RSWA BOARD OF DIRECTORS
Minutes of Regular Meeting
April 23, 2019

A regular meeting of the Rivanna Solid Waste Authority (RSWA) Board of Directors was held on Tuesday, April 23, 2019 at 2:00 p.m. in the 2nd floor conference room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

Board Members Present: Paul Oberdorfer, Mike Gaffney, Mike Murphy, Jeff Richardson, Liz Palmer, Trevor Henry.

Board Members Absent: Kathy Galvin.

Staff Present: Lonnie Wood, Jennifer Whitaker, Phil Mckalips, David Rhoades, Steven Miller, Liz Coleman, Scott Schiller, Bill Morris, Victoria Fort, Dyon Vega, Austin Marrs, Andrea Terry, David Tungate, Michelle Simpson, Bill Mawyer, Katie McIlwee.

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 2:02 p.m.

2. MINUTES OF PREVIOUS BOARD MEETING

a. Minutes of the Regular Meeting of the Board on March 26, 2019
Dr. Palmer moved to approve the RSWA Board meeting minutes of March 26, 2019 as presented. Mr. Richardson seconded the motion, which passed unanimously (6-0). Ms. Galvin was absent from the meeting and the vote.

3. RECOGNITION

a. Resolution of Appreciation for Mike Murphy
Mr. Gaffney read the joint resolution as follows:

WHEREAS, Mr. Murphy has served as a member of the Rivanna Water & Sewer Authority and Solid Waste Authority Boards of Directors since August of 2018; and

WHEREAS, over that same period Mr. Murphy has demonstrated leadership in water and sewer, solid waste and recycling services; and has been a valuable member of the Boards of Directors and a resource to the Authorities; and

WHEREAS, Mr. Murphy’s understanding of the water, sewer, solid waste and recycling operations of the City of Charlottesville, the Water & Sewer Authority and the Solid Waste
Authority has supported a strategic decision-making process that provided benefits to the customers served by the City of Charlottesville as well as the community as a whole.

WHEREAS, the Water & Sewer Authority and Solid Waste Authority Boards of Directors are most grateful for the professional and personal contributions Mr. Murphy has provided to both Authorities and to the community; and

NOW, THEREFORE, BE IT RESOLVED that the Rivanna Water & Sewer Authority and the Rivanna Solid Waste Authority Boards of Directors recognize, thank, and commend Mr. Murphy for his distinguished service, efforts, and achievements as a member of the Rivanna Water & Sewer Authority and the Rivanna Solid Waste Authority, and present this Resolution as a token of esteem, with their best wishes in his future endeavors.

BE IT FURTHER RESOLVED that this Resolution be entered upon both the permanent Minutes of the Rivanna Water & Sewer Authority and the Rivanna Solid Waste Authority.

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

Mr. Murphy accepted the resolution. He expressed appreciation to those who have served on the Authority for a long time, particularly elected officials from the City and County.

4. EXECUTIVE DIRECTOR’S REPORT

Mr. Mawyer reported that the previous day was Earth Day, which they celebrated with a stream cleanup behind Moose’s Restaurant and the U-Haul site along Moores Creek in a partnership with the Rivanna Conservation Alliance, RSWA, and RWSA. He stated that 10 employees participated and they had a good turnout, collecting “all kinds of interesting things” that were taken to the Ivy landfill. He presented a photo of the cleanup.

Mr. Mawyer informed the Board that recent vehicle counts at Ivy were 2,900 in February and 4,400 in March, with tonnage of 59 tons/day in February and 86 tons/day in March. He noted that Phil McKalips had provided a lot of information in Item 7B of his report, and that in the five Mondays the facility has been open, they have averaged 86 tons/per day, which is the approximate break-even amount to account for the lower rates and the additional operating day. He noted that they expected this figure to increase through the summer and felt positive about the track they were on.

Mr. Mawyer reported that the Household Hazardous Waste and Bulky Waste Amnesty programs began on Thursday and ran through the following weekend, with the schedule published in the newspaper and on the Rivanna website. He reminded the Board that at last month’s meeting, staff had informed them that #3–7 plastics were not being recycled, and the Board voted to discontinue recycling of these products beginning in July. He noted that Staunton, Waynesboro, and Augusta County had stopped processing some plastic and glass products and that Harrisonburg, Rockingham, and Chesterfield Counties were considering changes to their programs due to the “China effect”, under which China is no longer accepting these products.
Mr. Mawyer informed the Board the General Assembly has passed legislation, with the Governor recommending amendments, that created penalties for public employees and officials who destroyed records in the FOIA process. He stated the legislation also created a penalty for a public body that held a closed meeting that violated provisions of FOIA. He asked Mr. Krueger to provide additional information.

