

**SOLID WASTE AUTHORITY OF CENTRAL OHIO
BOARD OF TRUSTEES MEETING**



February 1, 2011

**4239 London-Groveport Road
Grove City, Ohio 43123**

MINUTES

1. The regular February Board meeting was called to order at 2:41 p.m. on February 1, 2011.
2. Ron Mills led the **Pledge of Allegiance**.
3. **Roll Call** – The Secretary called the roll and the following Board members were present: Colleen Briscoe, Bob Clemons, Phil Honsey, Mark Kelsey, Steve Shepard, Ken Wilson, Vice Chairman Dave Bush and Chairman Brad Frick.
4. **Approval of January 6, 2010 minutes** – Mr. Shepard moved to approve the January 6, 2011 meeting minutes; seconded by Ms. Briscoe, the motion was unanimously approved.

5. **Old Business**

Resolution 156-10 repealing District Rules 13-2008 and 14-2008 exempting Generation Fees and Waiver Fees on Automotive Shredder Residue. (Tabled December 7, 2010)

Mr. Mills reminded the Board members that the resolution was tabled on December 7, 2010 to allow staff adequate time to talk with companies in the automotive shredder residue (ASR) industry.

Mr. Honsey made a motion to bring Resolution 156-10 back onto the table; seconded by Mr. Shepard, the motion was unanimously approved. Discussion began with Albert Iosue explaining that in the Ohio Revised Code, ASR is defined as a solid waste. Staff believes this rule was originally put into place because ASR was not compatible with the now-defunct Waste-to-Energy Facility. ASR is actually a desirable waste for landfilling, so the rule is no longer needed. Repealing the rule will still allow companies to apply to SWACO for a waiver. Mr. Stacy advised that staff has met twice with the ASR companies and their legal counsel regarding the issue. Mr. Iosue said staff is recommending the rule be repealed.

6. **New Business**

Resolution 016-11 to convene into executive session in accordance with Ohio Revised Code 121.22 (G)(1) to consider personnel matters and (G)(3) to consider pending or threatened litigation.

Mr. Honsey made a motion to move into Executive Session; seconded by Mr. Bush, the motion was unanimously approved by roll call vote and the meeting adjourned into Executive Session at 2:50 p.m.

Ms. Briscoe made a motion to adjourn the Executive Session; seconded by Mr. Shepard, the motion was unanimously approved by roll call vote. The regular meeting of the Board resumed at 3:30 p.m.

Audit & Finance Committee

Resolution 017-11 repealing Resolutions 136-07 and 22-09 regarding SWACO's accounts receivable policy, and granting authority to the Executive Director to promulgate and enforce such policy.

Tamara Foster explained staff recently undertook a revision of the accounts receivable policy to provide additional clarity to the language and to update some administrative aspects. The payment terms remain consistent with the policy as adopted by the Board in 2008. The proposed policy has been reviewed by the Audit & Finance Committee and is being further revised to incorporate changes suggested by the committee. Amendments to the policy have historically been authorized by Board action. In order to streamline the policy revision process and to more quickly implement changes, it is recommended that the Executive Director be granted the authority to implement the final policy and to make revisions from time-to-time as necessary. The Audit & Finance Committee has reviewed the draft policy and will review all future revisions prior to finalization. The resolution before the Board repeals Resolutions 136-07 and 22-09, which implemented the current policy, and grants the Executive Director the authority to revise and implement the policy going forward.

Board members and staff engaged in a brief discussion regarding certain aspects of the policy.

Planning & Programs Committee

Resolution 018-11 authorizing the Executive Director to submit Market Development Grant applications to the Ohio Department of Natural Resources on behalf of the Center of Science and Industry, and Novotex Recycling, LLC and if approved, enter into grant agreements for such Market Development Grants and to amend the 2011 Operation Budget to authorize the expenditure (\$204,500).

Mr. Iosue explained that this resolution involves a pass-through grant program offered by the Ohio Department of Natural Resources, Division of Recycling and Litter Prevention (ODNR). SWACO intends to apply for grants on behalf of COSI and Novotex Recycling, LLC, and if awarded, SWACO would enter into a grant agreement with ODNR and with each of the private companies. Mr. Iosue explained that SWACO does assume some risk with these grants; if a grantee company goes into bankruptcy, SWACO could be liable for all or some portion of the grant. Staff does perform some due diligence by reviewing financials and business plans, and confirms the equipment purchased is operational and consistent with the grant application Mr.

Iosue noted that staff is still in the process of performing due diligence on the subject grantees. The grant application deadline is Friday, February 4.

Discussion ensued between the Board and staff regarding the due diligence process.

Resolution 019-11 authorizing the Executive Director to execute an agreement with Allied Sources, LLC for the purpose of conducting a communications audit and preparation of a communications plan for SWACO's community outreach programs (\$65,000).

