

**OFFICE OF ENVIRONMENTAL
ASSISTANCE AND
PROTECTION**

**MINOR BARNETTE
DIRECTOR**



**ENVIRONMENTAL
ASSISTANCE AND
PROTECTION ADVISORY
BOARD**

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**FORSYTH COUNTY ENVIRONMENTAL ASSISTANCE and PROTECTION
ADVISORY BOARD MEETING**

The Forsyth County Environmental Assistance and Protection Advisory Board met on January 17, 2017 at 10:00 a.m. in the Board of Equalization and Review Room, Forsyth County Government Center, 201 North Chestnut Street, Winston-Salem, North Carolina.

MEMBERS PRESENT: Peter DeVries, Chairman
Tommy Thompson, Vice Chairman
Nathan Atkinson Richard Sieg
Charles Wilson

MEMBERS ABSENT: Jarrette Dineen
Beth Williams

FCOEAP PRESENT: Minor Barnette Valerie Shores
Bob Ragland

I. Call to Order:

Mr. DeVries called the meeting to order.

II. Approval of the October 18, 2016 Advisory Board Meeting Minutes

Mr. DeVries opened the discussion to approve the October 18, 2016 meeting minutes. Mr. Sieg made a motion to accept. Mr. Thompson seconded the motion, all members of the Advisory Board in attendance approved.

III. Director's Update:

Mr. Barnette opened the discussion by informing the Advisory Board about the O.E.A.P. staff changes and productivity within the Compliance Assistance and Permitting Division. The division is understaffed and it has become critically important to prioritize the workload. This has caused us to delay the air quality awards for calendar year 2015. They are usually awarded during the calendar year 2016. We still intend to solicit, receive and review applications for the air quality awards and continue to recognize the facilities that deserve to receive the special awards.

Mr. Barnette discussed air quality. The ozone season will begin on March 1st of this year. The season previously began on April 1st. This will add an additional month to the ozone season. This is a regional, not nationwide change. The EPA wanted to make sure we are fulfilling our responsibility to monitor ground level ozone. Air quality monitors in some areas are recording significant data with some early ground level ozone formation. We will have more data informing our designation status in the future, as we extend the season from March 1st to October 31st. The new standard for ozone that was passed October 1st 2015 lowered the standard for ozone from 75 ppb to a more protective 70 ppb. Currently, our design value is 68 and if the weather cooperates, we should stay just below the standard.

Collectively, mobile source emissions are now our primary drivers for the NOx that is a factor for ozone formation. Vehicles are manufactured to release fewer emissions. Even so, with the design value at 68, just below the standard of 70, hot, dry weather for an extended period of time could make us exceed the standard. We continue to look at the data very carefully. That scenario could affect our designation status.

We competed with other agencies in Region 4 and received a supplemental grant from the EPA for over \$50,000. It was made available from the EPA because the state of North Carolina decided to forego annual grant funding for a period of one year, under the Clean Air Act grant program. This reset the maintenance of effort requirement under the former administration. Region 4 kept the \$2.2 million in the region and we competed for it. Every agency in the region was instructed to allocate their share of the money they received for data improvement. We could change the way data is monitored, managed or reported. We could also update equipment. We have previously been operating and maintaining a lot of outdated equipment that was no longer supported by the manufacturers. We just purchased some new continuous particulate matter monitoring equipment (to replace aging TEOMs). We purchased a single unit that

measures PM 2.5, PM10 and PM coarse all in one piece of equipment. This replaced two pieces of equipment. The new equipment is easier to maintain, requires less staff time and is less expensive to operate, calibrate and certify annually. Continuous monitors are necessary for our daily air quality forecasts to know real time information/levels. The filter based federal reference method (FRM) requires us to send the filters away to get analyzed in a lab. The data is not returned to us for a couple of weeks.

Mr. Thompson asked about the reconstruction of I-40 Business and rerouting traffic in the summertime in relation to the accumulation of ozone.

