RSWA BOARD OF DIRECTORS
Minutes of Regular Meeting
April 24, 2018

A regular meeting of the Rivanna Solid Waste Authority (RSWA) Board of Directors was held on Tuesday, April 24, 2018 at 2:00 p.m. in the 2nd floor conference room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

Board Members Present: Mr. Mike Gaffney – presiding, Mr. Trevor Henry, Ms. Lauren Hildebrand, Mr. Paul Oberdorfer, Mr. Gary O’Connell, Dr. Liz Palmer and Mr. Jeff Richardson.

Board Members Absent: Mr. Maurice Jones.

Staff Present: Mr. Mark Brownlee, Ms. Victoria Fort, Mr. Tom Freeman, Ms. Bethany Houchens, Mr. Bill Mawyer, Ms. Katie McIlwhee, Mr. Philip McCalips, Mr. Bill Morris, Mr. David Rhodes, Mr. Scott Schiller, Ms. Michelle Simpson, Ms. Andrea Terry, Ms. Jennifer Whitaker, Mr. Lonnie Wood and Mr. Jay Young.

Also Present: Mr. Kurt Krueger – RSWA Counsel, members of the public, and media representatives.

1. CALL TO ORDER

Mr. Gaffney called the meeting to order at 2:00 p.m.

2. MINUTES OF PREVIOUS BOARD MEETING
   a. Minutes of the Regular Meeting of the Board of February 27, 2018

There were no changes to the minutes.

MOTION: Ms. Galvin moved to approve the minutes of the RSWA February 27, 2018 meeting as presented. Mr. Oberdorfer seconded the motion, which passed unanimously (6-0). Mr. Jones was absent from the meeting and the vote.

3. RECOGNITION

   Government Finance Officers Association’s Certificate of Achievement for Excellence in Financial Reporting awarded to the RSWA for its 2017 comprehensive annual financial report (CAFR)

Mr. Gaffney read the following resolution into the record:
WHEREAS, March 23, 2018, the Certificate of Achievement for Excellence in Financial Reporting has been awarded to Rivanna Water & Sewer Authority by the Government of Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR).

WHEREAS, the Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

WHEREAS, the Award of Financial Reporting Achievement has been awarded to the Finance Department and Lonnie Wood, Director of Finance and Administration for preparing the award-winning CAFR.

WHEREAS, the CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive “spirit of full disclosure” to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

NOW, THEREFORE, BE IT RESOLVED, the Rivanna Water & Sewer Authority Board of Directors recognizes and commends the Finance Department and Lonnie Wood for their professional dedication and personal diligence, and orders that this Resolution of Appreciation be entered upon the permanent minutes of the Rivanna Water & Sewer Authority.

Mr. Richardson moved to adopt the resolution as presented. Ms. Galvin seconded the motion, which passed unanimously (6-0). Mr. Jones was absent from the meeting and the vote.

4. EXECUTIVE DIRECTOR’S REPORT

Mr. Mawyer reported that RSWA began the Spring Household Hazardous Waste and Bulky Waste Amnesty Day programs, beginning April 26 with commercial vendors, April 27 for residential customers – and on May 5, 12, and 19 they would take furniture, appliances, and tires, respectively. He stated that Rivanna could not get the E-Waste Day to adjoin the other amnesty days because the vendor had a conflict, so the first E-Waste Day was scheduled for Saturday, July 21. Mr. Mawyer stated that they were hoping to get it to fold into the fall amnesty day programs.

Mr. Mawyer reported that he has been relating strategic plan goals to actual projects Rivanna is working on, and the amnesty days were a part of environmental stewardship goals as well as solid waste services goals. He stated that they also have a strategic plan goal for communication and collaboration, and Katie McIlwree has developed a new education page on the rivanna.org website to inform the community about projects, topics, and resources related to water, wastewater and recycling. Mr. Mawyer noted that in April, they had also provided a tour of the McIntyre Recycling Center for a class of kindergartners and first graders from Community Christian Academy.

2
Mr. Mawyer stated that the Ivy Transfer Station aligned with the strategic planning goal for infrastructure, development, and solid waste management, and he presented a picture of the transfer station project—which he said was about 50% complete. He stated that Rivanna would be working with the County on a slight change that needed to be made to the access road, with completion of the transfer station slated for September or October 2018. Mr. Mawyer noted that the master planning process for the Ivy MUC facility would begin in the next two weeks.

5. ITEMS FROM THE PUBLIC

There were no items from the public.

