

**APPROVED MINUTES OF A REGULAR MEETING OF
HAMILTON COUNTY RECYCLING AND SOLID WASTE DISTRICT
POLICY COMMITTEE
January 21, 2016**

DATE: January 21, 2016

TIME: 1:30 p.m.

PLACE: Hamilton County Department of Environmental Services
250 William Howard Taft Road - First Floor
Cincinnati, Ohio 45219

PRESENT: **Policy Committee Members**

Elizabeth Bruggeman, General Interest Member
Tim Ingram, Hamilton County Public Health Representative
Jeff Luehrmann, Generator Representative
Sue Magness, Largest Municipality Representative
Sophie Manaster, Student Representative
Todd Portune, County Commissioner, Chair
Larry Riddle, Ex-Officio Member
Tom Turchiano, Public Member

Staff

Michelle Balz, Assistant Solid Waste Manager
Holly Christmann, Director
Megan Hummel, Public Relations Coordinator
Ali Khodadad, Operations Manager
Joy Landry, Public Relations Specialist
Jenny Lohmann, Program Specialist
Brad Miller, Assistant Director
Cher Mohring, Program Specialist
Susan Schumacher, Assistant Solid Waste Specialist, Clerk
Catherine Walsh, Business Outreach Coordinator

Others in Attendance

Kelsey Bray, Cincinnati State
Michael Briggs, Cincinnati State
Chuck DeJonckheere, Hamilton County Public Health
Libby Edwards, Hamilton County Public Health
Katie Evans, Best Way Disposal
Larry Falkin, Office of Environment and Sustainability – City of Cincinnati
Ann Fallon, Cincinnati State
Dean Ferrier, Rumpke
Greg Kesterman, Hamilton County Public Health
Roy Kolbinsky, Cincinnati State
Nick Sadlowski, Cincinnati State
Rachel Shirk, Cincinnati State
Vincent Tchameni, Cincinnati State
Ethan Verhley, Cincinnati State
Kurt Wagner, Cincinnati State
Omar Ward, Cincinnati State

1. CALL TO ORDER

Mr. Portune called the meeting to order at 1:33 p.m. and welcomed everyone. Mr. Portune stated that Dennis Deters who held the Township Representative position on the Committee was recently appointed to be a County

Commissioner. His new position on the Board of County Commissioners replaced the retired position of Greg Hartmann. Commissioner Deters new appointment has created a vacancy on the Policy Committee that will need to be filled once the Township Association provides their recommendation.

Mr. Portune stated that Commissioner Deters submitted a letter which he would like to read into the record and is dated January 20, 2016 and addressed to Holly Christmann who is the Director:

Dear Holly,

I would like to express my gratitude to you and the members of the Hamilton County Recycling and Solid Waste District Policy Committee, as well as the staff of Environmental Services, for your assistance during my time on the Policy Committee as the Colerain Township representative.

As you know, I have taken office as Hamilton County Commissioner, which will allow me the opportunity to stay involved in the Recycling and Solid Waste District in a new, County-wide role. This year will be a pivotal time for the Recycling and Solid Waste District, and I look forward to Commissioner Todd Portune's updates on this important County body.

Thanks again to you and the members of the Policy Committee for your service to the County and its residents. I will miss serving with all of you.

Please contact me if I can be of assistance moving forward.

Best,

Dennis Deters

Mr. Portune stated that this letter will be accepted as his formal resignation from the Policy Committee. Mr. Portune entertained a motion to accept Commissioner Deters letter of resignation. Ms. Magness moved approval; Ms. Bruggeman seconded. All were in favor and motion was approved.

Mr. Ingram asked about the process going forward and who will take this to the Township Association. Ms. Christmann stated that she has sent correspondence to Trustee Wiedman with Sycamore Township to request that it be placed on the next agenda for the Township Association to name a new member.

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2. CLERK'S REPORT

A. Approval of Minutes – November 19, 2015 Policy Committee Meeting

Mr. Portune asked if there were any questions or comments on the minutes as drafted and circulated. Hearing no questions or comments, entertained a motion to approve the November 19, 2015 minutes as drafted. Mr. Ingram motioned to approve; Mr. Turchiano seconded. All were in favor and the motion was approved.

B. Additions to the Agenda

There were no additions to the agenda.

3. DISTRICT REVENUE UPDATES/ANALYSIS

Ms. Christmann stated that Attachment B showed revenue through November 2015 compared to November 2014 and it has increased slightly by about \$70,000. Ms. Christmann stated that the District did receive information from Rumpke in early January that some additional waste will be coming back to Rumpke Sanitary Landfill that should increase the District's revenue to roughly \$2.5 million as opposed to the \$2.2 million that was initially being projected for 2016.