Mr. Barnette discussed traffic congestion mitigation and air quality funding. There are two meteorologists on our staff who are on the Transportation Planning Committees for the metropolitan statistical area. He referenced applying for funding from the Department of Transportation. He said we would need to look at using those funds in a meaningful way. We would still be reliant on voluntary participation in alternative solutions and changes in human behavior, i.e. carpooling as well as other modes of transportation to bring people into the city. We have been asked to submit proposals to the state Air Awareness Program to explain how we might use congestion mitigation air quality funding.

Mr. Barnette discussed the topic of solid waste and recycling. He welcomed two citizens, Paul Stutzman and Charles McClain, who attended the meeting. He displayed a PowerPoint presentation which was an overview about the history of recycling in the county as well as an update on the current situation regarding recycling in the unincorporated areas of Forsyth County.

Curbside recycling collection service was made available to everyone in the unincorporated areas in 2012. We became one of the only counties in the state to guarantee access to recycling services to everyone in the unincorporated areas. Forsyth County is comprised of 420 square miles. There are 230 square miles in the unincorporated areas outside the 7 municipalities. There are 50,000 people who live in the county and there are 22,000 households that pay county taxes but don't pay municipal taxes, so they don't get municipal tax paid services.

There was sparse household participation in recycling when Waste Industries began collection in the unincorporated areas of Forsyth County. We geo-coded the area and discovered that a lot of the participants were in subdivisions right outside of the municipalities. Waste Industries notified us that they could not continue to provide this service because it was not profitable.

There was a 12% participation rate which equates to 2,700 subscribers out of at least 22,000 households in the county. Since the service was discontinued, we have heard from about 200 citizens. We are making an effort to keep the information disseminated by our office clear, consistent and concise for the public.

Mr. Barnette informed the Advisory Board of the various ways the public was notified about the termination of the service. The information had been listed 5 times in articles in the Winston-Salem Journal Newspaper. The customers who received the service from Waste Industries were notified on their printed statements.

Various companies have told us that they are not interested in providing recycling as a stand alone optional subscription service in the unincorporated areas of Forsyth County. It was not profitable or sustainable for two larger companies, Waste Industries or Waste Management, to continue the service. The best plan is one that will protect the interests of everyone equally, the citizens, as well as the service providers.

Mr. Wilson posed questions inquiring about the commissioner's viewpoints and discussed the goal of universal service for recycling. He discussed the hidden costs of illegal dumping in our county and he said that would be a good reason for mandatory recycling.

Mr. Barnette advised that all county commissioners are actively considering various plans and they are giving thoughtful consideration to the options.

He showed a slide summary of how other counties are managing recycling and sanitation. In the 100 counties in NC there are several ways solid waste and recycling is being managed and how services are provided. In open market conditions and counties where it is currently deregulated, like Wake County for example, there are over 70 service providers. Davie County has universal recycling service. Garbage service is optional but recycling is mandated in the unincorporated areas. The benefit of universal service similar to Davie County is that there is a contract with a service provider and the county directly pays the provider. This relieves the service provider of the responsibility for billing thousands of individual accounts. Administrative costs are saved and the burden of time and resources is lifted.

Rockingham County has a good rate for weekly garbage collection. There is an optional subscription service for bi-weekly recycling and sporadic bulky item pickup. They have a high level of service and affordable rate because the county invested a \$1,000,000 to buy their own carts.

Mr. Barnette explained that Forsyth County has deregulated recycling to create open market conditions. Citizens and service providers can speak to anyone they choose about recycling collection service. Any service provider can market to any area they choose. Some subdivisions are more successful in negotiating and we are seeing some collective bargaining due to a high participation level within these neighborhoods. Our rate appears to be competitive but the current participation level is not adequate.

Mr. DeVries asked Mr. Barnette with regard to using a mandatory recycling service in unincorporated areas, if we would see an increase competition from service providers for the contract.

Mr. Barnette displayed a discussion item. In the counties where there is deregulation of garbage and recycling there was an open market and large amount of service providers.

Mr. Barnette said there are benefits to universal service. There are a lot of different options for how the service could be mandated and there are several different potential plans. There are

different methodologies that could help us take a step in the right direction. He said the best possible outcome would be the highest level of participation, highest volume of materials diverted from the landfill and the lowest rates available. We hope that if everyone paid for the service, they would utilize the service.

