

Saline County Regional Solid Waste Management District

Regular Board Meeting

October 16, 2013

Board Members Present: Mr. Jim Erwin; Dr. Don Brashears; Mr. J.R. Walters; Judge Fite; Mayor Jeff Arey.

Others Present: Mr. Shane Knight, Operations Manager, Saline County RSWMD; Mr. Sam Ed Gibson, Attorney Saline County RSWMD; Mr. Owen Carpenter, Terracon; Ms. Dana Lumpkin, Terracon; Ms. Ruthie Conrad, Jerry Conrad; Mr. Mike Lauderdale, Terry's Waste Management; Jordan Woolbright, Woolbright and Associates; Michael Grappe', Executive Director, Saline County RSWMD; Dwight Dicus, DC Trash/Terry's Waste; Roger Finley, Terry's Waste; Chelsea Boozer, ADG.

Mayor Arey called the meeting to order and asked everyone to sign in.

Reading of Minutes from September: Mayor Arey stated the first order of business was the reading of minutes from the July meeting. Mr. Walters made a motion to approve the Regular Board Meeting minutes from September. Judge Fite seconded the motion. All were in favor and motion passed with no opposition.

Reading of Financial Statement and Financial Position from September-Jordan

Woolbright: Mr. Woolbright stated that the Operating account had an ending balance of \$727,855.19, the Revenue Account had \$1,600,371.32, the Recycling Account had \$215,986.55, and the Investment Account had an ending balance of \$1,990,391.87. Mr. Woolbright stated that the total cash was \$4,534,604.93. Mr. Woolbright stated that on the Operations Detail Report he included August and September to show the year to date that includes October 2012 to September 2013. Mr. Grappe' stated that if you look at the 2012-2013 Operations Detail Report on the bottom line where it says Recycling Expenses that is going to be changed to Operating Expenses. Mr. Grappe' stated that it's not a recycling expense. Mr. Grappe' stated that in our office we do two types of accounting one is the fiscal which Jordan takes care of and is audited by the state, and the second one is telling what the recycling cost is operationally. Mr. Grappe' stated that what that means is that whether or not the checks that have cleared the bank we put those numbers together so that there is a clear picture of what that month actually cost us. Mr. Grappe' stated that what we get from Mr. Woolbright is simply what has cleared the bank. Mr. Grappe' stated that the problem with the Recycle number is that our recycle number also has all the employee salaries and benefits that doesn't reflect in the recycling expense number. Mr. Grappe' stated that we are going to make an operational change in the way we do our reporting and call it Operational expense so that it's not confusing why the recycling numbers are low and the other numbers are high. Mr. Woolbright stated this is cash basis reporting, so if you see September it shows \$44,454.19 and that ties to the bank account summary of cash out for the

Operating Account. Mr. Woolbright stated that Mr. Knight is doing more of accrual accounting matching expenses with revenue. Mr. Woolbright stated that he is picking up expenses paid for August work such as labor, labor finders, and Bin There Dump That, where as September cost won't be paid out till October. Mr. Woolbright stated that is where Mr. Knight's report comes in and better matches expenses with that revenue for that period of time. Mr. Woolbright stated that the total Revenue for the September Recycling Report is \$23,536.33 with expenses being \$23,718.93. Mr. Woolbright stated that in Mr. Knight's report it will include Bin There Dump That. Mr. Woolbright stated that on the next three pages is the Detail Report showing the operating account and recycling account details. Mr. Jim Erwin made a motion to approve the Financial Statement and Financial Position from September. Mr. J.R. Walters seconded the motion. All were in favor and motion passed with no opposition.

Inter-District Tire Update-Stacy Edwards: There was not an Inter-District Tire Update.

