

Louisville/Jefferson County Waste Management District
109 Board Meeting Minutes – June 12, 2018

Location: 600 Meriwether Avenue, Louisville, KY 40217

Chairman Bob Schindler called the meeting to order at 5:30 p.m. Members in attendance: Susan Hart, Rudy Davidson, Mary Rose Evans, Robert Schindler, Debra Thompson, and Bob Lee.

Staff in attendance: Peter Ervin, Pete Flood, Keith Hackett, Vanessa Burns, Robert Lush, Karen Maynard, and Amy Axsom.

Approval of May 8, 2018 meeting minutes: Motion was made to accept minutes with changes by Mary-Rose Evans, seconded by Rudy Davidson. Motion carried.

Staff Report:

1) **Enforcement/Licensing:** Southern Materials: Pete Flood gave a presentation on the history of the facility (presentation in file). After the presentation Mr. Flood talked about the pros and cons of the operation. As to the question from the last Board meeting he said the site could be licensed but it would be muddy and difficult as it is operating under an agreed order and not a permit with the state. Peter Ervin agreed any licensing attempt would take time and could result in litigation for the Board in any case. Ultimately Mr. Flood recommended not licensing the site based on the environmental history when considering liability, ability to affect change with license or without a license, and the possibility doing so could impact the agreed order. He also stated loss of the agreed order could shift cost to close the site to tax payers. Questions were asked relative to coal fly ash being accepted (allowed but not regulated by the waste district) and who the owner of Vogt Development LLC (Ves Bennett). Concerns were discussed about what was in the agreed order and closure plan and if it was sufficient to ensure proper closure. The board asked Mr. Flood to do an open records request for the agreed order and closure plan and to give a summary presentation at the next meeting. Questions from the public included concerns about financial assurance. Mr. Flood said there was a bond in place but he did not know the details but that he would address this in the next month presentation. Another concern was how to count the weight in the counties diversions statistics. Was the facility reporting? Mr. Flood agreed this is an important topic but we would need to discuss at a later time.

2) **Advisory Committee Report:** Mr. Burrow gave an account of the last committee meeting the majority of which involved the Green Sword initiated by China and resulting in impacts on recycling around the world. The committee decided to have several members of the committee who are in the recycling industry give the board updates on local impacts. First up was Mr. Bruce Blue from Freedom Metals who discussed ferrous and non-ferrous metal recycling.

Mr. Blue discussed the types of materials he collects and stated prices were about the same as they were last year at this time. He stated scrap load inspections have become a nightmare with many layers and back logs. Failure of a load inspection could result in a company losing AQSQIQ contract and the ability to export to China. He said China thought they had enough domestic scrap but was finding it does not. He then discussed the tariffs and it was his opinion they would help his industry by increasing prices but would also increase prices of goods possibly leading to

recession. A question was asked if we should still be collecting metals in our recycling to which Mr. Blue stated yes that the market is still very good for metals with prices near \$.70 per pound.

Second up was Kim Martinez from WestRock to talk about fiber. She gave a handout to the Board with an overview of the national sword. She discussed prices briefly stating fiber is down but not more than it has been in the past as there are ups and downs in all commodities. The difference now is we have a country that is dictating contamination levels which we have not ever had before. A good indicator was that two of the largest paper mills in China have recently shut down because they can't get enough products in China. Markets are expected to be stable for July with increase value in certain grades of paper. However she felt it is too early to call as to where the market will go after that but she is hoping we are on the way up. She assured the board WestRock is fully committed to recycling and doing things to enhance their processes. Audience comments expressed concerns about cardboard recycling and it not being recycled. Ms. Martinez stated part of that has to do with size of the containers and not having room. Bob Lee added that larger stores that typically recycled card board are not doing it as much. Online shopping is moving the cardboard to residential collection which can be of lower grade and unbroken down boxes collect other materials which reduce value. He stated keeping the cardboard clean is something the industry is struggling with. The discussion then centered on why education is important in reducing contamination and on how cost will end up falling to the community.

A concern was brought up that some members of the committee not trusting the input of industry. Mr. Darrell Shelton another member of the advisory committee stated it was not a matter of trust but of wanting to ensure the topics were covered in a broader sense and that other points from non-industry sectors were considered. That is why a motion was made by a member of the committee to hire an intern was discussed. Chairman Schindler asked if the committee needs additional resources and Mr. Burrow responded he could take that question back to the committee and let them respond through a vote.

A motion was made by Mr. Lee "to allow the committee to research the local market and its effects on future possibilities". Chairman Schindler stated from his past experience the committee was not prohibited from researching an issue without board consent. If the committee thought the board was missing something that was important they could bring it before the board. Therefore he felt while the motion was fine he did not think it was really necessary unless they felt they needed it. Bruce Burrow, as the chair of the committee, stated he would discuss it at the next meeting. After discussion Chairman Schindler asked if there was any other discussion on the motion to which there was none. The motion passed.

Action Items

1. A request was made to go out of order on the agenda to allow Mr. Ervin to address the proposed MOA between Metro Government and Waste Management District as he needed to leave the meeting early. The board agreed and Peter Ervin addressed the concern brought before the board at its last meeting about KRS 45A regarding expenditures and retention of services. It was his opinion that the Board was not bound by those provisions because LMCO requires the use of Metro Government resources for banking and staffing. He also stated in terms to the Brightside services they have provided the services for years and they were uniquely qualified to provide these services. KRS 45A was to prevent conflicts and the lining of pockets. He stated he had


discussed the issue with Paul Rutherford who handles contracts and request for proposals for Metro government at the County Attorney's office and he agreed. Based on this he is very confident KRS 45A did not apply. No further discussion and the board returned to the original bylaws discussion.

2. **Amendment of the Bylaws:** Mr. Flood presented the amended bylaws showing the changes regarding meeting schedule of both the Board and the committee. Mary Hart asked the Board if they would consider changing the days upon which they would meet. The Board discussed possible options but then decided to postpone the vote to let everyone have time to look at their schedules. It would be taken up at the next meeting.
3. **MOA – Metro Government and Waste Management District:** Mr. Flood presented a new redlined version of the combined MOA's to include comments on the side as to why the changes were being made. He also included a clean version. Robert Lee suggested tabling the MOA because he did not feel comfortable voting on tonight because it was possibly the most important document they would have and he needed plenty of time to review it. Other members expressed some concern over parts of the document as well. Based upon time limitations the topic was tabled with a request to move first on the agenda at the next meeting.
4. **MOA – Metro Government, Brightside and the Waste Management District relating to litter abatement grant funding for CY 18:** The Board discussed the MOA in general terms and because of the previous conversations with Peter Ervin, and the fact Brightside had incurred expenses, the Board did not have an issue with voting on it tonight. Chairman Schindler made a motion to make a change to #8 to read "The District upon presentation of required documentation AND the summary of litter abatement activities, shall verify the eligibility of such litter abatement activities, and shall transfer grant funds for eligible litter abatement activities to Brightside not to exceed \$70,000 to cover Brightside's expenses under the grant". Motion was seconded by Robert Lee. No discussion. Motion passed.

Next Regular Scheduled Meeting will be held on July 10, 2018 at 5:30 p.m. at Louisville Metro Solid Waste Administration Building, 600 Meriwether Avenue.

Meeting Adjourned at 7:08 p.m.

Minutes approved by Board



Board Chairman

7-10-18
Date

