

Kosciusko County Solid Waste Management District

Board of Director's Meeting Minutes – October 25th, 2022

Present: Brad Jackson, Cary Groninger, Bob Conley, Mike Long, Jerry Frush, Scott Reust, Tom Ganser, Michelle Puckett, Leslie Williams, Kirk Salerno – Borden Waste Away

Absent: Joe Thallemer, Rick Swaim

- **Call to Order:**

- Brad Jackson called the meeting to order.

- **September 2022 Board Minutes**

- Brad Jackson asked for a motion to approve Minutes from the September 2022 Board Meeting. Bob Conley made a motion to approve as presented. Cary Groninger seconded the motion, and the Board approved the motion unanimously.

- **Claims and Financial Report**

- Michelle Puckett presented the claims in the amount of \$66,251.91. The ending checking account balance is \$33,781.09, in addition to the 1.4-million-dollar investment. Brad Jackson if there were any questions for Michelle regarding financials. Cary Groninger asked about cash. Michelle stated that cash is slightly skewed due to outstanding check that has not been cleared. Tom Ganser added that there is also an outstanding GFL bill to be paid due to billing errors. Michelle stated there have been some challenges with financials. Tom stated that GFL is starting to get their billing straight and these issues should be resolved come November – he has been auditing every bill/ticket that comes in. Brad asked if there was any other questions or concerns for Michelle. Cary Groninger made a motion to approve claims as presented. Mike Long seconded the motion. The board approved the motion, and the vote was unanimous.
- Michelle Puckett stated that she has two other things to bring to attention – these were not added to the meeting agenda prior. Michelle stated that, in July, there was a mistake on the approved claim voucher, so she has brought an amended voucher for re-approval. Michelle added that at that time in July, the approved amount was different from \$58,093.67 – the correct amount. Cary Groninger made a motion to approve request for re-approval of July claim. Mike Long seconded the motion, and the Board approved the motion unanimously.
- Michelle Puckett stated the last piece that she has is in regard to the interlocal agreement between the Board and the County. Michelle added that this agreement allows the Auditor to act as the controller for the KCSWMD for a fee of \$6,000 per year – this was approved that morning at the County Commissioner meeting. Mike Long made a motion to approve request for approval of interlocal agreement. Cary Groninger seconded the motion, and the Board approved the motion unanimously.

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- **New Business:**

- Tom Ganser stated that the first item in new business is to discuss the previous month's bid openings and to look at 2023 budgets. Tom stated that looking at the amounts bid and seeing where we are, taking even the \$225.00 per ton bid from GFL for all nine self-serve sites, the KCSWMD will max out the RFP budget at \$480,000 for 2023. Tom added that this is on the cheaper side of current prices. Tom stated that if configurations were to change (possibly look to reduce self-serve drop off sites down to just the Warsaw location and get a better monitor on the materials that are coming in), then that amount will be lowered drastically. Tom pointed toward the meeting packet to show that the cost for recycling at the Warsaw location would be \$189,270 (with current set up) or \$140,000 (for manned site, co-mix recyclables, add packer, and staff). Tom added that some of these figures would vary due to installation costs. Tom stated that it is up to the Board to decide where they would like to see the program go.

Brad Jackson stated that he and Tom Ganser have spent a lot of time throwing numbers around. Brad mentioned that the recycling program has turned into a “feel-good thing” as most of the recyclables are being landfilled anyway. Tom added that earlier this year, the contamination rate was at 30%, and that now, with GFL not sorting the corrugated cardboard (due to such low markets) on the floor anymore, the landfilled/contamination rate have risen to 40/50%. Tom asked Kirk from Borden's about the corrugated cardboard. Kirk stated that GFL is now bringing it to Borden's.

Brad Jackson stated that a lot of money is being spent on the recycling program and the materials are being sent to the landfill – this also means that a lot of fuel is also being burned (speaking from an environmental perspective). Mike Long and Tom stated that they agreed – a lot of money (almost a half a million dollars) is being spent on a “feel-good thing.”

Brad Jackson also stated that many people think they need to recycle everything, but contamination is so prevalent – so even when people think they are recycling correct materials, they are things that need to go into the trash. Brad added that the same goes for glass (contamination, injuries, etc.). Brad stated that this may be due to lack of education on the matter. Mike Long stated that it may not be a lack of education, more of a lack of desire – he asked, “at what point do we need to pull

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back?” Brad agreed and added that there is a low cost of materials and high contamination rate. Mike stated that we must watch our costs going forward, or we are going to eat through all of our equity – he added that although we are recycling, it has to make sense from a financial perspective.

Brad Jackson stated that there will be a huge outcry from the community if there are fewer recycling opportunities for county residents – similar to when glass was no longer accepted.