Environmental Officer Update-Shane Knight: Mr. Knight stated that he had three reports of illegal dumps this week. Mr. Knight stated that one was taken care of and that he found a name and address of the individual. Mr. Knight stated that he went and paid him a visit and gave him 24 hours to clean up. Mr. Knight stated that he went back the next day and it was cleaned up. Mr. Knight stated that there were two other reports and one was on Deer Camp road off of Mt. Carmel and that area was cleaned up. Mr. Knight stated that there was another one on Brazil Road and it was cleaned up. Mr. Knight stated that in the past ADEQ would receive the report or the complaint from the citizen and ADEQ would then investigate and notify us as to what they are doing and let us know when they needed our help. Mr. Knight stated that they met with ADEQ and now Mr. Knight will receive all complaints and will conduct the initial investigation. Mr. Knight stated that if he finds the name and address he will go out and meet with the person or he will hand it over to Officer Strickland. Mr. Knight stated that we aren't trying to ignore ADEQ that we are trying to free ADEQ up. Mr. Knight stated that he had a meeting with ADEQ yesterday and they love the procedures. Judge Fite asked how do we know if the places where we have given 24 hours to clean up have been cleaned up and how do we know that it's not in another part of the county. Mr. Knight stated that there isn't a guarantee, but he does express to the person that it needs to be picked up and disposed of properly. Mr. Knight stated that the other two instances he personally cleaned up and took to the landfill. Mr. J.R. Walters stated that the individuals used to bring a receipt. Judge Fite stated that if they are issued a ticket that is one of the things that they do is make them show a landfill receipt. Mayor Arey asked if that is one of the things that we can do. Mr. Knight stated that he can issue a citation when he is officially sworn in but because he isn't a certified law enforcement officer it doesn't carry much weight and that is why we have Officer Strickland. Mr. Knight stated that if Officer Strickland issues a citation he has arrest powers. Mr. Grappe' stated that procedures can be changed.

Executive Director Update:

Recycling Program: Mr. Grappe' stated that he has asked Mr. Knight to report on a couple of numbers on the recycling program. Mr. Knight stated that since the month of June he has tabulated everything that we have done up to this date. Mr. Knight stated that we reimburse the County labor once a month that we use them which has totaled to be \$2,068.68. Mr. Knight stated that Rineco to date is \$27,307.47. Mr. Knight stated that pallets are \$5.75 a piece and have ordered 100 of them. Mr. Knight stated that the Gaylord liners cost us \$190.00. Mr. Knight stated that as of right now the Household Hazardous Waste program cost us \$30,141.15. Mr. Knight stated that he received that morning two invoices that will add \$4,264.10. Mr. Erwin asked if the Household hazardous waste program is being perceived properly. Mr. Knight stated that he does believe that it has and that we receive calls daily. Mr. Knight stated that the last pick up that we had from Rineco consisted of 8 boxes and every box mostly consisted of oil based or lead based paint. Mr. Erwin asked if the household hazardous waste material can be dropped off at anytime at the landfill. Mr. Knight stated we are now making the primary location at the Maintenance building.

Upcoming Events: Mr. Grappe' stated that we attended the Salt Bowl and the bags that were given out were very successful. Mr. Grappe' stated that we were going to attend Old Fashion Day but it rained that day. Mr. Grappe' stated that Benton Matters had a clean-up around the high school and the middle school. Mr. Grappe' stated that the signs gave us some exposure and there were a lot of people that stopped by to comment on how glad they were that someone was doing a clean-up. Mr. Grappe' stated that Smarty will be giving candy out at Spook City. Mr. Grappe' stated that we had a meeting earlier with Goodwill and the City of Bryant and we will be participating on Nov. 16th in the Recycle Bryant Day. Mr. Grappe' stated that in the near future we will be hearing more from two new organizations called Quality of Life and Saline Green. Mr. Grappe' stated that they are two organizations that are focused on improving the Quality of life in Bryant and Benton.

Advertising Efforts-Tiffany Dunn: Mr. Grappe' stated that we have been providing our advertising in the magazines about our Household hazardous waste program and the black box program. Mr. Grappe' stated that the coloring books have been sent out to all the schools and were well received. Mr. Grappe' stated that we are preparing for our annual school contest.

Community Efforts: Mr. Grappe' stated that we are still preparing to do the clean-up on South Street. Mr. Grappe' stated that he had some information that he needed to pass on to the Attorney. Mr. Grappe' stated that we are placing a lien on the property of the owner and will sell the property and get our money back for the clean-up.

