

**CSWD** | **CHITTENDEN**  
Solid Waste District

**ANNUAL  
REPORT** **FY  
2016**



# FY 2016 ANNUAL REPORT

## Chittenden Solid Waste District

1021 Redmond Road  
Williston, VT 05495

Phone: (802) 872-8100  
Fax: (802) 878-5787  
Hotline: (802) 872-8111  
www.cswd.net

**Mission:** The Chittenden Solid Waste District (CSWD) is a municipality created by the State of Vermont to manage the solid waste generated within Chittenden County. Our primary focus is to use economically and environmentally sound methods to reduce and manage this stream.

**Vision:** Products are designed to be reused or recycled and our community fully participates in minimizing disposal and maximizing reuse and recycling.

*A digital version of this Annual Report is available at [www.cswd.net](http://www.cswd.net).*

## COVER PHOTO

*"Schooled by Fish," a mural by Sarah-Lee Terrat of Waterbury, VT, is part of a traveling mural project by CSWD called The Art of Recycling. The project, generously funded by Dealer.com, brought together 11 local artists to energize community recycling efforts with the creation of colorful murals on 8 of CSWD's recycling containers. Read more on p.6.*

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*A CSWD PSA featuring recycling, and some Vermont feet*

# FROM THE GENERAL MANAGER

The more things change, *the more things change*. The first change from Fiscal Year 2016 to let you know about is that this section of the report has a new author. Tom Moreau, CSWD's General Manager for 21 years, retired in June, 2016. I began working for the District in August, and I can tell you, it's an absolute honor to be here.

Chittenden County is fortunate to have such a dedicated group of solid waste professionals working on behalf of its citizens. When I was hired, the CSWD Board of Commissioners tasked me with reviewing the District's infrastructure and programs, and to ask: How are we doing? Can we do better? What can we do better? Where do our opportunities lie?

The good news is, Chittenden County is well on its way to fully implementing the requirements of Act 148. As the most populous county in Vermont, we still have work to do, but we have the programs and the know-how to get it done. Some of our infrastructure is



ageing, so over the course of the next few years, we'll be evaluating the needs of the system from a cost-benefit analysis, as well as looking at ways to leverage what's already in place. We'll be looking more closely at the potential for public-private partnerships, but where those aren't possible, we will continue to provide the services that Chittenden County residents and businesses have come to rely on.

Responsibly managing the District's assets and providing excellent customer service will continue to be our focus. We will continue to work hard to set Chittenden County up for success, so that all who live, work, and play in Chittenden County will see CSWD as a source of community pride.

**Sarah Reeves**  
*General Manager*  
CSWD

## ABOUT CSWD

For nearly three decades, the Chittenden Solid Waste District has been turning the tide of disposed resources away from the landfill and towards a more sustainably managed model. Our mission and vision guide our regulatory, educational, and service programs.

In 1987, the Vermont Legislature passed Act 78, its first solid waste management law. This law began to address the need for better oversight and regulation of disposed materials. The law encouraged municipalities to create solid waste management entities — functioning much like a school or water district — to design regional solutions to solid waste challenges faced by member towns.

That same year, the charter for the Chittenden Solid Waste District was adopted by the legislature, and our work began.

Flash forward to FY16 and you'll find CSWD serving over 160,000 in the 18 municipalities that make up Chittenden County. We are the largest solid waste management entity in the state, serving about a quarter of the population of Vermont. In addition to our facilities, our business, school, and community outreach programs offer education, guidance, tools, and enforcement to achieve our mission and the vision of the legislature to reduce the volume and toxicity of the waste stream generated in our district.

