

LOPEZ SOLID WASTE DISPOSAL DISTRICT REGULAR MANAGING BOARD MEETING

MINUTES Approved 6/20/18

WEDNESDAY, 16 May 2018
LOPEZ ISLAND FIRE HALL MEETING ROOM
1:00 PM to 3:00 PM

Board members present: Clark Johnson, Rhea Miller, Judy Meyer, Clay Smith, Larry Bailey

Board member absent: none

Others present: District Manager Paul Andersson, Facilities Manager David Zapalac, SWAP Chair Kim Norton, Guest Linda Noreen

Clark called the meeting to order at 1:03 PM, noting no changes to agenda. He said that because of limited time and a full agenda, board members are free to ask questions about the staff's written reports but asked that staff not repeat what is in their reports. He welcomed Clay Smith as an official member of the board.

Rhea moved to approve the minutes from the April 18, 2018 regular meeting. The motion was approved unanimously.

Board business

Financial Officer's report: See Appendix 1 (below). Rhea asked why if garbage volume and revenues have increased, why we are not making money. Paul answered that costs have increased and that it is normal for us to be losing money in the first and fourth quarters. Judy asked why there was a discrepancy between the county's and our accounting. Paul stated that the county had reopened the 2017 books to post a \$307 charge whereas we had posted it in 2018. The following voucher/warrants/electronic payments are approved for payment: Claim numbers: 18016 through 18018, totaling \$7,479.65 and payroll for April 2018: \$12,399.85.

The Board congratulated Paul on the excellent outcome of the State Audit and the efficient manner in which it was handled.

Facility Manager's monthly report: See Appendix 2 (below). The board briefly discussed the episode of the intruder. David was asked to notify the sheriff if this happens again.

Operations Committee has made a recommendation for how to handle printers, which will be discussed under Old Business.

District Manager's monthly report: See Appendix 3 (below).

Administrator's report: The administrator's report is not available this month because LSWDD has not received the most recent receipts from Skagit Steel and Recycling.

Training, Education and Outreach Coordinator's report: See Appendix 4 (below).

Other reports

Solid Waste Alternatives Program -- SWAP has held another successful skirt workshop and have many to sell at the farmer's market , which will start on Saturday. The junk bond is also ready to sell. SWAP will be awarding a scholarship to a gradulating senior. It will be named the Sarah Eppenbach Scholarship. Once SWAP has enough bags, they will make containers for Lopez Village Market and Southend Store. Nikyta is working on the "Dogs of the Dump" calendar.

Solid Waste Advisory Committee did not meet.

Old business

Accepting printers for recycling – See Appendix 4 for the Operations Committee Report indicating two options. After some discussion, **Clark moves that option 2 be implemented by staff at its convenience.** Further discussion followed, noting that we need to educate our customers via the newspaper and our website and provide them with a written summary of how to recycle their printer. This should be done at the same time we put out the ad for the change to summer hours, with a June 15 tentative implementation date. **The motion passed unanimously.**

Bill Clemens contract – Rhea moves approval of the scope of work and contract for Bill Clemens' IT services (Appendix 5). **The motion passed unanimously.**

New business

Plastics solutions -- The committee made a recommendation to the Board in its report (Appendix 3), but after the meeting issues of storage and transport have arisen. It is not clear how LSWDD staff will be able load and unload bales because LSWDD containers are not designed for loading and unloading via forklift. Paul and David will do further research on options, the committee will meet again, and the committee will provide another recommendation for next month's meeting. If possible,

LSWDD should secure a contract with DTG or Merlin so we have some confidence that they will continue to accept our materials.

Budget discussions Clark presented an analysis of how well our statistical budget projections matched actual income and expenditures (Appendix 6). Bottom line is that the estimates were very close to actual. Discussion on how large a reserve fund is needed was structured by a Powerpoint presentation prepared by Clark (Appendix 7), Paul's analysis of the amount remaining in the reserve fund if the levy were to fail (Appendix 8), and David's vision of potential future improvements for the site (incorporated into the Powerpoint). Four types of needs are met by the reserve fund: (1) cash on hand (LSWDD requires \$30,000 cash on hand to support ongoing operations because some quarters lose money.); (2) cash needs If the levy failed (LSWDD would require \$50,000 in the first quarter before significant changes in fees or reduction in services could be introduced; without those changes, LSWDD would reduce the reserve fund by \$110,000/ year.); (3) Investments for enhancements (infrastructure improvements, expand operations, enhanced services, and expand education, all of which would require additional space.); and (4) maintaining services during an economic downturn (Assuming reduced consumption, using 2014-2017 as recovery years for revenue and expenses and 2018 budget for expenses that don't change when consumption changes, a 4-year recovery period would require \$90,000). Based on this discussion the board agreed that the reserve fund should be maintained at \$150,000. Clark and Paul will prepare an end-of-the-year estimate for the June meeting. The board is committed to preparing a balanced budget for 2019 and will try to do that without having to call a special meeting.