Mr. Kurt Krueger explained that the Local Government Attorney’s Association, VACO, and some other legal organizations had critiques of the legislation, and after it had passed both the Senate and House, they asked the Governor to make some edits -- essentially to the bill and sent it back. He stated that he would review the two most significant edits and explained that the original bill stipulated that if an attorney was present at a closed meeting, then a fine may apply, which the Local Government Attorney’s Association indicated would discourage public bodies from having counsel present because penalties could be avoided by not having an attorney present. He noted that this language was removed as the bill was enacted.

Mr. Krueger explained that the second change was that at the end of the second clause, which dealt with penalties for miscertification of a closed meeting. He stated they have added language to the effect that in determining if a penalty was appropriate, the court shall consider mitigating factors, including reliance of members of the public body on opinions of the attorney general, court cases substantially supporting the rationale of the public body, and published opinions of the FOIA Advisory Council. He stated they had introduced the concept of mitigation if one is in good faith relying on one of these things and noted that he had distributed copies of the enacted legislation to Board members.

Mr. Mawyer reminded the Board the City and County had created a one-year Local Government Support Agreement for Recycling Programs in 2011 to establish a payment formula for the City and County to share recycling costs, to be renewed annually and which had been renewed seven times. He suggested that the agreement be renewed automatically each year, with each locality having the option to provide notice to opt out. He stated that Phil McKalips had spoken with Paul Oberdorfer and Trevor Henry about this and they seemed to be in favor of it, and staff plan to bring forth a proposal for a continuing agreement at next month’s Board meeting.

Dr. Palmer recalled that she had asked if the agreement could be for five years and was told by legal staff that this could not be done.

Mr. Henry remarked that they had conferred with the County Attorney and he stated the proposal made sense as Rivanna suggested.

Mr. Mawyer noted that the Van Der Linde facility at Zion Crossroads has raised its MSW tipping fee to $52/ton, which his office would monitor this to see if there was an impact on the County’s competitiveness.

Mr. Mawyer informed the Board there had been a number of injuries at the landfill while staff assisted customers with loading and unloading, including a broken arm and arm cut, which resulted in lost work time. He stated they have instructed employees to not assist customers with unloading and loading, unless approved by their supervisor, and he asked the Board for feedback.

Dr. Palmer remarked that this would be difficult for a lot of the employees because they were very helpful. She asked if any customers had been hurt.
Mr. Mawyer commented that the concern was that staff or customers could be hurt with people
throwing things out of both sides of the vehicle, as anyone could get hit.

Dr. Palmer remarked that the transfer station had more individual users as compared to professional
haulers than most stations, which compounded the situation. She stated Phil McKalips has informed
her that many localities have convenience centers where individuals can take as long as they want to
unload their vehicles, whereas with Rivanna’s facility, they force individuals to be around
professional haulers, which can create some issues.

Mr. Henry noted that the original design concept of the MUC had separated the individual and
commercial dropoffs, but this had been changed.

Dr. Palmer responded that a huge increase in trash had caused them to continuously analyze the
flow and make adjustments, and they may go back to that original plan somewhat, trying to get
some of the larger haulers to back in and to have a separate route. She stated that communication
was always a challenge when people were coming in and going out in a rush, and it would be an
ongoing process to figure out how this was going to work.

Mr. Mawyer stated that staff wouldn’t abandon this issue, but for now would minimize it and see
how it could be improved.

Mr. Murphy expressed his understanding and asked if the risk management team would look into
training options or if they would instruct employees not to assist customers. He asked Mr. Mawyer
what the current official policy was for employees in terms of providing assistance to customers,
emphasizing that it needed to be consistent, without gray areas.

Mr. Mawyer explained that employees had been told they were not allowed to help load or unload,
and a sign would be posted with this policy for customers to read. He stated that if employees
noticed a circumstance they felt was different, they could assist if a supervisor gave approval, which
could be for unexpected circumstances or assisting the elderly and those with special needs.

Mr. Gaffney asked if the facility has ADA requirements.

Mr. Krueger responded that he did not know the answer to that.

Mr. Mawyer noted that the facility was ADA accessible, and the supervisor would likely allow an
exception for a customer with special needs.

Dr. Palmer invited Phil McKalips to address the Board on the matter.

