

Saline County Regional Solid Waste Management District

Regular Board Meeting

January 18, 2013

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

Others Present: Mr. Shane Knight, Operations Manager, Saline County RSWMD; Ms. Tiffany Dunn, Marketing Coordinator, Saline County RSWMD; Mr. Michael Grappe', Executive Director, Saline County RSWMD; Mr. Sam Ed Gibson, Attorney Saline County RSWMD; Ms. Stacy Edwards, Inter-District Waste Tire; Jordan Woolbright, Woolbright and Associates.

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

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

Reading of Financial Statement and Financial Position from December-Jordan

Woolbright: Mr. Woolbright stated that the Operating account had an ending balance of \$497,425.64, the Revenue Account had \$1,766,589.96, the Recycling Account had \$185,020.97, and the Investment Account ended on a down note with an ending balance of \$1,967,189.83. Mr. Woolbright stated that the reason for that is due to unrealized gain/loss and realized depreciation. Mr. Woolbright stated that the total cash and cash equivalents are \$4,416,226.40. Mr. Woolbright stated that the prior month's total cash and cash equivalents total was 4,500,831.47. Mr. Woolbright stated that on the operations detail report he will start with salary/wages. Mr. Woolbright stated that there is nothing out of the ordinary you will see Apers contributions, insurance, taxes, professional fees, and office expenses. Mr. Woolbright stated that there was quite a bit increase in office expenses due to a large Visa bill that included travel. Mr. Erwin asked if we can make a separate line for travel expense. Mr. Woolbright stated that professional fees includes website maintenance, his fee, and SWANA. Mr. Woolbright ran down the operations detail report as listed on the Operations Detail Report for December. Mr. Woolbright stated that the large part of the miscellaneous expense was the Grant given to Arkansas State University and that he will itemize that with Grants Funded so that Miscellaneous doesn't look so large. Mr. Woolbright stated that the odd number usually ties to the outflows of the operating account and the reason it doesn't is because he voided out three checks from 2012. Mr. Woolbright stated that two checks were from January 2012 and October 2012. Mr. Woolbright stated the other check was from Rineco where we had a credit on the account and didn't need to pay the bill. Mr. Erwin asked what Mr. Woolbright will do with the checks that haven't cleared. Mr. Woolbright stated that he voided the checks. Mr. Woolbright stated that

page 3 is the Detail Report that ties to the Operation Report and that Page 5 ties back to the recycle report. Mr. Walters made a motion to approve the financial statement and financial position from December. Mr. McKeon seconded the motion. All were in favor and motion passed with no opposition.

Inter-District Tire Update-Stacy Edwards: Ms. Edwards stated that November the tires were 5,503 which was up from October and December tires were 5,449 and we ended the year with 61,728 Total Tires. Mr. Edwards stated that overall the Inter-District did 741,358 tires. Ms. Edwards stated that at the end November we had \$117,096.16 in our fund and that is prior to paying for the public information campaign. Ms. Edwards stated that in December we will end right where we need to be with the allowable amount in our reserve. Ms. Edwards stated that Davis Rubber Company has been approved for their permit. Ms. Edwards stated that they will be receiving their first farm tires from Bobby Hendricks from Monroe County. Ms. Edwards stated that Davis Rubber is hoping to expand in the next year with the secondary equipment to increase the recycling of the tires. Ms. Edwards stated that there isn't a tax on the tractor tires and considered a specialty tire. Ms. Edwards stated that she hopes to take this to the legislator in 2015 to have a tax on all tires. Mr. Grappe' stated that we have about a million dollars in our E-Waste program and we could shift to the tire program and not impact the E-Waste program. There was some general discussion about the E-Waste program and shifting of the money to the Tire program. Mr. Grappe' asked if the request of an additional tire trailer was on the Agenda for the Tire Board. Ms. Edwards stated yes. Mr. Erwin stated that he has seen the Public Information campaign on the Billboards and heard some radio ads. Ms. Edwards stated that the campaign is going very well and is getting a great response. Ms. Edwards stated that this was a one month push and will be used again.

