

**OPEN SESSION MINUTES  
WINNEBAGO COUNTY BOARD OF SUPERVISORS  
SOLID WASTE MANAGEMENT BOARD**

DATE: May 20, 2015

TIME: 9:01 a.m.

LOCATION: Sunnyview Landfill  
100 W. County Road Y  
Oshkosh, WI

PRESENT: Pat O'Brien, Chairman  
Ken Robl, Vice Chairman  
Paul Eisen, Secretary  
Jerry Finch  
Gerry Konrad  
Susan Locke  
Doug Nelson

EXCUSED: David Albrecht  
Mike Easker

ALSO PRESENT: John Rabe, Director of Solid Waste  
Kathy Hutter, Confidential Secretary  
Kurt Pernsteiner, Facility Manager  
Jennifer Semrau, Recycling Coordinator  
Brian Arpke, R3NEW (9:01 a.m. - 9:18 a.m.)

1. Call to Order: P. O'Brien called the meeting to order at 9:01 a.m.
2. Approve Agenda: Motion to approve the May 20, 2015 agenda, with one adjustment to move Item 9 between Items 5 and 6, made by D. Nelson and seconded by J. Finch. Motion carried 7-0.
3. Public Comments on Agenda Items: None.
4. Announcement/Communications: J. Rabe distributed invitations to the Solid Waste Management Board (SWMB) Members for the Tri-County Single Stream Recycling Facility Open House on Saturday, June 13, 2015, 9:00 a.m. - Noon. J. Rabe explained that Staff will host facility tours for Elected Officials from 9 a.m. - 10 a.m. and for the general public starting at 10 a.m.
5. Approval of Minutes – May 6, 2015 Open Session: Motion to approve the May 6, 2015 open session minutes, made by J. Finch and seconded by G. Konrad. Motion carried 7-0.

9. Discussion/Action – Award for Electronics Recycling Services (SW06-15): J. Semrau presented the following summary for Electronics Recycling Services (SW06-15) to the SWMB:

- Sims Recycling Solutions (current vendor) declined to extend the electronics waste recycling contract that expires June 30, 2015.
- Brown, Outagamie and Winnebago County (BOW) Staff developed a Request for Proposal (RFP) document to solicit pricing for Electronics Recycling Services.
- The Electronics Recycling Services RFP (RFP) was issued on behalf of the BOW to attract competitive pricing from vendors (combined, BOW recycles ~1 million lbs. of electronics per year).
- The RFP was structured to accommodate site-specific operations for each county.
  - Outagamie County (OC) and Winnebago County (WC) require vendor spotted trailers.
  - Brown County (BC) stores palletized materials and live loads trailers.
  - BC requested pricing for optional materials.
- The RFP was published on April 8, 2015 and distributed to Wisconsin Department of Natural Resources (WDNR) E-Cycle Wisconsin registered Recyclers (BOW Facilities are certified as Collectors through E-Cycle Wisconsin and must use registered Recyclers to comply with certification standards).
- BOW Staff issued an RFP Addendum on April 23, 2015 to answer vendor questions.
- RFP responses were due by April 27, 2015 and resulted in three quotes.

J. Semrau presented the following Electronic Recycling Services (SW06-15) Proposal Tally to the SWMB.

<u>Bid Item</u>	<u>Dynamic Recycling</u>	<u>R3NEW</u>	<u>Universal Recycling</u>
<b>Facility with Trailer Spotted</b>			
*Mixed EEDs	\$0.149/lb	\$0.15/lb	\$0.22/lb
Non-EEDs	\$0.149/lb	\$0.15/lb	\$0.22/lb
Trailer Size	53 feet	53 feet	53 feet
<b>Live Loading Facility</b>			
Mixed EEDs	\$0.14/lb	\$0.15/lb	\$0.11/lb
Non-EEDs	\$0.14/lb	\$0.15/lb	\$0.11/lb
Segregated non-residential	\$0.15/lb	\$0.15/lb	\$0.11/lb
<b>Optional Materials</b>			
CDs/DVDs/VHS	\$0.55/lb	\$0.15/lb	\$0.12/lb
Printer Cartridges	\$0.01/lb (credit)	\$0.15/lb	NO BID
Shrink Wrap	\$0.45/lb	NO BID	NO BID

\*Eligible electronic devices (EEDs) are defined by E-Cycle Wisconsin as consumer computers, consumer printers, televisions, laptops and computer monitors, computer peripherals, fax machines, DVD players and VCRs.

