

To: ISWR Advisory Board
From: ISWR Staff
Date: January 2, 2018
Re: Staff Report

1) Welcome New Board Member Lindsey Ehinger and Returning Board Members Don Baker and Joe Kola

Joe Kola and Don Baker have been reappointed for their second term and we welcome new board member Lindsey Ehinger. Lindsey is a sustainable business and tourism consultant. She is currently also the director of InterConnections 21, a small local nonprofit focused on international studies. Lindsey has a BS in Civil Engineering from Cornell and a MA in International Studies and Environment and Natural Resources.

2) Grand Teton National Park Food Waste Collection Pilot, Year-End Report, Zero Landfill Summit

The 2017 food waste collection pilot project with Grand Teton National Park concluded in October and staff has been compiling information, writing a year-end report and planning for 2018. Subaru has committed to funding for next season! A final report will be available soon, and will be sent to all board members. The first year of the pilot was deemed a success; many lessons were learned, and questions were answered. Stay tuned for the soon-to-be-released report...

3) Capital Project Planning, Construction and Funding

- **Overall Project Timeline**

- Winter/Spring 2018 – Complete Waste Excavation and demo of TTS
- Summer/Fall 2018 – Construct TTS
- 2019 – Cap landfill/Install Carcass Incinerator?
- 2019 – Recycling Center Phase 2 construction
- 2020 – Finalize compost facility infrastructure

- **2017 YTD Accomplishments for Landfill Closure, Waste Excavation, Recycling Center and TTS Facilities**

Completed:

✓ January 2017 - Complete fire protection system installation/Certificate of Occupancy

✓ March 2017 - Extend TFO contract to allow for continued composting and flexibility during construction

✓ March 2017 - Begin Phase 2 of Waste Excavation

✓ May 2017 - Receive approval from WDEQ to extend expiration date for use of dead animal pit from Nov. 2017 to December 2019

✓ May 2017 – Bid out Interim Transfer Station construction, awarded to MD Landscaping and Excavation

✓ June 2017 - Permitting with Teton County for Interim TTS construction (DEV for interim TTS, CUP amendment for animal incineration, GEC and Building Permit for Interim TTS)

✓ June 2017 - Bid out groundwater monitoring contract; Awarded to Alder Environmental

✓ July 2017 - Begin Interim TTS Construction

✓ November-December 2017 - Bid out transfer station construction

Upcoming:

January 2018 - Contract to purchase material from TFE for landfill capping

January 2018 – Move TTS operations into ITS

January 2018 - Work with WDEQ on food waste composting permit amendment

January 2018 – Golder Contract Amendment #6 to BCC to complete Taming the Wild Waste project (Engineering, construction management, etc.)

January-June 2018 - Figure out collaborative dead animal disposal solution with state and federal agencies

February 2018 - County building permitting for TTS

February 2018 – Planning for Recycling Center Phase 2 construction

February 2018 – Demolition of old TTS

June 2018 – Begin TTS construction

July 2018 – Bid out vegetation mitigation/habitat enhancement plan for landfill closure

November 2018 - Bid out carcass incinerator?

January 2019 – Bid out recycling center phase 2 construction

January 2019 – Bid out composting contract

January 2019 - Bid out landfill closure construction (capping)

- **ISWR Capital Projects update**

- **Recycling Center:** The Recycling Center Phase 1 construction was completed on budget. Phase 2 is pending, and, with the extensive project work at Horsethief Canyon, the project is scheduled for 2019 or 2020.
- **Waste Excavation:** The following is from a staff report for the October 3, 2017 BCC meeting:

Background / Description (Pros & Cons): Montana Civil's work on the waste excavation continues to go smoothly; however, it became apparent in August that Montana Civil is not going to finish this season, again due to excess waste. MCC will need to come back spring 2018 to complete the project, and ISWR plans to begin trash transfer station (TTS) construction next spring as well. Before the TTS construction can commence, the old transfer building must be demolished and all remaining waste surrounding and under the building must be removed and hauled up to the landfill. ISWR recommends adjusting Montana Civil's scope of work to include the excavation of *all* the remaining waste on site. The demolition of the building is required to allow MCC access to the remaining waste.