# BOARD OF COMMISSIONERS

## **BOLTON**

Rep: Duncan Galbraith

## **BURLINGTON**

Rep: Chapin Spencer  
Alt: Laurie Adams

## **CHARLOTTE**

Rep: Abby Foulk  
Alt: Rachel Stein

## **COLCHESTER**

Rep: Dirk Reith  
Alt: Jeffrey Bartley

## **ESSEX**

Rep: Alan Nye  
Alt: Max Levy

## **ESSEX JUNCTION**

Rep: Alan Nye  
Alt: George Tyler

## **HINESBURG**

Rep: Lynn Gardner  
Alt: Doug Taff

## **HUNTINGTON**

Rep: Roman Livak

## **JERICHO**

Rep: Bert Lindholm  
Alt: Leslie Nulty

## **MILTON**

Alt: Jacob Hemmerick

## **RICHMOND**

Rep: Adam Sherman

## **ST. GEORGE**

Rep: Nina Friscia  
Alt: Barbara Young

## **SHELBURNE**

Rep: Timothy Loucks  
Alt: Paul Bohne III

## **SOUTH BURLINGTON**

Rep: Paul Stabler

## **UNDERHILL**

Rep: Dan Steinbauer  
Alt: Paul Ruess

## **WESTFORD**

Rep: Michelle DaVia

## **WILLISTON**

Rep: Craig Abrahams

## **WINOOSKI**

Rep: James Ticehurst  
Alt: Ted Regula

## **EXECUTIVE BOARD**

Paul Stabler (Chair)

Michele DaVia (Vice Chair)

Alan Nye (Treasurer/Secretary)

Craig Abrahams

Chapin Spencer

# BOARD CHAIR PERSPECTIVE

On behalf of the Board of Commissioners of the Chittenden Solid Waste District (CSWD), I present the annual Chairman's Report. In its twenty-ninth year of operation, CSWD continued to provide effective and innovative waste management services to the residents and businesses of Chittenden County.

In FY16, the District's total operating expenses were \$9.9M while operating revenues were \$10.4M for a net surplus of \$0.5M, continuing our long tradition of financially sound management. As always, our surplus is used wisely to further the mission of the District. Some of it will be used for rate stabilization (as planned during our prior year budget process), while some will be used for capital improvements, and some will be used continue our outreach programs.

In calendar year 2015, the District diverted 59 percent of municipal solid waste (MSW) and construction and demolition (C&D) material from the landfill. A total of 75,431 tons of MSW materials were composted, recycled, or otherwise diverted from landfill disposal. Another 84,700 tons of C&D materials were diverted in CY 15. Altogether a grand total of 160,131 tons of waste generated in Chittenden County was diverted from disposal in CY 15.

In FY 15, we continued our innovative initiatives to create an environment for waste management that encourages our residents and businesses to reduce the amount of waste created. We expanded the list of materials banned from the landfill through the inclusion of asphalt shingles, unpainted plywood, and oriented strand board. Indeed, through the efforts of our private haulers, the amount of construction and demolition material diverted from the landfill increased almost two fold. And we also expanded our public education initiative, through innovative ads in many different types of media, to school programs designed to educate our children about the proper way to manage our resources.



We completed a comprehensive Strategic Plan that will guide our actions throughout the next five years. It covers all aspects of our operation, from recycling and public outreach, to household hazardous waste collection and waste disposal. The insight we gained through this process will serve us well as we move through the next decade of what appears will be a dynamic waste management landscape.

In 2016 the CSWD Board of Commissioners conducted an extensive search process to replace Tom Moreau, our long-serving General Manager. We were incredibly fortunate to have Tom Moreau at the helm for the past two decades. His insight, dedication, tireless-work, and passion for our mission transformed our organization and indeed, the entire solid waste environment in Chittenden County.

I am delighted to report that we found an equally transformative replacement in Sarah Reeves. Sarah hails most recently from the Rhode Island Resource Recovery Corporation. She brings the same passion for our mission as Tom. She is already putting her imprint on our organization and I am confident that under her leadership CSWD will continue to evolve to meet the challenges of the next few decades and keep CSWD in the forefront of Vermont's solid waste management system.