Mr. Portune entertained a motion to approve the revenue report. Ms. Magness moved; Ms. Bruggeman seconded. All were in favor and the motion was approved.

4. POLICY ITEMS

A. Solid Waste Management Plan – Priorities

Ms. Christmann stated that one of the new Ohio EPA requirements for solid waste management plans is to select a priority or priorities that the solid waste district will try and focus on during the plan period in terms of technical assistance, advertising, recycling assistance, etc. to have more of a focused approach to diverting waste from landfills.

Ms. Christmann stated that in 2015, all of the analyses papers were discussed and internally, staff has talked in depth about priorities for the Plan Update and recommend two for consideration: organics and paper.

Ms. Christmann stated that organics was chosen because food waste and yard trimmings combined are the number one material entering U.S. landfills. There are great opportunities regarding food waste to focus on reduction and also donation. As the Committee is aware, at this time, Hamilton County does not have the infrastructure to compost or anaerobically digest food scraps.

Ms. Christmann stated that when staff looked at the opportunities for focusing on reduction and donation, a couple of things were looked at: 1) It is an opportunity to help feed the hungry and 2) It is a great opportunity to also save residents money since the average family of four is throwing away \$1,400/year of food. Not only does it help divert materials from landfills but the above are additional benefits.

Ms. Christmann stated that at this point, it is unclear as exactly how this will work, because staff would like to bring together stakeholders on how best to put together that type of a program. Obviously, staff will continue to work with the private sector interests in terms of composting or anaerobic digestion and gave examples of what is being done now.

Ms. Christmann stated that this would be a new program area for the District with the Plan Update focused on diverting organics from the landfill. Of course, the District is still proposing to continue its yard trimmings drop-off program and still like to include yard trimmings in the Residential Recycling Incentive Program that was discussed in November and continue the backyard composting outreach to residents.

Ms. Magness suggested adding two strategies for consideration which would be updating the list of retailers who sell compost bins due to the fluctuation of retailers that offer compost bins. The second being the American Ad Council is launching a food waste reduction campaign as well and thinks that aligning or leveraging this as much as possible with this would be part of this goal.

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Ms. Christmann stated that the second priority is paper. Paper is the third largest component of waste going to U.S. landfills but is the number one material that Hamilton County residents are landfilling. The District wants to focus on those larger waste streams to make a bigger impact than what the District is already making now. In 2015, a few items were discussed with the Policy Committee about expanding the Recycling At Work Program where schools and businesses are targeted and is where a lot of paper is generated and also additional advertising

on recycling to let residents and businesses know what they can do. Ms. Christmann stated that staff knows that when it is a well-funded and executed advertising program, the District sees results.

Ms. Christmann stated that these are the two recommended to be included in the Plan Update as the key priorities. Obviously, these can change in the five years that the District will be operating under this Plan Update depending on technology, new waste streams entering landfills, etc. There will be flexibility built into the Plan Update that these priorities can be changed if the need arises.

Ms. Christmann stated that staff was looking for the Committee's support to include the two priorities of organics and paper in the Plan Update.

Mr. Ingram moved to include these two items in the Solid Waste Plan based on staff's recommendation. Mr. Turchiano seconded. All were in favor and the motion was approved.

B. Solid Waste Management Plan – Financial Subcommittee Recommendation

Ms. Christmann gave a brief PowerPoint presentation to the Committee which can be seen here:

<http://www.hamiltoncountyrecycles.org/uploads/pdfs/WhoWeAre/PolicyComm/2016/01-21-16/Fee-increase-presentation.pdf>

Last year, staff provided the Committee with a lengthy financial analysis and in the fall the Committee recommended a financial subcommittee to further examine the District's financial position and come forward with a recommendation to the Policy Committee on how the District should be funded in the Plan Update which is what the Committee will be hearing about today.

Ms. Christmann stated that historic District revenues were at an average high of \$2.8 million but then were reduced to an average of \$2.1 million which is what caused the Plan Update to start early. What was heard earlier in this meeting was that the District is now projecting revenue to increase up to roughly \$2.5 million beginning in 2016.

Ms. Christmann stated that the Financial Subcommittee consisted of Commissioner Ingram, Mr. Turchiano, Ms. Bruggeman and Jeff Rumpke. The Subcommittee met twice in 2015 and based on the information presented at the time, which was \$2.1 million in revenue, an \$.85/ton designation fee was recommended plus the current \$1-\$2-\$1 disposal fee which would generate approximately \$2.8 million which is where the District has historically been in terms of expenditures.