Montana Civil provided ISWR with a cost proposal for this work that is reasonable and considerably less than the engineer's estimate for these activities, which were originally planned to be included in the TTS construction scope of work. For the following reasons ISWR makes this recommendation:

- Removing the waste excavation and building demolition from the TTS scope of work results in a straightforward construction project and eliminates most unknowns, increasing the competitiveness of the bidding process and likely resulting in more favorable TTS bids.
- The only *additional* scope of work item being proposed in CO #3 is demolition, which is necessary to access the remaining waste; the other proposal items are quantity increases for previously-approved waste excavation and backfill.
- MCC Change Order #3 will provide for fewer logistical and safety issues with one waste excavation contractor on an already-congested site, rather than two competing for the use of the same haul roads.
- MCC provided a reasonable cost proposal for all line items within CO #3. (Please see below under Fiscal Impacts for specifics.) ISWR believes that we would likely receive higher unit costs for these line items if bid as part of the TTS contract. If included, they would be a minor part of a much larger construction project; whereas, in the MCC contract, due to economy of scale, the high waste excavation and backfill quantities allow for lower individual unit costs.

Stakeholder Analysis & Involvement: ISWR continues to involve all stakeholders in this project, including County Engineering, ISWR Advisory Board, Bridger-Teton National Forest, Wyoming Department of Environmental Quality, State Lands and Investment Board, Golder Associates, Solid Waste Professionals of Wyoming, Yellow Iron, Terra Firma Organics, County Planning and Building, JH Gun Club, and WYDOT.

Fiscal Impact: With the adjustments to the scope of work in CO #3, the proposed estimated contract total cost is \$4,151,757.31. The original contract price was \$2,511,286; CO #1 decreased the contract amount by \$630, and CO #2 increased the contract by \$1,085,601. CO #3 will increase the contract amount by \$555,500.00.

ISWR was able to successfully negotiate Change Order #3 line item pricing as follows:

- Additional 2018 Mobilization and 2017 winterization - \$20,000. This is a reasonable price, as the original mobilization was \$103,000.
- Waste excavation, haul, place and cover – MCC increased this by \$.20 per cubic yard (4.3%) because this will be the longest haul they've had yet - from the lowest spot on the site to the highest up on the landfill.
- Clean soil borrow excavation, haul backfill and compact - \$2.90 per cubic yard. This remains the same as the current contract.
- Demolition of TTS - \$165,000. This is a favorable price. The engineer estimated \$270,000 if part of the TTS contract.

For the same work line items as specified in Change Order #3, the engineer estimated \$694,000 if included in the TTS contract. MCC's proposal is \$138,500 *less*.

The additional cost of the project will likely be covered 50/50 through approved State Land Investment Board funding, as well as the 2012 Special Purpose Excise Tax for landfill closure.

Note: the proposed \$.20 per cubic yard increase for waste excavation in Change Order #3 will go into effect once MCC has reached the quantities that have already been approved in the existing scope of work.

BCC-approved Motion: I move to approve Change Order #3 to the contract with Montana Civil Contractors for additional waste excavation and the demolition of the trash transfer station, with a lump sum and unit cost not-to-exceed total of \$4,151,757.30, which is an increase of \$555,500.00.

- **Interim Transfer Station:** The Interim Transfer Station (ITS) is under budget thus far and completion is projected for early January. There was a delay due to a long wait-time for electrical equipment. Staff hopes to transition operations to the ITS as soon as the facility is completed and we have certificate of occupancy. Moving into the new facility as soon as possible is imperative as the old transfer station is failing due to years of settling and a significant water leak last summer. Vacating the old facility will allow for the trash transfer station (TTS) contractor to begin demolition of the existing building during the winter so that by spring, the TTS contractor can begin TTS construction.
- **Permanent Trash Transfer Station:** ISWR has bid out the permanent TTS construction in October 2017, and bids are due on January 17. The procurement timing will ensure the best price possible. The transfer station is estimated by the engineer to cost \$6.72 million, which includes a 10% contingency; however, to be conservative, an additional contingency is included in the overall Taming the Wild Waste project budget with a budgeted amount of \$7 million. The Engineer's Estimate is based on the best available current knowledge and information, and the actual project price will be confirmed once bids are received. A building permit, and

possibly a grading and erosion control permit, will be necessary for the TTS, at which time ISWR will submit the landscaping plan for the TTS, as required by the approved DEV and CUP. ISWR conducted an informal bidding process for a landscape architect in the fall and contracted with Allison Fleury of Inside Out Landscape Architecture for a total cost of \$8,000. Landscaping will likely not occur until spring 2019, once the TTS construction is complete, and is included in the transfer station bid document. We estimate that landscaping will cost approximately \$133,000, which includes erosion control for the entire TTS site.

