

Saline County Regional Solid Waste Management District
Public Hearing
Board Meeting Minutes
December 21, 2011

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

Others Present: Mr. Michael Grappe', Executive Director; Mr. Sam Ed Gibson, Attorney for SCRSWMD; Mr. Gary Beck, New Focus of Benton; Mr. Mike Lauderdale, Terry's Waste; Mr. Roger Finley, Terry's Waste; Mrs. Tai Marshall, Office Manager

Mayor Arey called the Public Hearing to order. Mayor Arey asked everyone to sign in on the sign in sheet.

Public Hearing: Mayor Arey stated time was 2:02 p.m. and first item of business was Public Hearing for 10 minutes for public comments for accessing the fee for the Interlocal Agreement with Pulaski County. Mr. Grappe' stated by state law a District can impose fees on waste brought in and out of the District up to \$2. Mr. Grappe' stated Pulaski County has raised their fees to \$2.00/ton for waste leaving their District. Mr. Grappe' stated our District has entered an Interlocal Agreement that allows us to claim \$1/ton of waste brought to Saline County District from Pulaski County. This \$1 is taken from the \$2 fee imposed by Pulaski District. Mr. Grappe' stated the Board has before them a Resolution that allows us to impose a fee and share the \$2 with Pulaski County. Dr. Brashears asked how this affects the landfill gate rates. Mr. Grappe' stated it would make the gate rate \$36.50 per ton on any solid waste coming from Pulaski County to this landfill in Bauxite. Mr. Grappe' stated the fee is collected and disbursed by Republic. Mayor Arey asked for any other questions or comments by the Board. There were none. Mayor Arey asked for any comments or questions by the public. Mr. Gary Beck asked if the gate rates affect Saline County residents. Mr. Grappe' stated only if you are bringing solid waste to the landfill that was collected in Pulaski County. Mr. Grappe' stated gate rate change basically only affects those out of the District. Mr. Erwin asked if someone from Saline County takes waste to Pulaski County, would there be a \$2.00 charge. Mr. Grappe' stated yes there is a \$2.00 charge there as well. Mr. Grappe' stated for the haulers in our District that stay in our District, there is no rate change. This is attempting to keep waste within each District's boundaries instead of disposing of it elsewhere. Mayor Arey stated this agreement is only between Pulaski County and Saline County Solid Waste Districts. Mr. Gibson stated the Board approved the Resolution last month to enter the Interlocal Agreement and are hosting the public hearing right now, and at the end of this meeting can vote on the Resolution to impose the fee for the agreement. Mr. Grappe' stated our Board did not want to raise the rates, but it was within our right to claim part of the money to be collected by Pulaski County Solid Waste District through this fee. Mayor Arey stated if our Board hadn't agreed to enter an Interlocal Agreement, Pulaski County District would claim the entire \$2. Mayor Arey asked for any other comments or questions. There were none. Mayor Arey stated the time was now 2:12 p.m. and that concluded the public hearing.

The Board moved into their regular Board Meeting. Mayor Arey asked again for anyone that hadn't signed in to do so. Mayor Arey recognized five Board members present in person and Mr. Bob McKeon was absent.

Reading of Minutes: Mayor Arey stated the first order of business was the reading of the minutes from the November meeting. Mr. J. R. Walters made a motion to approve the November meeting minutes. Judge Fite seconded the motion. Motion passed with no opposition.

Financial Statement and Financial Position: Mr. Grappe' read the financials for the month of November. Mr. Grappe' stated we lost money in recycling again due to repairs. Judge Fite asked if it was time to start thinking about replacing the forklift since so much money has been spent to repair it and it keeps having problems. Mr. Grappe' said yes, have already started getting quotes on overhauling and replacement. Mr. Grappe' stated in January will be report the financials in spreadsheet format. Mr. J.R. Walters made a motion to approve the financials. Mr. Erwin seconded the motion. All were in favor. Motion passed with no opposition.

Inter District Tire Update: Mr. Goble was absent. There was nothing to report.

Environmental Officer Update: Office Blevins was absent. There was nothing to report.

Executive Director Update

Credit/Debit Report: Mrs. Marshall read the report. The Board discussed turning over debtors to collections or write off books. Mr. Grappe' stated the audit was conducted last month, and he had the auditor set the money aside as revenue lost for book keeping purposes. Judge Fite made a motion to write the debts off the books and turn over debtors that are not currently on payment plans to collections. Mr. Erwin seconded the motion. All were in favor and motion passed with no opposition.

Recycle Update: Mr. Grappe' stated he met with Ripple Class from Kansas City to begin collecting glass and ship to them. Mr. Grappe' stated the District will begin this in 2012; Mr. Grappe' stated we will not need to purchase a glass crusher and will send truckloads with 25 tons per load for processing for rebottling and fiberglass. Mr. Grappe' stated the fiberglass will be given to the District to use for low income homes to help energy costs. Mr. Walters stated CADC participates in a weatherization program. Mr. Erwin asked where this would be stored. Mr. Grappe' stated this would be stored at LRC and collected at all centers. Mr. Grappe' stated we are currently hosting a name, logo, and mascot competition between schools in this District. Mr. Grappe' stated it ends in January and he will need some Board members to help judge the artwork. Mr. Grappe' stated he will be visiting Seraphim Plastics in Memphis, along with Bill Treece from ORE, on January 3rd if any of the Board would like to attend.

