RSWA BOARD OF DIRECTORS
Minutes of Special Meeting
December 11, 2018

A special meeting of the Rivanna Solid Waste Authority (RSWA) Board of Directors was held on Tuesday, December 11, 2018 at 2:00 p.m. in the 2nd floor conference room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

Board Members Present: Mike Gaffney, Mike Murphy, Liz Palmer, Kathy Galvin, Jeff Richardson, and Trevor Henry.

Board Members Absent: Paul Oberdorfer.

Staff Present: Bill Mawyer, Katie McClwee, Phil McKalips, David Rhoades, Michelle Simpson, Liz Coleman, Lonnie Wood, Jennifer Whitaker, Bob Clouser, Scott Schiller, Andrea Terry, Austin Marrs, Dave Tungate, and Tim Castillo.

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

1. CALL TO ORDER

Mr. Gaffney called the meeting to order at 2:03 p.m.

2. MINUTES OF PREVIOUS BOARD MEETING

a. Minutes of the Regular Meeting of the Board of November 13, 2018

Dr. Palmer moved to approve the minutes of the RSWA Board’s November 13, 2018 meeting as presented. Ms. Galvin seconded the motion, which passed 6-0. Mr. Oberdorfer was absent from the meeting and the vote.

3. RECOGNITION

There were no recognitions presented.

4. EXECUTIVE DIRECTOR’S REPORT
Mr. Mawyer reported that Rivanna staff had met with City of Charlottesville staff in November to further the discussion of solid waste costs and how the City’s collection and disposal plans could perhaps include services from Rivanna, as was requested in the October RSWA Board meeting.

He stated that Phil McKalips had been doing a lot of outreach with UVA students, University Village, and the Charlottesville Newcomers (Welcome Wagon) group.

Mr. Mawyer stated that earlier in the day was the first time a Time Disposal refuse truck brought refuse to the landfill. Staff was hoping that the plan to increase tonnage was slowly but surely working -- and the truck got in and out in four minutes.

Dr. Palmer asked if Time Disposal had been informed about the lower charges beginning January 1.

Mr. McKalips responded that he had talked with a representative from the company – Boyd McCauley -- about it, and the driver had given positive feedback about the changes at the facility.

Ms. Galvin asked what the follow-up was with City staff.

Mr. Mawyer replied that the City needed to review some procurement schedules and strategies in its contracts, as well as some of the costs with the separate collection and disposal contracts -- including timing and services, and how new lower rates might play into the City’s strategy.

5. **ITEMS FROM THE PUBLIC**

Mr. Gaffney invited items from the public.

There were no items presented.

6. **RESPONSES TO PUBLIC COMMENTS**

There were no responses to public comments.

7. **CONSENT AGENDA**

a. **Staff Report on Finance**

b. **Staff Report on Ivy Material Utilization Center/Recycling Center Update**

c. **Staff Report on Ivy Landfill Environmental Status**

Dr. Palmer moved to adopt the Consent Agenda as presented. Mr. Richardson seconded the motion, which passed 6-0. Mr. Oberdorfer was absent from the meeting and the vote.
8. OTHER BUSINESS

a. Comprehensive Annual Financial Report For Fiscal Year Ending June 30, 2018; Mr. Robert Huff, Robinson, Farmer, Cox Associates

Mr. Robert Huff reported that there were two auditors’ opinions and one overview in the report, which were in the highest standard attainable.

Mr. Huff stated that the RSWA’s financial position increased by $1.63 million, and overall operating revenues declined by just $11,000, which was anticipated. He stated that environmental expenses were also noted in the report, as was a capital fund grant. He reported that the only pension obligations were OPED and group life, so there were not really health insurance costs, and the total adjustment was $36,000.

Dr. Palmer asked for more details about the pension obligations.

