

**Hendricks County Recycling District  
Board of Director’s Meeting Minutes  
August 29, 2023**

The Hendricks County Recycling District met at 7:00 a.m. on August 29, 2023, in the Commissioners’ Meeting Room at the Hendricks County Government Center.

President Dan Bridget opened the meeting and led the Pledge of Allegiance.

Roll call was taken and the Board Members in attendance were:

Dan Bridget	Caleb Brown	Dennis Dawes
Steve Eisenbarth	Bob Gentry	Ben Lacey
Nancy Leavitt	Phyllis Palmer	*Eric Wathen

Mr. Bridget confirmed that a quorum was present.

Others in attendance were:

Lenn Detwiler	Amy Siefertman	Katie Archer
Greg Steuerwald	Justin Buster	

**Approval of Meeting Minutes**

Mr. Gentry moved to approve the Meeting Minutes, as presented, from the July 26, 2023, Hendricks County Recycling District Board Meeting. Mr. Lacey seconded the motion and the motion passed, 8-0-0.

**Director’s Report**

*Program Results*

Mr. Detwiler opened the Director’s Report with an update on the District’s program results. He shared that the most recent Tox-Away Day was at the Hendricks County Fairgrounds. The event had 796 users, which he reported was the biggest turnout ever for the fourth Tox-Away Day of the year. Mr. Detwiler noted that the Tox-Away Day participation is currently 118 users ahead of the average and 327 ahead of last year’s event participation through four events and added that 2023 could be the busiest Tox-Away Day year the District has ever experienced. Mr. Detwiler shared that there is one Tox-Away Day left for the year on October 21<sup>st</sup> in Plainfield.

Next, Mr. Detwiler reported that July was the busiest month on record at the Yard Waste Recycling Centers since the District has operated two centers. Mr. Detwiler shared the Yard Waste Recycling Centers had 967 users in the month of July, the sites typically average around 600 in July.

Mr. Detwiler then reported that following the July meeting, he contacted Brownsburg Community School Corporation to explain that they could continue to use the Yard Waste

Recycling Center during the center's normal operating hours. He had not gotten a call back from the school corporation but explained that the Yard Waste Recycling Center attendants knew to begin recording any loads from the school corporation.

Next, Mr. Detwiler shared that the Recycling Drop-Off Center in Coatesville is approximately ten tons ahead of last year's total to-date and that the North Salem location is lagging by approximately fourteen tons compared to last year. Mr. Detwiler reported that on Friday, August 11<sup>th</sup> he received an email that WM would be unable to service the North Salem site that day as a dispatcher in Michigan inexplicably voided the request. Further, WM would be unable to service the location until the next scheduled pick-up. He shared that this issue has happened a few times at the sites. Mr. Detwiler reported that, fortunately, this time the site remained usable and clean through the weekend and service resumed that following Tuesday. He added that this specific issue of a far-off dispatcher canceling service has been addressed multiple times with WM but it still happened again.

Mr. Detwiler then shared that the Lizton Recycling Center is averaging about 110 users per day and has helped almost 7,000 visitors since the center opened at the end of April. He commended the attendants for how well they handled the dangerous heat the previous week and noted that a cooler with water and sports drinks was provided to help them manage.

Next, Mr. Detwiler shared with the Board that a tour of W Enterprises in Crawfordsville and Pratt Recycling in Whitestown is scheduled for September 20<sup>th</sup>. The facility tours will give the attendants a better understanding of what happens once the materials collected at the Lizton Recycling Center leave that facility. He added that Mrs. Sieferman and Mrs. Archer plan to attend the tour and he extended the invitation to any the Board Members that would like to attend. Mr. Eisenbarth encouraged staff to get pictures of the facilities to use in public education efforts.

## **Financial Report**

### *Financial Facts Summary*

Mr. Detwiler opened the Financial Report with the Financial Facts Summary and noted that the District has needed to dip into the Money Market account to cover costs and added that as of the end of July, the General Fund held less than \$500,000. He pointed out that the balances held by the Hendricks County Special Projects Fund and Rainy Day Fund.

### *Income Chart*

Mr. Detwiler shared that Final Disposal Fee income is around the average since 2005. Mr. Detwiler shared that the District is approximately \$93,000 behind the year-to-date total at this time last year, but he reminded the Board that last year was unique in that the District received a few larger checks due to a special project in Indianapolis that was bringing a large amount of waste to the Twin Bridges landfill in Danville.

Mr. Detwiler shared that the month of July at the Yard Waste Recycling Centers were very busy, and income was nearly twice the average.