Environmental Officer Update-Shane Knight: Mr. Knight stated that December was a busy month starting out with a couple of calls from Alexander from people burning trash in burn barrels. Mr. Knight stated that the others have been tire related. Mr. Knight stated that one is on Shady Lane in Benton where they have removed about 70 tires from that location and is an ongoing clean-up. Mr. Knight stated that on East Walnut across from Lewis Lumber there has been 140 tires removed from that location. Mr. Knight stated that the City of Bauxite has removed 110 tires. Mr. Knight stated that there were two reports of trash being dumped on the side of the road and those sights have been cleaned up. Mr. Knight stated that one dump site that was reported to ADEQ has been voided and that the material isn't hazardous. Mr. Knight stated that right now he is working on developing the Illegal Dumps Control Officer Program. Mr. Knight stated that he met with the County Attorney and obtained the Litter Ordinance and is getting together the four state Statutes that apply to illegal dumping. Mr. Knight stated that they have spent a lot of time cleaning up the black boxes. Mayor Arey asked if we have the ability to tell people to at least clean-up the burn barrels and do away with them. Mr. Knight stated that they could be using it to burn leaves or brush and to the best of his knowledge there isn't a ban on burning in the County. Mayor Arey asked if the County has an ordinance for burning or

throwing trash out. Mr. Grappe' stated that the Federal Law says that it is illegal to burn solid waste in a burn barrel. Mr. Grappe' stated that the only way an officer can cite you is if he sees you putting solid waste into the burn barrel and it's ignited. There was some general discussion about burn bans in cities. Mr. Erwin asked about the cost of labor for the tire clean-ups. Mr. Grappe' stated that what we normally do is take a tire trailer to a location and the property owner is responsible for putting the tires in the trailer.

Executive Director Update:

Recycling Program: Mr. Grappe' stated that on January 31, 2014 that we will no longer be in charge of the Recycle Center. Mr. Grappe' stated that the District currently employs three people who are paid by the District. Mr. Grappe' stated that they are Ryan Marshall, Colton Cassidy, and Shawn Vergason. Mr. Grappe' stated that as of January 31st they will no longer be employed by the District. Mr. Grappe' stated that Goldman is going to be taking over the recycling at the Landfill. Mr. Walters asked what we will be doing with the Baler. Mr. Grappe' stated that at the moment we aren't going to do anything with it and that we may end up leasing them as we discussed at previous board meetings to Republic to facilitate zero cost to other haulers. Mr. Grappe' stated that he suspects that one or two of the employees will be offered a transition job but wouldn't happen until February or March. Mr. Erwin asked if citizens will be able to continue to take recycling to the Landfill. Mr. Grappe' stated that you would take it to the Black Box and isn't sure if the program will change. Mr. Grappe' stated that his recommendation is to offer the employees a month salary and pay their insurance for the month of February to give them a chance to find other work, become employed by the company that is taking over, or file for unemployment. Mr. Grappe' stated that he has talked with our unemployment insurance company and has already paid the premium for that. Mr. Grappe' stated that he would like the Boards approval to pay the three employees a month salary and insurance. Mr. McKeon made a motion to approve the month salary and insurance for the three employees. Mr. Walters seconded the motion. All were in favor and motion passed with no opposition.

Mr. Grappe' stated that the next issue he would like to bring up is the equipment. Mr. Grappe' stated that he will report back to the Board in a couple of months on what opportunities we have. Mr. McKeon asked if the equipment is depreciated over time. Mr. Grappe' stated that it is and that as far as ADEQ is concerned it still has a value to it. Mr. Grappe' stated that an example is when we sold the landfill and the bulldozer went with it. Mr. Grappe' stated that when we bought the bulldozer we purchased it with some grant money and our money. Mr. Grappe' stated that when we sold it the bulldozer had a depreciated value which we sold it at and when we reconciled our books we used a percentage to reimburse the grant fund. Mr. McKeon asked if we can lease or rent the equipment. Mr. Grappe' stated that we can, but our goal is to keep the gate rate at zero and don't want to burden them with the cost. Mr. Gibson stated that it has to be justified appropriately to provide a public service and doesn't favor one commercial enterprise over another. Mr. Erwin asked if we will now be saving approximately \$17,000 per month. Mr.

Grappe' stated that we will be saving more than that and suspects that we will knock out about \$25,000. Mr. Grappe' stated that the Black Boxes are costing us approximately \$1,600 or so a month and that his recommendation is to leave them in place at least until the summer to allow the operation to get rolling and then reevaluate.

Mr. Grappe' stated that the next issue is the school service. Mr. Grappe' stated that we have a contract and spend about \$5,600. Mr. Grappe' stated that his recommendation is to put the responsibility back on the schools. Mr. Grappe' stated that Republic has bought out Terry's waste commercial business. Mr. Grappe' stated that Republic and Waste Management now provide the commercial service. Mr. Grappe' stated that Waste Management owns Benton and Allied owns Bryant as far as school collection is concerned. Mr. Grappe' stated that he wants to put the responsibility on Republic and Waste Management to provide some form of recycling that is acceptable to the schools to get the paper out of the school. Mr. Grappe' stated that when our contract ends in July we are done providing this service to the schools. Mr. Grappe' stated that over the course of two years this program has cost us \$150,000. Mayor Arey asked if we are going to notify the schools. Mr. Grappe' stated that he is trying to get in front of the Directors of each School District. Mr. Erwin asked if we can make Allied and Waste Management offer the service. Mr. Grappe' stated that it will be between the schools and that we can't make them do it. Mr. Grappe' stated that his recommendation will be to them is that if you want to be recycling that Allied and Waste Management will work with you to provide a program. Mr. Grappe' stated that the schools do a lot of recycling and that they collect the material in a central location and then we go in and collect it. Mr. Grappe' stated that his solution is that instead of having trash cans you have recycling bins because 99% of what they recycle is paper. Mr. Grappe' stated that at the end of the day the maintenance man would collect all that paper and take it to the recycle can instead of the trash can and his job activity hasn't increased. Mr. Grappe' stated that he will continue to report on this issue to let the Board now how the process is going.

