

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

DATE: May 2, 2012

TIME: 9:00 a.m.

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

PRESENT: Ken Robl, Vice Chairman
David Albrecht
Pat Brennand
Mike Easker
Jerry Finch
Gerry Konrad

EXCUSED: Doug Nelson

ALSO PRESENT: John Rabe, Director of Solid Waste
Adrienna Bartell, Solid Waste Secretary
Kurt Pernsteiner, Financial Analyst
Jennifer Semrau, Recycling Specialist
Pat O'Brien
Paul Eisen

1. Call to Order: K. Robl called the meeting to order at 9:00 a.m.
2. Approve Agenda: Motion to approve the May 2, 2012 agenda, made by J. Finch and seconded by G. Konrad. Motion carried 6-0.
3. Public Comments on Agenda Items: None.
4. Announcements/Communications: J. Semrau informed the Solid Waste Management Board (SWMB) about the upcoming Winnebago County (WC) employee electronics recycling event that is being held on Wednesday, May 9, 2012 at the Sunnyview Expo Center. This event is only for WC employees and is open from 7:00 a.m. – 6:00 p.m. to allow employees to go outside of work hours.
5. Approval of Minutes – April 18, 2012 Open and Closed Session: Motion to approve the April 18, 2012 open and closed session minutes, made by J. Finch and seconded by G. Konrad. Motion carried 6-0.
6. Discussion – Annual RUG Recycling Meeting Summary: J. Semrau presented the SWMB with a summary from the annual 2011 RUG meeting as follows:

- The Annual RUG meeting was held on Thursday, April 19, 2012 at the JP Coughlin Center at 9:00 a.m.
- Total in attendance was 27, including staff from WC and SWMB, WDNR staff and Municipal representatives. Thirteen of the 15 Signing Municipalities were represented (Town of Wolf River and Village of Winneconne did not attend).
- K. Pernsteiner and J. Semrau presented the annual financial report showing surplus revenue from 2011 of \$780,911 total (\$952,381 to the Municipalities and -\$171,470 to the SWMB due to the single stream recycling {SSR} facility debt service) as discussed at the last SWMB meeting. J. Semrau suggested that the Municipalities ballot for the distribution of \$780,911 to assist the SWMB's loss for 2011. There was considerable discussion about this, alternatives (increased landfill tip fees) and the history behind this arrangement.
- The ballot will present two (2) options: distribution of \$780,911 or the default contract language, which would be distribution of \$952,381.
- J. Semrau presented a commodity markets report, revealing the overall positive markets of 2011.
- J. Semrau presented on SSR, including an update on the Tri-County SSR Processing Facility, new acceptable materials, work towards adding cartons to the recycling, joint educational efforts of the three (3) counties and information on qualifying for the Recycling Consolidation Grant program.
- J. Rabe presented the plan for the Regional Transition from WC being the Tri-County Landfill to transfer operations as Outagamie County (OC) begins landfilling.
- J. Semrau presented a Legislative Update various legislation affecting recycling and solid waste including SB209 (Recycling Fund Restoration Act), AB383 (oil absorbent ban modification), AB643 (exempting select materials from \$13.00/ton surcharges), AB744 (product stewardship bill on mercury containing bulbs and thermostats) and EO61 (directing all agencies to review regulations for outdated or cumbersome regulations with little benefit).
- Jennifer Huffman, WDNR Waste Management Specialist, participated in the meeting and presented Managing Responsible Unit Program Costs.
- J. Huffman also went through a summary of the Audit Questionnaires.
- Packets distributed contained the agenda, 2011 financial report and 1995-2011 financial summary. All other presentations were offered to be emailed to any interested person. In addition attendees were encouraged to take bundles of the Tri-County Recycling Guide for distribution in their communities (2,000 guides were taken by attendees).
- Meeting concluded around 11:15 a.m.

Discussion ensued amongst the SWMB.

7. Discussion – Electronic Waste Recycling Program Update: J. Semrau updated the SWMB on the electronic waste recycling program as follows:

- In February 2011, Brown, Outagamie and Winnebago (BOW) Counties, began working with a company called Material Processing Corp (MPC) on its electronics recycling program.

