

DRAFT MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
OCTOBER 13, 2009**

The Henderson County Board of Commissioners met for a special called meeting at 7:00 p.m. in the Commissioners' Meeting Room of the Historic Courthouse on Main Street, Hendersonville.

Those present were: Chairman Bill Moyer, Vice-Chairman Charlie Messer, Commissioner Larry Young, Commissioner Chuck McGrady, County Manager Steve Wyatt, Assistant County Manager Selena Coffey, and Clerk to the Board Teresa L. Wilson.

Also present were: Associate County Attorney Sarah Zambon, County Engineer Marcus Jones, Planning Director Anthony Starr, PIO Christy DeStefano, and Solid Waste Manager Will Sager.

Absent was: Commissioner Mark Williams and County Attorney Russ Burrell.

SOLID WASTE FEASIBILITY STUDY OPERATIONAL IMPROVEMENTS

Chairman Bill Moyer called the meeting to order and stated this is a workshop for the Board of Commissioners to deal with Solid Waste issues.

County Engineer Marcus Jones and Solid Waste Manager Will Sager provided an overview of where the County stands on the Solid Waste Feasibility Study via a power-point presentation.

Solid Waste Feasibility Study – Operation Improvements

State Mandates

- More aggressive enforcement
 - Self-contained secured loads
 - Leak-proof
- In addition to expanding recycling to meet new and old material bans

NCDENR Inspection

- With the revenue from the 2008 Solid Waste Management Act, DENR is much more aggressively enforcing State Mandates.
- From recent meeting with DENR inspector, Henderson County Solid Waste must have compliance with Mandates or a reasonable plan for compliance.

“15A NCAC 13B.0105 COLLECTION AND TRANSPORTATION OF SOLID WASTE

- (a) The solid waste collector shall be responsible for the satisfactory collection and transportation of all solid waste to a permitted disposal site or facility.
- (b) The solid waste collector shall transport to a site or facility only those solid wastes which the site or facility is permitted to receive.
- (c) Vehicles or containers used for the collection and transportation by whatever means, including but not limited to, highway, rail, and navigable waterway, of garbage, or refuse containing garbage, shall be covered, leak proof, durable, and of easily cleanable construction. These shall be cleaned as often as necessary to prevent a nuisance or insect breeding and shall be maintained in good repair.

DATE APPROVED:

- (d) Vehicles or containers used for the collection and transportation of any solid waste shall be loaded and moved in such a manner that the contents will not fall, leak, or spill and shall be covered when necessary to keep contents dry and to prevent blowing of material. If spillage should occur, the material shall be picked up immediately by the solid waste collector and returned to the vehicle or container and the area shall be properly cleaned.”

Information from a NCDENR memo dated August 4, 2009:

“Through the years the North Carolina General Assembly has banned a number of items from landfill disposal and incineration. These are principally found in FS 130A-309.10(f) and include: Used oil, yard trash (with exceptions), white goods, antifreeze, aluminum cans, whole scrap tires, lead acid batteries, beverage containers, oyster shells, motor vehicle oil filters (effective October 2009), Recyclable rigid plastic containers (with exceptions and effective October 2009), wooden pallets (effective October 2009), and discarded computer equipment and televisions (as defined and effective January 2011)”

Chairman Moyer asked about the recent memo sent out from the County Manager’s office in regards to what could not be accepted at the landfill, i.e. yard trash.

Mr. Jones responded that these items could be brought to the landfill but that the landfill could not put them in the transfer station landfill. They must be put in a separate operation where they are ground and turned into reusable mulch. The items mentioned on the memo can’t go into a transfer station that results in a landfill or directly to a landfill in North Carolina. It is the job of the permitted solid waste operations to have opportunities for those materials other than a landfill or transfer station.

How do we comply?

- Citizens: Recycle and use compliant transport
- Permitted Haulers: Use leak proof and self contained equipment, separate waste and offer recycling as part of their service
- Henderson County Solid Waste: Expand recycling service to permitted haulers, ensure that permits are issued only to compliant haulers, compliant in house operations

This is not a new law. DENR and Henderson County Solid Waste have not been aggressively enforcing the law, this has changed. The DENR inspector has stated that Henderson County Solid Waste must have compliance with these mandates or a reasonable plan for compliance.