Recycle Center Labor Update: Mr. Knight stated that he pulled out and isolated the black boxes that we have here in Saline County and show the expenses of what it cost to operate minus our profits. Mr. Knight stated that in June labor was \$33,096.54 and then you see a drop in July, August, and September because of the two cutbacks that we made with Labor Finders and Birch Tree. Mr. Knight stated that the hauling is Allied Waste picking up the Black Boxes and for

June the total was \$1,931.63, July \$885.79, August \$1,355.13, and September the total was \$1,259.57. Mr. Knight stated that the reason for the variance is because of the cost depending on the cost of having to call them to do an extra pick-up. Mr. Knight stated the main expense for September to run the Black Boxes in the county is \$28,852.25. Mr. Knight stated that he pushed hard to sell a lot of the product. Mr. Knight stated that the net loss was \$16,742.92. Mr. Knight stated that they have pushed out 88,000 pounds of loose paper and sent out another load of 44,000 pounds of cardboard, and two metal trailers that aren't reflected in the numbers. Mr. Knight stated that there is a sheet that shows the pounds of material that has gone out from June-September. Mr. Knight stated that the pounds of materials that have gone out of the recycle center for September was 174,315 pounds and the total to date for tonnage is 47,236.20 tons and that is up from a little over 500 tons from last year at this time. Mr. Erwin asked how long we will continue to lose money. Mr. Grappe' stated that until we do something different we will continue to lose money. Mr. Erwin stated that participation has increased. Mr. Grappe' stated that some of that tonnage is coming from Little Rock and that we get more from Little Rock than we collect. Mr. Knight stated that in the expenses he took out what we do with the schools but the total tonnage does include that. Mr. Grappe' stated that picking up the schools is costing us about \$5,900 a month. Mr. Grappe' stated that we are working on an alternative to that program.

Miscellaneous: Mr. Grappe' stated that Mr. Dan Christianson is the new General Manager for Republic and started on Monday. Mr. Grappe' stated that Terracon is at the meeting today and has talked to them about getting in touch with him to continue their partnership. Mr. Grappe' stated that we had an opening for Operations Manager and Environmental Officer. Mr. Grappe' stated that he would like to bring on board Mr. Knight as a full time employee. Mr. Erwin made a motion to approve the hiring of Mr. Shane Knight. Mr. Walters seconded the motion. All were in favor and motion passed with no opposition. Mr. Erwin made a motion to make an amendment of the budget of hiring Mr. Knight as a full-time employee at \$45,000. Mr. Walters seconded the motion. All were in favor and motion passed with no opposition. Dr. Brashear's asked the question about entering into executive session in the future when hiring a new person. Mr. Gibson stated that the Board is authorized to do so as long as you come back into public session and make the official action on record.

Old Business: Mr. Gibson stated that it came to the attention of the State Social Security Administrators office that this District along with the other 18 Districts are state agency and with regard to that office concluded that it is required for employees of this State Agency to have gone through some steps to go through an election at the agency level to determine if the employee would be covered by Social Security benefits. Mr. Gibson stated that if the Board goes through the process of the formal approval then it will be retroactive from when the Agency was established. Mr. Gibson stated that he has submitted a proposed Resolution 3 of 2013 which authorizes and directs the Chair and the Executive Director to take the steps necessary to fill out the proper paper work to have the referendum by the employees of the District to determine if the District wants to follow through. Mr. Gibson stated that he would encourage the

Board to adopt because there is still a 120 day process to send the paperwork back and forth to the office. Judge Fite asked if it was for present employees. Mr. Gibson stated that the benefit is already being taken out of the employees check. Mr. Erwin asked what the coverage is. Mr. Gibson stated that it will be effective retroactively to the establishment of the District. Mayor Arey stated that the gentleman is contacting all other District's and Government Agencies throughout the state to make sure that they have the proper paperwork. Judge Fite asked if this would cost us anything. Mr. Gibson stated that it shouldn't cost us anything extra. Judge Fite made a motion to approve Resolution 3 of 2013. Dr. Brashear's seconded the motion. All were in favor and motion passed with no opposition.

