

**Open Work Session  
February 7, 2017  
Legislation to Adjust the Per Ton**

Mr. Weston Young came before Council to talk about amending Chapter 141 of the County Code, specifically the fees, Section 141-4 under the Department of Public Works. He said this request to amend comes in two categories, one of which is regarding commercial brush/yard waste and removing that fee, and the other comes in terms of establishing rates for some other waste products. Mr. Young said he was beginning with the commercial brush. He said the process for brush and yard waste is that the County's landfill, the Newland Park Landfill, accepts brush and yard waste. It is free to citizens and residents. He said, however, commercial entities; typically, landscaping companies, have to pay one-half of the tipping fee per the County Code. This brush and yard waste is then ground into mulch using the County tub grinder, and it is both sold to people who want to buy their mulch, and it is used by departments, for instance, Recreation and Parks is one department that gets mulch from them for free. It also has intrinsic value up on the landfill itself. They use it for stabilization purposes. The more brush they have in, increases the County's recycling rate as well, because it is viewed as an organic material that is not making it into the landfill. Mr. Young continued, "so why change this" he said the issues they are having are two-fold. One of which is a fairness level and some complaints they have gotten from the landscaping community. Smaller landscaping companies will bypass the scales completely, they either have no logos on their trucks, or they will take logos off, and they are able to dump for free. The County does not have an enforcement arm in the Solid Waste Division, so they will see somebody dump three times a day and they can say it comes from their yard, and the County does not have that authority to stop them. Mr. Young said the bigger companies that have the labels on their car, they are going across the scales, that takes extra time, and there is a cost associated with that. He said there is a fairness issue there.

Mr. Young said the other issue at hand is for the commercial entities playing by the rules, they have to go across the scales. The scale's hours and the brush pile hours are different. The landfill closes down, the scales shut down at 4:00 p.m. The brush pile is typically open until 7:00 p.m., so smaller companies that are not playing by the rules can continue to dump their brush later, whereas a commercial entity that is playing by the rules, is limited by having to empty at 4:00 p.m. and go across the scales to fully pay out. He said the biggest downside to taking this half-price tipping fee out and making it free for all entities is that the County would lose approximately \$80,000 a year in revenue. He said typically the money would be used to offset the cost to their tub grinder. It is an older piece of equipment, and they are going to propose in the FY18 budget, to replace this with either a new tub grinder or a horizontal grinder. The difference being, the horizontal grinder does not take stumps as well, but it requires one less person to really efficiently operate it. Mr. Young said they would get a personnel savings there. He continued, the benefits to it, he said the fairness to the commercial landscapers out there that have been playing by the rules, there is also, by making it free, there could be some commercial entities that are not currently bringing brush to them. He said they do have concerns about having an older tub grinder and until they

replace it, if they get an influx of brush which they already have now and they are trying to work through, there could be logistical issues there. He said, however, the more brush they have come in converted to mulch, that is a way of increasing their recycling rate, and naturally the more mulch they have, the more uses they have in terms of either selling it, so they are still getting revenue from brush coming in, however, they would be cutting off the tipping fee.

Mr. Kilmer asked regarding the mulch, do they have excess, or are they able to use it all. He said sometimes you drive by there and there is a ton and sometimes not. Mr. Young said it fluctuates, it can be used for stabilization, they can also have County Roads use it in lieu of matting and seeding, so in some cases it is the cheaper alternative. They have property elsewhere where they move it, just in case they have space limitations. Mr. Young, said currently, the situation with the amount of brush they have and the tub grinder being out of commission, they have a surplus of brush. He said they have potential mulch everywhere. He said they have a significant amount, but depending on storms and heavier rain events that hit the landfill, that can cause significant erosion issues because they are dealing with steeper slopes. He said they use a lot of mulch on the hill to stay in compliance with the landfill. Mr. Young said in essence, that was the argument as to why they would like to remove that. It addresses a lot of commercial complaints they have received in the Executive Office's, and they think all in all, it will be a net positive even though there will be a slight revenue loss, although \$80,000 a year is a large sum of money. If you go back to the PKS audit, you will see the Solid Waste financials are looking exceptionally well. They are exceeding their expectations, and they are doing well from just the standard tipping fee. Having less landscapers going across the scales would also improve the efficiency of that, so they do not have as many trucks backed up onto Brick Kiln Road. Mr. Young said that is the first part.