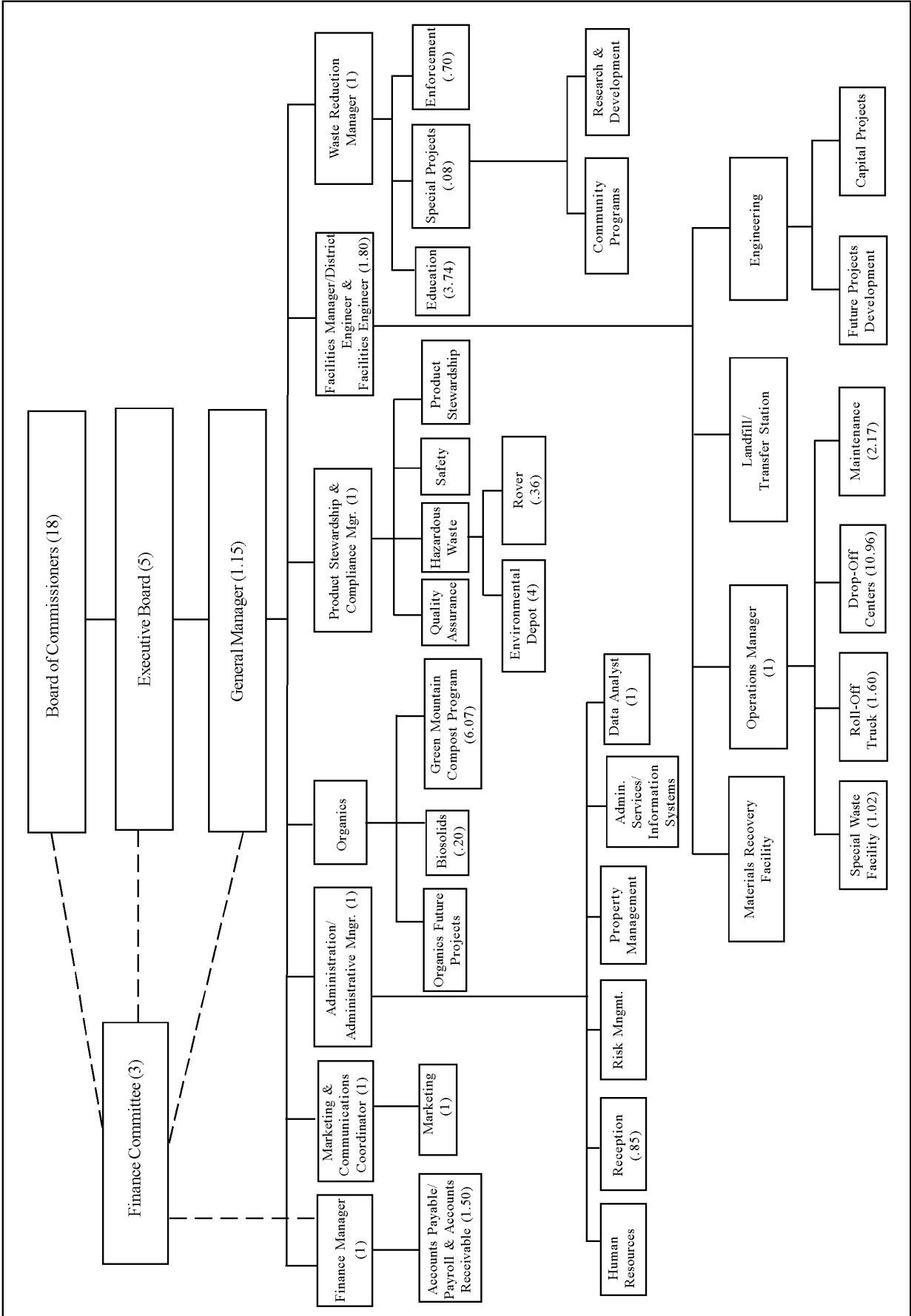
In closure, I can state unequivocally that the Chittenden Solid Waste District continues to serve the residents of Chittenden County with the best solid waste management program in the state of Vermont. The District enjoys a sound financial footing, a dedicated and visionary staff, and a Board of Commissioners that is committed to the mission of this District.

## **Paul Stabler**

Chairperson  
Board of Commissioners

*In a version published on Jan. 31, 2017, figures in the second paragraph were incorrect. This version corrects those errors.*

# ORGANIZATIONAL CHART





# SIGNIFICANT CHANGES & EVENTS

## In FY16 CSWD's major initiatives included:

- 1** A waste composition study that found that 60% of what our residents throw in the trash could be diverted from disposal through existing recycling, composting, and hazardous waste programs.
- 2** Revisions to the CSWD Solid Waste Management Ordinance, including trash disposal bans on asphalt shingles and unpainted/unstained plywood and oriented strand board.
- 3** A new 5-year strategic plan.
- 4** A national search for a new General Manager. General Manager Tom Moreau retired after twenty-one years of service. Sarah Reeves was hired in August 2016.

## DROP-OFF CENTERS

Seven locations (Burlington, Essex, Hinesburg, Milton, Richmond, South Burlington, Williston) are available to District members who prefer to haul their own trash, recyclables, and a variety of special wastes not normally handled by curbside pick-up services.

