADEQ wants better results and accountability for the grant program. Mayor Arey stated that last week he, Mr. Grappe', and Dr. Brashears went to American Composting to tour the facility and learn about the composting program. Mayor Arey stated that composting will be evolving statewide and this is something that each District needs to work on because it is becoming a main problem. There was some discussion on this. Mayor Arey stated that ADEQ is requiring Districts to provide for this problem and the District will have to do this carefully, beneficially, and be financially reserve. Mayor Arey stated that maybe eventually all the

Districts could come together with some sort of agreement, partnering on this, and address the composting issue to save each District money, because this is an expensive problem to fix. Judge Fite stated that the only composting facility that was profitable is the one that charges for the disposal of the compost. There was some discussion on the composting process, leachate, and the cost. Mr. Grappe' stated that it was also discussed at the regional meeting for developing an E-Waste collection site. Dr. Brashears asked how many districts there are in the State of Arkansas. Mr. Grappe' stated that there are eighteen districts in this state. Mr. Grappe' stated that the District is a State agency and does need to abide by state rules and regulations.

Insurance Quotes for the Executive Director: Mayor Arey stated that the Board will be paying Mr. Grappe's Cobra insurance on his current insurance until a Human Resources program is put in place. Mr. Grappe' stated this program will address sick time, vacation pay, insurance, and all benefits. Mr. Grappe' stated that sometime in the near future the District will hire a full time assistant, and that person along with him will form a group policy for insurance. Mr. McKeon asked if Mr. Grappe' had been able to review the sick and vacation pay made to Mr. Jones and why that was red flagged on the audit. Mr. Grappe' stated that he had been reviewing this but there were no guidelines in place other than the old Union contract which was very liberal. Mr. Grappe' stated that the District had set a precedent and had to follow this, and basically the District learned a valuable lesson which is to put in place an HR program that addresses all such issues.

Public Comments: Mr. Gary Beck asked why Mr. Grappe' stated that the major account holders were written off during the audit. Mr. Grappe' corrected this misinterpretation by stating that these account holders were set aside as a loss because the District cannot receive this money due to bankruptcy, but these were not written off. Mr. Gary Beck asked if the District had a contract with Alcoa for land. Mayor Arey stated that years ago there was discussion of a verbal agreement made with Alcoa for free dumping in exchange for land, but the District never received the land. Judge Fite said that there should have been records kept for the Alcoa trucks that came to the landfill. Mr. Gary Beck stated that he appreciates the Board's help in trying to help set him up as collection site. Dr. Brashears stated that at the meetings, he would like for the Board to rearrange their seating so that they can see everyone present, and those present will be able to better hear and see the Board. The Board agreed that this was a great idea.

Mr. J.R. Walters made a motion to adjourn. Mr. Bob McKeon seconded the motion. All were in favor and meeting adjourned.