

# MINUTES

## Financial Advisory Committee (FAC)

### September 27<sup>th</sup>, 2017

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The Financial Advisory Committee (FAC) convened on September 27<sup>th</sup>, at approximately 1:00 p.m. in the Montgomery County Solid Waste Services Administration Building large conference room.

#### **Committee Members in Attendance**

Gerald Porter; Perry Township, David Hicks; Moraine, Jon Crusey; Vandalia, Eric Smith; Englewood, Steve Woolf; Clay Township, Rick Rose; Clayton, Gary Burkholder; Brookville, Mark Schwieterman; Kettering, Norbert Klopsch; Oakwood, Keith Johnson; Miamisburg, Buzz Portune; Moraine, Rich Norton; West Carrollton, Rob Jacques; Oakwood, Brad Townsend; West Carrollton, Jessie Lightle; Washington Township, John Applegate; Union, Doug Spitler; Centerville, Wayne Davis; Centerville, Bill Flaute; Riverside, Fred Stovall; Dayton, Kris McClintick; Harrison Township Pat Turnbull, Joe Tuss, Bob Downing, Brianna Wooten, James Profit, John Woodman, Chris Hoffman, Lorelei Hagans, Dan Graeter, Jamie Zawila  
Tom Turchiano; Waste Management, Kyle Aughe; Rumpke

#### **Agenda items**

Pat Turnbull welcomed all and introductions were made around the table. Pat gave the history of The Solid Waste District, starting in 1956 thru current. Pat defined the roles of the District Groups.

- SWAC – makes policy recommendations to BCC of SWD regarding
- FAC – analyzes and provides guidance for all things financial for SWAC and SWMPC
- SWMPC
  - Ensuring adequate landfill space and reducing reliance on landfills
  - Reviews annual activities and finances
- BCC is board responsible for SWD
  - Establishes and maintains SWD, purchase/construct..., establish rules, issue bonds, approve SWD 5-year plan during ratification
  - Establish APC fees and tipping charges

Dan Graeter covered the SWD 5 year plan explaining the plan had to be submitted by January 28, 2018. The deadline for the ratified plan is April 2019. At the October 25<sup>th</sup> FAC meeting, a decision and recommendation needs to be made. At the SWMPC meeting on November 15<sup>th</sup>, half of the plan will be reviewed, at the next meeting we will review the remaining.

Dan discussed the proposed changes, such as TV recycling discontinuation and the PAYT program. Discussion was made about the TV recycling, basic reason for the discontinuation is the cost. Estimated cost is going to triple and currently TV's cost approximately \$500 per ton to recycle, these funds could be used more efficiently elsewhere.

Joe Tuss stated if FAC wants to make a recommendation to keep TV recycling for free, it can be done.

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Dan continued to discuss PAYT, stating commercial customers use a similar type of PAYT currently.

Bob Gedert, RRS was introduced, Bob spoke about the PAYT program and included his background with PAYT programs. He explained the PAYT program and its advantages such as increasing recycling, financial benefits to communities, as well as reducing disposal cost.

Tom Moeller, City Manager of Maderia, Ohio was introduced. Tom gave his background and he spoke about his background with PAYT Programs. PAYT was started in 1993 and the Economic benefit was between \$80,000 and \$100,000 per year on solid waste disposal. They had great results with recycling, increased between 25% - 30% every quarter. Lengthy discussion made about his program.

Q: Norbert ask if the hired a consultant to implement this plan?

A: No, all done in house

Q: How do they pay by size? What if they generate more?

A: Yes, by size of container, buy stickers or tags if they have extras.

Q: What limitations are on the program?

A: Acceptable recycling list is provided to all participates

Q: Do you monitor the contaminations?

A: No, it hasn't been as issue

Q: If this is a no brainer, why do you want to hire a consultant?

A: Majority of the cost request is for capital, Consultant is optional.

Joe Tuss stated, this was just a recommendation to provide dollars as an incentive and to reduce the cost of implementation.

Q: What if we started our own recycling center

A: It's not a capital cost, it's an operating cost. That's moving in to a different line of business.

Q: Do we have to have the PAYT Program in January, if so, Will the public be educated?

A: This is not mandatory, and any community that pilots this program will have public education. You could approve or not. Most important thing is committing the dollars to the program. It is not mandatory for anyone to participate in the PAYT program.