Drop-Off Centers collected 3,117 tons of recyclables, an increase of 0.70% from FY15, and, 6,593 tons of household trash during FY16, a 3.79% increase from FY15.

## MATERIALS RECOVERY FACILITY

Located in Williston and owned by CSWD, the "MRF" is operated by Casella Waste Management. In FY16, 43,206 tons of recyclables were collected, sorted, baled, and shipped to markets.

This represents an 8.2% increase from the previous year. The weighted average sale price for materials was \$77.18 per ton, which is a 17.6% decrease over last year's average.

## ENVIRONMENTAL DEPOT

The Environmental Depot is CSWD's hazardous waste collection facility for residents and businesses, with support from The Rover, our mobile hazardous waste collection vehicle.



*George and Amy at Richmond Drop-Off Center*

In FY16, 10,135 households and 715 businesses brought in 651,723 pounds of waste for processing. This included 8,364 gallons of latex paint re-blended and sold as "Local Color", and 9,845 gallons of latex paint processed for recycling in Canada.

## GREEN MOUNTAIN COMPOST

FY16 was a great year at GMC: total revenues outperformed budgeted goals, new customers were added thanks to increased sales and marketing activity, and several large private-sector construction projects used our product to great satisfaction. Premium Raised Bed Mix was added to the product line mid-fiscal year and has been met with praise from current and new customers.

Food residuals diverted for composting continues to climb-FY16's totals were 20% higher than FY15's. A total of 13,118 tons of material was accepted for composting in FY16, and of the 4,679 tons of diverted food residuals, 4,501 were post-consumer food scraps from residents and businesses.

Total post-consumer food scrap tonnages have increased 111%, up from a baseline of 2,130 tons, since FY11, when CSWD started operations at our facility in Williston.

## BIOSOLIDS

CSWD brokered 14,586 wet tons of sewage sludge for our member communities in FY16, which is 1.9% more material than last year.

South Burlington's thermo-meso anaerobic digestion 2PAD system generated Class A product that was distributed for beneficial reuse to local farms for land application. Sludges that are not eligible for land application are processed at the Grasslands Alkaline Stabilization Facility in Chateaugay, NY, and treated for beneficial reuse as a Class A soil amendment. CSWD staff is analyzing options for local treatment of District member sewage sludge with a focus on removing nutrient phosphorus from member wastewater treatment plants and providing a long-term economic benefit for sewage sludge disposal as compared to current options.

CSWD is in the third year of a 5-year contract with Casella Organics for sewage sludge disposal.

## MARKETING

The 2016-18 Chuck It Guide was sent out at the end of June, 2016, chock-full of information about new waste reduction laws, including Vermont's Act 148 and CSWD's Ordinance amendments.

Press releases, TV, radio, and print ads, and social media were used to help residents and businesses



*Norm checks the temperature of a curing compost pile*

understand how to reduce waste and to inform about recycling, composting, and landfill ban changes resulting from Act 148, Act 175, and CSWD's Ordinance.

The Art of Recycling mural project, sponsored by Dealer.com, brought in local artists to transform eight of CSWD's recycling roll-off containers into colorful murals, creating a more engaging recycling experience at our Drop-Off Centers and drawing attention to community recycling efforts on the road. Two containers were featured in the 2016 Mardi Gras parade in Burlington, and all eight continue to be seen on the road and at DOCs.

We collaborated with neighboring solid waste entities to create a website, [802recycles.com](http://802recycles.com), where anyone anywhere in the state can find the solid waste entity that serves them.

## EDUCATIONAL PROGRAMS

Tens of thousands of residents, students, employees and visitors were impacted by CSWD's business, school and youth, and community outreach programs.

The CSWD Hotline (872-8111), website ([www.cswd.net](http://www.cswd.net)), e-newsletter, presentations, technical assistance, displays, workshops, facility tours, informational brochures, recycling bins and compost collectors (over 8,200 distributed), signage, discount compost bins, special event container loans, and grants (\$25,684 awarded) are part of this positive community outreach.



## ENFORCEMENT PROGRAM

New enforcement procedures and policies were developed in response to CSWD Ordinance amendments and Act 148 requirements. These include generator, hauler, and facility compliance checks and follow-ups. In addition, 69 haulers, processors, scales, and transfer stations were licensed in FY16.