Currently as an optional subscription service we have had 13,000 households pay for garbage service and 2,700 households pay for recycling service. The rest of the households have to responsibly manage and dispose of the waste coming out of their homes. This is why we are continuously conducting illegal dumping investigations. On the average, we have about 200 complaints a year. At least a third of the cases each year are discovered by our staff.

If the Forsyth County Board of County Commissioners required all households to pay a fee for these services, the fee would be less than any other proposed plan. He proposed different plan alternatives to bid out to a single service provider or to use our existing franchise holders to expand the level of service in their franchise areas.

Mr. DeVries asked if the existing franchise holders were capable of doing recycling in addition to their garbage service.

Mr. Barnette explained they are capable of doing recycling within their existing franchise areas. If every house in their areas were required to pay for recycling service and if the fees for the collection were substantial enough, they are definitely capable of sustainability, with a predictable level of participation and revenue. Increases in the participation within in the boundaries of their assigned area are the only way to grow business for the smaller companies.

Mr. Thompson commented that NC passed a law that regulated what is going into the landfill. He questioned that if the county commissioners have decided not to mandate household recycling, then, in doing that, they have to anticipate these items would be going into the landfills. The county would be violating state statutes.

Mr. Thompson stated that mandated recycling is justifiable. There was a discussion about storm water tax, industries, government and regulations. He said it is frustrating to sit on the board and to represent the county and city, looking at unfunded mandates and not doing the right thing because of the cost. The cost is not that exorbitant.

Mr. Barnette advised that it is his understanding that it is desirable to limit the financial burden of recycling service in the unincorporated area to the households who are receiving the benefit of the service. There would have to be a fee that is billed with the tax bill to the unincorporated houses for the whole area. If there was a change in the tax rate or if it was coming out of the general fund you would be spreading the cost across all 353,000 residents, including all the people who live in the municipalities. They already pay additional taxes.

A citizen asked Mr. Barnette, what would be the amount of the proposed fee. Mr. Barnette said we would ultimately begin with a public process with requests for proposals to all qualified and interested service providers. The more details we incorporate, the more complex it is to manage. We solicit proposals for potential services providers for different levels of service. They would

include how much money it would take to provide that service, terms of the agreement and potential for CPI adjustments as the economy ebbs and flows. We have to examine all parameters as these major decisions could affect thousands of people based on these cost estimates. We will also examine other methodologies other counties have used. We have to consider even low cost estimates; we have to be wary of irresponsible proposals. We try to construct the language of these agreements for the benefit of all involved. We would then be able to determine the amount of the fee.

Mr. Thompson advised that we have to take into account that the market is going to fluctuate. We have to make sure these companies are able to survive and make responsible bids.

Mr. Barnette advised we have to ensure the most competitive rates possible and make sure we receive the best costs for the citizens. Approximately 85% of the population lives in the 7 municipalities but over 50,000 citizens reside in the unincorporated areas of the county. We are trying to establish service in a way that is convenient and efficient.

Mr. Barnette presented a slideshow of proposals with options and plans for recycling in the unincorporated area. One of the proposals was to couple garbage service with recycling as the only optional subscription package. Some households may discontinue the service but we would probably see over 12,000 households keep the service. This would be one of the easiest options to propose but it would have marginal benefits compared to the other options. It would have less impact on open burning and illegal dumping than any of the other options. It would divert significant volume from landfill disposal.

Mr. Barnette discussed smaller convenience center locations. He said we see a lot of contamination at these sites. He discussed a mandatory availability fee for nonsubscribers. This may or may not ever get any public attention or discussion or consideration from the Board. It is not unfair for the people who choose not use the available services to bear some of the financial burden of disposing their own waste.

Mr. Barnette said that he anticipated if we did impose a mandatory fee for people who choose to do without garbage service, then that fee would be used to gain access into the landfill for responsible disposal so that the waste is not being illegally dumped or burned. It is a difficult concept to discuss for lots of reasons. One reason is that garbage service is currently \$175 per year. If residents comply with the county code requirements for weekly removal of garbage from every occupied property, then it would actually cost them \$364 a year. The lowest cost per visit is a \$7 flat rate. The cost of using the convenient service is less than half of the cost of taking your own trash to landfill. We are not even including other indirect costs such as fuel use, vehicle depreciation and time.