Mr. Huff responded that Rivanna was required to recognize that liability within the financial statements and it had to be restated, and to that end they picked up that portion. He noted that it was part of the state’s provision of group life as a benefit once employees retired, which was an obligation, and it was now required to be put into the balance sheet statements as a liability.

b. Presentation and Public Hearing: Reduction in Solid Waste Fees

Mr. McKalips stated that staff had presented a proposal from the Albemarle County Board of Supervisors to reduce the tipping fee for municipal solid waste and construction demolition debris from $66 to $52 a ton, which would put Rivanna at the average cost of surrounding counties. He stated that Rivanna had advertised twice for a public hearing to be held at this meeting, and the new rates, if adopted, would go into effect January 1, 2019. Mr. McKalips stated that he had been reaching out to some of the larger haulers to let them know.

Mr. McKalips stated that he had discussed with Mr. Mawyer the possibility of doing some additional outreach events associated with Ivy, such as offering safety training as refuse collection and hauling were in the top five dangerous/lethal occupations -- with several injuries in the County in the last year and a half.

Dr. Palmer asked if other transfer stations did that.

Mr. McKalips responded that he did not know of any, but the Solid Waste Association of North America (SWANA) was pushing safety and redouble their efforts to improve it because fatalities were so prevalent now -- partly because of the increase in distracted driving.

Dr. Palmer asked if there was recognition by insurance companies if haulers took special driving courses.

Mr. McKalips replied that he wasn’t sure, but he could reach out to the disposal companies about it. He added that a safety course was a relatively cost-effective way to do some real outreach and community involvement, which was part of the strategic plan also.
Mr. Gaffney asked if there was any licensing requirement for drivers or people who worked in the business.

Mr. McKalips responded that they have their commercial drivers licenses but not an endorsement beyond that, and the larger haulers had to cover their own vehicle insurance. He added that he would also like to have the smaller carriers participate, as they often did not get the communications or have safety programs internally.

Mr. Gaffney asked who would teach it.

Mr. McKalips responded that he had provided safety training before and could do certain aspects of it -- and SWANA also had resources, as well as VACORP, Rivanna’s insurer.

Mr. Mawyer stated that they had received proposals the previous Friday for a safety consultant and did not have anything ready for this meeting but would have a contract for the Board to consider in February. He noted that this would be a safety consultant firm that had the capability of doing a lot of different training.

Mr. Gaffney stated that his only concern would be potential liability.

Mr. Mawyer confirmed that it would be a qualified trainer.

Dr. Palmer commented that this sounded like a good plan.

Mr. Murphy asked what the estimated tonnage was to break even on the 21% reduction.

Mr. McKalips responded that it was about four trucks a day or 35 total tons to break even with the cost reduction, with a goal of five days a week. He stated that Waste Management was moving about 1,000 tons a month, and 25% of that would be a major contribution. Mr. McKalips stated that Time Disposal was moving about 300-400 tons per week, so getting 10% of their traffic would also be significant.

Mr. Murphy asked if the Board had any policies or code restrictions as to how often they could change their rates, and asked what would happen if they had an operational shortfall of revenues because there were no tipping fees.

Mr. McKalips responded that the Board could change the rates at any time they wished, at the behest of the Board of Supervisors and with proper public notice and a public hearing.

Dr. Palmer stated the Board of Supervisors had given a two-year trial for this to see if it would work and were committed to that as a minimum. She added that this was an indication that they were recognizing their obligation to provide affordable solid waste services as a place for people to bring trash in the County, and if they were significantly more expensive than any place else in the area, they were not really fulfilling their obligations to provide that service to citizens.
Mr. McKalips stated that University Village had invited him to speak at an event they did fairly regularly, which included mostly retirees, but it was important for people to know.

Mr. Murphy asked what the staff plan was before this got endorsed.

Mr. Mawyer explained that the draft anticipated some decrease in revenues because of the decrease in tonnage, and it did not anticipate the full 100%. He stated that of the $116K anticipated revenue shortfall, Rivanna anticipated a $70K loss for the first year.

Mr. Henry noted that the budget estimate for the County would pick that up, as it was a County budget liability.