Scott Reust asked if 1,000 tons is impactful at the landfill – does saving 1,000 tons from going to the landfill make a difference? Tom Ganser stated that saving volumes from entering the landfill extends the life of the landfill – although, the materials entering the landfill from the KCSWMD recycling programs would be roughly 1% per year. To clarify, Scott asked, “1% per year is saved by continuing the program?” Tom said yes. Cary Groninger asked about how many tons are accepted through the recycling program each month (average). Tom stated that an average amount would be about 30,000 tons. Cary added that it is 360,000 tons per year – so actually less than 1% is going to the landfill each year (that is without recycling).

Michelle Puckett asked about the quality of recyclables – will a controlled site ensure better quality and better chances of the materials actually being recycled? Tom Ganser stated that yes it will. Tom added that a manned site is going to limit access to recycling. Tom stated that a major concern, after talking to Brad Jackson and the mayor, is that recycling will be limited for Kosciusko County residents due to someone needing to be at the Depot to monitor and sort what is entering the bins. Tom added that the materials would be clean (non-contaminated), and that, after talking with Kirk from Borden's and other recycling companies, there is a good chance for rebates on the recyclables after the markets return to normal. Michelle then added that this situation would be a positive for the true environmentalist to know that what they are recycling is actually getting recycled, not going to the landfill.

Brad Jackson asked Tom Ganser if he is proposing the Warsaw recycling location to be the only site opened and asked what materials are to be accepted. Tom answered with Warsaw being the only site open and accepting plastics #s 1, 2, 3,

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and 5, corrugated cardboard, paper products, aluminum, and tin. Mike Long asked if more items are being accepted in that situation. Tom answered stating that yes more is accepted, plastic #5.

Brad Jackson stated that Warsaw has a curbside recycling program, so there may be irritated county residents due to lack of access elsewhere in the county. Mike Long asked if that would actually happen. Tom stated that he does not think that many people would be upset due to the business owners that he has talked to about location conveniency.

Mike Long then asked, "If 8 sites are closed, then what percentage of recyclables would still be collected throughout Kosciusko County?" Tom Ganser responded by saying that he predicts 60% - 70% of actual recyclable materials will still be captured. Mike then asked about the difference in cost amounts for the different programs (keeping all sites open versus just keeping one open). Tom responded by saying that all sites staying open would be \$480,000 and keeping only one open would be \$140,000. Mike Long asked if this option (one site) would be viable for the county. Tom responded by stating that since Borden Waste Away does service a majority of the county and has plans to increase serviced areas in the future, this is viable because there are multiple recycling options in the county. Brad Jackson mentioned that he and Tom talked about subsidizing curbside recycling, but it was very complicated and not very cost effective. Brad then stated that he and Tom went over several options, but there were dilemmas with each option.

Mike Long mentioned that recycling seems to have changed drastically within the last 24 months, then asked, "Where will things be in another 24 months?" Tom Ganser stated that there is no telling where things might go or end up – Brad Jackson added that the election coming up may influence where things start to head.

Cary Groninger asked about cost per year if only one site was opened. Tom Ganser responded by saying it would be \$140,000; however, the initial startup cost for compactors and other equipment may be another \$30,000 or so. Tom stated that he has talked to several contractors, and they think the KCSWMD could get along fine with 2 compactors, not 3. Mike Long asked if the compactors are a must. Tom answered by saying that yes, they help greatly.

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Brad Jackson then asked how many sites and which ones do we own? Tom Ganser stated that the District owns two sites – Syracuse and Warsaw. Brad stated that if we pull the plug on the other sites, then there is a good chance that we will lose the ability to lease those sites – this is something to consider. Tom agreed and stated that the Leesburg site owner no longer wants the recycling bins on the property. Brad Jackson then mentioned that if the District is using the Warsaw location [only] as a trial run, then he doesn't feel confident in putting the money into the compactors. Brad stated that the prices may go down on the compactors, so waiting on those may help – he then mentioned getting the fencing needed and just have the open top bins for residents to sort their items into. Tom stated that with a lease agreement on the bins, a huge financial impact would be avoided – just doing at least one concrete pad and a compactor for corrugated cardboard would help immensely. Tom then added that only doing open top and not having a compactor would mean multiple runs per day for the recycling companies. Brad then asked about volumes. Tom responded by stating that by doing an estimation, he came up with about 60% of the current volume that we get now will be received, even after going to one site – 45 tons being corrugated cardboard. Tom mentioned with that amount of volume coming in, and recycling packer trucks only being able to fit 2-3 tons in the truck at a time, that would mean there would need to be at least one, if not two or three, runs per day for the trucks – increasing transportation costs (\$300 - \$400 per load) – a compactor would help to decrease costs. Tom then asked Kirk Salerno how many tons of corrugated would fit in a 50-yard compactor. Kirk answered by saying that roughly 4 transported loads would be saved (8-12 tons). Brad asked if these compactors would be leased or bought. Tom stated the compactors would be leased – the units would have a service agreement and would be maintained by the company that they are leased from. Brad asked if the compactor would just be for corrugated. Tom said yes; however, he would like to have one for corrugated and one for plastics. Tom then stated that if the Board would only like to step into this a little at a time, then he would at least ask for the compactor for the corrugated to be considered. Mike Long asked about the difference between a bailer and a compactor. Kirk Salerno responded by saying the bailer is much more demanding and physical, and a bailer is more for selling direct. Tom added that a large bailer is much more expensive than a leased compactor (\$50,000 - \$100,000). Tom also mentioned that if he was able to get a compactor, the space configuration in the back lot may be a challenge.