Mr. Iosue explained that during SWACO's 2010 rate increase campaign, it became clear that SWACO needs to improve communications with its community constituents. The communities requested that SWACO be more visible and provide additional information regarding program offerings to assist them in waste reduction efforts, thus resulting in reduced reliance on landfilling. Previous communication efforts operated independently of each other for many years, resulting in mixed results and limited effectiveness. Allied will develop an effective communications & outreach plan, with specific messaging requirements, that will bring all SWACO community outreach efforts under a single theme and enable SWACO to better educate the public and local communities about the benefits that SWACO provides. The plan includes an internal and external audit to identify SWACO's current communication practices and determine their effectiveness. Following the audit, Allied will prepare a communications and outreach plan that will assist SWACO in providing better service to communities and other customers.

Resolution 024-11 authorizing the Executive Director to provide a letter of support and to enter into a Memorandum of Understanding with the Franklin County Commissioners for the purpose of applying for a US EPA Environmental Workforce Development and Job Training Grant.

The US EPA has \$4 million dollars available for entities to deliver environmental workforce development and job training programs. The US EPA intends to award a total of 13 grants, each with a maximum award amount of \$300,000. As a cooperative effort to create jobs in the region, SWACO will partner with Franklin County, South-Western City School District, and Columbus State Community College on the grant proposal.

The focus of the grant is to develop an emerging technology curriculum at Columbus State that will provide students a skilled learning opportunity once they have completed the South-Western Technology Program. The curriculum will focus primarily on the repair and maintenance of CNG engines in various vehicle types. With SWACO's potential to produce large amounts of CNG at the landfill, the grant will focus on the ability to maintain the operation of large transportation fleets resulting from the conversion of vehicles to CNG.

Passage of this resolution will permit the Executive Director to provide a letter of support to Franklin County for inclusion with the grant application and also permit the Executive Director to execute a Memorandum of Understanding with Franklin County to detail the requirements of both parties related to the grant program. No financial assistance will be provided by SWACO in response to this grant application. Mr. Honsey added that he thinks this is a wonderful opportunity for SWACO and Grove City.

Engineering, Operations & Compliance Committee

Resolution 020-11 authorizing a modification to the contract with Bair, Goodie and Associates, Inc. for general engineering services at the Franklin County Sanitary Landfill (\$150,000).

Jack Stacy explained that SWACO previously entered into a three-year contract with Bair, Goodie and Associates, Inc., for general engineering services at the Franklin County Sanitary Landfill. The tasks assigned to Bair Goodie during 2010 include both capital and operational projects, and will require an increase in the contract amount.

Resolution 021-11 authorizing a contract with URS Corporation - Ohio to provide engineering services for the west entrance at the Franklin County Sanitary Landfill (\$200,000).

Mr. Stacy advised that this contract begins the engineering for the new western landfill entrance. As ODOT begins work on the new I-71/SR 665 interchange, the need for this entrance becomes more critical. The initial scope of services will include assisting SWACO with planning, obtaining required permissions and/or permits, assisting with negotiations with the state, county, and townships, defining second scope of services for site civil design, roadway design, weigh facility and associated communications systems, and other services required to design and construct the proposed facility. The contract will subsequently be modified to fund the services necessary to design and construct the facility.

Legal & Legislative Committee

Resolution 022-11 authorizing the Executive Director to modify the existing legal services agreement with the Plank Law Firm (\$25,000).

Mike Mentel explained that SWACO entered into an agreement with the Plank Law Firm early in 2010 to act as SWACO's outside legal counsel with respect to certain real estate matters, including an eminent domain action instituted by the City of Grove City to appropriate real property in connection with the I-71/SR 665 interchange project. SWACO has asked the law firm to represent it in other real estate matters, including the sale of the "RASTRA" building at 2512 Jackson Pike to the City of Columbus, and the potential purchase of the "Barr" property on US Route 62 and financing related thereto. This modification will allow Plank to continue its representation of SWACO in assigned real estate cases.

Resolution 023-11 authorizing the Executive Director to modify the existing legal services agreement regarding the FirmGreen Project with the law firm of Squire, Sanders & Dempsey LLP (\$70,000).

Mr. Mentel explained that SWACO previously entered into a landfill gas processing project consisting of multiple agreements with FirmGreen Fuels of Ohio LLC and FirmGreen, Inc. The project is the subject of disputes between the parties which have been asserted in Claims and

Counterclaims in a lawsuit filed by SWACO and pending in the Franklin County Court of Common Pleas.

SWACO retained the law firm of Squire, Sanders & Dempsey LLP as outside counsel to represent it in matters related to these disputes and the lawsuit. Events subsequent to the initial filing of the lawsuit resulted in further claims and the need to amend the pleadings twice. In addition, discovery both in-state and out-of-state, has been initiated and will continue throughout the coming months, as will anticipated motion practice. As a result the contract amount for this legal services agreement must be increased to assure sufficient funding for the litigation.