6. RESPONSES TO PUBLIC COMMENTS

There were no responses to public comments for this month.

7. CONSENT AGENDA
   a. Staff Report on Finance
   b. Staff Report on Ivy Material Utilization Center/Recycling Operations Update
   c. Staff Report on Ivy Landfill Environmental Status
   d. Staff Report on Ongoing Projects

Mr. Galvin moved to adopt the Consent Agenda as presented. Mr. Henry seconded the motion, which passed unanimously (6-0). Mr. Jones was absent from the meeting and the vote.

8. OTHER BUSINESS
   a. Introduction of Fiscal Year 2018-2019 Budget and Adoption of the Preliminary Rate Resolution – Bill Mawyer, Executive Director

Mr. Mawyer reported that Rivanna expected the upcoming fiscal year to be a very exciting one for RSWA, with completion of the transfer station and new programs such as e-waste, with the compost program continuing and a variety of items they were doing along with the master plan. He stated that some accomplishments from the previous year included completing the strategic plan, adding one day a week at the McIntire Recycling Center and extending summer hours that were now in effect, and expanding the composting program to include the Ivy facility, in addition to McIntire. He noted that the composting program was a regional program they were trying to cultivate with UVA, which was contracting with Black Bear Composting to pick up refuse and bring it to Ivy; then Rivanna contracts with Black Bear to take the refuse to Crimora, where they make compost.

Mr. Mawyer stated that Rivanna was eager to get going with the strategic plan, complete the transfer station, get the e-waste program started, and complete the Ivy facility master plan. He said the budget for the upcoming fiscal year was $3.2 million, with four cost centers—the largest
being the Ivy Transfer Station component. He stated that the environmental cost center covered
groundwater and gas remediation programs of old landfill areas, refuse disposal areas, and also
included the e-waste and household hazard waste programs, as well as paint disposal. He said
this cost center was funded by the County, the City, and UVA – which paid a fixed fee of
$79,902 through the year 2034; the County paid 64.5% and the City paid 35.5% of the remaining
balance, in accordance with the January 2005 four-party agreement between the City, County,
Rivanna Authority, and UVA.

Mr. Mawyer said that this year there would be a net deficit of $390,000 after those contributions,
which Rivanna intends to fund from cash reserves. He stated that the cash reserves in this fund
were declining, and they would likely need to discuss with the City and County about the future
and the need to allocate funds in lieu of using cash reserves. Mr. Mawyer stated that the
alternatives were to look at the programs they were sponsoring, with E-Waste Days funded at
$24,000, which is two $12,000 days and involved a limited capacity based upon the number of
trailers the vendor would bring.

He noted that they were expecting a strong turnout from the community because this was the first
time they would be offering the program, and they may have to come back before the Board for
decisions if they wanted to expand beyond that budget. Mr. Mawyer stated that Ms. McIlwee and
Mr. McKalips were developing an online sign-up program so they could gauge the interest for
the July E-Waste Day, hoping that people will make a reservation so there were not long lines of
customers that could not be accommodated with space in the trailers for their e-waste.

Ms. Galvin asked if there were other ideas for closing the deficit.

Mr. Mawyer responded that they could limit paint disposal to HHW days instead of offering it
every day; they could make HHW events annual instead of semi-annual; and they could decide
not to continue E-Waste Days. He stated that most of the groundwater and gas remediation
expenses were fairly firm, as they had to do the sampling and testing as requiring.

Ms. Galvin asked about revenue increases.

Mr. Mawyer responded that there were no revenue assigned to the environmental fund, as it was
remediating refuse.

Ms. Galvin clarified that she wondered if it could be resolved through another cost center.

Mr. Mawyer responded that there was, and he would get to that in his report.

Ms. Palmer commented that there would be costs associated with expansion of recycling
services.

Mr. Mawyer pointed out that they have four cost centers, and they all work at a deficit.

He reported that the Ivy operations were yard waste, vegetative waste operations – collecting
tires, clean fill, bulky waste – and this cost center was fully funded, with the deficit funded by
the County. He stated that they would be evaluating the preliminary rate schedule in the fall, and this would be an area where they could look at charges to see if they were market based and if they wanted to continue these services or change the fees.

Mr. Mawyer reported that the Ivy Transfer Station was the RSWA’s largest cost center, with an expense budget of $1.3 million, and they anticipated revenue of $725,000 from the paying businesses who brought their refuse to Ivy for disposal. He stated that the County made up that deficit of $623,000. He said that the recycling program at the McIntire and the Paper Sort is a shared cost center by agreement, with the County paying 70% and the City paying 30%, and it operated at a deficit of about $330,000.