- MPC was selected after a Request for Proposal (RFP) and evaluation process, including touring and meeting with top companies.
- MPC offered to pay BOW \$0.04/lb. for Eligible Electronic Devices (EEDs), electronics defined in 2009 Wisconsin Act 50, the State's Electronics Recycling Law. EEDs include TVs, monitors, CPUs, laptops, printers, VCRs, DVD players and more.
- MPC also offered to accept non-EEDs (game consoles, digital cameras, stereos, etc.) for no charge.
- MPC provided all necessary supplies (pallets, gaylords, and shrink wrap) for the collection of electronics and spotted a trailer at the Landfill.
- WC and MPC had a contract from February – December 2011.
- In September 2011, MPC hired a new sales representative for Wisconsin.
- In December 2011, MPC indicated that for 2012, they could no longer pay out for TVs and monitors over 40" due to labor intensity of de-manufacturing these items.
- In December 2011, WC and MPC agreed to renew the agreement for 2012 with the same terms, with the one exception above. This agreement would run from January – June 2012 to get the term on the same timeline as the E-Cycle program year (which runs July 1st – June 30th).
- In the beginning of February 2012, the new sales representative emailed five (5) programs in Wisconsin asking how our volume/loads were likely to be in the next couple months. Email said MPC was "tracking very heavily in Wisconsin right now and needed to slow down some of the volume coming into MPC." It asked programs to hold/store prior to setting up loads. J. Semrau indicated this was not possible for WC, as we only have the space of the provided trailer, and being a landfill, had no where else to store materials. The sales representative said he understood.
- One week later J. Semrau received an email asking to call MPC ASAP to discuss the logistics of the trailer spot at WC. MPC needed to "make a change immediately" to reduce costs. Options discussed included removing the trailer, live loading, transporting to Milwaukee instead of Minnesota, double stacking pallets in trailer and termination of the agreement.
- WC looked to pursue double stacking (using a forklift or skid steer with forks to stack one pallet on another in the trailer). Brown County (BC) and OC were double stacking and MPC indicated WC's low trailer weights compared to BC and OC were a reason they needed to make a change at WC.
- On March 7, 2012 J. Semrau received an email with a letter from MPC to terminate the agreement to purchase electronics from BOW. The letter indicated that BOW had the option to continue service for 30-days or immediately discontinue service.
- The letter indicated a continued relationship was economically unfeasible due to transportation and cost of supplies and overall light load weights vs. cost of processing and transporting material from Wisconsin locations.

- J. Semrau had discussions with WC Purchasing Department, staff from BC and OC and internal WC staff on next steps, for both short term/immediate and long term electronics recycling.
- BOW also had discussions with several other electronics recycling companies to identify short term options.
- The final decision was for BOW to issue a RFP for electronics recycling again (long term). In the short term, bringing a new provider on for a month was not feasible or practical. BOW negotiated with MPC to continue to provide service until a new provider could be brought on board. MPC would no longer pay \$0.04/lb. for EEDs; all material during interim period would be accepted by MPC for no charge/no credit.
- J. Semrau worked on a RFP which was issued on March 29, 2012; responses were due on April 16, 2012. RFP was sent to all registered recyclers with E-Cycle Wisconsin (as registered collectors, BOW must use an E-Cycle registered recycler).
- On April 9, 2012, MPC alerted all Wisconsin municipal contracts under the VALUE agreement, that they would be discontinuing service “due to lighter loads than anticipated, higher transportation costs and gas price increases.”
- BOW staff toured the top two (2) vendors and intends to move forward with SIMS Recycling as they offer the best revenue (pay SWMB \$0.05/lb.), demonstrated experience with accounts as large as BOW, an excellent security and tracking process, the existing capacity to handle our volumes and ability to handle our needs for supplies and logistics.

Discussion ensued amongst the SWMB.

8. Discussion – 2011 Financial Reports: K. Pernsteiner presented the 2011 Statement of Revenue and Expenses (Final Audited) to the SWMB as follows:

	<u>2010</u>	<u>2011</u>
Operating Revenues		
Landfill Fees	\$13,819,707	\$12,833,297
Power Sales	2,190,989	3,042,938
Sales of By-Products	258,294	288,666
Total Operating Revenues	\$16,268,990	\$16,164,901
Operating Expenses		
Salaries and Wages	\$1,013,355	\$1,021,236
Employee Benefits	420,495	415,639
Supplies	199,223	101,569
Contractual Services	2,166,026	2,648,122
Other Operating Expenses	741,535	1,198,472
Utilities	254,236	295,253
Insurance	86,420	98,252
Depreciation and Amortization	2,692,337	5,297,161
Indirect Costs	101,004	108,000
WDNR Recycling Fees	3,381,944	3,161,453
WDNR State Special Charge Fees	2,854,835	2,615,501

Landfill/Recycling License	13,412	12,060
General & Administrative	77,898	90,521
Total Operating Expenses	\$14,002,720	\$17,063,239
Non-Operating Revenues (Expenses)		
Rental Income	---	---
Interest Income	1,045,184	978,167
Interest Expense	(5,601)	(5,293)
Miscellaneous	(56,213)	1,822
Total Non-Operating Revenues	\$983,370	\$974,696
Net Surplus (Deficit)	\$3,249,640	\$76,358
Net Assets, January 1	\$26,235,772	\$29,485,412
Net Assets, December 31	\$29,485,412	\$29,561,770

K. Pernsteiner reviewed the major changes between 2010 and 2011 with the SWMB.

Discussion ensued amongst the SWMB.