Ms. Christmann stated that in early January, 2016 when the District received the information that Rumpke was bringing some additional waste back to Hamilton County, the Subcommittee met to revisit if things have changed based on this new information.

Ms. Christmann stated that the Subcommittee met on January 12, 2016 and looked at the new financial analyses and financial projections and recommended a \$.30/ton designation fee (versus \$.85/ton) plus the current \$1-\$2-\$1 to bring the District back to \$2.8 million in revenue.

Ms. Christmann stated that the Subcommittee looked at two fee mechanisms which were the tiered disposal fee in which the District is under currently and is the lowest allowed by State law and designation fees presented multiple times during Policy Committee meetings.

Ms. Christmann stated that, as a refresher, designation allows the District to collect fees on District-generated waste no matter where it goes as long as those receiving landfills agree, by contract, to remit the District's fee. If designation went through, it would be included in the Plan Update as a designation fee but after the Plan Update is approved, then who ultimately votes and approves the designation fee is the Board of County Commissioners.

Ms. Christmann stated that there would be a little bit of a gap prior to collecting designation fees. Once the Plan Update is approved, it would go into effect in 2018 but then the District would have to wait for the designation fee to go through the process laid out in the Ohio Revised Code for the Board of County Commissioners to ultimately approve or reject. Ms. Christmann stated that this would probably happen at the earliest in late 2018 but most likely in 2019. If it was approved by the Commissioners then it would go into effect within sixty days.

Ms. Christmann stated that what the Subcommittee looked at was if the District had no fee increase, the District would keep expenditures at \$2.5 million per year which is roughly what revenue would be. The \$2.5 million is about what is being spent now but the budget would be rearranged to meet the priorities and also what has been discussed in 2015 in terms of all of the analyses that have been conducted.

Ms. Christmann stated that what would be included in all three fee scenarios is a contingency. If there was no fee increase, the Plan Update would state, if revenue drops below \$2.4 million, this is what will be cut from the budget, \$2.3 million, this is what would be cut, \$2.2 million, the District would pursue a designation fee to increase revenue to \$2.5 million.

Ms. Christmann passed out a very rough budget based on what staff has analyzed internally and what the Committee has been presented to look at what a \$2.5 million budget versus a \$2.8 million budget *could* look like. Ms. Christmann stated that the strength of not going for a fee increase is that there will not be a fee increase. Weaknesses include that staff would recommend reallocating the budget to meet what has been discussed during the analyses and priorities which may mean that some long standing programs may have reductions or eliminations.

Ms. Christmann asked if there were questions on not having a fee increase.

Ms. Christmann stated that the other option that was looked at was an increase to the disposal fee of \$.12-\$.24-.12 which would increase revenue to \$2.8 million and a contingency funding source would also be included in the Plan Update. This increase would not be as much to Hamilton County generators however, what this would do is widen the gap between the landfill fees between Hamilton County, Kentucky, and Indiana.

Ms. Christmann stated that the Subcommittee talked about this a lot and felt very strongly that they did not want to increase the fee discrepancy amongst the states especially given that Hamilton County is a border county. Ms. Christmann summarized other strengths and weaknesses in the PowerPoint presentation.

Ms. Christmann stated that the ultimate recommendation was a tiered disposal fee of \$1-\$2-\$1 plus a \$.30/ton designation fee. Any landfill that would want to accept Hamilton County waste would have to sign an agreement and would agree to remit the designation fee back to the District in exchange for being able to take Hamilton County's waste.

Ms. Christmann stated that the \$1-\$2-\$1 disposal fee and a \$.30/ton designation fee would bring revenues back up to \$2.8 million. Mr. Portune asked how enforceable designation was. Ms. Christmann stated that as heard from Frost, Brown, Todd in 2015, they felt very strongly that this has been tested and it went all the way to the sixth circuit and it was found to rule in favor of the solid waste district. Mr. Ingram stated that Clermont County is using a designation fee and have come up with a fairly interesting way of how they collect and do not collect money. Ms. Christmann stated that there was one landfill that refused to sign their designation agreement and they gave a waiver allowing the hauler to remit the fee as opposed to the landfill.

Mr. Portune stated that there was no interstate commerce and stated that there have probably been some challenges to this. Ms. Christmann stated that it was tested in Van Wert County with an Indiana facility.

Ms. Christmann stated that this was the summary and asked if any of the Financial Subcommittee members would like to add anything but the recommendation is a tiered disposal fee of \$1-\$2-\$1 and a \$.30/ton designation fee.