Mr. Mawyer reported that Rivanna had a 3% merit pool proposed for all employees, with a 10% increase in healthcare costs in the budget, four additional positions – three of which are fully supported by the transfer station. He explained that an equipment operator would be working inside the transfer station and operating the tractor that pushed the refuse into the disposal chute; one attendant would help direct traffic in and out of the transfer station; and an additional scale clerk would be needed to help with inbound/outbound traffic at the scale house. He stated that the fourth position was a division director, as there was currently no administrator between him and the landfill manager, and as the services were increased, another administrative position was proposed to help manage activities.

Mr. Mawyer said they did not propose a change in the tipping fees at this point, but they added a $178-per-ton fee for compostable food waste for businesses that want to bring products to Ivy. He stated that they may revisit tipping fees in the fall, as the transfer station would not be completed until then, and at that time they would reconsider the fees and ensure they were market based. He said they were assessing market conditions at Zions Crossroads, with Van Der Linde going out of business and County Waste is proposing changes to its contract with the City, along with different dynamics in the recycling and refuse market.

He noted that the Board would meet in August, and staff was aiming to have new data and a new fee schedule that would be advertised for public hearing at the November meeting, going into effect in December or January, if approved. Mr. Mawyer stated that this would be an opportunity for additional revenue, after evaluating how many tons were brought in and the possibility of net gains in revenue, hopefully reducing the deficit.

Ms. Palmer stated that they should not expect people to start pouring in immediately after it is opened, and it could take a few years to see the change. She said they were making the transfer station situation much more efficient for larger haulers to use, and there may be new people coming into the business as the larger haulers don’t always offer the desired services.

Mr. Mawyer responded that Rivanna was talking with some of the private businesses in the area and getting information from them as to what the dynamics would be from their view, including interest in coming to Ivy and what the market would bear. He stated that the City were budgeted to be about $207,000, which would increase by $28,000 in FY19; changes to the County were budgeted to be about $1.25 million, representing an increase of $479,000 – principally for the new positions and the cost of the new transfer station.
Mr. Mawyer presented an organization chart showing that the new division director would be at
the top of the solid waste authority, reporting to him, and the scale clerk, equipment operator,
and attendant would be in that group for support in the Ivy facility.

Ms. Galvin asked what the plans were for marketing the Ivy MUC and what it was providing.

Mr. Mawyer responded that there would be a grand opening and Rivanna was talking with refuse
firms now, so it was on their radar that the facility would be open – and they are watching to see
what the rate would be and how it might work in their equation, factoring in the economics of
how far they must take trash to make it a benefit and the distance they had to travel.

Ms. Galvin commented that the changes with Van Der Linde have likely changed everyone’s
thought processes.

Mr. Mawyer said that was Rivanna’s understanding.

Dr. Palmer stated that it was important to reach out to small businesses and the Chamber of
Commerce, as many of the smaller businesses have forgotten that Ivy exists.

Mr. Gaffney asked if there was a consultant looking at the rates and other metrics such as
distance.

Mr. Mawyer responded that they had not engaged a consultant at this point.

Dr. Palmer mentioned that there were also factors such as wear and tear on trucks that needed to
be considered when driving out to Zions Crossroads.

Mr. Mawyer agreed, adding that Rivanna felt they would offer a very attractive product and
service, and they were eager to see where they needed to be with fees to maximize return and
encourage use.

Mr. Henry asked if the budget assumed a 12-month appointment for the new positions.

Mr. Mawyer responded that it was budgeted as 3/4 of a year for the equipment operator,
attendant, and scale clerk, but they would like to bring the division director in immediately. He
commented that solid waste was a dynamic authority currently, with many suggestions coming
from the public and a large project with Ivy.

Dr. Palmer moved to adopt the following preliminary rate resolution, which would call for
a public hearing at the RSWA Board meeting on May 22, 2018, to approve the new rates.
Ms. Galvin seconded the motion, which passed unanimously (6-0). Mr. Jones was absent
from the meeting and the vote.
RESOLUTION

ADOPTION OF THE RIVANNA SOLID WASTE AUTHORITY
PRELIMINARY RATE SCHEDULE
FOR FISCAL YEAR 2019

WHEREAS, Rivanna Solid Waste Authority (the “Authority”) Board of Directors has reviewed the proposed budget and associated rates for Fiscal Year 2019; and

WHEREAS, Section 15.2-5136(G) of the Code of Virginia, requires the adoption of the preliminary rate schedule for notification of a public hearing prior to any rate change; of which there is a 14-day requirement between the date of the last of two public notices and the actual date fixed for the public hearing; and

NOW, THEREFORE, BE IT RESOLVED that the Rivanna Solid Waste Authority Board of Directors hereby approves the accompanying Ivy Material Utilization Center preliminary rate schedule for the purpose of notification of a public hearing to be held on May 22, 2018 at 2:00 p.m. during the regularly scheduled Board of Directors meeting.