## RESEARCH AND DEVELOPMENT

Efforts here have dual goals of reducing the amount of waste generated and landfilled and making programs more convenient and cost-effective, focused on recycling and composting incentives and collection, residential waste composition, construction and demolition debris, and markets for recyclables.

## GREEN UP DAY

CSWD provides funding and staff time to support Green Up Day efforts in Chittenden County. In May, 22.5 tons of litter, 2,599 tires, and 4 cubic yards of scrap metal were collected.

CSWD covered the \$5,332 cost for recycling the tires and waived our fee on disposed litter. CSWD also

contributed \$4,050 to Green Up Vermont on behalf of our member municipalities for bags, posters, and promotion.

## COMMUNITY CLEAN UP FUND

This program helps members keep their communities clean and litter-free throughout the year.

\$15,720 were used by CSWD's member municipalities in FY16.

## FINANCE

The unaudited FY16 General Fund expenditures were \$9.3 million and the revenues were \$10.4 million. This represents a \$720,000 increase in expenditures (8.4%) and a \$481,000 (4.8%) increase in revenues compared with the FY 15 General Fund operating results.

Of the increase in expenditures, approximately 31% was associated with wages and benefits, as the District made small increases in staffing levels in various programs, 35% was related to higher costs of sorting and handling recyclables, organics, and disposal of trash due to increased volumes of incoming materials, and 12.5% was due to higher costs for materials used in compost production resulting from higher volumes of materials produced in FY16.

The \$481,000 revenue increase for FY16 is largely attributable to tipping fees for recyclables dropped off at the Materials Recovery Facility (MRF). Effective 7/1/15, the per-ton rates increased from \$6 for In-District materials and \$11 for Out-Of-District materials to \$21 per ton for all incoming materials.

This rate increase, along with an approximate 6% increase in quantity of incoming material, generated about \$616,000 more tip fee revenue for MRF operations in FY16; this was partially offset by a reduction of about \$158,000 in material sales revenue due to stagnant world-wide markets for recyclables.

Also, product sales revenues at the Green Mountain Compost facility increased by about \$341,000 (81%) in FY16 over FY15, due to greater production volume and increased focus on marketing efforts.