### *Register of Claims*

Mr. Detwiler presented the Register of Claims dated August 22, 2023, in the amount of \$131,153.89. He noted that the claims are paid on the fourth Tuesday of every month, so he met with Mr. Bridget the previous Tuesday to review the claims and sign checks. Mr. Detwiler highlighted a transfer from the Money Market Account to the General Fund checking account.

\*Mr. Wathen entered the Board Meeting while Mr. Detwiler presented the Register of Claims.

Mr. Lacey moved to approve the Register of Claims as presented. Mr. Eisenbarth seconded the motion. The motion passed 9-0-0.

### **New Business**

#### *Servicing of Coatesville and North Salem Recycling Drop-Off Centers*

Mr. Detwiler shared a document that compared proposals he received from WM and W Enterprises to provide recycling services at the Coatesville and North Salem Recycling Drop-off Centers. Mr. Detwiler reported that both sites have two 25-yard recycling boxes with sliding doors where traditional recyclables are accepted. Both locations have those boxes exchanged four times per week.

He continued that that WM is currently servicing both locations under the agreement that was in place with Ray's Trash Service prior to WM's acquisition of the company. Mr. Detwiler reported the District has been paying, on average, about \$3,600 per month, combined, for the two locations.

Mr. Detwiler then reported that WM's proposal includes monthly rental of the boxes, a charge per haul, and a per-ton fee for processing the materials collected. He explained that based just on the figures in the proposal, he estimated that the cost would climb to over \$17,000 per month for the two locations. He added that the service agreement from WM contains a lot of non-specific language about other charges that should be expected but were unclear. When he asked the WM representative the total monthly cost the District should expect to pay, she replied that the District should expect to pay over \$9,400 per site, per month; over \$18,800 per month, combined.

Next, Mr. Detwiler highlighted the proposal from W Enterprises for the same level of service. The proposed service would be \$6,800 per month, combined. He added that W Enterprises is in Crawfordsville and is currently one of the service providers for the Lizton Recycling Center. He further shared that as part of the W Enterprises proposal, they would be willing to paint the recycling boxes and allow the District to provide decals with the District logo and contact information. Mr. Detwiler concluded by stating that his recommendation would be to contract with W Enterprises.

Mr. Dawes stated that the information in the board packet showed that the monthly cost for W Enterprises would be \$6,600, not \$6,800 and asked if Mr. Detwiler meant to say \$6,800 or \$6,600. After some discussion, Mr. Detwiler confirmed that it would be \$6,600 and apologized for the error.

Mr. Wathen asked how much the District was paying to have the Lizton Recycling Drop-off Center serviced and if WM gave a proposal for that site when it was in operation. Mr. Detwiler explained that the District paid about \$7,000 per month for that center before the old location was closed and the new recycling center was opened. He added the WM did service the old location for a few months under the old agreement that originated with Ray's Trash Service. He further shared that WM never provided a new proposal under the old model.

Further discussion was held on servicing and costs of the new Lizton Recycling Center. Mr. Lacey asked if there were any service issues with W Enterprises at the Lizton site. Mr. Detwiler confirmed there have been no issues and shared that they have been responsive and reliable.

Mr. Detwiler added that he also contacted Republic Services regarding a proposal to service the Coatesville and North Salem locations, but the company chose not to submit a proposal as the geography and logistics required for the company to service those locations make it too cumbersome to make sense.

Discussion was held on compactor costs and the potential of adding compactors in the future to the other recycling centers.

Mr. Dawes asked about the term of the proposed agreement with W Enterprises. Mr. Detwiler confirmed it is a one-year contract but that he was in contact with W Enterprises about amending the agreement to allow for two additional one-year periods with the agreement of both parties.

Mr. Dawes then asked how long W Enterprises has been in business. Mr. Detwiler shared he was unsure, but that the company provided the District recycling services in approximately 2015 when the District had four recycling centers in operation. He added that the company provided satisfactory service at that time but chose not to renew the contract after that single year because the number of pulls required at Lizton location then was taxing on them. Mr. Detwiler reported that the company has grown since then and added that what is being proposed at North Salem and Coatesville is smaller in scope.

Mr. Lacey shared that he believes the District should use the new Lizton Recycling Center as a pilot and possibly consider expanding that model to other parts of the county in the future.

Mr. Gentry asked where WM and W Enterprises recycle their materials. Mr. Detwiler shared that when WM purchased Ray's Trash Service, they also acquired the company's materials

recovery facility (MRF) near Stout Field in Indianapolis. He added that W Enterprises has a smaller scale MRF in Crawfordsville where they sort the materials they haul.

Mr. Bridget asked if there was a motion to accept Mr. Detwiler's recommendation and Mrs. Palmer moved to accept Mr. Detwiler's recommendation to contract with W Enterprises to service the North Salem and Coatesville Recycling Drop-Off Centers. Mr. Brown seconded the motion and the motion passed 9-0-0.