Mr. Ingram stated that he would like to add that Ms. Christmann and her staff did an excellent job of preparing the Financial Subcommittee as you might expect in getting members ready for this. The \$.30/ton designation fee, and designation fees were discussed a lot, but the typical homeowner in Hamilton County will only see an approximate \$.30/year increase which he would think would be fairly measureable based on what programs and benefits they are getting with the District.

Ms. Christmann stated that she did not expect a vote on this today but would expect some feedback for the District so over the next month or so staff can meet with communities, elected officials, and other haulers that service Hamilton County and bring that feedback back to the Committee in March. In March, staff would like an ultimate decision of whether or not to include this in the Plan Update.

The Committee discussed designation fees.

Mr. Portune asked Ms. Christmann if she wanted direction from the Committee in terms of accepting the recommendations from the Committee today to move forward. Ms. Christmann stated yes, unless there is an emphatic no to the potential increase. What staff will do now is start scheduling meetings with stakeholders to really start diving into this and hearing any concerns that they may have and putting together that return on investment.

Mr. Portune stated that if staff was looking for a recommendation from the Committee today that would simply be a recommendation to say to staff that this looks like the way the District is probably going to go now go out and engage others and collect more information. This is not the final decision because there obviously has not been the kind of public input that is needed for this. This would just be to say, great work by the Financial Subcommittee and thank you all for all your extra work and your hard work on that.

Mr. Portune stated but now, the Committee is empowering staff to begin making the circuit and engaging people and getting more input and educating them on where staff thinks this should go in terms of the Plan Update.

Ms. Christmann stated that staff would come back in March with that information but staff will need a decision in March to include this in the draft Plan Update or not.

Mr. Portune stated yes, because ultimately the Plan Update is the product of a lot more work and votes, etc. Ms. Christmann stated that the draft Plan Update will be submitted to Ohio EPA the end of the summer and then changes will be made and then it goes out to vote by the communities in 2017.

Mr. Portune asked if this would give staff enough time between now and March. Ms. Christmann stated yes.

Mr. Portune stated that they all are going to ask what staff has done to get feedback from the residents of the community. Ms. Christmann asked if he was referring to the individual residents. Mr. Portune stated yes.

Mr. Portune stated that there are obviously mechanisms that can be deployed and of course one is not suggesting that staff reach out to all 800,000 plus residents in the County but there are ways to conduct surveys, etc. to get a representative sample of what the public feels around this issue. Mr. Portune stated that this will be a question staff gets which is why he is bringing it up now.

Mr. Portune stated that in terms of the timing, asked if the March date and the other dates were the staff's determination or were these statutory deadlines. Ms. Christmann stated that the dates were in the District's

control and staff's deadline has been to have the Plan Update start in 2018 so it would be cutting it close but could potentially go through until May.

Mr. Portune stated that if this could be carried through until May and we could be more thoughtful, deliberative, and comprehensive in getting a true and educated read from the general public, it is worth doing that if we can. In order to do this to spend a little bit of money, he thinks it would be money well spent.

Mr. Ingram stated that if Mr. Portune believes that this is what it is going to take, then it is good advice. Mr. Ingram stated that once the survey questions are crafted, it might be nice to send the survey questions past the Committee.

Mr. Portune asked when the draft Plan Update would be submitted to Ohio EPA. Ms. Christmann stated it would be at the end of the summer. Mr. Portune stated that that would be after it was taken to the communities then. Ms. Christmann stated yes.

Mr. Portune stated that what is sent to Ohio EPA at the end of the summer will depend on a large measure of what the reaction is from the communities as well. Ms. Christmann stated yes.

Mr. Portune stated that at some point we need a lot more public input into this than what we have today and so the question is do we do it now or do we wait until the Plan is presented to the communities and doing the vetting then. But again he thinks they are going to say why are you trying to sell me something that you do not really know whether it is going to pass muster or not.

Ms. Christmann stated that she thought it was important to get some feedback now and thinks this is important to the Committee and staff to really hear what the community's thoughts are. Ms. Christmann stated that staff has had some initial conversations with some larger communities about this but nothing in-depth because staff was not sure the direction the Policy Committee was going and now that staff has a little bit of direction, staff can look more into this. Ms. Christmann stated that this will not be "sold" to communities, it will be a conversation stating that this is what the District is considering and this is what this would mean to you and we want to hear what impacts (positive or negative) this would have on you and your community.

Mr. Portune stated that Ms. Christmann was right, this is a very quick run at this and so over the next couple of months, staff is going to be putting more thought and more detail in how these benefits are described.

Mr. Portune stated that he would entertain a motion that the Committee empowers staff to move forward on the recommendations of the Financial Subcommittee with the provision that staff will be developing before or as part of the process that the return on investment will be developed to talk not just about programmatic benefits but also the fiscal benefits of the financial proposal and that under the provision that there will be an effort to professionally obtain public feedback and input into the recommendation. Mr. Turchiano moved; Ms. Bruggeman seconded. All were in favor and the motion was approved.