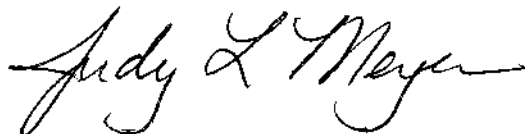
Idea pot

To reduce consumption of plastic water bottles, LSWDD could Install water filling stations: a Lopez hydration draft called Spencer's spit!!!

On a more serious note, LSWDD has a new website but really needs a webmaster to populate it with content.

The meeting was adjourned at 3:03 pm. The next regular board meeting is June 20, 2018.

Respectfully submitted,



Judy Meyer,
Secretary

judym@lopezsolidwaste.org

Appendix 1

LSWDD			
Profit & Loss Budget vs. Actual			
January through April 2018			
	Jan - Apr 18	Budget	% of Budget
Income			
Tax Levy Revenue	53,182.52	49,767.00	106.9%
Timber Harvest Tax Revenue	0.00	0.00	0.0%
Excise Tax Revenue	15,607.78	16,916.00	92.3%
Garbage Tip Fee Revenue	47,080.83	41,941.00	112.3%
Recyclables Sales Revenue	4,929.89	3,760.00	131.1%
Recyclables Tip Fee Revenue	2,492.00	2,213.00	112.6%
Investment Interest, LGIP	903.90	332.00	272.3%
Donations	205.38	0.00	100.0%
Cash Over (Short)	-6.69	0.00	100.0%
Late and NSF Fees, Penalties	0.00	0.00	0.0%
Refuse Tax	1,690.35	1,506.00	112.2%
Total Income	126,085.96	116,435.00	108.3%
Expense			
Wages	45,887.61	50,616.00	90.7%
Overtime	0.00	0.00	0.0%
FICA	3,510.41	3,872.00	90.7%
L&I	1,978.63	2,836.00	69.8%
Retirement	4,819.61	5,568.00	86.6%
Medical Benefits	3,000.00	3,000.00	100.0%
Personnel Benefits	90.26	88.00	102.6%
Office & Operating Supplies	564.75	1,166.64	48.4%
Fuel	839.82	980.00	85.7%
Small Tools & Equipment	557.58	1,666.64	33.5%
Accounting and Professional	5,346.10	1,200.00	445.5%
Advertising and Public Outreach	0.00	500.00	0.0%
SJC Admin. and Legacy Fees	6,813.91	6,312.00	108.0%
Communications	540.00	856.00	63.1%
Travel	0.00	0.00	0.0%
Taxes, Other	1,107.64	415.00	266.9%
Rentals and Leases	875.00	800.00	109.4%
Insurance	2,655.62	4,263.00	62.3%
Utility Services	268.28	332.00	80.8%
Garbage Tip Fees Paid	11,040.70	10,104.00	109.3%
Garbage Transportation Exp.	1,852.90	1,855.00	99.9%
Recyclables Tip Fees Paid	195.60	229.00	85.4%
Recyclables Transportation Exp.	1,473.40	1,920.00	76.7%
Reclamation-Disposal Fees Paid	956.03	1,114.00	85.8%
Repairs and Maintenance	1,403.52	4,000.00	35.1%
Fees & Dues	1,030.00	250.00	412.0%
Hazardous Waste Exp. Allowance	0.00	0.00	0.0%
Permits and Licenses	1,418.00	732.00	193.7%
Refuse Tax Payment	2,541.59	1,100.00	231.1%
Debt service, Principal	9,857.74	9,570.00	103.0%
Interest Expense	295.74	580.00	51.0%
Facility Improvements	283.52	3,668.00	7.7%
Computer and Software Exp.	300.52	252.00	119.3%
Machinery and Equipment	0.00	0.00	0.0%
Total Expense	111,504.48	119,845.28	93.0%
Net Income	14,581.48	-3,410.28	-427.6%

Appendix 2 Solid Waste Facility Manager's Monthly Report

Date Issued: May 13, 2018

SAFETY

New Eye wash stations have been purchased and installed at the Kiosk and Lower Office.

GENERAL

OPERATIONS/ONGOING ISSUES:

New shelf units for TIOLI have arrived and are scheduled to be installed Wednesday the 16th. The Recycle Dogs will be pitching in to assemble and stock the 14 new shelf units.

Textile intake at TIOLI has increased to the point where shipments of culled items to Goodwill are needed every two weeks. Garbage quantities are also increasing with the Summer season approaching. There are now two full garbage containers per week that are being shipped out.

The newspaper article published last week has resulted in one confirmed application and two inquiries for applications for new volunteers as of this writing.

A new tarp was purchased to cover the 20 cubic yard aluminum storage rolloff and two spill containment pallets were purchased to bring us into compliance for aluminum and battery storage.

Thanks to efforts by Carol, our volunteer coordinator, and TIOLI staff, we have seen an increase in volunteer sign ups for Saturday. This is much needed since Saturdays are beginning to get busy and require full volunteer efforts for smooth operation.

A man was caught on camera trespassing in TIOLI in the middle of the night this past Saturday despite the fact that the gates were drawn and locked. There was no damage to the gates even though he must have climbed over to get in. There was no evidence that he entered any other locked area of the facility or that anything was taken that wasn't set aside for customers. The previous morning a garbage dumpster was found partially opened with evidence of an after hours garbage dump of several bags.