Mr. McKalips explained that a supervisor could make an exception for those who needed special
assistance. He noted that a lot of the injuries were a result of the customer pushing at an inopportune
time, and there was no way to train customers to work in concert with staff to resolve this. He stated
the new policy may seem extreme, but they have tried other solutions and staff were still getting
hurt.
Mr. Murphy suggested that they have two Rivanna employees assist, instead of the customer, to be sure they worked in concert. He emphasized that it was important to have a clear message as to what people were supposed to do.

Dr. Palmer remarked that there had been discussion about having employees do the work themselves and not working with the customer, which is when the problems occurred.

5. **ITEMS FROM THE PUBLIC**

Mr. Gaffney opened the meeting to comments from the public. As no one came forward to address the Board he closed this portion of the meeting.

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 Operations Update**

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

   d. **Proposed Additional Holiday: July 5, 2019**

With respect to Item 7.d., Mr. Richardson asked if Rivanna had compared the number of holidays offered by Rivanna to the number offered by other local governments across the state, when considering the recommended extra Friday, July 5th holiday.

Mr. Mawyer replied that they tried to monitor that locally and knew that the ACSA was offering July 5 as a day off, but staff was not yet able to find information on this from the State’s website. He added that Rivanna had not benchmarked against other localities except in the context of the compensation studies.

Mr. Gaffney asked how this would impact commercial haulers.

Mr. Mawyer replied that the RSWA would be open to customers on July 5th, and staff at both the landfill and recycling centers would be required to work on this day, with premium pay provided.

Dr. Palmer asked how much premium pay was.

Mr. Wood replied that it was time and a half to work holidays and days that an employee was not scheduled to work.

Mr. Richardson asked if RWSA employees would get July 5th off.

Mr. Mawyer clarified that they would propose the same additional holiday to the RWSA Board, but that was also challenging as water and wastewater plant operators worked around the clock and staff were needed on every holiday. He stated that RSWA and RWSA administrative employees would
observe the holiday, and that to have parity employees who did work would receive premium pay to keep the treatment plants, IMUC, and recycling facilities open.

Ms. Palmer asked for confirmation that RWSC staff received premium pay for July 4 and 5, the RSWSA transfer station would be closed on July 4, and RWSC staff would receive premium pay on just July 5.

Mr. Mawyer replied that they would receive holiday time off on July 4, and premium pay on July 5, because they will have worked that day.

Dr. Palmer asked if County employees would have off on July 5.

Mr. Richardson and Mr. Henry indicated they had not seen the calendar yet.

Mr. Richardson asked Mr. Mawyer if a similar situation to July 5 had occurred before.

Mr. Mawyer replied that they have had situations when an additional holiday has been granted when a regular holiday fell during the middle of the week.

Dr. Palmer asked for confirmation that this situation was only for this year.

Mr. Mawyer confirmed this and noted that the ACSA had already approved July 5th as an additional day off.

Dr. Palmer moved that the Board approve the Consent Agenda. Mr. Oberdorfer seconded the motion, which passed unanimously (6-0).

8. OTHER BUSINESS

a. Introduction of Fiscal Year 2019-2020 Budget and Adoption of the Preliminary Rate Resolution – Bill Mawyer, Executive Director

Mr. Bill Mawyer stated that the budget totaled $4.2M for both revenues and expenditures. He reviewed accomplishments over the past year, including the opening of the Ivy Transfer Station, lowering of solid waste tipping fees, and addition of Mondays to days of operation, completion of Ivy Master Plan, beginning of the design phase for the new Ivy convenience center, and planning for a compost facility. He presented a photo of the interim convenience center at Ivy. He stated they hoped to begin construction of the new convenience center next year, would continue to optimize the transfer operations and recycling programs, and were conferring with Virginia Department of Forestry on a potential forestry management plan for 150 acres of buffer around the landfill.

Mr. Mawyer stated that they would continue with household hazardous waste, electronic waste, and compost programs. He returned to the budget, noting that the largest component was $1.9M or 46% for transfer operations, second was the environmental component at $1M or 26%, followed by recycling at $668K, and then Operations. He emphasized that the budget was about $1M more than last year, largely due to increased revenues and costs from the transfer operation. He stated the increase expenses of the transfer station were estimated to be $585K as they moved from 30 tons/day to 80 tons/day, which would be offset by an estimated revenue increase of over $600K, which they expected would decrease the transfer operations deficit.
Mr. Mawyer stated that recycling expenses would increase as a result of proposed personnel increases, increased costs of wood grinding, and equipment depreciation. He stated the landfill environmental expenses were expected to increase, largely due to the need to regrade areas of the cell caps as requested by the VA Department of Environmental Quality, at an estimated cost of $250K. He stated the cost to implement the e-waste program was around $15K for each of the two proposed days. He noted that they would use $390K from the reserve to offset environmental costs this year, which they would not be able to do next year and which was a driver of the budget increase.