K. Pernsteiner presented the SWMB with the 2011 Balance Sheet (Final Audited) as follows:

	<u>2010</u>	<u>2011</u>
Assets		
Current Assets		
Cash and Investments	\$27,086,607	\$30,880,149
Other Receivables	1,749,668	1,791,773
Inventories and Prepayments	681,140	434,392
Total Current Assets	\$29,517,415	\$33,106,314
Restricted Assets		
Cash and Investments	\$17,835,471	\$17,796,558
Property and Equipment		
Net Property and Equipment	\$9,446,184	\$7,770,758
Total Assets	\$56,799,070	\$58,673,630
Liabilities and Fund Equity		
Current Liabilities (Payable from Current Assets)		
Total Current Liabilities	\$5,108,599	\$5,733,840
Long-Term Liabilities		
General Obligation Bonds Payable	\$109,917	\$101,216
Other Long-Term Liabilities	22,095,142	23,276,804
Total Long-Term Liabilities	22,205,059	23,378,020
Total Liabilities	\$27,313,658	\$29,111,860
Fund Equity		
Investment in Capital Assets	\$9,446,184	\$8,807,124
Reserved for Solid Waste	20,039,228	20,754,646
Total Fund Equity	\$29,485,412	\$29,561,770
Total Liabilities & Fund Equity	\$56,799,070	\$58,673,630

K. Pernsteiner reviewed the major changes between 2010 and 2011 with the SWMB.

K. Pernsteiner presented the SWMB with the 2011 Restricted Investments Summary (Final Audited) as follows:

	<u>2010</u>	<u>2011</u>
WDNR Escrow Account		
Sunnyview Landfill – Closure	\$6,017,870	\$6,201,595
Sunnyview Landfill – Long Term Care	6,770,335	6,958,748
Snell Road Landfill – Long Term Care	2,160,048	1,616,092
Total Restricted Investments	<u>\$14,948,253</u>	<u>\$14,776,435</u>

K. Pernsteiner presented the SWMB with the 2011 Retained Earnings Reservation (Final Audited) as follows:

	Fund Goal Authorized By SWMB	
<u>Description</u>	<u>2010</u>	<u>2011</u>
Designated Emergency Funds:		
Regulatory Compliance	\$1,000,000	\$1,000,000
Remediation/Liability	2,000,000	2,000,000
Litigation	200,000	200,000
Interim Construction	500,000	500,000
Operational	100,000	100,000
Capital Outlay	500,000	500,000
Rate Stabilization – Solid Waste	---	---
Rate Stabilization - Recycling	400,000	400,000
Surplus for Future Solid Waste Transportation	4,300,000	4,300,000
Research & Development Planning	500,000	500,000
Snell Road Landfill LTC >20 years	6,000,000	6,000,000
Sunnyview Landfill LTC >40 years	1,400,000	1,400,000
Snell Road Landfill Preventative Maintenance	1,000,000	1,000,000
Sunnyview Landfill Preventative Maintenance	1,000,000	1,000,000
Total Reserved	<u>\$18,900,000</u>	<u>\$18,900,000</u>
Balance	<u>\$20,039,228</u>	<u>\$20,754,646</u>

Discussion ensued amongst the SWMB.

9. Discussion – Regional Landfill Operations Update: K. Pernsteiner presented the SWMB with WC's 2012 tonnage (through April 30, 2012) as follows:

	2012	2011	Variance	Percent Variance
Residential	13,828	14,020	(192)	-1%
Commercial	4,228	3,952	276	7%
Absorbant	7,975	7,708	267	3%
Non-Absorbant	1,468	4,025	(2,557)	-174%
Ash Industrial	188	187	1	1%
Construction	13,559	8,823	4,736	35%
Tires	14	20	(6)	-43%
Yard Waste/All Wood/ Wood Chips	1,843	2,114	(271)	-15%
Cover	17,518	3,355	14,163	81%
Asbestos	74	-	74	100%
Wastewater Sludge	3,764	1,116	2,648	70%
Papermill Sludge	8,858	4,006	4,852	55%
Contaminated Soil	-	-	-	-
Single Stream (SS)	3,985	3,684	301	8%
Menasha SS Direct Haul	278	383	(105)	-38%
Totals	77,580	53,393	24,187	31%

K. Pernsteiner reviewed the major changes in WC's tonnages between 2010 and 2011 with the SWMB. Menasha SS Direct Haul will be reviewed to ensure April, 2012 data has been entered.