A conversation with Todd Reynolds, our sales representative at Skagit River Steel and Recycling, has yielded some information about the paper market. As mentioned in April's report, mixed paper prices have gone upside down with a

loose ton of material costing us \$65 to recycle at SRSR. This was due to the fact that the Asian markets that are absorbing the materials rejected from China are being saturated with low grade MRF paper. Now that some of our higher grade paper has made it to market overseas it can be graded and hopefully fetch a better price than the MRF bales in future shipments. Todd believes that the mixed paper price has hit bottom and will slowly start to rise. He also mentioned that he is interested in contacting Merlin Industries in B.C. for more information on the market there for #1-7 mixed bales. The possibility of LSWDD transporting to Merlin through SRSR was discussed and it was agreed that this could certainly be a possibility if Merlin became a buyer for the backlog of bales now in storage at SRSR in Burlington.

The Recycle Dogs have gained two new members and continue to do outstanding work for us processing items for their higher grade metals. Their last work party had 9 members participating and they tried their hand at recycling printers for us. Six printers were fully disassembled for the metals contained within and three garbage cans of plastic garbage were generated in the process. It still took an average of 45 minutes to fully process each printer, despite the fact that these volunteers are both highly motivated and very skilled at this type of work now.

Prices for recycling materials shipped during April were not available at the time this report was written.

CUSTOMER/VOLUNTEER FEEDBACK:

A Recycling volunteer remarked that she had noticed that some customers, despite the fact that the facility was extremely busy and other customers were waiting in their cars for parking at the Plaza, were bringing unsorted recycling and taking an unusually long time to sort and recycle. In one case a customer was there for 2 hours on a Sunday afternoon. In conversations with these customers the volunteer explained the need for presorting and expediency. It was learned that these customers typically come to the Dump to socialize on Sundays and are slow on purpose, and, in most cases, unaware that there is a problem with them taking all the time they want.

Appendix 3 – District Manager's Report

Board Materials – 5/16/18

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Financial Officer's Report

1. Financial Updates – Monthly and YTD summary:

Summary:

We were 19% above revenues for April (\$9,302) and are at 108% of actual vs. budgeted revenues for the year to date. The difference is largely attributable to increased Tax Levy Revenue and Garbage Tip Fee Revenue. April expenditures were 7% above budgeted and year to date expenditures are 7% below budget.

We are still holding \$180,000 in investments. No investments were bought or sold this month.

We have \$55,358.80 in our cash account; \$235,358.80 total.

(Reference Income Statement and Statement of Cash Flows attached.)

2. Audit Completion

We have passed the audit with no written “findings.” An exit interview was held with Governing Board member Rick Hughes, Paul, Clark, Judy and State Auditor’s Office (SAO) officials. SAO will release the audit results on public website to which they have provided us a link. The total audit cost was less than budgeted due to efficiencies within the audit process.

3. Analysis of Cash Reserves

The topic of cash reserves will be discussed. A full 2018 monthly budget is attached for reference during this discussion, including the net income and cash flow scenarios below if a November levy were to fail.

Analysis	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Budgeted Net Income	(17,775)	(3,855)	(1,752)	19,971	9,516	(9,630)	909	3,719	(21,164)	17,242	1,612	(20,368)
No Levy Scenario												
Net Income -less- levy revenue	(17,982)	(11,835)	(12,987)	(10,374)	(4,239)	(10,575)	279	2,459	(23,684)	(6,488)	(10,043)	(21,106)
Ending Cash without levy revenue	209,910	198,075	185,088	174,714	170,475	159,900	160,179	162,638	138,954	132,466	122,423	101,317

Manager's Monthly Report

1. Action items:

- Bill Clemens contract – see attached

2. Discussions

Management Committee Report

COMMITTEE DID NOT MEET

Admin Committee Report

COMMITTEE DID NOT MEET

PR Committee Report

Committee did not meet.

Refer to TEOC staff report, recent newspaper articles and Year to Zero discussion.

TIOLI Committee Report

COMMITTEE DID NOT MEET

Plastics Solutions Committee Report

PLASTICS SOLUTIONS COMMITTEE

Report for May 18, 2018 LSWDD Managing Board Meeting

The committee makes the following recommendations:

1. Return to the sorting scheme used in 2017, namely six IBC containers: #1 bottles, #2 cloudy bottles, #2 colored bottles, mixed #1-7 molded plastics (including clamshells), plastic film, and agricultural plastics.
2. #1 bottles, #2 cloudy bottles, #2 colored bottles: continue baling and sending to Skagit Steel and Recycling.
3. Mixed #1 – 7 plastics. Bale these and store bales in a container to keep them out of sun, wind, and rain; use LSWDD truck to send container once or twice a year to Merlin in BC. See below for the economic analysis of this.
4. Plastic film: continue to seek a solution for this material (10,000 lb/yr), but we recommend dumping this container in garbage until we can find an alternative.
5. Agricultural plastics: continue to offer customers the opportunity to reuse this material, but dump into garbage what is not reused.