E-Waste: Mr. Grappe' stated ESCO has already collected 5,000 sq. ft. of electronic waste from us. Mr. Grappe' stated there is still more at the LRC. Mr. Grappe' stated ESCO is looking for a 50k sq. ft. building space to use. Mr. Grappe' stated ESCO handles all Wal-Mart's e-waste. Mr. Grappe' stated ESCO will use our District as a clearinghouse for central collections and establish items for resale here, then ship bad items to their center in Rogers. ESCO plans to hire 10-20 people here to disassemble materials. Mr. Grappe' stated we will participate with ESCO every five weeks in a "sale of electronics" with 60-100 vendors. Mr. Grappe' stated our District will sponsor the first one for central AR at the fairgrounds in February. Admission will be free. Mr. Grappe' stated this will bring revenue to the county for food places, restaurants, gas stations, etc. Mr. Grappe' stated when the new Convention Center is completed, these events will be held there. Mr. Grappe' stated Mr. Fred Wizer and himself are spreading the word about this event. Mr. Grappe' stated ESCO's new location is 1215 River St. Judge Fite stated this will create jobs locally and cut the expense for shipping E-Waste. Mr. Grappe' stated he will meet the president of ESCO in Rogers to commit long term and discuss our technology partner PMI.

SRC/LRC/ARC: Mr. Grappe' presented an aerial shot of where he hopes to build the Airport Recycle Center in the future. Mr. Grappe' stated this area would be on 2.6 acres off of 4th Street. Mr. Grappe' hopes to pour a 40x60 pad with a loading dock and canopy to protect the recyclables. Mr. Grappe' stated that Mr. Chad Lowry will pick up 309's/trustees Monday through Friday and supervise them during the day at this manned drop-off center. Mr. Grappe' stated this same process will be used at the SRC but supervised by an officer. Mr. Grappe' presented a draft of an agreement between the SCRSWMD and the Airport Commission to employ Chad Lowry to manage this site for a year and acting as the project manager for the construction of this site until construction is completed. Mr. Grappe' proposed a \$5,000 quarterly payment to the Airport Commission for that service. Judge Fite stated this site isn't secured yet with the City of Bryant. Mr. Jim Erwin presented a rough overview to the Developmental Review Committee for Bryant and they have issues with this; 20 acres to the east of this location will probably be developed in the future as a residential area and the master street plan has changed. Mr. Erwin stated there is a school being built by the airport and there has to be a collector street to get people around Bryant and the DRC will probably require that road to be finished out to handle the weight of the trucks coming in and out of that area. Mr. Erwin stated this still has to be approved by the DRC and the Bryant City Council. Mr. Grappe' stated that he will be working with the Judge and Mr. Erwin to resolve this issue. There was some discussion. Mr. Erwin said this is all a very good idea, and he believes they will be very receptive to the idea, but we will have to present it to the DRC and address their concerns. Mr. Erwin stated that Mr. Grappe' should prepare a packet to present to DRC. There was discussion about Act 309, labor for the new facilities, and providing laborers with uniforms.

Miscellaneous: Mr. Grappe' stated HSVPOA have signed a contract with Republic Services to bring waste to landfill. Mr. Grappe' state HSVPOA is working on contracting with a waste hauler to pick up trash with a compactor truck with conveyor. Mr. Erwin asked how much tonnage HSVPOA would be bringing to the landfill. Mr. Grappe' replied approximately 5,000 tons/year.

Old Business

Land Purchase Negotiations: Mr. Gibson stated the District has signed a contract with Mr. Jones and the packet is being prepared for the governor for delivery in January. Mr. Gibson stated the Governor's office will either state in writing the District does not need its permission or will publish a statewide notice and then come back with the approval once the process is complete. Mr. Erwin asked what the next step will be after that. Mr. Grappe' stated once the property is purchased then we will get a detailed design to release for bids and utilize resources to reduce the cost and then present for bids then start construction of the facilities. There was some discussion.

Recycle Master plan Update: Mr. Grappe' stated once he meets with Seraphim Plastics he will know how to proceed with the plan.

HR Policy: Mr. Grappe' explained that the District hasn't had an HR policy before and simply functioned off of a Union Contract. Mr. Grappe' composed an HR policy for the District because there is no longer a Union in place. Mr. Grappe' based this policy off of the County's current HR policy. Mayor Arey asked for comments or questions. Mr. Gibson stated the HR policy must approved by Resolution. Dr. Brashears made a motion to accept and adopt the HR policy through Resolution to make it effective January 1, 2012. Mr. Walters seconded the motion. All were in favor. Motion passed with no opposition.