- **Landfill Closure/Capping:** Per WDEQ requirement, the landfill must be capped by Dec. 31, 2019. ISWR plans to bid out landfill closure in winter 2018/2019, for an April 2019 construction start. The engineer's estimate for this project, including 8% annual inflation and 10% contingency, is approximately \$4.73 million. The estimate is based on the best available current knowledge and information, and the actual project price will be confirmed once bids are received. Teton County's dead animal pit operating permit with the WDEQ was extended, with a new expiration date of Dec. 31, 2019. However, ISWR anticipates that the pit will be closed during the early summer of 2019, once the capping activities are in the area of the pit.
- **Animal Carcass Disposal:** With the 2019 closure of the dead animal pit, a new system for carcass disposal will be implemented. ISWR is in the process of evaluating the recommendations from the UW students and other information obtained by staff. Staff is planning a working group meeting with local state and federal agencies, such as Game and Fish and US Fish and Wildlife, to collectively devise a solution to the disposal problem. ISWR plans to bring a final recommendation to the BCC later this winter. Funding in the amount of \$700,000 is included in ISWR's FY2019 Capital Improvement Plan. Staff will lead a discussion with board members on this topic at the January 11, 2018 board meeting.
- **Compost program improvements and infrastructure:** Planning is ongoing, and will become more focused once the transfer station construction is complete in 2018. This is a portion of the project for which funding has not yet been secured.
- **Stakeholder Analysis & Involvement:** Many stakeholders have been involved throughout the planning of these projects, including Teton County Engineering, Planning, Building, Attorney, ISWR's Advisory Board and committees, CTA Architects-Engineers, Golder Associates, Gordon Environmental, ISWR's construction manager (Bill Hensley), Yellow Iron, Terra Firma, the Wyoming Department of Environmental Quality, the Wyoming Office of State Lands and Investments, WYDOT and the Bridger-Teton National Forest.

Report from Caroline

TTS-JCR FY2018 Summary Statistics (7/1/2017-11/30/17)

Please see attached spreadsheets.

a. ISWR Tonnages and Diversion Rates

Teton County's diversion rate for FY18TD is 36.4%. Last year it was 38.8% for the FYTD. We are down 6.23% compared to last year. This is largely due to a 428 ton decline in organics and a 415 ton increase in MSW sent to Bonneville FYTD. The diversion rate for November was 31.2%.

The seasonal decline in MSW going to Bonneville (the lowest tonnage month of the FY thus far) resulted in 51 fewer trucks traveling to Idaho in the month of November compared to August, or 1,167 tons less MSW. August was our largest tonnage month of the fiscal year-to-date. We sent 292 tons more of MSW to Bonneville compared to last August. Can we attribute that bump to the Eclipse visitors?

Inbound MSW and other materials received at the TTS are down by .22% FYTD. We sent 2.65% more trash to Bonneville this FY compared to last FYTD. That is the equivalent of 17 more trucks (415.50 tons). JCR tonnages for FYTD are down by 15.3% over last FYTD. This is 510 tons and is due to how I have been tracking scrap metal. We have a load that I will receive payment for this month.

b. Recycling Contamination Rate

FY16 = 73.57 tons of trash extracted from the recyclables by hand. Average of 6.13 tons/month of trash for a 1.7% contamination rate

FY17 = 74.81 tons Average of 6.23 tons/month of trash for a 1.4% contamination rate

FY18 YTD = 38.97 tons Average 6.5 tons/month of trash for a 1.8% contamination rate. This is a **17.41% increase** compared to July-December 2016 or **11,560 more pounds of trash July-December 2017**.

Bryan Eberhardt, the ISWR recycling supervisor, has teamed up with Mari Allan to put a stop to the escalating trash in the recyclables. Bryan has created a well-worn path to Mari Allan's desk by bringing her his forensic evidence from recycling wrongdoers. Mari Allan takes the flotsam and jetsam and phones the offending folks who she thanks for their efforts, but politely educates on the impact of their unwanted items!