Other Considerations and outcomes:

- The committee considered separating and baling #5 polypropylene plastics, to send to Merlin Plastics for approximately \$.05/lb. However, it is very difficult to tell #2 and #5 apart from a customer standpoint so this option was discarded.
- The committee considered shipping #1 and #2 bottles to Merlin, who will buy them for approximately \$.10 and \$.26 respectively. This would disrupt our current relationship with Skagit River Steel and Recycling, who takes this material for free, and require costs/labor associated with shipping to Merlin. Additionally, #1 bottles are shipped further inland to Alberta, Canada by Merlin at a cost to us.

LSWDD Economic analysis for mixed #1-7 recycling		
Annual Volume (lbs)	4,400	#1 clamshells
	3,000	#5
	2,600	other
Total Annual Volume	10,000	
Weight per bale	500	lbs
Total # bales	20	bales
Annual Expenses		
Baling Labor	1.5	hours
	\$26	per hour
	\$39	per bale
Baling Labor Subtotal	\$780	
Transportation		
Driver	10	hours
	\$25	per hour
Driver Subtotal	\$250	
Fuel @ 4mpg; 160 mile RT	\$4	per gallon
Fuel Subtotal	\$160	
Ferry Subtotal	\$135	
Transportation Subtotal	\$545	
Plastics Sorting @ \$.07/lb	700	
Additional charge for clamshells est. @ \$.03/lb	132	
TOTAL EXPENSES	\$2,157	
Revenue		
#5 polypro plastics @ \$.05/lb	150	
Net Income/Loss	(\$2,007)	

Amendment:

LSWDD Economic analysis for mixed #1-7 recycling	Merlin Recycling, BC		DTG Recycling, Renton		
		Self-haul		Self-haul	Hired haul
Annual Volume (lbs)	4,400	#1 clamshells			
	3,000	#5	Film	10,000	
	2,600	other	Other	10,000	
Total Annual Volume	10,000		Total	20,000	
Weight per bale	500	lbs		500	
Total # bales	20	bales		40	
Annual Expenses					
Baling Labor	1.5	hours			
	\$26	per hour			
	\$39	per bale			
Baling Labor Subtotal	\$780		\$	1,560	\$ 1,560
Transportation					
Driver	10	hours	Lopez Island Freight@ \$19/bale		19
	\$25	per hour	2nd hauler		20
Driver Subtotal	\$250		Hauling subtotal per bale		1560
Fuel @ 4mpg; 160 mile RT	\$4	per gallon			
Fuel Subtotal	\$160				
Ferry Subtotal	\$135				
Transportation Subtotal per trip	\$545	1 trip	2 trips	\$ 1,090	1560
Plastics Sorting @ \$.07/lb	700		Tip Fee @ \$70/ton	700	700
Additional charge for clamshells est. @ \$.03/lb	132			0	
TOTAL EXPENSES	\$2,157			\$3,350	\$3,820
Revenue					
#5 polypro plastics @ \$.05/lb	150				
Revenue Subtotal	150				
Net Income/Loss	(\$2,007)			(\$3,350)	(\$3,820)
Recycling price per pound	(0.20)			(0.17)	(\$0.19)

Appendix 4

Operations Committee recommendation to the Managing Board for Printers/Scanners/Copiers

As mentioned in previous reporting, the OPS Committee has determined that the actual cost for recycling printers/scanners/copiers to be about \$13.50 per unit (we currently charge customers \$4).

We have also discovered, thanks to the efforts of Clay and Nikyta, that HP has a program that allows customers to request a shipping label and send back old printers of any manufacturer to be recycled or remanufactured by HP. This program is designed for individual customers and not for businesses receiving printers such as ours. Best Buy also has a program for accepting old printers from customers for recycle.

We have also determined, thanks to the efforts of Jim and his team of dedicated volunteers, that processing the printers for recycling is a very difficult and yields little actual metal compared to the plastic waste created. In addition, it takes an average of 45 minutes to process one single unit.

Currently Gary and David are disposing of items such as telephones, keyboards, clock radios and other plastic non-program items that end up in the ecycle bins as determined to be "electronics" by the customers. Some of the non-program electronic items such as stereo receivers and components with metal cases can be recycled in our appliance steel bin.

As a committee we have decided not to recommend to continue the program "as is", accepting printers/scanners/copiers for \$4 recycling fee as well as all other non-program items for free.

The OPS Committee considered two options for changing the way these items are dealt with:

Option 1. Offer recycling of printers/scanners/copiers for \$13.50 (or \$14) to customers as an option to having them throw these items in their garbage, and make the Ecycling that we offer only be for "program" approved items (tv's, computers, laptops and monitors) and the paid printers/scanners/copiers. All other electronics that qualify as appliance grade items go in the appliance steel bin. Everything else is garbage to be paid by the customers. Note: This adjustment of fee would also require the Governing Board (County Council) approval. Keep in mind that by the time we accumulate enough of these units with this option that the cost for processing/recycling these items might be quite different or the service unavailable altogether.