Mr. Young said, the second part, the other changes, is essentially adding a 20% surcharge to dispose of certain waste items. What the language states is, tires, batteries and any electronics. It mentions commercial and governmental agencies. The governmental agencies and electronics are sort of the partner there. The Internal Auditor, Mr. Roser, has given an audit fairly recently of the County's electronics program. The amount they receive is going up. The cost to dispose has been trending upward as well. They have been encouraging other bidders to compete, but they have had the same bidder just about every time. Mr. Cannon clarified since there is no strikethrough wording so there was nothing else on the books prior to this, to which Mr. Young responded, no. He said the first part, there was strikethrough wording, the no charge, and then this was adding the ability. He said to just be honest, the intention of this is to have an administrative fee when they assist the City of Salisbury in disposing of their own electronics. The goal is to have the City collect their own electronics and then the County will be glad to partner with them to properly dispose of them. He said either way, it counts toward the County's recycling rate, but as it stands right now, they just drop electronics off as they receive them, and the County fronts the bill for disposal of the TVs that they pick up, the other electronics.

Mr. Kilmer said it says commercial too. Mr. Young said, yes, on commercial tires, the landfill has not historically taken commercial tires whatsoever. There have been times

where there is no nearby commercial entity to take tires from commercial folks, so what they are proposing here is their competitively bid rate, if he recalls correctly, it is about \$180.00 per ton to dispose of tires. He said they have a program where residential citizens can pay two different fees, based on tire on the rim, or off the rim. He said that money helps pay for the disposal of those residential tires. He said they have a permit that allows them to have up to 1,500 tires, and they cannot exceed that without risk of MDE and violations, so the intention here is for specifically commercial tires and commercial batteries. PRMC contacted them recently about a type of battery. The County gets the competitive rate, they handle wrapping them on pallets or whatever the proper disposal is, and with a 20% above what the County rate is, they will dispose of these products. He said they would be providing in this case, an option for commercial entities that the County has not offered before, and they do, so that adds some administrative fee. Mr. Young said, in essence, that is what they are proposing. The 20% was arbitrary, it could be 10%, it could be 30%, they want to put something that would help cover the internal cost for the County to handle these.

Mr. Cannon asked if they have run that by any commercial industries to see what their take is on that, have they had that chance, to which Mr. Young responded, the battery example at PRMC, the County told them they could not take them as it stands because the County was not set up for it. For commercial tires, they have not had the conversation recently, but there was one vendor just across the border in Delaware that shut down, and for a time period, he was not sure, where commercial entities dispose of their tires now, but the County would like to give them another option. Mr. Cannon said so the County is creating an opportunity. Mr. Young said that is the intention.

Mr. Joe Holloway said if you check with someone like Grant White or Delaware Tire, apparently they have some outlet form and he was sure it costs them to get rid of the tires, that is, not the batteries, but the tires. Mr. Joe Holloway said people pay for batteries, car batteries anyway. He did not know about the other batteries. Mr. Young said it depends, like with PRMC, to his understanding, is specialized. Mr. Joe Holloway said, the large tires, they have to have an outlet from somewhere. Mr. Young said they could use it for tractor tires as well. They do not have a current system, even though they do get them. He said there is, through the Department of Agriculture, every so often, they have an agricultural tire drop off which the State usually helps compensate for. This is trying to increase opportunities in terms of additional charges.