Mary Lacy of Jericho with her mural for The Art of Recycling

# CSWD BY THE NUMBERS

## Population

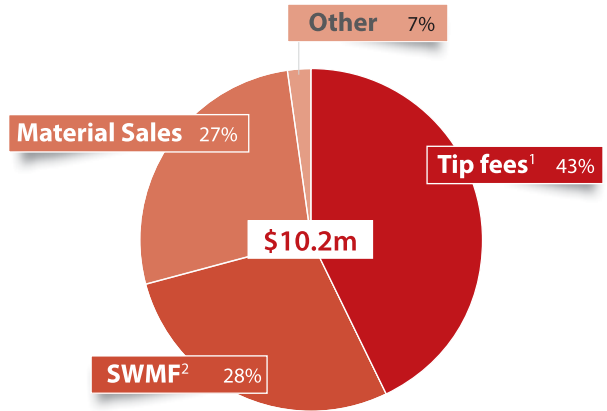
CHITTENDEN COUNTY, VT

**161,382**  
residents

**6,273**  
businesses



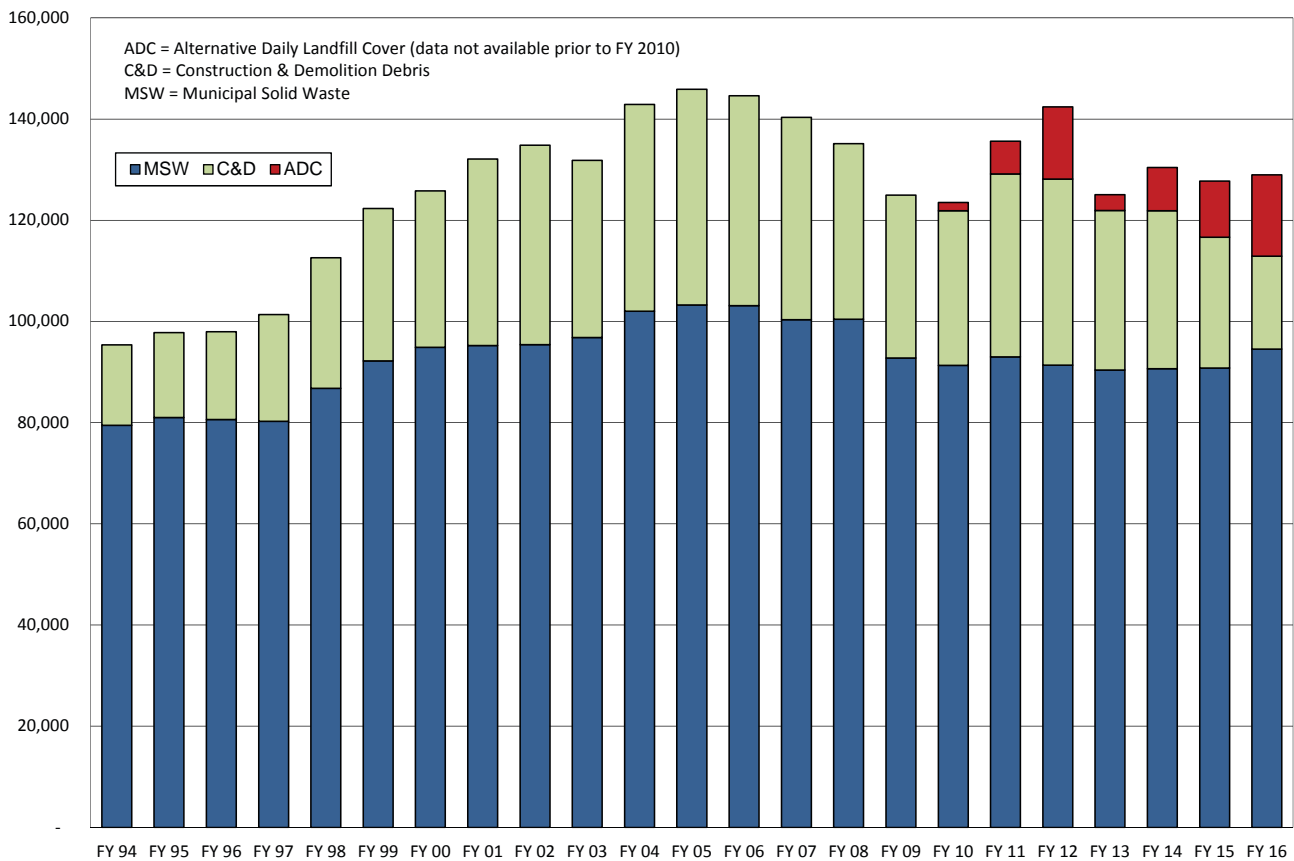
## Funding



<sup>1</sup>Tip fees are collected from recycling & compostables.  
<sup>2</sup>Solid Waste Management Fee.

