

Vernon County Solid Waste/Recycling Committee
Meeting Minutes
Wednesday, February 12, 2014

The meeting was called to order by Vice-Chairman Yttri at 9:33 am. Those present included Ole Yttri, Geoffrey Banta, John Mitchell, Bill Meeks, and Gene Edwards.

A motion was made by Banta, with a second by Mitchell, to excuse both Brian Richardson and Dennis Brault from the meeting. Motion approved.

Proper Public Meeting Notice was confirmed.

A motion was made by Mitchell, with a second by Banta, to approve minutes of the January 8th meeting. Motion approved.

January Material Volume/Revenue Report

The report was distributed at the meeting. Waste volume was down approximately 10% from last January but that was at least partly due to the cold, snowy weather this January. There was very little construction activity and Edwards indicated he saw fewer residents at the landfill than in any previous month over the last five years.

All recycling activity was down, including fees items (tires, appliances, electronics, etc.). Two loads of cardboard had been shipped out in January but did not show up on the report because we haven't been paid yet. It often takes 4 to 6 weeks to receive payment for recyclable materials.

Leachate levels were down significantly from last year but costs are higher (due to increases in both treatment cost and transportation cost).

Motion by Banta, with a second by Mitchell, to approve the report. Motion carried.

Planning for Baler Reline and Other 2014 Projects

Relining the chambers of the Badger Baler is part of the preventative maintenance recommended by the baler manufacturer and should be completed every four years, or more often if waste volume increases significantly. Both bale chambers and both ram heads are covered with one-quarter inch thick hardened steel liners. Over a period of years these liners wear out, due to both the very abrasive materials being baled and the very high compaction pressure (3,600 PSI). Scheduled replacement of the liners is necessary to avoid serious damages to the baler that could require expensive repairs and lengthy down time.

The Department does not have adequate equipment, manpower, or expertise to complete this work.

The two other options available are either: 1) have the baler company provide prefabricated liners and other parts and send qualified technicians from Minneapolis to complete the work [at a company provided estimate of over \$50,000.00] or 2) have a local metal fabricating shop (PT Welding of La Crescent, MN) provide the parts needed and install them with assistance from Department staff [at an estimated cost of \$30,000.00]. PT Welding is the company that did most of this type of work on the old baler we had and Department crewmembers have a very high opinion of their work. Either approach would require about five days to complete the work.

Given the potential cost savings, Edwards was definitely considering going with the PT Welding proposal. There would also be advantages to having a local company familiar with and capable of doing other major work on the baler when needed rather than having to bring people in from Minneapolis. Following discussion, a motion was made by Mitchell, with a second by Banta, to support having the work done by PT Welding. Motion approved.

Other projects the Department plans to complete during 2014 include:

1. Complete the driveway repairs begun last year by grading the in-place gravel and installing a three inch layer of asphalt over it. Sheldon's Asphalt had looked at the project last fall and would provide an estimate this spring.
2. Finish filling Phase II, Module 2&3 (also referred to as Cell 5) and finish the covering started last fall so that rain water will be diverted rather than become leachate. The entire cell, including what was covered last fall, then needs to be seeded and mulched to reduce erosion. A culvert will also need to be installed under the road on the west side of the landfill.
3. The current C/D waste disposal area (the southwest corner of the landfill) is very close to final grade and will also need to be covered and seeded in this spring. C/D waste disposal will then move back to the top of the southern one-third of the landfill with the goal of bringing the entire southern end of the landfill up to final grade. Based on current waste volumes, it will take approximately three years to accomplish this goal.
4. Repairs to the cover of the old C/D waste disposal site, located at the northeast corner of the property, need to be completed. Department staff should be able to do this work with existing equipment and materials.
5. Flooring in the employee lunch room desperately needs to be replaced. Most of the tile has come off the floor and cleaning the room is nearly impossible. Edwards had already requested estimates from two local companies and planned to go with Spaeth's Flooring in Viroqua (estimated cost \$1,400.00).
6. We are running out of areas where we can build waste container parking lots and need an alternative use for the glass we collect (about 150 tons per year). Edwards had contacted DNR last summer about possibly crushing the glass and using it as daily cover on the landfill—either in place of or in combination with sand. DNR had verbally agreed to the idea but we would need to submit a Plan of Operation Modification before we could go ahead with a project. The Department will continue looking into this or other options for future glass management.
7. Edwards also started working with the County's new Forester (Andy Le Chance) in January to evaluate timber on landfill property and develop a forest or timber management plan. We have about 160 acres of timber on the property that really hasn't been managed for the last 20 years. There is a significant amount of timber (especially ash) that could be harvested and a lot of low value species that could be removed to improve development of higher value species. This will be a long range project with the initial goal being to get an evaluation and plan completed in time to do a first harvest next winter.