Mr. Richardson confirmed this, noting that they had originally considered changing the fee from $66 to $55 per ton but instead went with $52 per ton on the low end because it was the regional average – and the County was planning for that over a two-year period. He stated that they did not know what the usage habits would be and had to financially plan for the worst, and as Dr. Palmer stated they needed at least two years to really see with some good marketing if it went up over time and become cost neutral if they achieved the goal tonnage.

Mr. Mawyer pointed out that the new fee would be cost neutral but may not be a cost-neutral operation in the beginning.

Ms. Galvin asked if all this had been reviewed with City staff.

Mr. Mawyer responded that they had been provided with the cost and numbers.

Ms. Galvin stated that staff would get back to Council with an evaluation as to whether there was a benefit in participating more fully.

Mr. Mawyer confirmed this, noting that there was one City contract in place and one already advertised with a 15-year term, and economics may be the driver.

Mr. Murphy asked if the additional cost would be in the County’s FY20 and FY21 budgets.

Mr. Richardson confirmed that it would be.

Dr. Palmer stated that one additional benefit to be considered further would be that City residents would not have to pay the additional fee at Ivy -- which was $10 instead of the $1 that County residents paid.

Mr. Gaffney opened the public hearing on the proposed rate schedule.

There being no speakers, he closed the public hearing.

Dr. Palmer stated that they had quite a bit of discussion at the Board of Supervisors.
Dr. Palmer moved to adopt the rate schedule resolution as presented, which set forth the new rates. Ms. Galvin seconded the motion, which passed 6-0. Mr. Oberdorfer was absent from the meeting and the vote.

The resolution was adopted as follows:

**RESOLUTION**

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

**WHEREAS**, the Authority has advertised and held a public hearing on December 11, 2018, on the proposed rates and fees for the period from January 1, 2019 to June 30, 2019 in accordance with Section 15.2-5136(G) of the Code of Virginia, as amended;

**THEREFORE, BE IT RESOLVED** that the Rivanna Solid Waste Authority Board of Directors hereby adopt the accompanying rate schedule effective January 1, 2019 summarized below:

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<tr>
<th><strong>TIPPING FEES PER TON:</strong></th>
<th><strong>TIPPING FEE PER ITEM:</strong></th>
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<tbody>
<tr>
<td>Clean Fill Material</td>
<td>Freon Appliances</td>
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<tr>
<td>Pallets</td>
<td>Non-Freon Appliances</td>
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<tr>
<td>Vegetation/Yard Waste</td>
<td>Passenger Veh. Tire (off Rim)</td>
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<tr>
<td>Non-Freon Appliances</td>
<td>Passenger Veh. Tire (on Rim)</td>
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<tr>
<td>Domestic Waste (MSW)</td>
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<td>Construction Debris (CDD)</td>
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<tr>
<td>Compostable Waste (Businesses Only)</td>
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<td>Tires</td>
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<tr>
<th><strong>OTHER CHARGES:</strong></th>
<th><strong>Service Fee Per ticket:</strong></th>
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<tbody>
<tr>
<td>Minimum Charge (per load)</td>
<td>Albemarle County</td>
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<tr>
<td>Mulch or Lumber Log (per ton)</td>
<td>Customers</td>
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<tr>
<td>Trash Stickers (for set of 12)</td>
<td>Other Customers</td>
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<td>Ticket Request (per copy)</td>
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<tr>
<td>Credit Application Fee (each)</td>
<td>Hauling Fee Per Load (based on Location):</td>
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9. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA

There were none presented.

10. CLOSED MEETING

There was no closed meeting held.

11. ADJOURNMENT

Ms. Galvin moved to adjourn the RSWA Board meeting. Dr. Palmer seconded the motion, which passed 6-0. Mr. Oberdorfer was absent from the meeting and the vote.

The RSWA Board adjourned its meeting at 2:26 p.m.

Respectfully submitted,

[Signature]

Mr. Mike Murphy
Secretary - Treasurer