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Scott Reust stated that he believes the Board members are exceptionally fiscally responsible – not trying to pass costs onto every taxpayer. Scott added that when the markets are tough, the Board members seem to want to protect the education portion of the District, as well as being able to recycle the things that are horrible for landfills (lithium batteries, paint, etc.). Scott then stated that if the recycling market does not support recycling, then the entire District should not be put at risk [financially] to only keep 1% of materials from entering the landfill each year. Scott added that he would hope that funds would be protected to be able to pay Tom, and the people that work at the District. Brad Jackson agreed with the statements that Scott made. Brad added that it is the Board members job to do the right thing and that the Board members were elected to do so.

Brad Jackson stated that he would like to narrow down the discussion. Brad asked for a consensus on shutting down all the sites, except for Warsaw. Tom Ganser stated that there are the two bids that were opened at the last meeting that will need to be thrown out officially, this is in order to proceed with a different plan of action for the 2023 recycling program. Tom mentioned that the current contract is still in effect until 12/31/2022.

Brad Jackson asked the board members if anyone was for keeping the sites open. Mike Long stated that he is not for keeping them open or closing them – he then stated that he believes the figures and costs tell what must be done. Mike then mentioned that the way that the recycling program is being run right now is not financially stable, and that, within two years, the money would be burned through. Cary Groninger asked Tom Ganser if he has run a projection of what capacity of recycling services the District could run at without burning through all of the available money. Tom Ganser stated that he has not run that projection; however, going with a scenario similar to the one discussed earlier (\$140,000) would give the best outcomes – an uptick in volumes at the landfill, meaning more revenue for the District. Cary Groninger mentioned that with this scenario there will be more labor costs. Tom agreed. Mike Long mentioned that if this works and goes well, there may be an option in the future to add more sites or get back into it. Mike stated that by going to a more cost-effective scenario, it is not that they would be driving the nail into the coffin; however, if they decide to continue going at the rate that things are going now, then the final nail in the coffin should be driven because things will not last at the current cost. Mike added that there is opportunity to add

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sites in the future as the markets change. Mike also stated that it is the board member's responsibility to keep the District alive. Brad Jackson went back to the point that Scott Reust made earlier in the meeting – cardboard in the landfill is not as bad for the environment as toxic chemicals, batteries, etc. entering the landfill is. Brad Jackson asked about the costs of HHW drop offs. Tom answered by saying that the District does charge at cost for chemicals, electronics, etc. Mike Long asked what the costs entail – labor, transportation, etc. Tom stated that the cost is only for disposal of the materials, no labor or transportation. Brad asked if there was any push-back from customers. Tom stated that he has not heard much push back – he added that total volume taken year after year, due to the installation of charges, has decreased by about 25%, so that is the only form of push back (not getting as much volume). Discussion briefly continued on the matter. Cary Groninger added that he would like to see the numbers if the District were to keep the two owned sites, the Warsaw and Syracuse locations, open, but he knows that the sites would need to be staffed in order to keep out contamination. Tom stated that he would get those numbers to him.

Brad Jackson asked Kirk Salerno what percentage of curbside recycling was being landfilled. Kirk responded by saying about 10%. Brad Jackson asked Kirk about curbside being within the entire county. Kirk stated that Borden's is pushing to have curbside recycling available to all of Kosciusko County in the future. Brad asked what the cost is. Kirk stated that the current price is \$6 per month, but that may increase to \$8 per month in the coming year. Brad then mentioned that it may be an option to subsidize curbside recycling and not have any recycling at the Depot. Brad stated that the District's only site would be in an area where curbside is available all around. Cary Groninger stated that he believes that most people coming to the Depot to drop off recycling are from out of the city limits. Tom Ganser agreed. Cary Groninger stated that the demographic area for the District's recycling use will stay the same. Tom added that there are several people that bring in everyday recyclables at the same time of bringing in HHW materials. Brad stated that he thinks that having no sites and offering curbside recycling subsidization deserves consideration – although, it may get very complicated due to city areas and incorporated areas being different ball games when it comes to recycling. Tom added that when he and Brad ran the numbers, they did a scenario in which the subsidized amount was \$3 per household for the unincorporated areas

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in the county, and the costs ended up being more than having all nine sites remain open (\$600,000). Discussion briefly continued on this matter.