Proposed Leachate Management Project

We need to take another look at the viability of this Project based on several things that have occurred over the last couple of years. Edwards provided the following brief overview:

- The initial estimated cost to implement the full scale Project was less than half a million dollars.
- However; DNR was unwilling to consider a full scale project without first completing a Demonstration Project to prove that the proposed approach would work as described.
- The Demonstration Project would provide 250,000 gallons of additional leachate storage space which would be very helpful in managing leachate, but there are few other benefits of this approach beyond gaining approval to build the full scale Project.
- Estimated cost is the biggest concern with the Project. CWE's estimate of the cost to construct the Demonstration Project is roughly half a million dollars. The proposed testing regimen to evaluate the Project will likely cost \$50,000 to \$100,000, depending upon how much testing DNR requires.
- If the Demonstration Project is successful, it may take another half million dollars to implement the full scale Project (only about half of the components needed for the Demonstration Project will be usable for a full scale Project).
- All of the capital cost, monitoring cost, and operational cost of the Demonstration Project would be in addition to our existing leachate management cost (all leachate would continue to go to waste water treatment facilities until after the full scale Project received DNR approval).
- There is no guarantee DNR would approve the full scale Project. Ongoing testing requirements or operational restrictions could reduce or eliminate the economic benefits of the Project.

Perhaps the biggest question relative to this Project's economic benefits is whether or not the County will build and operate another landfill after the existing landfill reaches capacity. Leachate generated by the current landfill will decrease dramatically after it is closed and covered (probably 8 or 9 years). But if a new landfill will be built, a large amount of leachate will continue to need management for 25 years or longer. That means the Project capital costs could be spread out over a much longer time frame and the economic benefits of operating the On-site Leachate Management Project would also extend over a much longer time. The Committee has been supportive of developing another landfill and some preliminary work has been completed toward that objective but it may be too early to fully commit to such a major project. There are a lot of factors to consider and circumstances could change a great deal over the next 5 to 10 years.

All of the initial justifications for pursuing this Project are still valid and Edwards felt the Project still had excellent potential and should be pursued; however, given the dramatically increased cost and uncertainty regarding a future landfill, he could not recommend implementing the Project at this time. DNR approval of the Demonstration Project is valid for five years. If a decision is made about a future landfill and if grant funding can be secured, the Leachate Project may still be a viable future option.

Follow-up Discussion of CWE Letter

This item was postponed because Mr. Zeyghami was not able to attend.

Agricultural Plastic Follow-up with Organic Valley

Edwards had met with Nicole Spinelli of Organic Valley on January 16th to discuss Ag plastics. Organic Valley wants to continue and possibly expand their Ag plastic services to their member farms. But despite a number of efforts to develop viable markets for Ag plastic, no company is currently buying this material. A couple of companies will pay the transport cost to get this material to their processing facilities but they are very particular about material cleanliness and at least one of these companies requires that the Ag plastic be separated by type of material.

While the Department is still very interested in keeping Ag plastic from being burned or improperly disposed of, participating with Organic Valley in an expanded effort to collect the material from their member farms requires some prior agreement on details of the program. Ms. Spinelli indicated they were willing to pay a processing fee to help off-set the County's cost to bale and handle the Ag plastic (\$25.00 per ton initially) and would develop an information or education program to help improve the quality of the material collected. It was not yet clear whether they would be willing to pay the full landfill tipping fee if the collected materials had to be placed in the landfill (either because of unacceptable material quality or loss of markets).