A contamination rate under 2% is excellent, but the negative impact of the trash in our recyclables is hard on our crew and the quality of our product. The contamination rate at MRFs (material recovery facilities) in urban areas with single stream collection, can be as high as 25-30%. Those programs are suffering right now and are trying to figure out how to get the toothpaste back in the tube.

c. JCR Commodities Markets

OCC: \$105/ton. There was no change in OCC pricing from November to December.

Office Pack: \$117.50/ton. There was no change in OP pricing from November to December. OP is down 10% over last year.

Newspaper/ONP: \$60-\$110/ton.

Aluminum UBCs: \$1,420/ton.

Steel TCB: \$52/ton

From Smokey Peck with Interwest Paper in SLC:

“December was pretty much flat when it comes to consumption of scrap paper and pricing. China still has not given out new import licenses that are needed to help drive the price up.

Domestic OCC mills are running hard and, have come to the table on pricing. They see this as a needed cost as orders are in high demand and to keep the mill supplied with scrap fiber.

China still has its National Sword in effect and not expected to change for several months if at all. Currently, we have an inspector come to our facility to review high- quality standards. In years past 2-4% out throws (contamination) was the norm. Now it is 0.05%. I hope they inch that back up some as this is a very difficult mark to hit. The last word was making it 0.01% will be the norm. As I have preached keeping recycling materials free and clean of trash has proven itself to be true. The days of commingling materials are past its prime and will not be allowed.

Another major factor in keeping recycling value down is the new Electronic Driver Log law (ELD). This has been a long process and is to help keep drivers from driving more than the law allows. What it has created is drivers now doing teams and taking drivers out of trucks. To put it in perspective there are more loads to haul than there are drivers thus what drivers there are, they can ask for higher freight rates. Loads that paid \$1350 per load two months ago are now asking for \$1550. This increase in price has made it more difficult to find trucks and still maintain good recycling value. This higher freight cost will be handed down on everything we buy such as food and goods we buy every day.

Domestic old newspapers (ONP), Office Paper (OP) are flat this month and, mixed paper pricing is all but hard to find on the export side.

On Post-Consumer plastics, we see clean separated grades of PET becoming hard to move, but HDPE bottles still have some good value. Mixing plastics bottles together still has no home export or domestically. If you have industrial plastics we still can grind and keep the materials here in the U.S. where markets are a lot stronger.

In ending, we have seen these markets before, and like the stock market, it will come back.”

d. Finances for ISWR

As of November 30th, 2017 we should be at 41.64% for revenue and expenses. In November, the TTS brought in \$224,057.02 (\$11,081 less than last year.) We need to bring in at least \$372,321 in revenue each month at the TTS to make our budget projection. TTS revenues are ahead of budget by \$218,857 or 46.57% FYTD. JCR brought in \$71,191 in November. JCR revenues are ahead of budget by \$161,897 or 60.78% FYTD.

Below is **one** snapshot of where we are financially as of 11/30/17:

Revenues	\$2,583,179.07	48.78% of the original budget received
Expenses	\$2,398,877.77	41.29% of the original budget spent
Net	\$ 184,301.30	

e. Post FY17 Audit Summary

TTS Revenue

Original Budget **\$4,173,180**

Final Audited Revenue #s **\$4,388,587**

We closed the year ~\$215,407 better than the original TTS revenue budget.

ISWR Total Revenue

Original Budget **\$4,927,233**

Final Audited Revenue #s **\$5,280,526**

The ISWR figures do not include the “Use of fund balance.” We budgeted to use \$970,500 and only needed \$200,401.

ISWR Expenses

Original Budget **\$5,897,733**

Final Audited Expense #s **\$5,480,926**

We closed the year ~\$416,807 better than the original expense budget.

After the annual audit, ISWR showed an operating income of \$519,915 (after unbudgeted depreciation of \$131,732 and unbudgeted pension liability of \$633,297.) In FY16 we did not need to draw down capital reserves for the recycling center improvements, as anticipated, because of the \$510,000 transfer back from Fund 34 and the fact that we did not spend as much as we had

budgeted for the recycling center improvements. This had a ripple effect in FY17. As mentioned above, we budgeted to use \$970,500 and only needed \$200,401.

I am attaching Jim Wolf's post audit fiscal year comparison and his words.

"We have had an exceptionally good financial performance over the last six years, even with the added payroll and pension costs. On a total income basis, FY2017 was a high, with earnings of \$519,915 on revenues of \$5,157,912.