C. Ohio EPA Grant Applications

Ms. Christmann stated that every year Ohio EPA solicits applications for its community development grant and staff typically seeks Policy Committee approval to apply for those grants. This year, the District is applying on behalf of two organizations: Metro's Queensgate Bus Garage to purchase a cardboard baler and the City of Cincinnati golf courses to purchase recycling containers each of their six golf courses. Ms. Christmann stated that there are no matching funds coming from the District; just applying on their behalf and being a pass through organization.

Ms. Christmann stated that Ms. Walsh oversees this program and does a fabulous job. Ms. Christmann stated that these are two really good grant applications and Ms. Walsh worked with both organizations in the process and staff is recommending approval for both applications.

The Committee briefly discussed the applications.

Ms. Magness asked if she should vote on these or abstain. Ms. Christmann stated that she should probably abstain. Mr. Ingram motioned to approve both applications as presented. Mr. Luehrmann seconded. Ms. Magness abstained. All were in favor and the motion was approved.

5. INFORMATIONAL ITEMS

A. 2014 Recycling Rate

Ms. Christmann stated that the District has received back from Ohio EPA on its recycling rate for the year 2014 and is happy to report that the District continues to exceed the State mandated recycling goals with a 32% rate for the residential/commercial sector and a 77% rate for the industrial sector which are both well above the State mandated recycling goals of 25% for the residential/commercial sector and 66% for the industrial sector.

Ms. Christmann complimented Ms. Walsh as being the one at the District who gathers all of this information from the recycling facilities and industries to get these numbers.

Mr. Portune thanked all of the partners and staff that work on the implementation of all the programs at the District which is why the numbers are so great to begin with. Mr. Ingram asked that if looking at 5 years of trend data, are the numbers leveling off or increasing. Ms. Christmann stated that industrial has stayed pretty consistent between 75% - 80% and residential/commercial has dipped just a bit but not much and it once was a high of 38% and now it is at 32% but it is really a function of the voluntary surveys.

6. TENTATIVE FUTURE AGENDA ITEMS

There were no future agenda items at this time.

7. POLICY COMMITTEE MEMBERS' COMMENTS

Mr. Ingram stated that he wanted to recognize Libby Edwards from Miami University in the audience who is shadowing Hamilton County Public Health. Ms. Edwards is a fourth year student and a fellow Miami student. Miami started an Ohio Public Policy Leaders Institute and Ms. Edwards is a Public Administrations Major. Mr. Ingram briefly spoke about what she has been doing.

8. PUBLIC COMMENTS

Ms. Christmann stated that she is not sure if she mentioned this before but the District received Metro's Partner of the Year Award at their annual awards ceremony. Ms. Walsh worked closely with them on all of their sustainability initiatives at Metro.

Mr. Portune asked if any of the public would like to speak. Hearing none, thanked the students from Cincinnati State for having an interest in the work of the Committee. Ms. Fallon thanked staff for letting the class attend the meeting.

Ms. Magness stated that the new sustainability coordinator for Metro is Kim Lahman and this is a new position that was created and she pretty much started as the first recycling ambassador volunteer. Ms. Magness suggested that the Cincinnati State class volunteer for something that they are interested in because it could lead to a good job.

9. UPCOMING DISTRICT MEETINGS

The next Hamilton County Recycling and Solid Waste Policy Committee meeting will be held on Thursday, March 17, 2016. The meeting will begin at 1:30 p.m. at Hamilton County Department of Environmental Services located at 250 William Howard Taft Road - First Floor, Cincinnati, Ohio 45219.

10. ADJOURNMENT

The meeting was adjourned by acclamation at 2:48 p.m.

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Ms. Christmann stated that staff was looking for the Committee's support to include the two priorities of organics and paper in the Plan Update.

Mr. Ingram moved to include these two items in the Solid Waste Plan based on staff's recommendation. Mr. Turchiano seconded. All were in favor and the motion was approved.

B. Solid Waste Management Plan – Financial Subcommittee Recommendation

Ms. Christmann gave a brief PowerPoint presentation to the Committee which can be seen here:

<http://www.hamiltoncountyrecycles.org/uploads/pdfs/WhoWeAre/PolicyComm/2016/01-21-16/Fee-increase-presentation.pdf>

Last year, staff provided the Committee with a lengthy financial analysis and in the fall the Committee recommended a financial subcommittee to further examine the District's financial position and come forward with a recommendation to the Policy Committee on how the District should be funded in the Plan Update which is what the Committee will be hearing about today.