Mr. Grappe' stated that his last issue is the Gate Rate at the Landfill. Mr. Grappe' stated that the rate went up \$3.26. Mr. Grappe' stated that what started this was the pick-up haulers would roll through the gate with 1+ ton of material in their pick-up and pay \$15 and he would come along with some lawn furniture and he would pay \$15 so there was a huge inequity in terms of cost so in order to make it fair to everybody they changed the gate rate to \$41.31. Mr. Grappe' stated that you pay the minimum regardless of whether you're hauling 5lbs. or a ton. Mr. Grappe' stated the solution to that is and has talked with Republic is to offer a coupon program. Mr. Grappe' stated that if you want a free ride to the landfill you will come to the office and we will take a copy of their driver's license and receive two stickers to take to the landfill. Mr. Grappe' stated that we will keep the data base and will pick up the coupons from the landfill and make a note of who used the coupons. Mr. Grappe' stated that this is a temporary solution and is working on other options to distribute the coupons and looking for a permanent solution. Judge Fite stated that the last time we talked about the tax we had a lash back and that whatever we do we need to advertise it. Mr. Grappe' stated that until we get this in place we will reimburse the

person at the landfill. Mr. McKeon asked what this included. Mayor Arey stated that they can pull a trailer in there. There was some general discussion about scenarios about the way people would bring in their materials to the landfill and how they are using the coupons. Mr. Erwin asked if we could have an event to pass out coupons to the public that way. Mr. Grappe' stated that we can be at City hall one day and at another location the next day. Mayor Arey stated that this isn't a perfect situation but what we have in our contract is two free days and have to do something to allow people to go.

Mr. Grappe' stated that we had a meeting with Goodwill on Monday and they are asking us to help them with their E-waste and recycling program. Mr. Grappe' stated that when we remove ourselves from the recycling center at the end of the month we won't have a place to drop off. Mr. Grappe' stated that we are vetting their waste stream process to the second and third parties to make sure that it is going to the right places. Mr. Grappe' stated that we will probably start using Goodwill as drop off locations. Mr. Grappe' stated that when we have our E-waste events we will partner with ESCO. Mr. Erwin asked about batteries. Mr. Grappe' stated that he is arguing with ADEQ that the ballast in the light bulbs are e-waste and hazardous waste. Mr. Grappe' stated that if its e-waste then he should be able to use the e-waste grant to pay for the light bulbs we are processing. Mr. Grappe' stated that they told him that it is hazardous waste and he isn't done with that argument and believes that batteries are in the same boat. Judge Fite stated that what he thinks we should work on this year is getting cost effective. Mr. Grappe' stated that hazardous waste is open once a quarter now. Mr. Grappe' stated that Goodwill is looking for another location in Saline County and interested somewhere along Alcoa Rd. Judge Fite suggested that when we advertise the coupons to advertise the household hazardous waste program with it. Mr. Grappe' stated that he would like to keep the focus on the coupons because we have saturated the market with information about the household hazardous waste.

Upcoming Events: Ms. Dunn stated that we will be participating in the Ralph Bunche community clean-up on Martin Luther King Day. Ms. Dunn stated that there will be some Green Team members and Smarty there for the clean-up. Ms. Dunn stated that we will be doing a presentation to fourth graders at Angie Grant Elementary with Smarty. Ms. Dunn stated that she is working on a parks grant for Saline County parks. Ms. Dunn stated that Keep Bryant Beautiful has scheduled their dumpster day for April 26th.

Advertising Efforts-Tiffany Dunn: Ms. Dunn stated that our campaign is going really well. Ms. Dunn stated that there has been a positive response from citizens that are calling in. Ms. Dunn stated that billboards are up and that one is on Highway 5 by Benton Automotive and one on Military. Ms. Dunn stated that the third one is going up on that day also on Highway 5 by the old BP gas station. Ms. Dunn stated that there will be more going around the county in the next couple of weeks and months. Mr. McKeon stated that he has posted signs on the Black box by his office. Ms. Dunn stated that we have posted some signs on Black Boxes letting people know about curbside recycling. Mr. Grappe' stated that Ms. Dunn has been accepted to serve on the Keep Bryant Beautiful Board.