Mr. Joe Holloway asked Mr. Young if he thinks he can absorb the \$80,000 that the County is going to lose on this brush, as that sounds like a lot of money. He then clarified that the tub grinder is worn out. Mr. Young said, again, it is a lot of money. Mr. Joe Holloway then asked if there was a different way to go about this, as they are only paying half anyway, half of the tipping fee, it seems like a lot of money to take out. Mr. Young said if they had a way of enforcing, they could tell when people are coming multiple times a day. Mr. Joe Holloway said what the County could do to enforce it. Can they check their registration card? What would it cost to enforce? He said they have to have a cost factor in there, and if it cost \$20,000 a year to enforce, then you are still going to end up with \$60,000 to the good. He said it seems to him that you can enforce people. He said he went to the transfer station one day in the pickup without the sticker and he was quickly alerted to that, so it seems like there is a lot of things

being enforced. Mr. Joe Holloway said he was surprised that they cannot find a way to enforce this.

Mr. Young said they could look at a dump sticker, a household refuse permit is the correct term, but you do not need a dump sticker to dump the brush. Mr. Joe Holloway clarified, they do not have to have a sticker for dumping brush, to which Mr. Young responded, no, but the brush has value because the County gets revenue from mulch, and they get a recycling rate, so they want to encourage that. Right now they are overstocked with it and the tub grinder has issues. He said they are hesitant to take more, but if everything is working smoothly, they will take it because that increases their recycling rate, that gives them a free product to put on the hill, on the landfill to stop erosion, free product to give to the extension office or Recreation and Parks when they are in need of mulch.

Mr. Joe Holloway asked if they thought there was any brush/yard waste that the County is not getting because of this charge, are people doing something else with it, because they are charging, to which Mr. Young said, they may be dumping it somewhere, and then the County is not getting any credit for it. Mr. Joe Holloway said there is no other commercial place for them to take it or anything like that, to which Mr. Young responded, not that he knows of. Mr. Young said he did know that their mulch, because they do not have as much quality control, all it takes is a piece of trash to get in there and their mulch is not as nice as you can buy, so they did not feel that the County was competing with the commercial companies out there selling mulch. The County is a cheaper alternative. It is a good question, it is something that they have been considering, and it seems like the easiest option and a benefit to the commercial businesses out there, is removing the fee altogether.

Mr. Cannon said he does have a good point. They have a \$80,000 lead way here to find some solution to the problem. You do have a lot of lead way here even if you were to add \$40,000 worth of expenses to their department to try and solve the problem. They would save \$40,000 as opposed to just dropping the fee and losing \$80,000, they have a lot of room there. Mr. Young said he agrees. He thinks with the current financial situation of the Solid Waste Division, and being able to bank \$1.5 Million this year, and looking to do the same, if not better, going forward, \$80,000 while it is a lot of money, it seemed like a good way of helping the businesses. They can definitely look into that but he said he could tell Council that he has been brainstorming on this for a while, and any citizen that is watching, if they have a good idea, send them in. Mr. Joe Holloway said he has been there long enough to know that it has not always been that great at the landfill. There have been problems out there before, revenue issues, of course, and there will probably be again. If you drop this, it would really be hard to get it back at some point in time. He said he understands where they are coming from in trying this. He said like Mr. Cannon said, if somewhere between \$80,000 and zero, they can come up with a solution.

Mr. Kilmer said he had a tangential issue that they wanted to bring up while Mr. Young was there. He said it was brought up about the original version of the bill, about the demolition issue. He said Council never passed a bill that allowed a discount. Council found out today that the landfill was actually operating under the assumption that it

was passed. He asked how did that happen. What happened there? Mr. Young said that is a good question, he said they thought there was an assumption made at the September 6<sup>th</sup> Council Meeting, after the public hearing, that they were moving forward with passing the legislation. This is the State permitted construction demolition facility agreement that they would be taking residuals that are not currently coming to the County that are through the construction and demolition processing, recycling, and giving these entities or entity, a tipping fee discount for the amount of recyclables they generate. An assumption was made that the bill had gone through.

Mr. Holloway asked, who assumed that, to which Mr. Young said that is a good question. Mr. Kilmer said that is what Council is asking. Mr. Cannon said you are the front end, was that your assumption, to which Mr. Young said he would take the blame. He said they were shocked today to learn that it had not passed. Mr. Kilmer asked if he just took that on his own authority. Mr. Bob Culver came before Council and said what they did that day, it was all passed, it was unanimous, everybody said they were in favor of it. Mr. Culver said they had a public hearing and there was no problem with it. Mr. Dave Bennett came up here and performed and told them what they were going to do. Mr. Joe Holloway said the legislation never passed. Mr. Cannon said the legislation never passed; it was introduced.