Mr. Detwiler noted that when the final contract is ready, he will meet with Mr. Bridget to get it executed.

Mrs. Palmer asked if the contract with WM had expired or if notice would need to be given. Mr. Detwiler shared that the contract had expired but that he would verify with WM what additional steps, if any, were necessary to end the agreement. He noted that initially, WM wanted the new pricing to go into effect September 1<sup>st</sup> but were willing to extend the current pricing until October 1<sup>st</sup>. He added that W Enterprises believes they can be ready to take over by the middle of September, but he would confirm the cancelation procedure with WM and coordinate accordingly.

#### *Adjustment of Tipping Free Rate Imposed at Twin Bridges RDF*

Mr. Detwiler began by reminding the Board that the meeting packet included copies of information he had also emailed, per their request, after the July meeting. Those documents included the 2021 recommendation of the Tipping Fee Committee with some updated facts and figures. The Board was also provided with historical financial information and a spreadsheet comparing the tipping fee rate charged by Hendricks County to those imposed by other solid waste and recycling districts around the state.

He continued by noting that Hendricks County's tipping fee of \$1.00 per ton has been in place since 1992 and is one of the lowest in the state. He added that the value of \$1.00 in 1992 is equal to \$2.17 today, based on inflation. He continued that the District has been a good steward of the revenues it has received over the years and was able to build strong operating reserves as well as robust balances held in the Rainy Day Fund and the Hendricks County Special Projects Fund. He noted that the recent investment in the Lizton Recycling Center and the fact that revenues have lagged while expenses have increased have necessitated the District pulling from those operating reserves. He concluded that the District's good stewardship over the years has allowed it to stave off an increase in the tipping fee rate but, that the time has come to raise it.

Mr. Detwiler reminded the Board that the 2024 Budget they approved the previous month projects a \$75,000 shortfall and added that the increasing expenses are directly related to operating and providing services at the Yard Waste Recycling Centers, Recycling Drop-Off Centers and the Tox-Away Days, all of which are seeing record levels of participation.

Mr. Detwiler then directed the Board's attention to some example rate structures based on average tonnages received at the Twin Bridges landfill in the past and reminded the members

that previously there was discussion of charging a different rate for waste originating in Hendricks County versus that from out-of-county. He reminded the Board that the 2024 Budget amount was \$920,000 – it reflected a typical year of operations and did not anticipate any major capital expenditures.

After some discussion, Mr. Detwiler clarified that the fee being discussed is the amount Indiana State Statute allows Indiana's solid waste management districts to assess on any final disposal facilities located within them. It is not the "gate rate" assessed when an individual or business takes a load of waste to a landfill.

Mr. Brown asked if there is a cap on the tipping fee rate. Mr. Detwiler confirmed that State Statute stipulates that the fee assessed by a solid waste management district cannot be more than \$2.50 per ton. Mr. Wathen asked if the Town of Danville's fee is outside of that. Mr. Detwiler confirmed it is.

Mrs. Palmer asked who pays the tipping fee that comes into the District. Mr. Detwiler answered that the owner of the landfill, WM, makes a monthly payment to the District based on the previous month's tonnages. He noted that certain waste is exempted from the fee and that WM retains 1% of the total to offset the administrative burden of tracking and paying the fee.

Discussion was held on the likelihood that residents would see a price increase due to any increase in the tipping fee assessed by the District. Mrs. Palmer noted that residents are already experiencing high prices all around and some are suffering.

The group discussed the prices residents and businesses are charged to take a load of material to the landfill. It was stated that raising the tipping fee rate could make it more difficult for the Twin Bridges landfill in Danville to compete with other regional landfills.

Mr. Lacey stated his opinion that there is room for an in-county increase, but he believes charging a higher rate for waste from outside of Hendricks County is appropriate.

Mr. Bridget pointed out that the District is running a deficit and action is needed.

Mr. Brown stated that WM has already significantly raised the rates they are charging for their services and that to be sustainable, the District needs to implement an increase. He acknowledged that this will be passed along somewhere, but that there needs to be a balance. He further suggested establishing a requirement that the Board review the issue periodically. Mr. Lacey agreed, stating that it needs to be reviewed annually. Mr. Eisenbarth commented that that an annual review was part of the Tipping Fee Committee's recommendation in 2021.

Mr. Bridget shared that the issue has been studied and now the District needs the resolve to act. Mr. Lacey shared that when the fee increase was rejected in January 2022, there was a lot of uncertainty surrounding the economy. He noted that generally things have stabilized, and it is time to take action.

Mr. Detwiler explained that before the Board could adopt a resolution to enact an adjustment, a public hearing would need to be held as part of a public meeting.