Community Efforts: Community efforts was reported in upcoming events.

Recycle Center Labor Update: Mr. Knight stated that the Recycling Operations cost for December was \$26,059.74. Mr. Knight stated that if you take away our net profit from recycled materials sold, then you have that final cost. Mr. Knight stated that you have hauling, propane, maintenance, and fuel. Mr. Knight stated that the Household Hazardous Waste is now quarterly and its cost from December is \$3,792.17 and that amount included supplies from Rineco. Mr. Grappe' asked what amount he changed. Mr. Knight stated that he changed the recycle operations cost to \$26,059.74. Mr. Knight stated that the final cost was \$22,093.75.

Miscellaneous: No miscellaneous to report.

Old Business:

- A. Mid Ark Status- Mr. Gibson stated that on the Dewpoint litigation, we have collected all monies due to the District. Mr. Gibson stated that he and Mr. Grappe' have had conversations with two different people, respectfully. Mr. Gibson stated that there was snafu in the closing of the sale and forgot to send the attorney's fees. Mr. Gibson stated that either Republic will pay it or the owner of Mid Ark. Mr. Gibson stated that it is targeted by next Monday to receive the attorney's fee. Mr. Gibson stated that the good news is that the Board has been paid in full all money due which was the largest receivable we had. Mr. Gibson stated that he needs to meet with Mr. Grappe' and Judge Fite after the meeting about the paperwork that they need to sign for the Social Security election. Mr. Gibson stated that there will be some further interaction with the employees in the next 120 days. Mr. Gibson stated that we will officially have all our employees covered retroactively from October 1993 with Social Security. Mr. McKeon asked about the employees that we are laying off. Mr. Gibson stated that all we are doing is making legal what has been happening all along. Mr. Gibson stated that it doesn't cost us anything and doesn't cost the employee anything.

New Business: Mr. Erwin asked if we have to re-elect a new chairman and vice chairman every year. Mr. Gibson stated that we are supposed to re-organize at the January meeting. Mr. Erwin stated that he would like to add to New Business an election of Board Officers. Mr. Erwin stated that he would like to make a motion to elect Mayor Arey as Chairman. Mr. Walters seconded the motion. All were in favor and motion passed with no opposition.

Public Comments: Mr. Grappe' stated that he has initiated conversations with Pulaski District and instead of doing things District to District, they are talking about doing things more globally. Mr. Grappe' stated that he has opened conversation with Pulaski District to begin fostering a more central type of approach. Mr. Grappe' stated that he will be working with John Roberts to focus on things to minimize costs and improve inefficiencies like the Inter-Tire District does. Mr. Grappe' stated taking care of mattresses and the E-waste program are some of the topics they are discussing. Judge Fite stated that he would like us to look this year at our revenues and

come up with a long range plan. Judge Fite stated that he thinks it would be good to get in place an idea of where we want to be in 10 years. Judge Fite stated that Ozark Solid Waste has filed bankruptcy and never did long term planning. Mr. Grappe' stated that we have a 10 year plan that we are required by law to submit to ADEQ and to the legislative body. Judge Fite stated that he thinks that we need a purpose for the money and using the money wisely. Judge Fite stated that we only have two more years on our guaranteed revenues from the landfill and at that point we will go on tonnage and thinks that we need to be prepared. Mr. McKeon stated that we can project grants that we give out to people. Judge Fite stated that he has received about 20 phone calls and has told them that if their neighborhood wants to do a clean-up to come to us with a grant and will consider funding the clean-up. Mr. Grappe' stated that his vision is two-fold the first is to maintain the financial liability of the District and the second is to fund the exploration of new ways to tackle problems. Mr. Erwin asked if we need to do it as a workshop before or after the Board meeting. Judge Fite stated that we have a lot going on right now and will let the Director look at it. Mayor Arey stated that the Board members need to re-familiarize with the 10 year plan. Mr. Erwin asked where we are on yard waste and that Bryant was looking at ways (cost was about \$50,000) to buy the truck. Mr. Grappe' stated that what he would like to do between now and the next meeting is to lay down a road map for a city or municipality that wants to pursue their own service that provides a streamlined template that is already pre-approved by the Board. Mr. Grappe' stated that he would like to work on that over the next couple of months. Mr. Grappe' stated that his overall goal is to one day have a service by a hauler or multiple haulers that will provide curbside recycling, trash pick-up, yard debris, and bulk items.

Mr. Walters made a motion to adjourn. Bob McKeon seconded the motion. All were in favor and motion passed with no opposition.