

**HAMILTON COUNTY ENVIRONMENTAL SERVICES -
SOLID WASTE MANAGEMENT DISTRICT
MANAGER'S MEMORANDUM**

DATE: May 10, 2007
TO: District Policy Committee Members
FROM: Holly Christmann, Solid Waste Manager
Cory R. Chadwick, Director

I. Introduction/Opening Comments

NOTICE: This memo is for the meeting to be held on May 17, 2007. This meeting will be held at 9:30 a.m. at Hamilton County Environmental Services, 250 William Howard Taft Road, Cincinnati, Ohio 45219.

Policy Committee Information (Agendas, Manager's Memos, Minutes, etc.) now available on the District's Website at www.hamiltoncountyrecycles.org.

II. Clerk's Report/Additions to the Agenda

A. Approval of Minutes – Minutes from the November 16, 2006, January 18, 2007, and March 15, 2007 Policy Committee meetings are included as Attachment A.

B. Additions to the Agenda

Please contact Susan Schumacher at 513-946-7734 or susan.schumacher@hamilton-co.org if you have items to add to the agenda.

III. District Revenue Updates/Analysis

Updates will be provided on current revenue receipts and comparisons with prior years, as included in Attachment B.

IV. Policy Items

A. Creative Outdoor Advertising

In November, 2006, the Policy Committee was introduced to Creative Outdoor Advertising who manufactures "The Concourse", a waste/recycling collection container that is placed in high traffic areas. Creative Outdoor Advertising services the containers at no cost to the municipality – the program is funded through the sale of advertisements on the container.

The Policy Committee directed Staff to inform Hamilton County political jurisdictions about this recycling program. Staff has met with the City of Norwood and Village of Fairfax. Additionally, Commissioner Portune, Creative Outdoor Advertising, and Staff

presented to the Economic Development Committee of Cincinnati City Council. Staff will be meeting with Cincinnati staff to discuss this project in more detail.

In an effort to implement this recycling program in Hamilton County, Creative Outdoor Advertising requests to form a contractual relationship with the District versus developing contracts with each political jurisdiction. Creative Outdoor Advertising believes that contracting with the District will expedite the implementation of the program as they will not be required to negotiate individual contracts with each political jurisdiction. Although the contract would be with the District, Creative Outdoor Advertising will need to obtain local government approval, permits, and comply with all local ordinances.

Included as Attachment C is Creative Outdoor Advertising's request to contract with the District and a sample contract.

Staff Recommendation: Staff recommends contracting with Creative Outdoor Advertising only when a local community(ies) confirms interest in the product.

B. 2008 District Priority Grant

Under the Solid Waste Management Plan Update, the District replaced the Reduction Assistance Grant with the District Priority Grant for communities and non-profit organizations. Under this revised grant program, the Policy Committee will identify three key solid waste management issues that will be eligible for District Priority Grant funding. Potential grantees will submit grant applications that address these key issues.

Staff has identified the following solid waste issues as potential topics for the Priority Grant: recycling outreach; public recycling; organics (foodwaste and yardwaste).

Staff Recommendation: Staff recommends the 2008 District Priority Grant address the following solid waste issues: organics, recycling outreach, and public recycling.

C. Plan for Balanced Budget

At the March 15th meeting, the Policy Committee recommended the District develop a plan for a balanced budget by 2010. Based on the three-year average of past revenues, a balanced budget is \$2.787 million. Attachment D includes a list of programs currently funded in the 2007 budget of \$2.994 million. Attachment E includes a proposed outline for the implementation of program efficiencies, grant opportunities, and additional program reductions to balance the budget to \$2.787 million.

In order to meet the goal of a balanced budget, staff identified program efficiencies and reductions. While funding decreased in several areas, certain costs increased, including:

- 3% increase/year in personnel costs;
- 3% percent increase/year in health department contracts;
- \$3,000 increase/year for indirect costs.