<table>
<thead>
<tr>
<th>TIPPING FEES PER TON:</th>
<th>TIPPING FEES PER ITEM:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Fill Material</td>
<td>Freon Appliances</td>
</tr>
<tr>
<td>$ 10.00</td>
<td>$ 17.00</td>
</tr>
<tr>
<td>Pallets</td>
<td>Non-Freon Appliances</td>
</tr>
<tr>
<td>$ 48.00</td>
<td>$ 9.00</td>
</tr>
<tr>
<td>Vegetation/ Yard Waste</td>
<td>Passenger Veh. Tire Off Rim</td>
</tr>
<tr>
<td>$ 48.00</td>
<td>$ 6.00</td>
</tr>
<tr>
<td>Non-Freon Appliances</td>
<td>Passenger Veh. Tire With Rim</td>
</tr>
<tr>
<td>$105.00</td>
<td>$ 13.00</td>
</tr>
<tr>
<td>Domestic Waste (MSW)</td>
<td>Large Truck Tire Off Rim</td>
</tr>
<tr>
<td>$ 66.00</td>
<td>$ 17.00</td>
</tr>
<tr>
<td>Construction Debris (CDD)</td>
<td>Large Truck Tire With Rim</td>
</tr>
<tr>
<td>$ 66.00</td>
<td>$ 33.00</td>
</tr>
<tr>
<td>Compostable Waste (Businesses Only)</td>
<td>$178.00</td>
</tr>
<tr>
<td>Tires</td>
<td></td>
</tr>
<tr>
<td>$190.00</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER CHARGES:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Charge (per load)</td>
<td>Service Fee Per Ticket:</td>
</tr>
<tr>
<td>$ 6.00</td>
<td>Albemarle County customers</td>
</tr>
<tr>
<td>Mulch or Lumber Log (per ton)</td>
<td>$ 1.00</td>
</tr>
<tr>
<td>$ 30.00</td>
<td>Other customers</td>
</tr>
<tr>
<td>Trash Stickers (for set of 12)</td>
<td>$ 10.00</td>
</tr>
<tr>
<td>$ 24.00</td>
<td>Hauling Fee Per Load Based on Location:</td>
</tr>
<tr>
<td>Ticket Request (per copy)</td>
<td>Minimum</td>
</tr>
<tr>
<td>$ 1.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>Credit Application Fee (each)</td>
<td>Maximum</td>
</tr>
<tr>
<td>$ 35.00</td>
<td>$142.00</td>
</tr>
</tbody>
</table>

* - This fee applies to businesses and institutions only.
Recess/Reconvene

At 2:26 p.m., Ms. Galvin moved to recess the RSWA Board meeting. Mr. Henry seconded the motion, which passed unanimously (6-0). Mr. Jones was absent from the meeting and the vote.

At 3:02 p.m., Ms. Galvin moved to reconvene the RSWA Board meeting to meet jointly with the Rivanna Water and Sewer Authority Board. Dr. Palmer seconded the motion, which passed unanimously (6-0). Mr. Jones was absent from the meeting and the vote.

b. Strategic Plan Implementation – Katie McIlwee, Communication Manager, Executive Coordinator, and Goal Team Leader

Ms. McIlwee reported that in January, Raftelis Consultants brought the goal teams together for implementation workshops, and she provided the Board with a reminder of the goal teams and their leaders. She explained that at the workshops, each goal team reviewed the strategies and identified the two highest priorities, then developed tactics on how to implement those strategies. Ms. McIlwee noted that considerations were the impact of the strategy, the timing, the sequencing, the ease of implementation, and realization that this was just the first year in a five-year strategic plan.

Ms. McIlwee reported that from six goals and 21 total strategies, they developed 78 tactics. She explained that to achieve success, they needed to prioritize doable, short-term tactics that could be built upon and celebrated in the first year as successful. She stated that they also needed to develop structured reporting and accountability for the tactics, foster organizational involvement, and sustain organizational commitment in order to succeed with the goals. Ms. McIlwee referenced the top 12 strategies developed by the goal teams, realizing that there were 21 total, with the focus on those with the highest priorities throughout the first year.