The issue with mandates is the cost of compliance to citizens, permitted haulers, and Henderson County Government.

Possible Hauler Compliance Transition

- 2010 Permit Process (December 2009)
 - Identify all non-compliant equipment
 - Notify Haulers & DENR of Transition Policy
 - Incorporate recycling into operations by 2011
- 2010 through 2013 Permit Processes
 - No new non-compliant equipment permitted
 - “Grandfather” pre-2010 non-compliant
- 2014 Permit Process: All compliant

Mr. Jones explained that the rules apply to private haulers and well as municipalities.

Steve Wyatt questioned “Grandfather” and wanted to make sure that DENR would not come down on Henderson County for non-compliance and possibly fine us.

Mr. Jones responded that this was dependent upon the particular inspector.

Chairman Moyer felt that the minimum would be a letter from Marcus Jones to the inspector saying this confirms our understanding that we are going to have a period where we can work into these compliances, etc. to cover Henderson County.

Marcus Jones confirmed that no one is allowed in the County to pick up trash and haul it to the landfill for money unless they have a permit. He also noted it is specifically stated in the statutes that bans apply to transfers from the Henderson County landfill to other states.

Will Sager stated the issue is that DENR permits our transfer station for its entire operation and all the rules of the state statutes apply through the permit for us to operate.

Marcus Jones noted that Buncombe County bid their ten (10) year exclusive franchise to one hauler who serves the entire County and this is how they are able to get a \$14 per household fee. This is a benefit of franchising.

Hauler Compliance Transition

- These State Mandates were discussed at the last Haulers meeting on August 5, 2009. All permitted haulers received an invitation. DENR inspector was present and underscored the need for compliance and a reasonable plan.
- While not as high a priority for enforcement or as significant of a problem, these mandates apply to self hauling citizens as well.

Operation Improvements – Collection System - Definitions

- Permit “to consent to expressly or formally” (no added value to the permitted party)
- Franchise “a special privilege granted to an individual or group” (added value to the Franchisee)
- Exclusive “limiting or limited to possession, control or use by a single individual or group”
- Nonexclusive “(not exclusive)”

Improvements – Collection System – Options reviewed by Study

- Add recycling requirement to existing permit process
- Franchise waste collection: Public utility vs. private enterprise, possible financial and environmental benefits.
- Add more convenience centers: Significant increase in capital and operational expenditures, results in tipping fees that are not competitive.

Chairman Moyer asked if the committee had explored mobile recycling centers.

Mr. Jones responded this is a possibility but was not considered in the study for further financial analysis.

Discussion followed in regards to mobile recycling centers.

Additional Convenience Center

- Following cost information from feasibility study: Alternative 3,4: Table 1-B: Year 2/2011
- Study uses commissioner districts as template to locate five additional centers.

- Costs for a different number of additional centers can be determined from these costs.
- Increased tipping fees
- Challenge to locate facilities (“NIMBY”)

Capital Costs

- 5 new sites @ \$800,000 per each (assumes County already owns the property) = \$4,000,000
- Possible land costs @ 2 acres per site and \$20,000 per acre = \$200,000 (staff estimate)
- Roll-off trucks – 2 each @ \$120,000 per each = \$240,000

Operating Costs

- Utilities & Maintenance: 5 sites @ \$12,000 per year = \$60,000
- Attendants: 8 each @ \$35,000 per year = \$280,000
- Truck Drivers: 2 each @ \$50,000 per year = \$100,000
- Truck Fuel / Maintenance: 2 each @ \$30,000 per year = \$60,000

Equipment Costs

- Compactors (5): 5 each @ \$13,000 per each = \$65,000
- Compactor Boxes (8): 8 each @ \$8,200 per each = \$65,600
- Open Top Boxes (14): 14 each @ \$8,500 per each = \$119,000

Another Option is to contract with a private organization to perform all or part of the installation and / or operation of the County Convenience Centers.