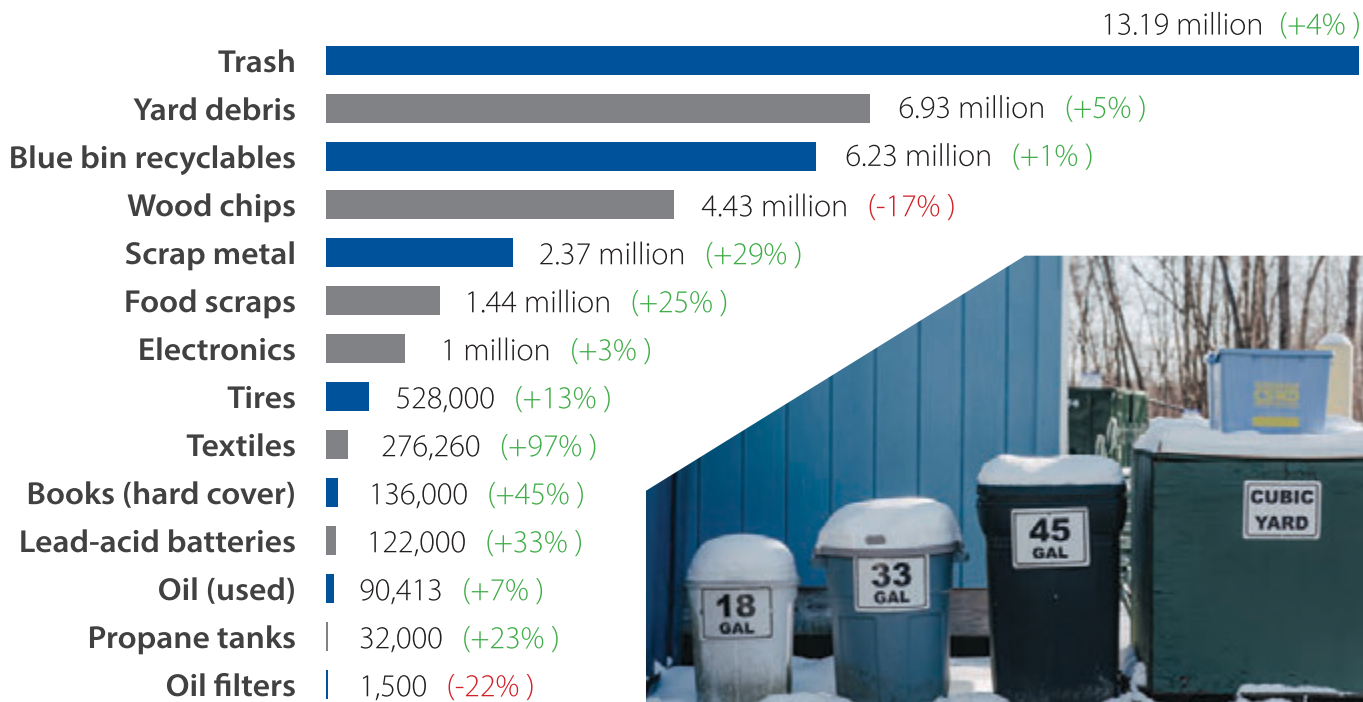
## Disposal

CHITTENDEN SOLID WASTE DISTRICT  
 Total MSW & C&D Tons Disposed By Fiscal Year 1994-2016 - includes ADC beginning FY 2010



## DROP-OFF CENTERS

..... in pounds (% change from FY2015)



**MATERIALS RECOVERY FACILITY**

**91.4**

..... million pounds of blue bin recyclables shipped to market

*Recyclables in motion at the Materials Recovery Facility*





Laura and Xen Oliver, winners of the 2015 Show Your Bounty contest

**GREEN MOUNTAIN COMPOST**

**356,000**

pounds of pre-consumer food residuals

**+** **4,501**

tons of consumer food scraps

**11,000**

cubic yards of compost produced

**ENVIRONMENTAL DEPOT**

**651,723 POUNDS**

of hazardous waste

**10,850 VISITS**

from residents & businesses

**8,364 GALLONS**

of paint recycled into Local Color



Gary takes care of business at the Depot

# FINANCES

**CHITTENDEN SOLID WASTE DISTRICT  
BALANCE SHEET  
AS OF JUNE 30, 2016 AND 2015**

	2016	2015
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,922,879	\$ 3,212,041
Investments	3,204,168	2,652,436
Accounts receivables, net	1,442,987	1,423,183
Inventories	339,663	334,733
Prepaid expenses	140,562	137,472
Total current assets	8,050,259	7,759,865
Noncurrent assets - capital assets:		
Capital assets:		
Land	5,290,801	5,290,801
Construction in progress	498,054	119,470
Other capital assets, net of depreciation	7,231,690	7,568,398
Total capital assets, net of depreciation	13,020,545	12,978,669
Total assets	\$ 21,070,804	\$ 20,738,534
<b>LIABILITIES AND NET POSITION</b>		
Current liabilities:		
Accounts payable	\$ 745,704	\$ 656,334
Accrued salaries and wages	135,313	76,339
Unearned revenue	7,971	11,330
Security deposit payable	7,700	7,700
Accrued interest payable	4,324	5,892
Long-term liabilities, portion due within one year:		
Capital leases payable	53,201	126,995
Accrued compensated absences	180,326	198,504
Accrued post-closure costs	75,055	87,027
Total current liabilities	1,209,594	1,170,121
Noncurrent liabilities (due after one year):		
Capital leases payable	139,560	192,762
Accrued post-closure costs	689,268	831,275
Total noncurrent liabilities	828,828	1,024,037
Total liabilities	2,038,422	2,194,158
Net position:		
Net investment in capital assets	12,827,784	12,658,912
Unrestricted	6,204,598	5,885,464
Total net position	19,032,382	18,544,376
Total liabilities and net position	\$ 21,070,804	\$ 20,738,534