Ms. Christmann stated that historic District revenues were at an average high of \$2.8 million but then were reduced to an average of \$2.1 million which is what caused the Plan Update to start early. What was heard earlier in this meeting was that the District is now projecting revenue to increase up to roughly \$2.5 million beginning in 2016.

Ms. Christmann stated that the Financial Subcommittee consisted of Commissioner Ingram, Mr. Turchiano, Ms. Bruggeman and Jeff Rumpke. The Subcommittee met twice in 2015 and based on the information presented at the time, which was \$2.1 million in revenue, an \$.85/ton designation fee was recommended plus the current \$1-\$2-\$1 disposal fee which would generate approximately \$2.8 million which is where the District has historically been in terms of expenditures.

Ms. Christmann stated that in early January, 2016 when the District received the information that Rumpke was bringing some additional waste back to Hamilton County, the Subcommittee met to revisit if things have changed based on this new information.

Ms. Christmann stated that the Subcommittee met on January 12, 2016 and looked at the new financial analyses and financial projections and recommended a \$.30/ton designation fee (versus \$.85/ton) plus the current \$1-\$2-\$1 to bring the District back to \$2.8 million in revenue.

Ms. Christmann stated that the Subcommittee looked at two fee mechanisms which were the tiered disposal fee in which the District is under currently and is the lowest allowed by State law and designation fees presented multiple times during Policy Committee meetings.

Ms. Christmann stated that, as a refresher, designation allows the District to collect fees on District-generated waste no matter where it goes as long as those receiving landfills agree, by contract, to remit the District's fee. If designation went through, it would be included in the Plan Update as a designation fee but after the Plan Update is approved, then who ultimately votes and approves the designation fee is the Board of County Commissioners.

Ms. Christmann stated that there would be a little bit of a gap prior to collecting designation fees. Once the Plan Update is approved, it would go into effect in 2018 but then the District would have to wait for the designation fee to go through the process laid out in the Ohio Revised Code for the Board of County Commissioners to ultimately approve or reject. Ms. Christmann stated that this would probably happen at the earliest in late 2018 but most likely in 2019. If it was approved by the Commissioners then it would go into effect within sixty days.

Ms. Christmann stated that what the Subcommittee looked at was if the District had no fee increase, the District would keep expenditures at \$2.5 million per year which is roughly what revenue would be. The \$2.5 million is about what is being spent now but the budget would be rearranged to meet the priorities and also what has been discussed in 2015 in terms of all of the analyses that have been conducted.

Ms. Christmann stated that what would be included in all three fee scenarios is a contingency. If there was no fee increase, the Plan Update would state, if revenue drops below \$2.4 million, this is what will be cut from the budget, \$2.3 million, this is what would be cut, \$2.2 million, the District would pursue a designation fee to increase revenue to \$2.5 million.

Ms. Christmann passed out a very rough budget based on what staff has analyzed internally and what the Committee has been presented to look at what a \$2.5 million budget versus a \$2.8 million budget *could* look like. Ms. Christmann stated that the strength of not going for a fee increase is that there will not be a fee increase. Weaknesses include that staff would recommend reallocating the budget to meet what has been discussed during the analyses and priorities which may mean that some long standing programs may have reductions or eliminations.

Ms. Christmann asked if there were questions on not having a fee increase.

Ms. Christmann stated that the other option that was looked at was an increase to the disposal fee of \$.12-\$.24-\$.12 which would increase revenue to \$2.8 million and a contingency funding source would also be included in the Plan Update. This increase would not be as much to Hamilton County generators however, what this would do is widen the gap between the landfill fees between Hamilton County, Kentucky, and Indiana.

Ms. Christmann stated that the Subcommittee talked about this a lot and felt very strongly that they did not want to increase the fee discrepancy amongst the states especially given that Hamilton County is a border county. Ms. Christmann summarized other strengths and weaknesses in the PowerPoint presentation.

Ms. Christmann stated that the ultimate recommendation was a tiered disposal fee of \$1-\$2-\$1 plus a \$.30/ton designation fee. Any landfill that would want to accept Hamilton County waste would have to sign an agreement and would agree to remit the designation fee back to the District in exchange for being able to take Hamilton County's waste.

Ms. Christmann stated that the \$1-\$2-\$1 disposal fee and a \$.30/ton designation fee would bring revenues back up to \$2.8 million. Mr. Portune asked how enforceable designation was. Ms. Christmann stated that as heard from Frost, Brown, Todd in 2015, they felt very strongly that this has been tested and it went all the way to the sixth circuit and it was found to rule in favor of the solid waste district. Mr. Ingram stated that Clermont County is using a designation fee and have come up with a fairly interesting way of how they collect and do not collect money. Ms. Christmann stated that there was one landfill that refused to sign their designation agreement and they gave a waiver allowing the hauler to remit the fee as opposed to the landfill.