Brad Jackson asked Kirk Salerno why there is such a big difference in contamination rates between curbside recycling and the drop-off sites. Kirk stated that with curbside, they do not receive the large items such as carpet, sofas, etc. because it is obvious when they go to pick it up who's house it is coming from – there is not as much anonymity as a self-serve location.

Scott Reust mentioned that the Town of Silver lake has a large roll off placed in one of their parking lots a couple times a year – this allows people to throw basically whatever they want in there. Scott asked if that would be something that the Depot could do. Tom responded by saying that heavy cleanups like that are very difficult because if one 40 yard roll off is placed out there, the Depot would end up with 17 40-yard roll offs worth of volumes. Tom added that many cities and towns have gone to large item curb clean ups where the volumes can be controlled and packed into the trucks.

Scott Reust then stated that he believes that anyone that is truly wanting to recycle will pay the monthly fee or visit the Warsaw location in order to not force a tax onto everyone else, because that is another option – a higher tax rate for the District.

Brad Jackson stated that he would like to inform people that curbside recycling prevalence is increasing, and the hope is that it will be county-wide in the future, the curbside recycling is affordable, and, from an environmental standpoint, the contamination rates of curbside recycling is three times lower, so things are actually being recycled. Brad then stated that he is in favor of all sites being closed. Tom Ganser added that if all the recycling sites were to be closed and curbside recycling is more heavily pushed, then more funds could go into the costs of HHW (lowered amounts or no charge). Michelle Puckett asked if there could be any programs added (tires, appliances, etc.) if there are no standard recycling services offered at any locations. Tom stated that he would not want to add any programs that are not needed in the county – example: every tire store in the county takes tires. Brad stated that people may start dumping if they see that we take certain items. Michelle asked if there are any materials that should be kept out of the

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landfill that is not currently accepted at the Depot. Tom stated that if prices are decreased, then volumes of HHW would increase.

Mike Long made a motion to close all self-serve recycling sites, except Warsaw, to not purchase right away, but explore the opportunity down the road, for the purchase or need of a compactor, and to heavily push curbside recycling programs into becoming more prevalent in the county (non-subsidized) – effective 01/01/2023. Bob Conley seconded the motion. Discussion on the motion began.

Mike Long stated that he would like to keep the Warsaw recycling location open in order to keep HHW volumes up. Brad Jackson stated that he would only like for the recycling drop-off locations to be closed, not the HHW portion – he would like for the HHW to be ramped up. Mike Long stated that closing all the recycling drop-off sites besides Warsaw, then it is a step in the right direction to what he wants to see achieved. Brad Jackson asked Mike if that was why he would not like to see all the equipment be bought – to ease into it. Mike said yes – he would like to slowly enter into this. Mike stated that if the curbside becomes more prevalent in the future, then the Warsaw drop-off location could be closed.

Brad Jackson stated that there was a motion on the floor (Mike Long's motion). Brad stated that he would like to propose an amendment to the motion: Warsaw location to remain open until the opportunity for curbside recycling expands to the entire county so that residents are not forced to send recyclable materials to the landfill. Mike stated, "so moved." Brad asked if there was any further discussion on the motion. No further discussion was added. The Board approved the motion unanimously.

- **Old Business**

- Bid Rejection

- Mike Long made a motion to reject the previous opened bids and create a new contract/bid based upon the new circumstances regarding the District's drop-off recycling program. Jerry Frush seconded the motion. The Board approved the motion unanimously.

- **Reports**

- Tom Ganser stated the Director and Educator Reports were included in the meeting packet and asked if there were any questions regarding these reports. There were no questions.

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- **Comments and Questions**

- Brad Jackson asked Kirk Salerno about lake residents – since there is such a high prevalence of people that live in Indiana only half the year, is there any way to turn off recycling services for the months they are not here? Kirk responded by saying, “Yes, it is very common for lake residents to only have the recycling services during the warmer months.”
- There were no further comments or questions.

- **Adjournment**

- Bob Conley made a motion to adjourn the meeting and Mike Long seconded the motion, with the board approving.

The next board meeting will be Tuesday, November 22nd, 2022, at 11am.