Mr. Mills then noted that he did not satisfactorily answer Ms. Briscoe's question about Resolution 17-11 regarding SWACO's accounts receivable policy, and granting authority to the Executive Director to promulgate and enforce such policy. The resolution is intended to allow flexibility for staff to determine the credit worthiness outside of SWACO's current credit application. The new policy will allow staff to be more accurate and timely in reaching a conclusion about whether a company is credit worthy or not, regardless of their size. Ms. Briscoe said she did not realize the prior policy limited staff's ability to extend credit to certain companies.

Board of Trustees Resolutions

Board members did not have additional resolutions.

Consent Agenda

Mr. Honsey requested Resolution 022-11 be removed from the consent agenda. Ms. Sudderberg read the remaining resolution numbers on the consent agenda. Mr. Honsey moved to adopt the consent agenda; seconded by Mr. Shepard, the following resolutions were unanimously adopted by roll call vote: Resolution 017-11, 018-11, 019-11, 020-11, 021-11, 023-11, 024-11

Ms. Briscoe made a motion to adopt Resolution 022-11; seconded by Mr. Bush, the motion passed 0-7-1 with Mr. Honsey abstaining.

Ms. Briscoe moved to adopt Resolution 156-10; seconded by Mr. Bush, the resolution passed unanimously. Mr. Bush thanked the staff for talking to the businesses in this industry.

7. Board Discussion

There was no additional Board discussion.

8. Executive Staff Reports

A. 2011 SWACO Vision – Ron Mills

In the interest of time, Mr. Mills advised the Board that the 2011 SWACO Vision will be discussed at the February committee meetings.

B. SWACO Strategic Plan – Albert Iosue

In the interest of time, Mr. Mills advised the Board that the 2011 Strategic Plan will be discussed at the February committee meetings.

C. Exemption Rule - Source Separated Recyclables – Ron Mills

Mr. Mills shared his proposal as follows:

Exempt ALL source separated recyclables generated within the SWACO District from SWACO flow control rules and fees provided:

- The generator or processor of the source separated recyclables registers with SWACO for the exemption and agrees to comply with its associated requirements.
- The holder of the exemption agrees to report on a quarterly basis to SWACO the volumes and types of material recycled and residuals generated.
- All residuals generated from the processing of the source separated recyclables are considered municipal solid waste generated within the SWACO District and, therefore, are subject to all SWACO Flow Control rules and fees.
- To qualify for the exemption, the source separated recyclables must be processed within the SWACO District and made ready for shipment to secondary reuse markets.
- Source separated recyclables generated in other Solid Waste Districts may be imported into the SWACO District and qualify for the exemption provided processing occurs within the SWACO District.
- Exemption will not interfere with OEPA's proposed redefinition of municipal solid waste.

The proposed timeline for the rule enactment is as follows:

- Publicly announce intent of rulemaking at the February 1, 2011 SWACO Board meeting.
- Publish the proposed rule and make it available at the February 1, 2011 SWACO Board meeting and through the SWACO website.
- Provide and invite public comment on proposed rulemaking until the SWACO Board meeting scheduled for March 1, 2011.
- SWACO Board takes formal action at the March 1 Board of Trustees meeting.

Mr. Mills recommended the rule be advertised on SWACO's website and by mail over the next month, prior to the March Board meeting where it will be presented for adoption.

Michael Minnix, President of Eartha Ltd., addressed the Board to say the policy will be good for businesses and for SWACO, and thanked the Board for their consideration of this rule.

9. Staff Approved Contracts and Expenditures

The Board reviewed the Staff Approved Contracts and Expenditures.

10. Public Comment Period

There were no requests to address the Board.

Upcoming Meetings

Joint Committee Meeting

Planning and Programs Committee

Engineering and Operations Committee

February 15, 2011 – 2:30 p.m.

SWACO Administrative Office Building

4239 London-Groveport Road

Grove City, Ohio

Administrative Services Committee

February 15, 2011 – 5:00 p.m.

Frick Law Building

1265 Neil Avenue

Columbus, Ohio

Audit and Finance Committee

February 16, 2011 – 8:30 am

PNC Bank

155 E. Broad Street – 7th Floor

Columbus, Ohio 43215

Board of Trustees Meeting

March 1, 2011 – 2:30 p.m.

Solid Waste Authority of Central Ohio

4239 London-Groveport Road

Grove City, Ohio 43123

Legal and Legislative Committee

To be determined

- 11. Adjourn** – Mr. Kelsey moved to adjourn; seconded by Mr. Clemons, the motion was unanimously passed. The meeting was adjourned at 4:15 p.m.