



KENT COUNTY BOARD OF PUBLIC WORKS

August 1, 2019

8:30 AM

**Earl G. Woodworth Building
Meeting Room Chambers
1500 Scribner Avenue NW
Grand Rapids, Michigan 49504**

MEMBERS PRESENT: Commissioner Vonk, Brieve, Yonker, Janes, Bulkowski

MEMBERS ABSENT: Commissioner Antor, Skaggs

OTHERS PRESENT: Darwin Baas, Director; Kimberly Williams, Finance Division Director; Alisha Barber, Office Administrator; Paul Smith, WTE Operations Manager; Nic VanderVinne, Resource Recovery and Recycling Manager; Kristen Wieland, Marketing & Communications Manager; Katelynn Nettler, Resource Recovery Specialist; Isaac Thaler, Resource Recovery Specialist; Molly Sherwood, Environmental Compliance Manager; Dan Rose, Solid Waste Operations Manager; Craig Paull, Assistant Corporate Counsel II; Calvin Brinks, Purchasing/Fleet Services Manager; John Van Tholen, Granger; Pat Greve, Waste Management; Fred Sawyer, Waste Management; James Hurt, City of Grand Rapids; Steve Faber, Byrum & Fisk Advocacy Communications

I. Call to Order

Chairman Vonk called the meeting to order at 8:30 a.m.

II. Consent Agenda

- A. Review and Approval of Minutes
- B. Approval of Monetary Outlays

Motion

It was moved by Commissioner Janes and seconded by Commissioner Brieve to approve the Consent Agenda.

Motion carried unanimously.

III. Administration

A. Solid Waste Management Ordinance & Waste Surcharge Review – AR

Director Baas reviewed the action request. The Solid Waste Management Ordinance, approved by the Board of Commissioners, became effective on January 1, 2016. The Ordinance provides for a surcharge to cover the costs of maintaining, managing and remediating closed county landfills. The waste surcharge is presently set at \$1.68/ton.

The most recent accounting review of closed landfill liabilities for Sparta, North Kent and Kentwood Landfill including PFAS-related mitigation has increased by \$4.6 million.

A waste surcharge of \$4.68/ton, a 3.00 increase, (the average household generates 1-ton of refuse per year) would fully fund the liability associated with the closed landfills over a period of seven years. GASB accounting standards require underfunded liabilities be fully funded in one to three years.

Staff approves and recommends to the Kent County Board of Commissioners to increase the Solid Waste Management Ordinance – Waste Surcharge to _____.

Motion

It was moved by Commissioner Brieve and seconded by Commissioner Janes to approve and recommend to the Board of Commissioners to increase the Solid Waste Management Ordinance – Waste Surcharge to \$2.50.

Motion carried unanimously.

IV. Accounting & Finance

A. DPW 2020 Accrual Basis Budget – AR

Director Baas reviewed the action request. Each year the Department of Public Works prepares a Rate Study for its operations. This rate study is a cash basis income statement and its primary use is to set disposal rates to cover cash expenditures including wages, benefits, operating expenses, capital improvements and debt payments.

The budget submitted to the Controller's Office is a full accrual basis budget and audited financial statements are filed on this basis. Therefore, the rate study has adjustments for capital improvement plan expenditures, principle payments, landfill cell construction reserves and internal fund contributions.

Annual approval of a full accrual basis budget by the Board of Public Works streamlines and enables the Board to make any needed budget adjustments instead of bringing these requests to the full Board of Commissioners and was recommended by the County Budget Director for DPW enterprise funds.

Motion

It was moved by Commissioner Janes and seconded by Commissioner Brieve to adopt the 2020 accrual Budget for the Department of Public Works showing revenues of \$49,078,018 and expense of \$49,078,018.

Motion carried unanimously.

V. Accounting & Finance

A. 2020 Operations Budget Presentation – AR

Director Baas reviewed the 2020 Operations Budget Presentation. The 2020 proposed operations budget provides department totals with individuals Unit (operational area) detail. Graphs and charts are included to support budget summaries:

- Revenues are provided by revenue type including tipping fees, energy revenue, commodity sales, surcharge fees and interest earnings.
- Expenses are presented in a Unit format by operational area including South Kent Landfill, Waste-to-Energy Facility, North Kent Transfer Station, Material Recycling Facility, Administration, Resource Recovery, Household Hazardous Waste and Closed Landfills.
- Goals, objectives and measurements for each operational area are also included.
- The approved 2020 Capital Improvement Plan is provided for reference.

The 2020 budget anticipates an increased tipping fees at the Waste to Energy facility resulting from decreased Consumers Energy revenue and an increase in the Kent County Waste Surcharge due to the anticipated costs of PFAS mitigation.

Motion

It was moved by Commissioner Brieve and seconded by Commissioner Skaggs to approve the Department of Public Works 2020 Budget for submittal to County Administration.

Motion carried unanimously.

VI. Director's Report

Director Baas provided a brief update:

- The 2018 Annual Surcharge Report is available on DPW's website.
- Progressive AE is developing the design and construction documents for the Administration Offices and Safe Chem Service Center. DPW will have a packet to the Board in October and a final approval packet in November.
- DPW has had its third meeting with the Residential Recycling Work Group to finalize recommendations on how to best jump start residential recycling access and participation in Kent County. We will bring this information to the Board in September.

VII. Public Comment/Miscellaneous

John Van Tholen from Granger discussed how the Solid Waste Management Ordinance Surcharge fee is structured at Granger regarding residential, commercial and large industrial costs.

VIII. Adjournment

The meeting adjourned at 9:27 a.m.