Mr. Barnette said that it is obvious that if the availability fee were equal to or higher than the service then it would make more sense just to mandate the service. The utilities commission and the department which operate the landfill would have trouble operating the landfill with such deeply discounted services offered to the people who choose not to have weekly collection service. It is more efficient for the landfill to receive garbage from garbage trucks so they can receive tonnage fees. There is already a lot of congestion at the landfill on the weekends. An

availability fee may increase the number of citizens visiting the landfill weekly. This may cause more traffic congestion issues. They don't have the infrastructure currently to deal with the flow of visitors.

Mr. Thompson asked Mr. Barnette if there is anything that he needs as far as support from the Advisory Board.

Mr. Barnette said it is a good time right now for citizens to express that they understand the value of recycling to the extent that they are willing to pay for it.

Mr. Barnette said The Board has never voted against recycling and understands the importance of recycling. Instead of criticizing the Board for something they have not yet accomplished, citizens should be encouraging them to take a step in the right direction. The most effective way to influence public policy in a positive way is to effectively communicate with them in a positive tone.

Mr. DeVries discussed methods of communication to get information to the Board of County Commissioners and communication with the public.

Mr. Wilson suggested that firehouses could serve as recycling centers or satellite centers for recycling. He also proposed that perhaps there should be a requirement for businesses to accept and recycle items they sell.

Mr. Barnette discussed smaller convenience centers, schools, parking lots, shopping centers and smaller more conveniently located places for people to drop off recyclables. He said in the absence of an attendant, we have found that people put household garbage and other items in the collection boxes. Among the 9,000 households who don't have garbage service, there is a significant number of people who make irresponsible decisions and cause a lot of extra workload for our county staff. We see a lot of contamination at any unmanned or unsupervised recycling drop-off locations. It is difficult to set up recycling centers because a place needs to have a big enough footprint for the collection boxes and flow of traffic. There needs to be controlled access with a fence and gate and there needs to be someone there to prevent irresponsible people from doing irresponsible things.

They discussed deposits adopted for beverage containers. Retail businesses said if a deposit was adopted for beverage containers, then they would demand that they not be burdened with the responsibility of managing these materials. They wanted to just sell the products, not handle the containers after they product was sold. That was what defeated the previous legislative bill. There was lack of willingness from retail businesses to support. Their costs may go up more than the revenue generated.

Mr. Thompson and Mr. DeVries discussed the labor intensive processes and high costs for retailers.

Mr. Thompson asked if we mandate recycling and garbage would we be able to shut down the 3 collection centers.

Mr. Barnette said that even in Durham County they still have significant volume at drop off centers.

A citizen asked Mr. Barnette about locating more drop off center on his side of town.

Mr. Barnette said he would immediately agree that having more drop off centers would make recycling more convenient. It would shorten driving distances; more people may use the centers. But we run the risk that the cost to operate the drop off centers may be disproportionate compared to a modest increase in the volume collected. If we invested in the capital to construct and operate these additional facilities under a system that is similar to our current operations, we are concerned that the cost per ton of items collected would go up overall. Currently our blended value is \$65 to \$68/per ton. Our current cost of operations is close to \$140 per ton at the drop off centers. We pay a flat rate per pull and pay the attendant. That is how we calculate the costs to operate these centers. The burden on taxpayers would be greater to have more drops off centers than to impose universal service.

Mr. Barnette discussed the benefits of recycling to the economy. He said there are over 17, 000 jobs in the recycling industry, with over \$400,000,000 in payroll.

Mr. Barnette concluded the Director's update.

IV. Other Business:

Mr. DeVries confirmed there was no other business.

V. Next Tentative Meeting:

Date: April 18, 2017

Time: 10:00 a.m.

Location: 201 N. Chestnut St. Winston-Salem, NC

Board of Equalization and Review Room

VI. Adjournment

Peter DeVries adjourned the meeting.

Dated: 4/25/2017 Minor Barnette Minor Barnette, Director

Approved: Peter H. DeVries Peter H. DeVries, Chairman