Solid Waste District is trying to get more bang for your bucks. TV program can stay if requested. Dave Hicks suggested \$200,000 instead of \$2M. Pat stated that will not got very far. SWMPC needs to make the final recommendation. If we stay status quo, recycling will not increase. The goal of FAC and SWMPC is to reduce reliance on landfills and increase recycling. Staff agrees the best way to do this is the PAYT program. Once ratification is complete, the EPA must approve the 5 year plan. The plan can be submitted as is today, but we are trying to reduce reliance on landfills and increase recycling. SWD nor the staff can decide this. It is SWPMC purview to determine what needs to be in the 5 year plan.

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Bob G covers another example of the PAYT program from Austin, TX. He explained it in detail. Austin bought all toters to start program, but is actually billed back to the residents in their service invoices. Normally the rate is considered a bundled rate. If residents request just trash service, they are told – it is bundled and all included. They cannot pick and choose to only have trash service and not recycling. In one year Austin went from 12 % to 32% recycling. Bob did not have prior cost but does have current rates.

Dan thanks Bob G for the presentation. Recaps, getting a feel for how the PAYT impacts each community, reminding County Staff is here as a resource. Each community can create the PAYT program as desired. It is not a one size fits all program. The grant requested should be used to cover the upfront cost to implement this program. Many different options if you choose to go with a PAYT program.

Pat invited all local haulers to speak as well, He introduces Tom Turchiano from Waste Management to discuss their PAYT programs.

Tom discussed their current programs, with Kettering in his opinion, already at stage one of a PAYT program. He stated that overall 49% less waste is generated in communities with this type of program. They have two major programs – variable cans or tag system. Sometimes the program works and sometimes it doesn't. Tom stated he sits on the Hamilton County Recycling Incentive Program. Discussion on that and was opened for questions.

Q: If we do our own billing, do we have a money back incentive?

A: Tom has never seen that, City of Montgomery had a recycling program that you earn points based on your recycling, but residents tend to put non-recyclables into the bins.

Q: Have you seen a program that incentivizes residents to recycle now for a reduced rate next year.

A: No, our citizens in Hamilton County like the program we currently have.

Q: Austin has a higher recycling rate than the trash rate, why?

A: Not actually higher, it only this way because they have food waste recycling and yard waste mixed. The trash rate is \$21 per ton.

Kyle from Rumpke was introduced and he spoke on the PAYT programs they have. PAYT programs and automated cart programs are the two biggest services they have. We have programs that have stickers and tags, but there are complications. We believe the right direction is to go with a cart system. Education is the key. We have residents that have two or three-tiered programs, having as high as 7 carts in a community in Greene County. To avoid some complications with multi tiered carts, having a structure around how many times people can change their size of cart is vital. Such as, having a one-time a year limit and a fee to discourage changing cart size for convenience. Discussion and open to questions.

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Q: Has this program increased the cost for contract prices?

Q: Has PAYT driven up the cost?

A: Anytime you add complexity it adds expense. The disposal cost go down. Biggest challenge is making sure people are complaint, and that's where education needs to come in.

Dan stated again, Education is a part of this program, and the money we are talking about could be used to support this as well.

Dave Hicks ask if he could get information on exactly what each community has in place now to look at simpler ways to improve recycling. Exactly what is provided, what service are you getting for that rate. It's all over the board between communities.

Pat stated that by the October FAC meeting, we need to get direction for putting changes in the 5-year plan. We need to get recommendations from FAC for the following:

1. To discontinue the TV recycling program or whether it's a free program or not?
2. Do you want to establish a pilot PAYT program?
  - o What is the dollar amount is for PAYT?
  - o What would we be using those dollars for?
    - Staff can bring the language, and it may be very broad.

Joe T stated we have two things to look at.

1. One is the language of PAYT program,
2. Two would be the MONEY.
  - o In any given year, you can adjust the resources available for the program. This should be a separate recommendation.

We could also provide a survey about what is working in one community versus another.

Pat agreed that's a great idea, we might have some low hanging fruit. Tom from Maderia is open to talk to anyone that has more questions and gave his contact information.

Joe reminded all that if the PAYT program is in, we need to know what the balance of programs will be and what the dollar amount allocated would be. The current SWD is on the SWD website. At the next meeting, we will be talking about BH592 plan changes, but not the whole plan. Joe said we will be sending out the elements to choose from in the plan, as well as the PAYT language and suggestions well in advance of the meeting.

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Bob D mentioned SWMPC is set up by the state to do two things.

1. Ensure that the SWD has long-term disposal capacity
2. Reduce reliance on landfills, which could be a lot of things.
  - a. Staff found that PAYT programs would be a good investment.
  - b. The point is that we have a plan, we have the money and all that's left is a wherewithal to do it.

The meeting was adjourned at approximately 3:30 pm