Option 2. Only accept "program" items in Ecycle and educate the customers about their options for recycling printers and what types of electronics can be put into the Appliance Steel bin. We could also have printed information for them outlining the options for the HP and Best Buy programs (we could, of course, offer this information with Option 1 as well).

The Committee voted unanimously for Option 2 and therefore would like to propose to the Managing Board that LSWDD change operations to incorporate this change in operations beginning in July of this year.

Appendix 5

An Agreement between Lopez Solid Waste Disposal District ("LSWDD") and Bill Clemens ("Jones Bay Co.") concerning the maintenance of LSWDD information technology systems ("IT Systems").

Concerning IT Systems:

IT systems have been maintained as a volunteer effort by Jones Bay Co. and is by the time of this agreement maintained without written requirements or specifications provided by LSWDD and without any written specifications or documentation provided by IT Support.

LSWDD and Jones Bay Co. agree that it is desirable to be able to continue to maintain, support, develop and document ("Work") IT Systems into the future as outlined in this Agreement.

Concerning Payments:

Jones Bay Co. is an independent contractor performing the work for LSWDD as "work for hire".

Jones Bay Co. shall charge for time at an hourly rate of \$25.00 for Work requested by LSWDD and agreed to by Jones Bay Co., not to exceed \$1,000 annually unless otherwise authorized by the LSWDD Managing Board.

Jones Bay Co. shall invoice LSWDD periodically for Work and shall maintain and submit records to LSWDD of Work performed and hours spent under this Agreement.

LSWDD shall pay Jones Bay Co. Work invoices in a timely manner.

Concerning Ownership:

All software, hardware, domain names, content and backup systems shall be owned solely by LSWDD as well as any specifications and documentation developed under this Agreement as "work for hire".

Concerning Communication:

LSWDD shall designate a contact person for communication between LSWDD and Jones Bay Co. for the purpose of discussing and settling matters relating to the Work according to this Agreement.

Upon receiving written specifications from LSWDD for a Work project, Jones Bay Co. shall respond within a reasonable amount of time and to the best of his ability, giving an estimate of cost and timetable for completing the Work.

Upon implementation by Jones Bay Co. of a Work project, LSWDD shall within reasonable time and using best effort assure itself that the Work has been done according to the specifications provided by LSWDD and inform Jones Bay Co. about the result.

LSWDD shall respond in a timely manner to communications from Jones Bay Co. concerning IT Systems matters that are brought to its attention.

Concerning Functionality of IT Systems:

All parts and functionality of IT Systems are detailed in the attached Scope of Work.

Jones Bay Co. shall do its utmost to ensure that IT systems function 24 hours a day, seven days a week, but does not warrant that this will be the case if a non-availability problem is attributed to website hosting, the Internet, a utility company or any other third party, or by lack of payment to Jones Bay Co. or service providers by LSWDD.

Jones Bay Co. does not warrant that IT Systems will run without errors or interruptions but shall do his utmost to make corrections in a timely manner, depending on the severity of any errors reported to him.

Concerning Term and Termination:

This Agreement may be terminated by either party: 1) If the other party is in breach of the Agreement and such breach remains uncorrected for 30 days, or 2) With 90 days notice for no cause.

In the event that Jones Bay Co. is in breach of or terminates the Agreement, LSWDD shall have the right to continue to use all IT systems, its documentation and have full and unfettered access to and use of the IT Systems of LSWDD.

In the event that LSWDD is in breach of or terminates the Agreement, LSWDD shall have the right to continue to use IT Systems and their documentation, including any hosting agreements, software and hardware owned or operated by Jones Bay Co. but used to operate LSWDD IT systems as defined under the section concerning Ownership.

Signed by

Bill Clemens, Jones Bay Co.

Paul Andersson, District Manager, LSWDD

Date:

Date:

Scope of Work:

Computer and Network Support for LSWDD

Summary

Provide ongoing support, preventative scheduled maintenance, and urgent unscheduled maintenance as required to enable and promote the goal of continuous, reliable operation of computer(s), printers, wired and wireless networks and associated systems at the Lopez Dump. Support is provided on a best-effort basis and no guarantee is or can be made that operation will be continuous or trouble-free.

Systems

- **Dell Desktop Tower Computer – LSWDD-02**
Windows 10 Professional, 64-bit Intel
Two 500GB disc drives (one primary, one local backup)
4GB RAM
Firefox browser, configured for LISSY, receipt and report printing
Thunderbird email, configured for scan-to-email with Brother Control Center 4 utility
TimeClick for recording employee time
Acronis True Image Backup (local and cloud)
APC PowerChute UPS monitor (see below), auto shutdown in event of power failure
- **Brother MFC-7360N multifunction machine** (printer, copier, fax, scanner)
Brother Utilities
Wired network connection
- **Epson TM-T20 receipt printer**
USB connection
- **BEC LTE Modem** (provided by Rock Island Communications)
Internet, wired and wireless network connections
- **Netgear 8-port Ethernet Switch**
- **OOMA VOIP Telephone** (provided by Rock Island Communications)
- **APC Uninterruptible Power Supply**
System components *except* LTE Modem and VOIP Telephone
- **CyberPower Uninterruptible Power Supply**
LTE Modem and VOIP Telephone (provided by Rock Island Communications)

Scheduled Maintenance and Ongoing Support

- **Windows Updates** (Feature, Security, Maintenance)
Monthly, following Microsoft scheduled update drop – second Tuesday of each month.
At other times when urgent out-of-band security updates are released.
- **Firefox and Thunderbird Updates**
Check and install monthly, in conjunction with Windows Updates.

