

Minutes, LSWDD Board Meeting, May 19, 2021

**1:02 Call Zoom meeting to order** by Larry Bailey Present: Board members Larry Bailey, Rhea Miller, Pam Stewart, Ross MacDonald, Clay Smith, Gene Helfman; Staff: Laurie Bullock, David Zapalac, Nikyta Palmisani; SWAP chair Kim Norton; public participant Dan Post.

**1:05 Approval of Minutes from April 21, 2021 Board Meeting. Approved as revised unanimously. Staff reports attached in Board Packet.**

### **1:10 Status Reports**

- **Financial Officer's Report -Laurie:** We were 16% above budgeted revenues for April. YTD we are 21% above budgeted revenues. Expenditures were 44.6% over budget for the month of April, 29.2% over budget YTD.

If you remove ReMakery expenses – those for which we will receive a reimbursement check from DOE grant– we would be 22.2% over budget for April and 19.2% over budget for the year. We have received the first reimbursement check from DOE.

**Investments:** We have \$260,000 in investments.

**Cash on hand:** At the end of April 2021, we had \$52,628 in our cash account; \$312,628 total.

**Approve Claims & Payroll:** LSWDD Payroll *Claim 21016-18* will be distributed for signatures after the meeting.

- **Solid Waste Alternatives Project (SWAP)-Kim.** Website about to be launched. The old gas station across from the library will be available for storage of ReMakery thanks to the Sorensens. We're gearing up for Farmer's Market.

- **Solid Waste Advisory Committee (SWAC)-David.** Met last Thursday and previously. Plastics and recycling were discussed, need to synonymize terminology. Two new members of SWAC, Paul Anderson and Regina Swilling. We described the ReMakery. Orcas Glass crusher was discussed, will be ready by mid-summer. Senate Bill on banning use of single use plastics to be signed by Governor. Plastic Free Salish Sea is making progress, in part because of efforts of Spring Street school students.

**1:25 Questions from Board concerning Staff Reports**

- Facility Manager-David: All of our employees have received their Covid-19 vaccines. Recycle prices are up! All 3 big containers will arrive July 1. We need to find a new hauler for oil recycling, we're making progress. Sticking point is producing enough oil to make it worth their while.

- District Manager-Laurie. Larry: are we squared away with the process for receiving all payments from DOE? We are close on that; some details (ex. Wages) are more complicated but reimbursement on equipment is straightforward. We just have to submit all vouchers by grant's end, June 30<sup>th</sup>.

Rhea: are we meeting new labor, hauling costs by increased garbage revenue?  
Laurie: we need to look deeper into that.

- Administrator - Monthly Bale-Gary. Everything is up, month to month

- Training, Education, and Outreach Coordinator-Nikyta. Liability waiver attached, modeled after one from Univ. Reno. Has to be approved by our insurers. Rhea: moved we approve the attached waiver that will go to our insurers. Approved unanimously. Maker-in-residence program discussed, emphasis will be to further educational component. Rhea: what are our long term financial commitment issues beyond the DOE grant?

Motion: Rhea moved that LSWDD should not be obligated beyond the life of the DOE or other grants. Approved unanimously.

Nikyta: Mark Ingman has identified potential sources from state DOE LSWFA\* (Local solid waste financial assistance) funds to keep it going for 2 years of rent. Income and all financials will be channeled through SWAP as our fiscal agent. Everything will be by suggested donation. Are we going to be competing with local businesses? Nikyta—this is something we have to be continually concerned about and aware of. It's important that we emphasize that LSWDD resources are not involved here; everything goes through SWAP.

Rhea: Motion to accept Maker in residence concept as described by Nikyta.  
Approved unanimously

\*David: LSWFA funds paid for our new paint care efforts.

## 1:45 Old Business

\* DOE Grant/Remakery- Laurie and Nikyta (see above from Nikyta)

\* Strategic Planning-Pam and Ross. See attached document in board packet. MOU re: dump expansion is with the County and we're waiting to hear more. Ongoing interactions with County Council are planned with a 3-5 yr time line on dump expansion.

David, Re: Bailer Shed extension. Will be a 25' x 35' semi-enclosed space to the west for storage and work space and maintenance bay so Recycle Dogs can work out of the weather. We've written a proposal and budget, specifics are being added and will be presented to the Board. The estimate has to be re-evaluated given the recent increases in costs for building materials. \$35k two years ago as of 2019 originally, but with expected 50% increase in some costs. Where would additional funds come from if we exceed original estimates? A new budget will be presented at the next meeting.

\* Reserve Fund-Larry and Clay. See attached document in board packet. Under discussion since 2019. Fund should be 1/6<sup>th</sup> to 1/2 of operating budget, for us \$235k or less. One approach is to reserve 100% of annual levy plus funds for eqpt and dump expansion. And be aware of potential for failure of annual tax levy, etc. We need to adopt a formal policy with a stated amount and purposes. Alternatively, just two months operating expenses set aside as reserve, with different/separate funds for site expansion, rolling stock, other eqpt, depreciation. To be discussed more in the future after Clay and Larry meet.

\* District Manager recruitment-Larry and Rhea. We have received two applications. Search is ongoing.

## 2:20 New Business

\* Noise Complaint-Larry and David. Neighbor has complained about glass crushing, which began in late 90s. 1995 is when bailing started. We may have to eliminate crushing on site, which will add to our expenses and requires conversations with Lopez Sand and Gravel as to how uncrushed glass volume will affect their operation (compaction is about 3:1). MR's permit doesn't allow burying of whole bottles. It will probably have to do it offsite at LS&G. Our costs will go up regardless. We are within the terms of our permit but we want to maintain good relations with our neighbors.

\* Garbage Rates-Larry and Laurie. See Larry's proposal in packet. We have been at the same rate of \$8/can since inception with no charge for recycling to encourage recycling. Skagit is increasing regularly and will continue to rise. We now pay \$65/ton for paper recycling vs. previous it was a profit item. And we are the only island that doesn't charge for recycling (\$7-5.50/can for recycling on other islands). We can avoid charging for recycling if we raise our garbage rate to \$10/can but not charge for recycling. Larry moved to increase the garbage can rate from \$8 to \$10/can, to increase the high density garbage rate 25%, and increase the half can rate from \$4/half can to \$5/half can as of July 1, 2021. Motion passed unanimously. This now goes on to the County for approval; Laurie will pass a formal resolution on to the Council via Ingrid.

2:40 **Idea Pot:** Rhea: 5 admin positions open on Lopez including BLM manager. Housing is a problem. Can LSWDD do anything to address the housing issue, E.g., housing allowance?

2:45 **Public Comment / Input.** Dan Post concerned about increasing cost of living on Lopez by increasing the tipping rate.

3:12 **Adjournment- Next Regular Board Meeting June 16, 1-3pm via Zoom.**