

MANAGING BOARD MEETING
LOPEZ SOLID WASTE DISPOSAL DISTRICT
Wednesday, June 17, 2020

Approved (7 /15 / 2020)

ZOOM MEDIA MEETING

1:00 PM to 3:00 PM

Board members present: Gene Helfman, Clark Johnson, Rhea Miller, Clay Smith, and Larry Bailey. Others present: District Manager Laurie Bullock; Facility Manager David Zapalac; TEO Coordinator Nikyta Palmisani; and guest Dan Post. Clark called the meeting to order at 1:00 PM, noting no changes to the agenda.

Gene moved to approve the minutes of the May 20, 2019 Board meeting. The motion was approved unanimously.

STATUS REPORTS:

Finance. Laurie reviewed the May financials.

We were 8.9% under budgeted revenues for May, 2.2% above budgeted revenues YTD.

Expenditures were 17.9% under budget for the month of May, 11.7% under budgeted expenditures YTD.

Investments-We have \$230,000 in investments.

Cash on hand-At the end of May 2020, we had \$81,617 in our cash account; \$311,617 total. She has just put in a request to buy \$30,000 more in investments.

Claims and Payroll -LSWDD Claims 20021-24 and May Payroll were approved for payment. Laurie will circulate claims for electronic signature.

Solid Waste Alternatives Project (SWAP).

LSWDD Grant--Swap has \$11,500.00 ready for whatever LSWDD decides would make the site better. This includes equipment.

Farmers' Market--SWAP is still not a part of it, as only essential commodities are involved at this time.

Publicity--This has become a problem since the free Island Weekly has closed down.

Solid Waste Advisory Committee (SWAC). SWAC did not meet.

STAFF REPORTS:

Facility Manager.

SAFETY.

Staff is now working in two separate teams instead of three during phase two of the Coronavirus recovery plan. All staff and volunteers are wearing cloth masks while on site and maintaining social distancing.

OPERATIONS/ONGOING ISSUES.

Operations have switched to Summer hours and Mondays are continuing to grow in popularity with customers. Recycle volunteers are now being scheduled and have begun to work in the recycle plaza.

TIOLI staff and management have been meeting with key TIOLI volunteers to discuss operational and site changes that will occur when TIOLI opens in Phase three. It was decided that the earliest date for opening TIOLI would be July 13th and that donations and shopping would not be allowed to happen concurrently for the foreseeable future. The idea of holding a swap meet event at the Community Center has been dropped. Staff is coordinating a new event for the weekend of June 27th and 28th called "Free Pile Tour of Lopez" to encourage disposition of reusable items.

The new lighting system in TIOLI is 95% complete and the refrigerated appliance shed has been completed

Our back-up truck driver is moving off-island, so we will need to recruit another driver.

District Manager.

Resolution #2020-2 Closing the Employee Health Care

Reimbursement Account. We need to close the separate QSEHRA fund and move those remaining funds into our general fund. The wait on this was to allow employees to submit all 2019 reimbursements, let them clear and then obtain the necessary final report from SJC.

After discussion, it was moved and unanimously passed as follows:

RESOLUTION #2020-2

CLOSING EMPLOYEE HEALTH CARE REIMBURSEMENT ACCOUNT

Whereas Resolution #2017-5 established a Qualified Small Employer Health Reimbursement Account (QSEHRA) for eligible employees,

Whereas the District no longer contributes to this fund and wishes to close the fund, returning the remaining balance to the general fund.

Now therefore be it resolved that the Lopez Solid Waste Disposal District Managing Board authorizes the Lopez Solid Waste Disposal District QSEHRA Fund 6675 fund be closed and \$1,372.46 be returned to the SJC Treasurer's Office for deposit into the Lopez Solid Waste Disposal District Fund 6671.

Adopted this 17th day of June 2020 at a duly called meeting of the LSWDD Managing Board, with a quorum present of the undersigned directors.

Baler Shed Expansion

Laurie been working with Mark Ingman to have the baler expansion included in the SJC Solid Waste Capital Improvement Plan FY2020-26. The proposal and budget have been submitted to Kendra Smith for review.

Board Recruitment

Nikyta reached out to our volunteers letting them know we are searching for new Board Members. Laurie was contacted by one interested party.

TIOLI reopening. Laurie reviewed issues discussed at staff meetings on reopening and recommended we not reopen until we are well into Phase 3 and that we think about limiting capacity. Discussions are ongoing.