Including the aforementioned increases, overall, a total of \$300,250 is reduced from the budget by 2010. Given these reductions, the proposed budget for 2010 will be \$2,784,709.00.

Staff is not recommending reductions to the District's largest program, the Residential Recycling Incentive Program. This program provides communities with much needed funding for curbside and drop-off programs. Additionally, this program is the cornerstone of the District's Plan Update.

Projected Carryover with a Balanced Budget

Given a balanced budget by 2010, the District's carryover balance is projected to be \$2.17 million on January 1, 2011. This amount exceeds the recommended eight months carryover that was discussed at the March 15th Policy Committee meeting (eight month carryover is equal to \$1.85 million).

With the identified program efficiencies and reductions, the District's budget will not be able to absorb special projects that may arise outside the scope of the normal budget process. Therefore, Staff recommends carryover funds above \$1.85 million be set aside for special projects that may be approved by the Policy Committee throughout any given budget year.

Staff Recommendation: *Staff recommends the approval of a balanced budget by 2010 and adoption of a policy that maintains, at a minimum, a carry-over balance equal to eight months operating cost.*

D. Grant Opportunities for District Programs

In an effort to maintain District programs, Staff is researching grant opportunities for District programs such as household hazardous waste, television recycling, general awareness, pollution prevention internship program, and school outreach.

Attachment F details a list of potential grants for which the District qualifies. In addition, Staff continues to work with Cindy Weitlauf, Hamilton County's Grant Coordinator, to identify additional grants.

Staff will begin writing grants and seeking sponsorships for 2008 programs.

V. Information/Discussion Items

A. U.S. Supreme Court Rules on Flow Control

Flow control refers to governmental laws or policies that require or encourage waste materials to be disposed at designated disposal facilities (landfills, transfer stations or incinerators). In 1994, the U.S. Supreme Court overturned a flow control ordinance in the case of *C & A Carbone, Inc. vs. Town of Clarkstown, NY*. The Court contended that the ordinance violated the Commerce Clause of the United States Constitution. Furthermore, the Court ruled that the flow control ordinance discriminated against interstate commerce by favoring a privately owned in-town facility over out-of-state private facilities.

On April 30, 2007, the U.S. Supreme Court ruled on another flow control case. In this case, *United Haulers Assoc., Inc. vs. Oneida – Herkimer Solid Waste Management Authority*, the Supreme Court ruled 6-3 upholding two New York flow control laws. The Supreme Court ruled that these laws do not discriminate against interstate commerce, that government ownership is constitutionally significant, and that “compelling reasons” justify treating flow control laws that favor governmental disposal facilities differently from similar laws that favor private sector disposal facilities.

Attachment G provides additional information on this case.

B. Cincinnati Public Schools Recycling Program

District staff continues to work with Cincinnati Public Schools (CPS) on implementing recycling programs. Specifically, the District worked with CPS and a local recycler to conduct a pilot recycling project at eleven schools. Once the pilot is complete, Staff will work with CPS, Keep Cincinnati Beautiful, and SCS Engineers to analyze the results to determine waste diverted and cost savings through avoided waste disposal costs. When the results of the pilot are confirmed, the District and Keep Cincinnati Beautiful will collaborate to encourage CPS to provide recycling to all schools.

C. Computer Recycling Program

The District’s computer recycling program begins May 15th at Technology Recycling Group, located at 5139 Kieley Place (off of Tennessee Avenue in St. Bernard). This year, the computer event is open Monday – Friday from 8:00 a.m. – 5:00 p.m. The event is only open to Hamilton County residents.

VI. Tentative Future Agenda Items

VII. Policy Committee Members' Comments

VIII. Public Comments

IX. Upcoming District Meetings

The next Policy Committee meeting is scheduled for July 19th at 9:30 a.m. The meeting will be held at Environmental Services, 250 William Howard Taft Road.

X. Adjournment (Target Time: 11:00 a. m.)