J. Semrau explained to the SWMB that:

- Previously, the marketplace for EEDs allowed Recyclers to credit Collectors for recycled electronics; the marketplace has since transitioned to charging Collectors per pound for recycled electronics. Contributing factors include:
  - The global marketplace for cathode ray tube (CRT) unit (older tube televisions) processing has been reduced to one smelter located in India (for glass to glass application).
  - Overall, recycled material commodity markets are low.
  - The marketplace is saturated with recycled electronics so Manufacturers are paying Recyclers less for the recycled materials.
- BOW used Universal Recycling in the past and recently toured Dynamic Recycling and R3NEW’s facilities; all three facilities can handle the RFP requirements and vendor reference checks returned favorable.
- The RFP gives BOW the ability to award Electronics Recycling Service contracts to multiple vendors.
- BOW Staff recommend awarding Electronics Recycling Services (SW06-15) contracts to Universal Recycling for the BC Facility because it offers BC the best site specific rate, and to R3NEW for the OC and WC Facilities because it is a local vendor (Town of Menasha) that offers competitive rates.

Discussion ensued amongst the SWMB members.

Motion made by J. Finch and seconded by G. Konrad to Award the Electronics Recycling Services (SW06-15) contract to R3NEW for the WC SWMB Facility at \$0.15/lb for Mixed-EED and Non-EED recycling with a 53’ vendor spotted trailer. Motion carried 7-0.

6. Discussion – Landfill Gas Operations Report: J. Rabe updated the SWMB with the following landfill gas operations report.

Landfill Gas Operations – May 19, 2015			Meter Op. Hours	One-Week Runtime
Engine #1	Running at 987 KW	New intercooler installed	37216	139
Engine #2	Running at 987 KW	Reset emissions/ replace starter	37713	167
Engine #3	Running at 987 KW	Reset emissions	6340	168
Engine #4	Down	Awaiting shortblock delivery/nearly complete teardown	0	0
Engine #5	Running at 1426 KW	Reset emissions	1414	166
Sunnyview Compressor	Compressor B running at 90%; Pipeline outflow = 1515 scfm.			
Sunnyview Flare	Flare – Off; Vacuum = -28’’ wc; Blower 103– Off; 104/105 running at 67%			

Sunnyview Gas Field	CH4 = 50.1% O2 = 1.5%			
Snell Rd Flare	Flare – On; Flow = 102 scfm; Vacuum = -14.1'' wc			
Snell Rd Gas Field	CH4 = 38.3% O2 = 3.0%			

- Landfill gas-to-energy engine meter operational hours and one-week runtime have been added to the Landfill Gas Operations Report.
- Engines #1, #2, #3 and #5 are running at full load with intermittent use of the Sunnyview Flare to burn excess landfill gas (control odors).
- WPS/Highway Revenues are \$273,153 for April 2015. 2015 revenues are down slightly compared to 2014 due to the unexpected downtime for shortblock replacement in Engines #4 and #5.

Discussion ensued amongst the SWMB.

7. Discussion/Action – Authorization of Engine #4 Repairs: J. Rabe presented the following Engine # 4 Repairs timeline to the SWMB.

- April 14, 2015 – Damage found by Maintenance Technician during a 30,000 hour rebuild.
- April, 21, 2015 – Inland Techs on site confirmed the journal bearing failure damaged the crankshaft. Inland recommended replacement of the shortblock.
- April 22, 2015 – Inland provided SWMB Staff a price quote with four (4) repair options: Emergency Block, Shortblock, Premium Shortblock and Longblock. SWMB Staff and Maintenance Techs determined that a premium shortblock would be best option (based on availability and best match to the engine rebuild schedule). SWMB Staff also determined that air inbound freight was desired to expedite the repair. The premium shortblock quote is \$429,350 (includes a \$90,000 refundable core credit). SWMB Staff anticipate a total repair cost of approximately \$330,000.
- April 29, 2015 – J. Rabe approved the order for a premium shortblock with air inbound freight.
- May 4, 2015 – K. Pernsteiner issued a Purchase Order to Inland Power Group in the amount of \$429,349.79 for the premium shortblock replacement.
- The premium shortblock is expected to arrive in the U.S. during the week of May 18, 2015. Installation is expected to begin in early June 2015.