- **Acronis Backups**
Weekly, verify successful completion of automated local backup – Sunday evening.
Weekly, verify successful completion of automated cloud backup – Monday evening.
Quarterly, test full disc recovery from local and cloud backups to a secondary computer.
- **SQL Backups**
Weekly, download backup of LISSY SQL data to personal computer, with copy to LSWDD-02 – Sunday evening.
- **Physical inspection** of all systems in the booth, and check with Facility Administrator for any problems – Monthly.
- **Check UPS logs and battery condition** – Semi-annual, June and December.
- **Additional tasks** as assigned by District Manager. Respond to requests for new functionality as they emerge. Coordinate with other staff and LISSY developer as necessary and appropriate.

Urgent Unscheduled Maintenance

- Respond on a best-effort basis to any operational problems reported by LSWDD staff.
- Provide email and mobile phone contact information (see below) for use by LSWDD staff. While **response time cannot be guaranteed**, under normal circumstances, you can expect a response to email or voicemail messages within four hours or less. You can expect a response the following morning to any voicemail or email sent after 9:00 p.m.
- Maintain the ability to access LSWDD-02 remotely from anywhere Internet access is available.

Contact Information

- Bill Clemens, d.b.a. Jones Bay Company
265 Vista Rd, Lopez Island, WA 98261-8164
- Telephone (360) 317-5636 – Mobile (primary); (360) 468-4442 – Home (alternate)
Email billc@lopezsolidwaste.org or bill@jonesbayco.com

Appendix 6

How well did we estimate End-of-Year values in June 2017?

In June last year we estimated 2017 end of year revenue and expenses. That estimate was to a large extent used to set the budget for 2018. Our approach included a variety of assumptions and methods. Some line items were assumed to be fixed by contract. Several line items were found to be predictable using a statistical approach. The remainder were given “Best Estimate” values by David and Paul or were simply ignored.

Now that we are approaching another Levy and Budget season it is reasonable ask whether our approach generated values that were close to those actually recorded on December 31, 2017.

To answer that question we have to begin by asking: “What does good enough” mean? An accountant records the accumulating results of past events. These are expected to be accurate to the penny. However, in predicting an uncertain future we have to define a different criterion. Instead of exact we ask that the estimate not differ from the observed value by more than some percentage. My sense is that, for our purposes, an estimate that is within five percent of the observed value is “Good Enough.”

So, let’s cut to the chase and look at the overall accuracy of our June estimate last year.

	Predicted	Actual	Delta
Revenue	363,356	347,474	15,882
Expenses	386,308	370,049	16,259
Net	-22,952	-22,575	-377

The numbers in this table indicate that our Revenue estimate overstated our income by 4.6 percent. Expenses were overstated 4.2 percent. Since the 2017 end of year estimate served to establish the “Starting Capital” for 2018 it is remarkable to note that we missed that value by only \$377.

Here’s the executive summary:

While some improvements can be made for specific budget line items our approach last year was generally successful.

A review of the specifics associated with these results follows. Those who are not inclined to “wonkish” detail can comfortably skip everything from here forward.

Appendix 7 – Reserve Fund Powerpoint

5/16/18

Reserve Account Management

May 16, 2018

LSWDD History: Cash Accumulation



We have cash . . .

What challenges to LSWDD finances will require cash

- "Float"
- Levy failure
- Infrastructure enhancements
- Economic downturn

Cash to "float" ongoing operations



Implications of Levy Failure

Funding Infrastructure enhancements

- Optimizing existing facility
- Add services
- Incorporating Public Works land / buildings

5/16/18

Traffic movement and Parking improvements

- Allow 2 way garbage drop-off
- Enable separation of fee and non-fee activities and associated traffic
- Dedicated staff/volunteer parking
- Empty container storage parking
- truck scale and scale house
- signage,
- traffic control lights,
- closed circuit cameras,
- driveway grading and surfacing,
- parking grading and surfacing,
- engineering and design work
- staff certification.
- revised SWPPP

Expand Operations**Permanent facilities for**

- Moderate Risk Waste (MRW) collection
- Yard waste collection
- C&D waste collection
- slab for MRW unit,
- emergency shower station (MRW unit),
- 6 inch concrete slabs,
- grading of drop area and construction of slab,
- curb and retaining wall with lower slab for rolloff parking
- metal curb apron,
- warehouse forklift,
- pallet shelving,
- concrete slab in the salt shed
- engineering and design work

Improve storage and processing

- Create an appliance processing, repair and testing area
- Provide space and equipment for on-site recovery of refrigerant from appliances
- Improve textile baling and storage
- parts storage shelving,
- various hand and power tools,
- plumbing and electrical hook up for appliances for testing
- small hydraulic baler machine with work area,
- freon recovery "vampire" machine,
- gas storage bottles,
- Employee training and certification
- dry and rodent-proof storage and loading area,
- hydraulic lift cart for moving bales