Mr. Portune stated that there was no interstate commerce and stated that there have probably been some challenges to this. Ms. Christmann stated that it was tested in Van Wert County with an Indiana facility.

Ms. Christmann stated that this was the summary and asked if any of the Financial Subcommittee members would like to add anything but the recommendation is a tiered disposal fee of \$1-\$2-\$1 and a \$.30/ton designation fee.

Mr. Ingram stated that he would like to add that Ms. Christmann and her staff did an excellent job of preparing the Financial Subcommittee as you might expect in getting members ready for this. The \$.30/ton designation fee, and designation fees were discussed a lot, but the typical homeowner in Hamilton County will only see an approximate \$.30/year increase which he would think would be fairly measureable based on what programs and benefits they are getting with the District.

Ms. Christmann stated that she did not expect a vote on this today but would expect some feedback for the District so over the next month or so staff can meet with communities, elected officials, and other haulers that service Hamilton County and bring that feedback back to the Committee in March. In March, staff would like an ultimate decision of whether or not to include this in the Plan Update.

The Committee discussed designation fees.

Mr. Portune asked Ms. Christmann if she wanted direction from the Committee in terms of accepting the recommendations from the Committee today to move forward. Ms. Christmann stated yes, unless there is an emphatic no to the potential increase. What staff will do now is start scheduling meetings with stakeholders to really start diving into this and hearing any concerns that they may have and putting together that return on investment.

Mr. Portune stated that if staff was looking for a recommendation from the Committee today that would simply be a recommendation to say to staff that this looks like the way the District is probably going now go out and engage others and collect more information. This is not the final decision because there obviously has not been the kind of public input that is needed for this. This would just be to say, great work by the Financial Subcommittee and thank you all for all your extra work and your hard work on that.

Mr. Portune stated but now, the Committee is empowering staff to begin making the circuit and engaging people and getting more input and educating them on where staff thinks this should go in terms of the Plan Update.

Ms. Christmann stated that staff would come back in March with that information but staff will need a decision in March to include this in the draft Plan Update or not.

Mr. Portune stated yes, because ultimately the Plan Update is the product of a lot more work and votes, etc. Ms. Christmann stated that the draft Plan Update will be submitted to Ohio EPA the end of the summer and then changes will be made and then it goes out to vote by the communities in 2017.

Mr. Portune asked if this would give staff enough time between now and March. Ms. Christmann stated yes.

Mr. Portune stated that they all are going to ask what staff has done to get feedback from the residents of the community. Ms. Christmann asked if he was referring to the individual residents. Mr. Portune stated yes.

Mr. Portune stated that there are obviously mechanisms that can be deployed and of course one is not suggesting that staff reach out to all 800,000 plus residents in the County but there are ways to conduct surveys, etc. to get a representative sample of what the public feels around this issue. Mr. Portune stated that this will be a question staff gets which is why he is bringing it up now.

Mr. Portune stated that in terms of the timing, asked if the March date and the other dates were the staff's determination or were these statutory deadlines. Ms. Christmann stated that the dates were in the District's

control and staff's deadline has been to have the Plan Update start in 2018 so it would be cutting it close but could potentially go through until May.

Mr. Portune stated that if this could be carried through until May and we could be more thoughtful, deliberative, and comprehensive in getting a true and educated read from the general public, it is worth doing that if we can. In order to do this to spend a little bit of money, he thinks it would be money well spent.

Mr. Ingram stated that if Mr. Portune believes that this is what it is going to take, then it is good advice. Mr. Ingram stated that once the survey questions are crafted, it might be nice to send the survey questions past the Committee.

Mr. Portune asked when the draft Plan Update would be submitted to Ohio EPA. Ms. Christmann stated it would be at the end of the summer. Mr. Portune stated that that would be after it was taken to the communities then. Ms. Christmann stated yes.

Mr. Portune stated that what is sent to Ohio EPA at the end of the summer will depend on a large measure of what the reaction is from the communities as well. Ms. Christmann stated yes.

Mr. Portune stated that at some point we need a lot more public input into this than what we have today and so the question is do we do it now or do we wait until the Plan is presented to the communities and doing the vetting then. But again he thinks they are going to say why are you trying to sell me something that you do not really know whether it is going to pass muster or not.