The Department will continue to work with Organic Valley to address remaining details. The program needs to be in place by next fall (when Organic Valley plans to offer collection for the Ag plastic).

Computer Purchase Information from the IT Department

One of the Department's office computers is scheduled for replacement this year. The IT Department estimated the cost at \$700.00.

Connie has also provided information on a laptop computer she believes will meet the Department's need and that is compatible with existing County policy. The cost of that computer is \$850.00. The Department has \$1,900 budgeted for computer purchases and will order both units.

Follow-up Department Finances with Johnson Block

Edwards had talked with three Johnson Block staff members over the last three weeks and met with Jeff Johanning on January 28th. Although Edwards had sent an email to Johnson Block prior to meeting with Mr. Johanning that outlined his concerns and/or questions, he did not get satisfactory answers to his concerns. Mr. Johanning indicated he would discuss the issues with others at the firm and get back to Edwards. He also said he would provide information on the Department's depreciation schedules and the amount of undepreciated capital costs. Mr. Johanning indicated the firm would provide assistance in developing a capital purchase policy or procedure.

Edwards had also been gathering financial information from the Department's old records, from the County Clerk's office and from Viroqua Bank. The records match up fairly well over the last five years but between 2004 and 2008, numbers provided by the bank are much different than those from the County. The last payment made into the Long Term Care Escrow Account held by the Bank was in 2008—since that time the account has grown via earned interest only.

The Accrued Liability for landfill closure, on the other hand, has amounted to more than \$800,000.00 charged as expenses to our annual cash budget since 2008. The depreciation charged to the Department's cash budget over those same five years totaled nearly \$900,000.00. It is not too surprising the Department has a hard time showing an annual profit when these types of non-cash

expenses are charged to the cash budget. Edwards hoped his work with Johnson Block would lead to a better explanation of the Department's actual financial condition.

Review/Approve Vouchers

Vouchers totaling \$110,676.18 were presented for review. Two 2013 expenses accounted for most of the total (\$52,390 final payment to Gerke on 2013 landfill construction and \$30,280 payment to WDNR for fourth quarter 2013 landfill fees). Following brief discussion, a motion was made by Banta, with a second by Mitchell, to approve paying the vouchers. Motion carried.

December and January Financial Reports

Both reports were distributed at the meeting. The December reports give a good estimate of how the Department did financially during 2013. Recycling revenues were significantly lower than budgeted but so were recycling expenses. Solid Waste revenues were a good deal higher than budgeted and expenses, not including capital costs, were well below the budgeted amount. On a cash basis, it looks like the Department would end up in the black by more than \$100,000. It was not clear how that performance would look after adjustments were made by the auditors.

The January reports were not reviewed—they contain very little information this early in the year. Motion by Mitchell, with a second by Yttri, to approve the financial reports. Motion carried.

Department Update

Edwards had met with Gwen Young regarding her work at the landfill offices. Gwen has not received a pay increase in more than five years and the amount we currently pay her (\$12.50/hour) is far below the hourly wage she receives for her full time position (\$15.87/hour). Gwen will also be taking on a couple of additional assignments at the landfill offices. Following brief discussion, Edwards felt increasing Gwen's pay from \$250/month to \$325/month was reasonable and he was sure she would be pleased with the increase.

Edwards had also met with Mary Lessard from VARC regarding arrangements for a litter collector. The position would initially be an internship with the worker's wages being paid by the state Department of Workforce Development. The intern (Robert Moilien) will be provided with a job coach and will work 120 hours under this arrangement. The County will have the option of hiring Mr. Moilien at the completion of the internship period at a rate of \$8.00/hour. The work can start as early as February but there probably won't be much to do until mid to late March.

Dan Martin came back to work from medical leave last week on limited duty but should be back to his normal workload this week.

The next Solid Waste/Recycling Committee meeting will be held on March 12, 2014 at 9:30am.

Motion by Mitchell, with a second by Banta, to adjourn the meeting at approximately 11:20am. Motion approved.