Expand educational and public engagement services

- Create a workshop for the purpose of fixing broken items and up-cycling items for reuse
- Create a space for a tool lending library
- design, engineering and construction for remodeling the existing Public Works office spaces in the front building next door

Create on-site LSWDD office/training facilities

- This space would also include:
- a board meeting room
 - classroom
 - staff break room.
 - Address ADA compliance issues,
 - design, engineering and construction for remodeling the existing Public Works office spaces in the front building next door

Storm water garden/aesthetic improvements

- Design and build a storm water retention and bio-filtration garden
- Extend the privacy fence on the east perimeter of the site
- Improve or mask the appearance of the existing road shop
- storm water engineering,
- landscape design/construction,
- landscaping plants and soils,
- landscaping service for maintenance

5/16/18

Other useful equipment

- tire machine,
- waste oil burning furnace for the back building,
- pavement vacuum machine,
- engine powered waste oil transfer pump and tank,
- closed circuit monitoring cameras

Maintaining services during economic downturn

- Simulate economic downturn
- Assume downturn will reduce consumption
- Use 2014 – 2017 as models of recovery years
– these are “index years”

Assume index year for these sources of:Revenue

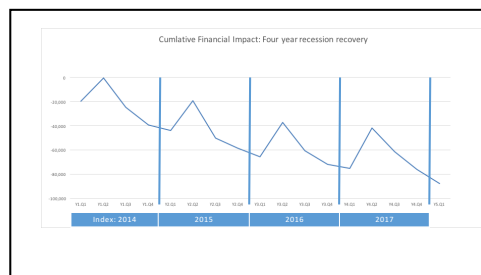
- Excise Tax Revenue
- Garbage Tip Fee Revenue
- Recyclables Sales Revenue
- Recyclables Tip Fee Revenue
- Refuse Tax

Expense

- Fuel
- Garbage Tip Fees Paid
- Garbage Transportation Exp.
- Recyclables Transportation Exp.
- Refuse Tax Payment

Use 2018 budget for these Expenses

- Wages
- Office & Operating Supplies
- Small Tools & Equipment
- Accounting and Professional
- Advertising and Public Outreach
- SIC Admin. and Legacy Fees
- Communications
- Taxes, Other
- Rentals and Leases
- Insurance
- Utility Services
- Reclamation-Disposal Fees Paid
- Repairs and Maintenance
- Fees & Dues
- Hazardous Waste Exp. Allowance
- Permits and Licenses
- Computer and Software Exp.

Discussion: Next steps

- Maintain a minimum reserve of \$150k
- Balanced budget
 - Prepare End of Year estimate for June regular meeting
 - Recommend approach to balance budget by:
 - Reducing costs
 - Increasing the Levy
 - Increasing user Fees
- Do we even want the public works building/land?
 - Form committee to identify / research issues
 - Schedule discussion for July regular meeting
- ?? Other ??