Ms. Christmann stated that she thought it was important to get some feedback now and thinks this is important to the Committee and staff to really hear what the community's thoughts are. Ms. Christmann stated that staff has had some initial conversations with some larger communities about this but nothing in-depth because staff was not sure the direction the Policy Committee was going and now that staff has a little bit of direction, staff can look more into this. Ms. Christmann stated that this will not be "sold" to communities, it will be a conversation stating that this is what the District is considering and this is what this would mean to you and we want to hear what impacts (positive or negative) this would have on you and your community.

Mr. Portune stated that Ms. Christmann was right, this is a very quick run at this and so over the next couple of months, staff is going to be putting more thought and more detail in how these benefits are described.

Mr. Portune stated that he would entertain a motion that the Committee empowers staff to move forward on the recommendations of the Financial Subcommittee with the provision that staff will be developing before or as part of the process that the return on investment will be developed to talk not just about programmatic benefits but also the fiscal benefits of the financial proposal and that under the provision that there will be an effort to professionally obtain public feedback and input into the recommendation. Mr. Turchiano moved; Ms. Bruggeman seconded. All were in favor and the motion was approved.

C. Ohio EPA Grant Applications

Ms. Christmann stated that every year Ohio EPA solicits applications for its community development grant and staff typically seeks Policy Committee approval to apply for those grants. This year, the District is applying on behalf of two organizations: Metro's Queensgate Bus Garage to purchase a cardboard baler and the City of Cincinnati golf courses to purchase recycling containers each of their six golf courses. Ms. Christmann stated that there are no matching funds coming from the District; just applying on their behalf and being a pass through organization.

Ms. Christmann stated that Ms. Walsh oversees this program and does a fabulous job. Ms. Christmann stated that these are two really good grant applications and Ms. Walsh worked with both organizations in the process and staff is recommending approval for both applications.

The Committee briefly discussed the applications.

Ms. Magness asked if she should vote on these or abstain. Ms. Christmann stated that she should probably abstain. Mr. Ingram motioned to approve both applications as presented. Mr. Luehrmann seconded. Ms. Magness abstained. All were in favor and the motion was approved.

5. INFORMATIONAL ITEMS

A. 2014 Recycling Rate

Ms. Christmann stated that the District has received back from Ohio EPA on its recycling rate for the year 2014 and is happy to report that the District continues to exceed the State mandated recycling goals with a 32% rate for the residential/commercial sector and a 77% rate for the industrial sector which are both well above the State mandated recycling goals of 25% for the residential/commercial sector and 66% for the industrial sector.

Ms. Christmann complimented Ms. Walsh as being the one at the District who gathers all of this information from the recycling facilities and industries to get these numbers.

Mr. Portune thanked all of the partners and staff that work on the implementation of all the programs at the District which is why the numbers are so great to begin with. Mr. Ingram asked that if looking at 5 years of trend data, are the numbers leveling off or increasing. Ms. Christmann stated that industrial has stayed pretty consistent between 75% - 80% and residential/commercial has dipped just a bit but not much and it once was a high of 38% and now it is at 32% but it is really a function of the voluntary surveys.

6. TENTATIVE FUTURE AGENDA ITEMS

There were no future agenda items at this time.

7. POLICY COMMITTEE MEMBERS' COMMENTS

Mr. Ingram stated that he wanted to recognize Libby Edwards from Miami University in the audience who is shadowing Hamilton County Public Health. Ms. Edwards is a fourth year student and a fellow Miami student. Miami started an Ohio Public Policy Leaders Institute and Ms. Edwards is a Public Administrations Major. Mr. Ingram briefly spoke about what she has been doing.

8. PUBLIC COMMENTS

Ms. Christmann stated that she is not sure if she mentioned this before but the District received Metro's Partner of the Year Award at their annual awards ceremony. Ms. Walsh worked closely with them on all of their sustainability initiatives at Metro.

Mr. Portune asked if any of the public would like to speak. Hearing none, thanked the students from Cincinnati State for having an interest in the work of the Committee. Ms. Fallon thanked staff for letting the class attend the meeting.

Ms. Magness stated that the new sustainability coordinator for Metro is Kim Lahman and this is a new position that was created and she pretty much started as the first recycling ambassador volunteer. Ms. Magness suggested that the Cincinnati State class volunteer for something that they are interested in because it could lead to a good job.

9. UPCOMING DISTRICT MEETINGS

The next Hamilton County Recycling and Solid Waste Policy Committee meeting will be held on Thursday, March 17, 2016. The meeting will begin at 1:30 p.m. at Hamilton County Department of Environmental Services located at 250 William Howard Taft Road - First Floor, Cincinnati, Ohio 45219.

10. ADJOURNMENT

The meeting was adjourned by acclamation at 2:48 p.m.