Mr. Culver said they waited 60 days or whatever they thought it was, and that is when it became effective at that point in time. He said they were assuming that it was missed and did not get back on the agenda, and they never caught it. He said he did not know if Council ever caught it or not. He asked if Council was telling them that they are not in favor of the legislation now. Mr. Kilmer said this was a legislative bill that would have had to be signed by Mr. Culver. Mr. Bob Culver said there is a lot that he signs every day and he did not know. He would have signed it, certainly. They just found out about this an hour and a half ago, and they are just trying to research what happened. He said they were not doing anything underhanded, they just simply thought when they met that last time; Dave Bennett was up here, he spoke, and Bruce Giordano spoke, as far as to what they were doing, and what they were helping the County with for the recycling, and what the County was going to get. Because of that deal with them and any other larger producers, the County is getting all of their residuals which brings an extra \$300,000 into the County landfill a year, that they are not going somewhere else with. He said it was a you give, we give, and the County made money for it. He said to his best of his recollection, it was just simply an oversight that never got back up, but he did not know. He said they will have to have another hearing or something of the sort now, he guesses, because it is past the time. Mr. Cannon said it has passed the time. Mr. Kilmer asked if this has been going on since November. Do they have an idea of how much has gone on? Mr. Young said he was not able to pull all of the information, because it was based on how much they recycle each month, so it would be three months in, they have not billed for February, it is usually the end of the month, so they are looking at three months' roughly of a reduced tipping fee, equal to the recycle rate, for the residuals. Mr. Joe Holloway asked if they have stopped giving the discount when they found out about it today, to which Mr. Young responded, yes, immediately. He said the legislative bill usually never reaches him on any of these, so he did not see anything personally, any difference from any other meeting. He said he realized later there was not an actual vote taken after the public hearing, as is typical. Mr. Joe

Holloway said he wondered how that message got through, he could not understand how that message got through that it had passed when Council had not voted on it.

Mr. Cannon said he thinks what Council would need is some type of report as far as what the loss has been to the County over these last few months. He said if they could put that together for Council, to which Mr. Young responded, yes, he would. Mr. Cannon said they are going to have to figure out some way to adjust it. At least find out how the County is going to be compensated for it. Mr. Culver said what he has brought in too. Mr. Cannon said obviously Council needs a report on it, three months of unauthorized reductions.

Mr. Culver said while they were here talking, what are the Council's feelings on this, as we all know what the bill is about. Mr. Cannon said they did but there was not really an inclination on the Council to bring the bill back. Mr. Bob Culver said so Council dropped the bill, to which Mr. Cannon responded, yes, exactly. Mr. Hall asked if they need to introduce the bill, to which Mr. Cannon responded that the bill does not need to be reintroduced. He said what they really need is a report from Mr. Young that states exactly what the losses have been so far. Mr. Hall said, it has to be reintroduced then, to which Mr. Cannon responded, yes, the process would have to start over.

Mr. Strausburg said the question that has to be answered is, is there any appetite to take the bill up again. If there is no appetite to take the bill up again, they will report back what fees were not collected that would have been collected otherwise and then Mr. Culver's point, what recycling came in that would not have come in before.