New Business

Resolution 7 of 2011: Mr. Gibson stated the Board has before them the option to adopt Resolution 7 of 2011 based on the public hearing held earlier today. Mr. Gibson stated this Resolution tracks the language of the Interlocal Agreement with the Pulaski County Solid Waste District with regard to a generation and host fee. Mr. Gibson stated this by reference declares that the administration of those two fees will be conducted under the procedures that we previously agreed upon in the Interlocal Agreement. Mr. Gibson stated this will give the District the legal authority to impose and mechanically collect fee by the landfill operator. Mr. J.R. Walters made a motion to adopt Resolution 7 of 2011. Judge Fite seconded the motion. Mayor Arey asked for comments or questions. There were none. All were in favor, and motion passed with no opposition.

Incentive Bonus: Mr. Grappe' asked the Board to consider, based on the acceptance of the Interlocal Agreement and the Board collecting \$1 per ton, that the District set up an Incentive Program with Republic Services to provide a \$1 bonus for every ton Republic brings in from Pulaski District. Mr. Grappe' stated our District receives royalties off the tonnage provided by Republic and it is legal to provide an incentive for them to increase their tonnage collected. Mr. Grappe' stated this Interlocal Agreement will affect Waste Management and Republic Services more than any other haulers. There was slight discussion. Mr. Gibson stated that a public hearing and Resolution process will be needed to put this into action. Mr. Gibson stated he has had discussions with Mr. Grappe' concerning this matter. The Board thought this was a great idea. Dr. Don Brashears made a motion to have Mr. Gibson draw up the resolution proposing this incentive program and present at the next meeting. Mr. Gibson cautioned the Board that they are headed in an area that is full of mine fields and pot holes. Mr. Gibson stated that a District cannot give money to private corporations just because you want to. Mr. Gibson stated that a District can contract for services and provide incentives to make it attractive to the company you are working with that will owe you a royalty to do so to increase their waste flow. Mr. Gibson stated that you are not providing a benefit, just merely an incentive. Judge Fite stated the Board understood. Mr. Erwin stated the Board would have to hold a public hearing to do this. Mr. Grappe' stated the public hearing would be held next month as it was this month. Mayor Arey stated there was already a motion and second on the floor to do this. All were in favor and the motion passed with no opposition.

Post Closure Account: Mr. Gibson stated the Board Chairman and Secretary will sign the documents needed after the meeting to present to ADEQ and Regions Trust to absolve the Closure Post Closure Trust Account. Mr. Gibson stated this action was approved with the sale of the landfill.

Grant Proposal: Mr. Grappe' provided the Board with a copy of the grant proposal submitted to ADEQ for education, administration, the recycle center, and composting. Mr. Grappe' stated this was his plan for the upcoming year and how each grant would work together.

Employee Christmas Bonus: Mr. Grappe' asked the Board if they would like to provide a Christmas bonus to employees as they have in the past. Mr. Grappe' stated there are currently no part time employees and 3 full time employees and himself. Mr. Grappe' asked to not receive a Christmas bonus from the Board. Dr. Don Brashears made a motion to pay the 3 full time employees \$500 each for a Christmas bonus. Mr. Walters seconded the motion. All were in favor and the motion passed with no opposition.

Reclamation: Judge Fite stated the District has received approval from the state to proceed in reclamation instead of composting. Judge Fite stated we have went through the University of AR to start a test to see if this would be feasible and it is working and will save millions of dollars instead of providing a composting facility. Judge Fite stated this will be beneficial to our citizens and county. 5

Website: Mr. Erwin commented that he is pleased with the District's website. Mr. Erwin stated he would like to see us add a "What's new" section to our website to update citizens of what the District is doing.

Office Manager: Mr. Grappe' asked the Board to allow him to move Mrs. Marshall, the Office Manager to an exempt employee by placing her on salary and raising her yearly gross to \$30k. Dr. Don Brashears made a motion to approve Mrs. Marshall a raise to \$30k per year and exempt salary employee. Mr. Walters seconded the motion. All were in favor and motion passed with no opposition.

Public Comments: Mr. Grappe' stated he has been doing inspections for waste haulers to receive their 2012 waste hauler permits. Mr. Grappe' stated the process has gone well so far. Judge Fite asked when a reporting system would be in place for tracking recycle numbers. Mr. Grappe' stated he has been working with ORE and ADEQ to capture these numbers. Mr. Grappe' stated a stumbling block he has run into is that some large companies, such as Wal-Mart, report those numbers as a whole, so he is trying to figure out how to break that down so the numbers aren't duplicated. Mr. Grappe' stated he is working on this matter. Mr. Erwin thanked Mr. Grappe' and Mrs. Marshall for jobs well done. Mr. Erwin stated we have come a long way in a short period of time. Mr. Grappe' commented that he couldn't have done his job without the Board he has. Judge Fite stated West Sardis Rd. has been paved as agreed upon in the sale of the landfill. Mr. Grappe' stated they're putting in digital scales at the landfill as well.

Judge Fite made a motion to adjourn the meeting. Mr. Jim Erwin seconded the motion. All were in favor. Meeting adjourned.