Discussion ensued amongst the SWMB.

Motion made by P. Eisen and seconded by J. Finch to authorize SWMB Staff to move forward with the Engine #4 Repairs. Motion carried 7-0.

8. Discussion/Action – 2014 Financial Report: J. Rabe explained to the SWMB that the 2014 Financial Report is still being audited but the Finance Department expects it to be finalized without changes. K. Pernsteiner presented the 2014 Statement of Revenues and Expenses (Unaudited) to the SWMB as follows:

	<u>2013</u>	<u>2014</u>
<b>Operating Revenues</b>		
Landfill Fees	\$ 6,885,150	\$ 5,937,626
Power Sales	3,122,991	3,027,263
Sales of By-Products	296,582	313,473
Total Operating Revenues	<u>\$10,304,723</u>	<u>\$9,278,362</u>
<b>Operating Expenses</b>		
Salaries and Wages	\$ 746,280	\$ 773,684
Employee Benefits	291,985	311,216
Supplies	70,662	36,555
Contractual Services	5,805,358	5,065,918
Other Operating Expenses	941,952	1,230,978
Utilities	435,638	442,271
Insurance	85,124	103,909
Depreciation and Amortization	(557,749)	1,961,117
Indirect Costs	119,200	126,996
WDNR Recycling Fees	1,449	1,472
WDNR State Special Charge Fees	3,352	12,091
Landfill/Recycling License	20,843	37,770
General & Administrative	66,535	86,870
Total Operating Expenses	<u>\$ 8,030,629</u>	<u>\$ 10,190,847</u>
<b>Non-Operating Revenues (Expenses)</b>		
Rental Income	\$ 16,275	\$ 11,480
Interest Income	(153,416)	551,490
Interest Expense	(5,204)	(1,314)
Miscellaneous	5,300	112,338
Total Non-Operating Revenues	<u>\$ (137,045)</u>	<u>\$ 673,994</u>
Net Surplus/(Deficit)	<u>\$ 2,137,049</u>	<u>\$ (238,491)</u>
Net Assets, January 1	<u>\$ 28,567,257</u>	<u>\$ 30,704,306</u>
Net Assets, December 31	<u>\$ 30,704,306</u>	<u>\$ 30,465,815</u>

K. Pernsteiner reviewed the major changes between 2013 and 2014 amounts with the SWMB.

J. Rabe explained to the SWMB that reduced incoming waste, a decrease in power sales and the depreciation and amortization adjustment that occurred in 2013 (resultant from the transition of running the BOW Co-Disposal site to Transfer Station operations), along with a market adjustment to the Interest Income, created large fluctuations in revenues and expenses

from 2013 to 2014. J. Rabe further explained that overall, revenues and expenses were down in 2014 and are expected to be more representative of future budgeting.

Discussion ensued amongst the SWMB.

K. Pernsteiner presented the 2014 Balance Sheet (Unaudited) to the SWMB as follows:

ASSETS	<u>2013</u>	<u>2014</u>
Current Assets		
Cash and Investments	\$ 25,866,205	\$ 27,079,619
Other Receivables	1,427,179	1,061,317
Inventories and Pre-payments	206,510	167,462
Total Current Assets	<u>\$ 27,499,894</u>	<u>\$ 28,308,398</u>
Restricted Assets		
Cash and Investments	\$ 16,973,392	\$ 16,900,749
Property and Equipment		
Net Property and Equipment	<u>\$ 5,934,060</u>	<u>\$ 5,806,497</u>
Total Assets	\$ 50,407,346	\$ 51,015,644
LIABILITIES AND FUND EQUITY		
Current Liabilities (Payable from Current Assets)		
Total Current Liabilities	\$ 1,149,177	\$ 1,134,164
Long-Term Liabilities		
General Obligation Bonds Payable	\$ 82,781	\$ 67,666
Other Long-Term Liabilities	18,471,082	19,347,999
Total Long-Term Liabilities	<u>18,553,863</u>	<u>19,415,665</u>
Total Liabilities	<u>\$ 19,703,040</u>	<u>\$ 20,549,829</u>
Fund Equity		
Investment in Capital Assets	\$ 5,939,621	\$ 5,810,987
Reserved for Solid Waste	24,764,685	24,654,828
Total Fund Equity	<u>\$ 30,704,306</u>	<u>\$ 30,465,815</u>
Total Liabilities & Fund Equity	\$ 50,407,346	\$ 51,015,644

Discussion ensued amongst the SWMB.