Mr. Joe Holloway asked what recycling materials would have come in that would not have been coming in, the Bennetts, as this is the only company that this bill affects. They are in the business of recycling, so would they not be taking advantage of the recycling portion of that upfront, and then just bringing the residue to us. Mr. Young said what Mr. Joe Holloway meant to say in the case of Bennett, is their residuals being shipped out of county. Those are recyclable credits that the County still gets recycling rates. Mr. Joe Holloway clarified they are not bringing anything in for the County to recycle to sell, to which Mr. Young said, correct. Mr. Young said what the residuals are is when they demolish a project, they pick all the recyclables out as possible, and that end product, which can be drywall, and things like that cannot be recycled, are currently being shipped out of the County. The agreement was they then send this product to the County, so by stopping the agreement, that should not have started, they will have to start sending the residuals back elsewhere. He said what Mr. Bob Culver was saying is that there is a revenue stream associated with tons of residuals coming in that were not coming in. Mr. Holloway asked if this was putting them at an advantage over other people that are doing demolition, if other companies are not in the same type of business they are in. He said they are in demolition business and they are in recycling. He said then you have people that are just in demolition that take refuge to the landfill, and are going to be paying the full amount. He said this company that they are talking about, he will same the name, Bennett, they are also in the demolition business of tearing down houses. He said this gives them a very large competitive advantage over companies that are in the demolition business, because they are basically in two different businesses. He said this is not looking out for local businesses, this is looking out

for one local business, not several. Mr. Young said he thought the intention came back to with the construction and demolition processing, which they are the only company, currently, that does that. He said so while you are demoing, you are not pulling recyclables out of the demoing. Mr. Joe Holloway said when companies bring that to the County, the County gets both, to which Mr. Young said, no, it goes right on the hill, the County does not pick through their demo, or their vinyl siding and things like that.

Mr. Joe Holloway clarified the County gets the full tipping fee, to which Mr. Young responded, yes, the County gets the full tipping fee. Mr. Young said Bennett is an entity meeting the criteria and it happens to be Bennett is offering a recycling for products that the County does not currently handle. There is a benefit for that. Mr. Young said the intention was more, and it does give an advantage for the residuals, but to buy knowledge, if anybody else is producing residuals, they are illegal in the State's eyes. Mr. Joe Holloway clarified, they are illegal, to which Mr. Young responded yes, they are processing their demolition. There is a permit that goes along with that. He said one of the other reasons they entertained this idea is because they are mandated. They have permits with the State and the State is looking at their numbers. The figures they gave the County are State verified in a way, so they were dealing with accurate numbers they could easily work with. He said he does see their concerns with favoring one demolition company. Mr. Joe Holloway said it is a pretty big advantage; it really is. Mr. Cannon said if they could report on the monies that the County would forgo, give up, if you could also supply Council with what they consider their argument for the pros and cons out of that legislative bill. Mr. Cannon said it seems like saying that the County is giving up \$300,000 or the County is making \$300,00, he is not quite sure how he sees that is justifiable, but he did not know. He said it would be nice to know with what Joe Holloway is talking about, the difference between recyclables and whatever else is disposed of, that Council have a pretty good breakdown from their perspective. Mr. Kilmer said from Council's perspective, this bill had died, Council had made a conscious choice. They did not vote on it, and then they find out it is in effect, it is confusing as to how that happens when legislation does not get passed, how does it goes into effect without the proper process. There is a breakdown there somehow. The only reason they knew is because Ernie Davis was talking Mr. Kilmer on Saturday and said he saw a lot of Bennett trucks going to the landfill. If Mr. Davis would not have been going to the landfill a lot, he said they would never have noticed that, they found out an hour and a half ago like Mr. Young said.

Mr. Culver said the County got revenue. All those trucks that Ernie Davis saw going to the landfill was taking what the County got in credits. Previously, he was hauling not into our landfill, hauling somewhere else. Mr. Young said they will pull all of the information and the supporting documentation as to why they proposed it in the first place.

Signatures on next page.

**Minutes of Open Work Session  
February 7, 2017  
Legislation to Adjust the Per Ton**

  
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John T. Cannon, President

(absent)   
\_\_\_\_\_  
Larry W. Dodd, Vice President, District 3

  
\_\_\_\_\_  
Ernest F. Davis, District 1

  
\_\_\_\_\_  
Marc Kilmer, District 2

  
\_\_\_\_\_  
John B. Hall, District 4

  
\_\_\_\_\_  
Joe Holloway, District 5

(absent) \_\_\_\_\_  
Matt Holloway, At-Large

  
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Laura Hurley, Council Administrator