IT Support Review. Review is ongoing.

Administrator.

The monthly report for May was reviewed.

TEOC.

Training/Volunteers: They are staying home and staying safe.

Education: Pivot to ZOOM

--Recycled Arts on Tues/Thurs at 2 pm continued thru May. This helps support zero waste education and give parents a break from sudden homeschooling, Attendance: average 3-4kids, sometimes as many as 8-10.

--Plastics Free Salish Sea working group is still meeting via Zoom and working on how to stop the county from rescinding the plastic bag ban.

--Creative Visions Salon: to create an online salon of education, learning and discussion of waste and recycling, and then to use the arts to make works for the Sept 2020 Creative Visions Art Show at the Lopez Library. Each week has been an exploration of a different material. Key points of research have included that there is now a paper mill in Longview, WA that has pivoted their production to take 400,000 Tons of recycled paper to be used as feed stock for new products. This shifts paper recycling to a state source that hopefully will prove sustainable.

-- Site signage and PR: We focused on new summer hours and bringing volunteers back on site. Also a new TIOLI visionary committee has been formed to make more efficient and effective working systems for TIOLI in Phase 3 and moving forward.

Events: Meetings with the LCCA about a possible SWAP meet resulted in the decision that it was too much with Covid precautions to host one at this time. Instead, we planned a "Free Pile Tour of Lopez Island" for the last weekend in June: June 27-28. There has been a huge positive response and many very enthusiastic remarks.

OLD BUSINESS:

RESERVE FUND.

Clark led off the discussion by reviewing the past 5 months of board research on Reserve Funds for utilities such as LSWDD. He reviewed: **General Reserve Policy Objectives:** Ensure funding for long-term plans; Minimize multi-year budgetary impacts; and Establish financial stability. **Development of Reserve Fund Policy:** identify goals, needs & constraints; quantify significant cost drivers; and develop strategic plans. After discussion it was agreed that: we need to periodically update expenses and their anticipated timeline; we should include expenses that are essentially annual in the Budget, not the Reserve Fund; and we have to assume that a Levy failure is possible and have a plan to deal with it. It was agreed that if we have a Levy failure in November of any year, it would not be possible to have a 2nd election within the remaining calendar year. In that event we would have to reassess our 3 core businesses: Solid Waste-a required service; TIOLI-our biggest success story, but not a required service; and Recycling-central to mission but not a legal requirement. Accounting wise, Clark estimated that the businesses broke down as: 15% Solid Waste; 25% TIOLI; and 60% Recycling. He suggested that one option to fund any shortfall from a Levy failure would be to: set new garbage fees Jan 1-Designed to fund the 15% required for solid waste; use District funds to pay for the 1st quarter of TIOLI/ Recycling -About \$22k; and solicit Community donations to determine if non-solid waste services continue after the 1st quarter. He went on to state that the resulting implications for the Reserve Fund might be to change one account to "Working Capital" to provide financial cushion during the winter months and view the Fund as two sums: Total value(including Dump 2.0) and Separately(with Dump 2.0 accumulating independently).

Clark next displayed financial projections for 2020-2026 with the goal of:

- 1.Maintaining an adequate Reserve Fund to survive a Levy failure.
- 2.Ensuring funds are available to maintain/replace rolling stock (truck,backhoe,& forklift).
- 3.Replacing dumpsters systematically.
- 4.Accumulating \$100,000 for Dump2.0 by the end of 2026.
- 5.Sharing the burden of these expenses(tipping fees,levy, SWAP & SJC).

There was general agreement on the process, goals and objectives and David and Laurie were asked to reassess the timing of our equipment needs and incorporate those expenses into our Annual Budgets. Discussion of a Reserve Fund will be ongoing.

NEW BUSINESS : None

IDEA POT: None

PUBLIC COMMENT : Dan Post reported that the amount of garbage dumped at the LSWDD continues at the same high level as last year with resulting high revenues.He also commented that he hoped we did not get too tied up in contingency plans for things that are unlikely to happen.

2020 WA State Recycler of the Year:

THE LSWDD RECYCLE DOGS WON !

The meeting was adjourned at 2:35 pm. The next meeting will be another ZOOM EVENT on July 15, 2020.

Respectfully submitted,

Larry Bailey, Secretary

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