K. Pernsteiner presented the SWMB with the 2012 (through April 30, 2012) BOW tonnages as follows:

	<u>2011</u>	<u>2012</u>	<u>Variance</u>
Brown County	56,012	49,124	(-6,888)
Outagamie County	44,583	14,685	(-29,898)
Winnebago County	<u>49,326</u>	<u>73,317</u>	<u>23,991</u>
	149,921	137,126	(-12,795)

J. Rabe summarized these differences as follows:

- OC started keeping their solid waste on February 20, 2012.
- BC started splitting their solid waste loads between OC and WC on March 19, 2012.
- BC stopped sending their solid waste loads to WC on April 30, 2012.

J. Rabe informed the SWMB that the Al-Jon Compactor was sent to OC on May 2, 2012.

Discussion ensued amongst the SWMB.

10. Discussion – Landfill Gas Project Updates: J. Rabe updated the SWMB on the landfill gas operations as follows:

Landfill Gas Operations – May 2, 2012		
Engine #1	Down – Generator failure	Repaired generator should be available for installation the week of May 14, 2012.
Engine #2	Running at 987 KW	
Engine #3	Running at 987 KW	
Engine #4	Running at 1060 KW	
Engine #5	Down for repair/cleaning	Replacing cylinder liners on 5 cylinders to eliminate positive crankcase pressure. Decoking needed on other cylinders. Exhaust valves leaking on some head assemblies.
Sunnyview Compressor	Compressor A running at 61%. Pipeline outflow 930 scfm.	
Sunnyview Flare	Flare – On Flow – 1575 scfm Vacuum = -49” Blower % = 96	
Sunnyview Gas Field	CH4 = 52.7% O2 = 0.8%	
Snell Road Compressor	Running – Flow 108 scfm	
Snell Road Flare	Off	
Snell Road Gas Field	CH4 = 52.3% O2 = 0.5%	

J. Rabe updated the SWMB on landfill gas projects as follows:

- Odors are very minimal on-site.
- Engine/generator #1 (damaged on April 17, 2012) – L&S Electric repairing, should be back and reinstalled the week of May 14, 2012; ordered new replacement generator for #1-3 (keep as spare).
- Engine/generator #5 cylinder liner damage noted during April 30, 2012 investigation into positive crankcase pressure and high compression loss in numerous cylinders; Inland to start case file on issue and investigate.
- Engine/generator #5 block/repairs (Inland/GE – will not offer any other concessions; SWMB will need to proceed with legal action to resolve).
- Engine #4/5 Law Enforcement Center – Waste heat recovery (WHR) installations progressing. Start-up/testing on SWMB’s portion of the project to begin mid-May 2012. The chiller is scheduled to arrive in late-May 2012.
- Snell Road Flare System – working to separate air permits to allow construction late summer/fall (separate from #5/BACT analysis).
- Sunnyview Flare System Modifications – moving forward with WDNR as an emergency repair.

Discussion ensued amongst the SWMB.

11. Closed Session – Pursuant to 19.85(1)(c) and (e), Wisconsin Statutes for the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility; and for the purpose of deliberating or negotiating the purchase of public property, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session.
 - a. Regional Personnel Transition Planning Update
 - b. Veolia Environmental Services (Veolia) – Waste Disposal Agreement

Not used by SWMB.

12. Return to Open Session to Resume Regular Business: Not used by SWMB.

13. Discussion/Action – Consider Amendment to Veolia Waste Disposal Agreement: No action taken by the SWMB.

14. Future Agenda Items: None.

15. Set Next Meeting Date: The next meeting date will be May 16, 2012 at 9:00 a.m.

16. Adjournment: Motion to adjourn made by J. Finch and seconded by M. Easker. Motion carried 6-0. Meeting was adjourned at 10:32 a.m.

Respectfully Submitted,

Adrienna Bartell
Solid Waste Secretary

Approved by SWMB – May 16, 2012