Appendix 8

LSWDD 2018 Monthly Budget - approved 1/26/18

INCOME STATEMENT	approved 2018 Budget	5.7% Jan	5.5% Feb	6.7% Mar	6.6% Apr	9.1% May	9.1% Jun	12.3% Jul	13.0% Aug	9.0% Sep	9.2% Oct	6.8% Nov	7.0% Dec	100.0% TOTAL	<--monthly % NOTES
REVENUE:															
Beginning Cash	227,892	227,892	210,117	206,262	204,510	224,481	233,997	224,367	225,276	228,995	207,831	225,073	226,685	227,892	
Tax Levy Revenue	105,000	207	7,980	11,235	30,345	13,755	945	630	1,260	2,520	23,730	11,655	738	105,000	2017%
Excise Tax Revenue	69,044	3,936	3,797	4,626	4,557	6,283	6,283	8,492	8,976	6,214	6,352	4,695	4,833	69,044	monthly %
Garbage Tip Fee Revenue	171,188	9,758	9,415	11,470	11,298	15,578	15,578	21,056	22,254	15,407	15,749	11,641	11,983	171,187	monthly %
Recyclables Sales Revenue	15,348	875	844	1,028	1,013	1,397	1,397	1,888	1,995	1,381	1,412	1,044	1,074	15,348	monthly %
Recyclables Tip Fee Revenue	9,037	515	497	605	596	822	822	1,112	1,175	813	831	615	633	9,036	monthly %
Investment Interest	1,000	83	83	83	83	83	83	83	83	83	83	83	83	996	
Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cash Over (Short)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Refuse Tax	6,148	350	338	412	406	559	559	756	799	553	566	418	430	6,146	monthly %
Total Revenue	376,765	15,724	22,954	29,459	48,298	38,477	25,667	34,017	36,542	26,971	48,723	30,151	19,774	376,757	
Total Revenue and Beginning Cash	604,657	243,616	233,071	235,721	252,808	262,958	259,664	258,384	261,818	255,966	256,554	255,224	246,459	604,649	
EXPENDITURES:															
Wages	155,577	12,654	12,654	12,654	12,654	12,654	12,838	14,335	14,335	12,838	12,654	12,654	12,654	155,577	Paul's hours budget
Overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
FICA	11,897	968	968	968	968	968	982	1,097	1,097	982	968	968	963	11,897	7.65% wage
L&I	8,711	709	709	709	709	709	719	803	803	719	709	709	704	8,711	5.6% wage
Retirement	17,133	1,392	1,392	1,392	1,392	1,392	1,412	1,577	1,577	1,412	1,392	1,392	1,411	17,133	11.0% wage
Medical Benefits	9,000	750	750	750	750	750	750	750	750	750	750	750	750	9,000	
Personnel Benefits	350	-	-	-	-	-	-	-	-	-	-	-	-	350	unemployment
Office & Operating Supplies	3,500	292	292	292	292	292	292	292	292	292	292	292	288	3,500	
Fuel	4,000	228	220	268	264	364	364	492	520	360	368	272	280	4,000	monthly %
Small Tools & Equipment	5,000	417	417	417	417	417	417	417	417	417	417	417	413	5,000	
Accounting and Professional Services	7,000	200	200	200	600	3,200	200	600	200	200	600	200	600	7,000	stormwater, SIC, programmin
Advertising and Public Outreach	1,000	-	250	-	250	-	-	250	-	-	250	-	-	1,000	
SIC Admin. and Legacy Fees	25,248	-	-	6,312	-	-	6,312	-	-	6,312	-	-	6,312	25,248	
Communications	2,568	214	214	214	214	214	214	214	214	214	214	214	214	2,568	
Travel	1,200	-	-	-	-	-	600	-	-	-	-	-	-	1,200	WSRA conf, other
Taxes, Other	2,320	-	-	-	415	-	-	575	-	-	796	-	534	2,320	quarterly % B&O tax
Rentals and Leases	2,400	200	200	200	200	200	200	200	200	200	200	200	200	2,400	
Insurance	14,921	2,656	1,607	-	-	-	-	-	-	10,658	-	-	-	14,921	Jan = actual
Utility Services	1,000	83	83	83	83	83	83	83	83	83	83	83	87	1,000	
Garbage Tip Fees Paid	56,447	-	3,217	3,105	3,782	3,726	5,137	5,137	6,943	7,338	5,080	5,193	7,789	56,447	previous mo %
Garbage Transportation Expenditure	10,360	-	591	570	694	684	943	943	1,274	1,347	932	953	1,429	10,360	previous mo %
Recyclables Tip Fees Paid	1,280	-	73	70	86	84	116	116	157	166	115	118	179	1,280	previous mo %
Recyclables Transportation Exp.	9,972	165	559	539	657	647	892	892	1,206	1,275	883	902	1,355	9,972	previous mo %; Jan. -\$165 Pe
Reclamation-Disposal Fees Paid	4,550	259	250	305	300	414	414	560	592	410	419	309	318	4,550	monthly %
Repairs and Maintenance	12,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000	
Fees & Dues	400	-	-	-	250	-	-	-	-	-	-	150	-	400	WSRA, Chamber Dues
Hazardous Waste Expense Allowance	250	-	-	-	-	-	250	-	-	-	-	-	-	250	
Permits and Licenses	2,200	183	183	183	183	183	183	183	183	183	183	183	187	2,200	
Refuse Tax Payment	6,148	-	-	-	1,100	-	-	1,525	-	-	2,109	-	1,414	6,148	quarterly %
Debt Service: Principal	9,570	9,570	-	-	-	-	-	-	-	-	-	-	-	9,570	
Interest Expense	580	580	-	-	-	-	-	-	-	-	-	-	-	580	
Facility Improvements	11,000	917	917	917	917	917	917	917	917	917	917	917	917	11,000	Avg
Computer and Software Expenditure	750	63	63	63	63	63	63	63	63	63	63	63	57	750	
Machinery and Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	398,332	33,499	26,809	31,211	28,327	28,961	35,297	33,108	32,823	48,135	31,481	28,539	40,142	398,332	
Ending Cash	206,325	210,117	206,262	204,510	224,481	233,997	224,367	225,276	228,995	207,831	225,073	226,685	206,317	206,317	
Total Expenditures and Ending Cash	604,657	243,616	233,071	235,721	252,808	262,958	259,664	258,384	261,818	255,966	256,554	255,224	246,459	604,649	
Analysis															
Budgeted Net Income		Jan (17,775)	Feb (3,855)	Mar (1,752)	Apr 19,971	May 9,516	Jun (9,630)	Jul 909	Aug 3,719	Sep (21,164)	Oct 17,242	Nov 1,612	Dec (20,368)		
No Levy Scenario															
Net Income -less- levy revenue		(17,982)	(11,835)	(12,987)	(10,374)	(4,239)	(10,575)	279	2,459	(23,684)	(6,488)	(10,043)	(21,106)		
Ending Cash without levy revenue		209,910	198,075	185,088	174,714	170,475	159,900	160,179	162,638	138,954	132,466	122,423	101,317		