K. Pernsteiner presented the 2014 Restricted Investment Summary (Unaudited) to the SWMB as follows:

	<u>2013</u>	<u>2014</u>
WDNR Escrow Account		
Sunnyview Landfill - Closure	\$ 6,697,934	\$ 6,787,374
Sunnyview Landfill - Long Term Care	7,554,272	8,850,135
Snell Road Landfill - Long Term Care	1,185,454	---
Total Restricted Investments	\$ 15,437,661	\$ 15,637,510

J. Rabe explained to the SWMB that the Snell Road Long Term Care (LTC) funds were moved into the Sunnyview Landfill LTC account. 2015 changes to the Restricted Investments will include splitting the Sunnyview LTC account into an active landfill account for the Sunnyview Sludge Site and an inactive landfill account for the Sunnyview Co-Disposal Site.

Discussion ensued amongst the SWMB.

Motion made by P. Eisen and seconded by G. Konrad to accept the 2014 Financial Report as presented by K. Pernsteiner. Motion carried 7-0.

10. Discussion/Action – Changes to 2015 Standard Rate Schedule: J. Rabe explained to the SWMB that Staff anticipate recent contract rate changes for Recycling of Asphalt Shingles and Electronics Recycling Services will impact the 2015 Standard Rate Schedule. SWMB Staff recommend the following rate changes to the 2015 Standard Rate Schedule (effective July 1, 2015):

- \$30.00/Ton - Asphalt Shingles - Clean asphalt shingles (Non Asbestos) from residential dwellings of (4) units or less and must be free from cedar shakes, wood, metal and other residential debris/trash. All weighed vehicles over 500 lbs. are prorated at \$30.00/Ton with a \$10.00 minimum charge.
- \$20.00/Each - Televisions - 32” or greater (measured diagonally) (Residential Only - Limit 4)
- \$15.00/Each - Televisions - Less than 32” (measured diagonally) (Residential Only - Limit 4)
- \$5.00/Each - Computers/Electronics - Monitor, laptop, CPU, printer, DVD player or VCR (Residential Only - Limit 4)

K. Pernsteiner explained that SWMB Staff would like to incentivize asphalt shingle recycling by offering a significantly lower rate than the standard general refuse tipping fee (\$40.00/ton) and the construction & demolition material tipping fee (\$36.00/ton). The current asphalt shingle tipping fee is \$36.00/ton. The 2015 SWMB Recycling of Asphalt Shingles Contract (SW03-15) with SPS Roofing allows for a cost savings that can be passed onto customers.

J. Semrau explained that long-term changes to the E-Waste marketplace have had a significant impact on material handling and recycling fees. SWMB Staff sampled weights and quantities of TVs and electronics collected at the WC Facility to estimate electronics recycling costs. SWMB Staff recommend increasing collection fees on all Televisions and

Computers/Electronics to meet the increase in vendor recycling fees. The current collection fees are as follows: Televisions 32” or greater (measured diagonally) are \$10.00 each; Televisions less than 32” (measured diagonally) are \$5.00 each; and Computers/Electronics are \$2.00 each.

Discussion ensued amongst the SWMB.

Motion made by D. Nelson and seconded by J. Finch to accept the Changes to 2015 Standard Rate Schedule (effective July 1, 2015), as presented by SWMB Staff. Motion carried 7-0.

11. Future Agenda Items: None.

12. Set Next Meeting Date: The next SWMB meeting date is scheduled for June 3, 2015 at 9:00 a.m.

13. Adjournment: Motion to adjourn made by J. Finch and seconded by S. Locke. Motion carried 7-0. Meeting was adjourned at 10:23 a.m.

Respectfully Submitted,

Kathy Hutter  
Confidential Secretary

**Approved by SWMB – June 3, 2015**