When asked if he had a recommendation, Mr. Detwiler shared that he did not have a specific recommendation but reiterated that the 2024 budget is \$920,000 and noted that based on the example rate structures, a rate of \$1.25 for all waste would likely generate approximately \$940,000 per year. But Mr. Detwiler clarified these are estimates as the District cannot control how much material comes into the Twin Bridges landfill.

Mr. Bridget shared that even if the District charges less for waste generated within Hendricks County, that does not mean that WM will choose to charge haulers less for that waste and ultimately that pricing difference may not be felt by the consumer. He noted that WM is independent and running a business.

Mr. Lacey asked if the rate structures from the original Tipping Fee Committee analysis were available. Mr. Detwiler shared the Tipping fee committee proposal was as follows:

- Waste generated in Hendricks County was to remain at \$1.00 per ton.
- Waste generated outside of Hendricks County but within the state of Indiana would be charged \$1.15 per ton.
- Waste generated outside the state of Indiana would be charged \$2.00 per ton.

Mr. Detwiler shared that at that time there was discussion that the District may be running afoul of the Interstate Commerce Clause if the District is charging a different rate for out-of-state versus in-state waste, so the intention was to simply charge based on waste within Hendricks County versus waste generated outside Hendricks County. He shared that, historically, only 1% of the trash coming into Twin Bridges has been from out-of-state.

Mr. Brown shared that the rate structure that sticks out to him is \$1.25 for in-county and \$1.50 for out-of-county. He shared that he would like for the final resolution to include a mechanism that would automatically adjust the rate without the Board Members needing to address the issue directly. He added that doing so would be helpful especially as Board Members are added and removed frequently.

Discussion continued. Mr. Bridget reported that he would be comfortable with a \$1.25 increase across the board and then revisit the issue annually.

Mr. Gentry asked if residents can switch to other trash hauling companies if they are dissatisfied with their current one. Mr. Detwiler shared that most residents in Hendricks County can choose to use whatever trash hauler they prefer. He noted that the Town of Plainfield is different as the Town contracts for trash service for those residents that live within the town limits. Mr. Detwiler added that there are also some neighborhoods where the homeowners' associations will contract with one waste hauler on behalf of all the homes in that community. Mr. Detwiler confirmed that the rate being discussed would only apply to waste that is

ultimately disposed of at Twin Bridges landfill in Danville, not any trash that is collected in Hendricks County and taken elsewhere for disposal.

Mr. Detwiler stated that the next step would be to advertise and then hold a public hearing on the issue. After that, the Board could consider and adopt a resolution that reflects what the Board would like done. He noted that the Board is scheduled to meet again in October. After some discussion related to periodic review of the rate structure, Mr. Detwiler recommended that the resolution should include a statement stipulating that an annual review of the rate structure must occur.

Mr. Wathen shared that he would support adjusting the rate to \$1.25 for in-county waste and \$1.50 for out-of-county waste because doing less would barely cover the budget for next year. He added that adjusting to the \$1.25/\$1.50 structure should generate enough revenue to cover the budget. He stated that not attempting to ensure sufficient income would reflect poor stewardship.

After more discussion, Mr. Bridget stated that he would entertain a motion related to adjusting the tipping fee rate structure. After consulting with Mr. Steuerwald, Mr. Eisenbarth made a motion directing District staff to prepare a resolution for publication and consideration in a public hearing at the October Board Meeting that would set the District's tipping fee to \$1.25 for waste generated within Hendricks County and \$1.50 for waste generated outside of Hendricks County. Mr. Lacey seconded the motion and the motion passed 9-0-0.

Mr. Detwiler confirmed that the Board wishes to include in the resolution a stipulation that the issue be reviewed annually. Discussion was held on the date of the public hearing and Mr. Detwiler shared that the public hearing and the adoption of the resolution could occur in the same meeting. Mr. Steuerwald confirmed.

Mrs. Palmer asked if the public hearing needed to be advertised twice since it is a rate increase. Mr. Steuerwald reported that he believes so and that it must be published at least ten days prior to the meeting. Mr. Detwiler confirmed that the meeting is scheduled for October 24<sup>th</sup> at 7:00 a.m.

#### **Public Comment**

No one from the public made any comments.

#### **Board of Directors' Comments, Concerns and Questions**

Mr. Brown pointed out that the October meeting date coincides with Brownsburg Community School Corporation's Fall Break and that he would be unable to attend. Discussion was held and the consensus was to leave the meeting date unchanged.



**Adjournment**

Mr. Lacey motioned for adjournment. Mr. Gentry seconded the motion and the motion passed, 9-0-0.

Meeting adjourned at approximately 7:53 a.m.

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Daniel Bridget, President