**CHITTENDEN SOLID WASTE DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015
Operating revenues:		
Tipping fees	\$ 4,098,143	\$ 3,484,336
Solid waste management fees	3,125,956	3,223,204
Sale of materials	2,900,479	2,782,518
License fees	13,877	13,010
Miscellaneous	65,492	40,584
Total operating revenues	10,203,947	9,543,652
Operating expenses:		
Materials recovery facility	2,172,928	2,004,705
Waste reduction program	368,496	293,823
Green Mountain Compost facility	1,216,888	926,850
Special waste facility	328,649	329,081
Drop-off centers	2,125,704	1,867,590
Hazardous waste program	885,641	811,770
Biosolids program	1,061,600	1,163,898
Special projects	174,932	149,447
Future project development	23,003	29,475
Finance	72,390	74,747
Administration	139,558	157,684
Marketing and communication	379,707	287,494
Enforcement	85,251	81,322
Property management	117,912	102,213
Expenses for persistent herbicide, compost facility	-	16,020
Small sitework and building construction/repair	53,766	41,213
Change in estimated future landfill post-closure costs	(92,418)	40,782
Depreciation	832,640	805,914
Total operating expenses	9,946,647	9,184,028
Income from operations	257,300	359,624
Non-operating revenues (expenses):		
Rental income	93,608	94,423
Interest income, net	47,289	23,105
Interest expense	(4,523)	(6,068)
Grant income	84,050	75,025
Lawsuit settlement proceeds	-	150,000
Gain (loss) on disposal of assets	10,282	(145,404)
Total non-operating revenues (expenses)	230,706	191,081
Increase in net position	488,006	550,705
Net position - beginning of year	18,544,376	17,993,671
Net position - end of year	\$ 19,032,382	\$ 18,544,376



**CHITTENDEN SOLID WASTE DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015**

	2016	2015
Cash flows from operating activities:		
Receipts from customers and users	\$ 10,180,784	\$ 9,081,247
Payments to suppliers	(5,752,002)	(5,327,474)
Payments for wages and benefits	(3,393,838)	(3,163,658)
Net cash provided by operating activities	1,034,944	590,115
Cash flows from noncapital financing activities:		
Operating grants	84,050	75,025
Received from lawsuit settlement	-	150,000
Rental income	93,608	94,423
Net cash provided by noncapital financing activities	177,658	319,448
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(889,960)	(626,855)
Proceeds from sale of capital assets	25,726	6,000
Proceeds from capital lease obligations	-	60,000
Principal paid on capital lease payable	(126,996)	(156,331)
Interest paid on capital lease payable	(6,091)	(6,310)
Net cash used by capital and related financing activities	(997,321)	(723,496)
Cash flows from investing activities:		
Receipt of interest and dividends on investments	26,750	20,081
Purchases of investments	(744,295)	(2,275,156)
Redemptions of investments	213,102	1,426,418
Net cash used by investing activities	(504,443)	(828,657)
Net decrease in cash and cash equivalents	(289,162)	(642,590)
Cash and cash equivalents - beginning of year	3,212,041	3,854,631
Cash and cash equivalents - end of year	\$ 2,922,879	\$ 3,212,041
Adjustments to reconcile operating income to cash flows from operating activities:		
Income from operations	\$ 257,300	\$ 359,624
Depreciation	832,640	805,914
Changes In:		
Receivables	(19,804)	(461,460)
Inventories	(4,930)	(49,968)
Prepaid expenses	(3,090)	(101,155)
Accounts payable	89,370	27,871
Accrued salaries and wages	58,974	18,048
Unearned revenue	(3,359)	(945)
Accrued post-closure costs	(153,979)	(19,236)
Accrued compensated absences	(18,178)	11,422
Net cash provided by operating activities	\$ 1,034,944	\$ 590,115

Non-cash supplemental information:

Machinery and equipment with a cost of \$132,832 and accumulated depreciation of \$117,388 were disposed and/or traded in during the year ended June 30, 2016.

Machinery and equipment with a cost of \$668,119 and accumulated depreciation of \$516,715 were disposed and/or traded in during the year ended June 30, 2015.



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[www.cswd.net](http://www.cswd.net)