New Business: There was no new business to report

Public Comments: Mr. Dicus stated the he is thinking about starting out a subscription curbside recycling in the efforts of going countywide. Mr. Dicus stated that he would like to start that in 2014. Mr. Dicus stated that he would like to offer an additional cart for recycling and that there would be an additional cost. Mr. Dicus stated that he thinks that he would be less expensive than other haulers in the market. Mr. Dicus stated that he would like to ask for support because it will take a lot of education to get the program going. Mr. Dicus stated that he will do his part for recycling like offering magnets to customers to go on their refrigerator, and a cover on the cart to tell you what is and isn't recyclable. Mr. Dicus stated that he visited with Mr. Grappe' to see if there could be some effort to get everybody in recycling. Mr. Dicus stated that he would like to offer the recycling as soon as possible to his 8,000 customers in the county. Mr. Dicus stated that he has seen roughly about 27 pounds per cart in Russellville and that takes out of the National average of roughly 40-45 pounds of trash out of the waste stream. Mr. Dicus stated that it would be every two weeks for pick-up and that some customers will want additional carts. Mr. Dicus asked if he could get a motion for help with education for all the haulers in the county to get started with the recycling program. Mr. Dicus stated that he is going to start off with 1,000 customers. Mr. Dicus stated that it could be advertised for two or three months. Mr. Dicus stated that he goes on the radio once every quarter to give away \$100 to his customers. Mr. Dicus stated that he wants to do the education up front so that there is a positive association with it. Mr. Dicus stated that he would like to ask the Chairman of the Board to help with advertising, promotion, and education. Mr. Erwin asked where the recycling is going to go. Mr. Burke with Republic Services stated that he handles the government contracts for Republic services. Mr. Burke stated that he is also asking for permission to start subscription curbside recycling program. Mr. Burke stated that he would start out with their 3,000 customers. Mr. Burke stated he's not sure what the cost will involve but will provide a container and offer every other week service. Mr. Burke stated that a 96 gallon container should provide plenty of service. Mr. Burke stated that they are looking at some options on the material and how they want to handle that. Mr. Burke stated that they are meeting with other Material Recovery Facilities (MRF's) to try to find out what would be the best option for everybody as far as being the most cost effective. Mr. Burke stated that he agrees with the educational fees, and advertising to the residents, and

partnering with the District with those efforts. Mr. Burke stated that they will be ready to start in 2014 as well. Mr. Burke stated that they will be ordering the carts and will be very similar stating what can be accepted. Judge Fite stated that he is looking at the recycling report and in June we lost a little over \$24,000, July we lost \$13,000, and August we lost almost \$20,000 and would like to entertain that we get together to see what is fair to all haulers and run it by the Board next month. Judge Fite stated that he would like to see a package to do with education and whatever else to get the program going for all haulers that are interested. Mr. Erwin stated that he would like to see the program started January 1, 2014. Mr. Burke stated that he is shooting for that start date. Mr. Dicus stated that he is looking for that date as well. Mr. Grappe' stated that he suspects that it will be by the end of the first quarter for the program to start because historically January is a terrible time to roll this out. Mr. Grappe' stated that there will be some people that will want to change to one of these two companies or another company that is going to offer curbside recycling. Mr. Grappe' stated that they will need that transfer time. Judge Fite stated that he thinks that whatever we offer should be offered to all haulers. Mr. Dicus stated that the thing of starting January 1 is that you would like to have a solid three months of advertising to build the customer base. Mr. Grappe' stated that we will be working on two fronts one being the education of collection curbside and the other is what do you do with it once you get it. Mr. Grappe' stated that he feels that he doesn't want to abandon the recycling materials or the solid waste and we need to know where it is going. Mr. Dicus stated that co-mingle is the most efficient way. Mr. Burke stated that they are getting about \$35.00 for co-mingle as a rebate. There was some general conversation about the collection of recycling. Mayor Arey stated that he applauds the companies for offering curbside recycling and also agrees that we need to make sure that we put together incentive programs to any hauler that wants to participate to make sure that those are equitable and equal. Mr. Grappe' stated that if this program takes off we need to explore the opportunity to get rid of the black boxes. Mr. Walters asked if somebody wanted to recycle could they just have recycling without trash pick-up. Mr. Dicus stated that he would have to charge more. Mr. Burke stated that they are still looking at the price structure.

Mr. Walters made a motion to adjourn. Dr. Brashear's seconded the motion. All were in favor and motion passed with no opposition.