Rate Analysis: Proposed Tipping Fees						
	2010 Year 1	2011 Year 2	2012 Year 3	2013 Year 4	2014 Year 5	2019 Year 10
Existing	\$52	\$53	\$54	\$55	\$56	\$62
Existing w/CCR	\$52	\$53	\$53	\$54	\$54	\$54
Centers	\$52	\$58	\$64	\$67	\$67	\$71
Centers w/CCR	\$52	\$58	\$61	\$64	\$64	\$65
Franchise	\$52	\$53	\$54	\$55	\$56	\$59
Franchise w/CCR	\$52	\$53	\$53	\$53	\$53	\$54

Operational Improvements – Convenience Center Revenue – Provide Fee Equity for all Citizens

- Cost of disposal: transportation, facility, and landfill cost
- Permitted hauler customer pays all three
- Convenience center customer only pays transportation cost (at the expense of the Haulers)
- Revenues from recycling apply to all customers

Generate Revenue to Pay for Convenience Center

- Revenue source from customers creating the associated expenses
- Estimated revenue from center: \$250,000

- Estimated debt service and operational cost for center: \$250,000
- Implement with opening of new center (FY2011)

Chairman Moyer felt that the tipping fee increase over the years was in excess of the \$250,000. He requested a report to show how much the increase in the tipping fees would generate in revenue. Anything that goes across the scale for an individual goes to tipping fees revenues.

Other Considerations

- Possible to apply to all customers equally in the future: convenience center and permitted hauler customers
- Increases value of recycling and in turn amount of recycling (Proven Strategy)
- Tipping Fees are reduced
- The study assumed only one convenience center; additional center further supports this option

Staff Recommendations

- Direct staff and SWAC to work with the permitted haulers to develop a plan to implement franchising and / or collection efficiencies
- Develop convenience center revenue plan for incorporation in future budgets
- Initiate Haul / Disposal Contract negotiations no later than January 2010

Staff requests the Board discuss and determine the level of service it wants to provide to Citizens in Solid Waste collection, disposal and in Recycling. Staff also requested direction from the Board as to the level of enforcement including time frame of State Mandates.

Commissioner Messer asked when the contract process begins in January 2010, with all the competition could the rates come down.

Mr. Jones responded the rates could possibly come down. Our current contract expires December, 2010 and we should begin actively pursuing negotiations and rebidding of that contract. There are at least two large organizations that have expressed interest in bidding and he feels we will get a competitive price.

Chairman Moyer made the motion that the Board authorizes Engineer Marcus Jones to negotiate a five year compliance program along the lines of the previous presentation. This must be confirmed in some type of written document. No vote was taken.

Marcus Jones stated there are 30 permitted haulers, 18 have expressed they do residential hauling, and 6 of the 18 are already compliant.

Chairman Moyer expressed if the County decided to go to County-wide franchising after all of these haulers have transferred their equipment it would be extremely unfair.

Steve Wyatt recommended that part of the permitting process requirement include that haulers provide information to their customers.

Chairman Moyer felt the Board should continue to try to narrow the focus of where we think we might want to go, hold a public input session including haulers, and during the five year period continue the permit process. He would like to see the cost for a mobile unit.

October 13, 2009

6

Commissioner McGrady did not feel that a five (5) year transition period was necessary; a shorter period of three (3) years would be more reasonable.

Commissioner Young agreed that six (6) of the haulers were already compliant and three (3) years would probably be adequate for the transition period.

Commissioner Messer felt the haulers should be heard before a decision is made.

Steve Wyatt asked if the Board needed additional information other than the cash flow analysis, the issue of the convenience center revenue vs. the tipping fee, and cost of mobile units.

A brief update would be provided to the Board at the October 21, 2009 meeting.

ADJOURN

Commissioner Messer made the motion to adjourn at 8:20 p.m. All voted in favor and the motion carried.

Attest:

Teresa L. Wilson, Clerk to the Board

William L. Moyer, Chairman