Even after netting out the capital expenditures for the office renovation, we have accrued \$1.16 million in business cash generation over these past six years."

f. Draft FY19 Budget

Heather and I are working on the FY19 budget and presented our 1st draft to the finance committee on January 2nd.

We will present our final draft budgets for Funds 30 and 34 to the Finance Committee on January 30th at 2:00 PM if anyone is interested in attending. On February 8th, we will present the budgets to the ISWR Advisory Board.

Report from Mari Allan - Waste Diversion and Outreach Coordinator

RRR Community Partners applications are in for FY19!

ISWR has received a total of 8 applications, with a total requested amount of approx. \$26,000. Each of these proposals describes local projects that aim to extend RRR outreach and its impact in the community. The budgeted amount available for partnerships is roughly \$12,000. Partners will be selected, with input from the RRR Committee, by Feb 1, 2018. Projects may receive partial funding or be considered for additional budgeted funding in the future.

RRR Marketing and Communications Upgrade Planned for 2018-2019

ISWR staff, with assistance from the RRR Committee, is considering proposals from graphic design/marketing strategists to provide an updated, cohesive communications plan for the RRR campaign. Proposals from marketing firms are due in by Jan 12. The RRR Committee will meet during the week of Jan 22, and final decisions will be made by Jan 31, 2018.

Zero Waste Construction Steering Committee Takes Shape

Building upon the momentum from November's Zero Waste Construction Lunch and Learn event, ISWR convened the first steering committee meeting on December 12th. The committee includes representatives from design, project management, non-profit, waste hauling and government agencies. On their agenda for 2018: a waste diversion handbook for project superintendents; exploration of potential building code amendments to require the diversion of certain construction related materials from the landfill. Next meeting planned for March 2018.

Christmas tree drop-off underway

Residents can deliver Christmas trees to the Rodeo Grounds Dec 26th through Jan 31 or to the Trash Transfer Station at no charge. Please remove all lights and decorations. Trees will be reused as fuel for heating rather than sent to the landfill.

http://www.jhnewsandguide.com/news/town_county/christmas-tree-drop-off-opens-at-rodeo-grounds/article_46604bad-8384-5573-b9ae-3a67bc2f266a.html

Related Holiday Zero Waste tips

http://www.jhnewsandguide.com/jackson_hole_daily/local/don-t-make-the-holidays-the-most-wasteful-time-of/article_db55a496-871c-55ad-9ade-ae0b1cce5e86.html

ISWR Receives Grant for RRR In A Box

Presentation toolkits will enable RRR presentations aimed at classrooms, businesses, residential complexes, and Spanish speaking audiences. This is a project to create RRR ambassadors and provide resources for the message of waste minimization to be delivered by many voices.

http://www.jhnewsandguide.com/news/town_county/recycling-gets-grant-for-presentation-boxes/article_246ebdf7-67e3-54d1-8a88-71fa1069b842.html

Monthly Recycling Center Tours begin Monday, Jan 8th



10:30-11am for Commercial Customers

Commercial recycling customers are invited to visit the Recycling Center, ask questions and see the process up close! Plus one-on-one Q+A with recycling crew members.

5:30-6pm for Residential Customers

Residential recycling customers are invited to visit the Recycling Center, ask questions and see the process up close! Plus a screening of the new ISWR film, “Don’t Waste This Place!”

Tours will continue every second Monday of the month or can be scheduled at any time upon request.

Additional outreach projects:

- 2 Eagle Scout projects to construct informational kiosks for the Recycling Center parking lot
- ISWR featured non-profit at the February 10th Winter People’s Market at the Fairgrounds
- Sara Vanhatten, environmental science student, providing textile research

Report from Carrie Bell

Billing and Statements

Normal monthly billing and statements, in addition to ongoing outreach and communication with delinquent charge account customers. Charge account customers seem to be appreciative of the courtesy calls made before their TTS accounts are locked. We are looking forward to seeing if it makes an impact on flagged customers come summer.

Website

Continued updates and streamlining to the website. We are frequently finding local, national, and world news regarding recycling and trash, so a “Recycling and Trash Headlines” tab was created for this kind of information. Much of what is coming out of the media recently does not paint the best picture of recycling in the US, so a reminder that Teton County’s recycling program is successful is included.