Ms. McIlwee stated that the workforce development team established a strategy to “develop a comprehensive staffing, classification, and compensation plan,” and “conduct a training needs assessment and enhance the training program.” She explained that some of their tactics were to implement approved pay-grade schedules, develop a master staffing plan, complete a compensation study (which has been completed), and continue an annual review of staffing needs. Ms. McIlwee stated that the group wants to develop a 12-month training calendar, partner with PVCC to develop a leadership training program, and enhance employee development plans. She noted that for all of these tactics, the group has tactic leaders to track the process.

Ms. McIlwee reported that as an example of operational optimization, the group established a strategy to “continually evaluate, prioritize, and improve key businesses and operational processes” and “protect our workforce and the public through continually growing a culture of safety.” She mentioned that they had developed tactics to achieve those strategies. Ms. McIlwee stated that communications and collaboration established a strategy to “create and maintain internal communication platforms” and “create and implement a comprehensive public outreach plan.”

Ms. McIlwee reported that the next steps were to begin active implementation and most goal teams had already gotten underway, with a more formalized process now being used. She stated
that with Raftelis’ help, they would establish a digital strategy model that would help track numbers and progress percentages, with a quarterly progress update to be provided to the Board on each tactic.

Dr. Palmer asked what “increase internal environmental engagement” meant.

Ms. Terry explained that they felt because they had so many departments and so many different pieces of environmental stewardship underway, they needed to start internally and ensure that every employee knew what other employees did — and how each department impacted the environment. She stated that in their goal group meeting, they determined that not everyone knew what was happening in other departments, so they felt they needed to educate staff internally.

Dr. Palmer asked if anyone at Rivanna was already coordinating with staff at the County level on the local climate action program that was being expanded.

Ms. Terry asked what staff of the County in particular was working on that.

Mr. Henry stated that it was him and Andy Lowe.

Ms. Terry stated that she coordinated with David Hannah and John Murphy frequently but would be glad to participate in that as well.

Ms. Galvin asked if that was in partnership with the City.

Dr. Palmer stated that it was.

Mr. Henry asked if the goal was to achieve most of these tactics over the next 12 months.

Ms. Terry responded that the tactics initially developed were 12 to 18-month tactics.

Mr. Henry asked if the consultant would help provide a tracking system for how that was measured.

Ms. McIlwee confirmed that they would, stating that they had a program that allowed them to measure how far a tactic was completed, then calculating it into the overall strategy.

Mr. Henry commented that he would be interested in seeing the tracking system. He stated that the Board of Supervisors had many strategic initiatives that were being tracked and he was interested in seeing how the Raftelis consultant was doing this.

Ms. Galvin noted that she was not certain when the City would receive its next strategic plan update, but she would be interested in this information as well.

Mr. Mawyer mentioned that Rivanna would be providing a quarterly updates to the Board of Supervisors and City Council.
Mr. Henry asked if staff could provide the tactics for all strategy areas, particularly the main categories.

Ms. McIwhee stated that she would send them out.

Mr. O’Connell asked if the plan was to revisit the tactics after 12 to 18 months and reset some of them.

Mr. Maywer clarified that this was the first year of a five-year plan, and they would revisit and possibly change items accordingly.

Mr. O’Connell asked if they envisioned any of these as being over the five-year period.

Ms. McIwhee responded that because all the teams were just starting, she wasn’t sure if that had been realized – but the teams would continue to meet throughout the five years and may get into one of the tactics and realize it was much more far reaching than originally planned. She stated that this was a continuing, evolving process, so some of the tactics may drop off and others may be added. Ms. McIwhee noted that there was more work to do with the strategies, and there was a lot of crossover among goal teams.

Mr. Gaffney asked when the RWSA and RSWA boards would receive their next updates.

Mr. Mawyer replied that the updates would be given quarterly, with the next update to the Board being in August, and he anticipated written reports in addition to staff’s presentations.

9. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA

There were none presented.

10. CLOSED MEETING

There was no closed meeting.

11. ADJOURNMENT

At 3:18 p.m., Dr. Palmer moved to adjourn the RSWA Board meeting. Ms. Galvin seconded the motion, which passed unanimously (6-0). Mr. Jones was absent from the meeting and the vote.

Respectfully submitted,

[Signature]
Mr. Maurice Jones
Secretary - Treasurer