Mr. Mawyer explained that operations included yard and vegetative waste disposal, disposal of tires, clean fill, and bulky waste, and that these expenses were funded by the County. He stated they expected higher revenues from the Ivy Transfer Station along with higher expenses, with the difference to be funded by the County. He noted that the costs of the recycling program were shared by the City and County through the Local Support Agreement, and he presented a slide with revenue and expense estimates. He explained that the environmental segment of the budget represented ground water and gas remediation, e-waste, household hazardous waste, and paint disposal, which represented expenses shared by contract with the County, City and UVA, with no revenue. He reminded the Board that UVA paid a fixed amount each year for environmental remediation, while the County and City paid fixed percentages. He continued that expenses included a 3% merit pool of $18K for the 15 employees and a 2% increase in health insurance costs, despite a premium increase of 10%, mitigated by the use of some savings from last year.

Mr. Richardson asked if the increase in the employee portion of health insurance might offset pay increases.

Mr. Mawyer replied that this could happen, though they were trying to budget a small decrease in employee premiums.

Mr. Mawyer stated they proposed to add three positions, two of which were needed to operate the transfer station on Mondays during the pilot period and who had been hired through a temporary agency, with the possibility of adding two full-time employees should they decide to continue with Monday operations. He stated they would add 0.3 of an employee at the Ivy scale to cover the additional need created by the addition of Mondays to the days of operation, and 0.75 of an employee to support recycling operations by converting three part-time positions to two full-time positions, which would total 3.05 FTEs at a cost of $139K, of which a large part represented the cost of health insurance and other benefits.

Mr. Mawyer reviewed expected revenues. He stated they expected tip fees and sales to equal almost $2M, with the balance supported through the local government support agreements with the City, the County, and UVA. He noted that they would keep the tipping fees the same with the exception of the cost for pallets, which increased to $52 from the current $10, as Rivanna would no longer recycle them for mulch, as it has been determined that the grinding of pallets was detrimental. He concluded and invited questions.

Dr. Palmer stated she had learned that the City did not contribute old tires, asked if the County paid for the cost of tire amnesty day, and if the City participated.

Mr. Wood replied that they tracked the origin of the tires and billed accordingly to the City or County.
Dr. Palmer asked if the City picked up tires in bulk pickups.

Mr. Oberdorfer responded that the City scheduled pickups of tires.

Dr. Palmer asked why UVA always paid the same amount for use of the landfill.

Mr. Gaffney responded that the agreement was for UVA to contribute 7% of the total budgeted amount for the 30 years of landfill mitigation, and the percentage was not to be changed if something new is found or if costs increase or decrease. He explained that it was determined that UVA contributed 7% of the waste in the community.

Mr. Wood stated that at the time, there was a post-closure cost booked as a liability, so they had a 30-year cost estimate. He stated that they escalated that cost based on inflation, so the first five years, they were paying a much larger amount and it fluctuated -- and after that first five years, the $79,000 was enacted, based on the 25-year cost estimate that was adjusted for inflation.

Mr. Mawyer noted that next year, 7% of the budgeted costs would be $70,000, not $79,000, so UVA was paying more than 7%.

Mr. Gaffney stated that the year before, they had mitigated the cost for $773K based on 2019, so they were paying above 7%.

Mr. Gaffney asked if what was currently in cell three that had to be regraded was just regraded based on what was already there, or if they had to add to it to bring it up to a specific level.

Mr. Mawyer responded that they would check the liner to make sure it was still intact and hadn’t separated, and they would restore it and replace the soil fill over top of it -- so they would be adding soil, not just pushing around what was there. He emphasized that they needed to fill in the hole and would likely have to add soil in order to do that, and some soil went down into the cell, so they would have to add soil if they couldn’t get it out.

Mr. Gaffney asked if this rate schedule was the same as previous years.

Mr. Mawyer responded that it was, except for the pallets being removed from this schedule as they would be advertised.

Dr. Palmer moved that the Board approve the resolution as the proposed rates to be presented at the May RSWA Board meeting for public hearing, reflecting the removal of the pallets. Mr. Richardson seconded the motion.

Mr. Murphy observed that the City would have a total cost of $491K, an increase from $207K the previous year, while the County’s cost will increase from $1.25M to $1.7M — and asked why the City’s cost would increase by a greater percentage than that of the County.

Mr. Mawyer explained that this was calculated with the use of a formula, with the City’s portion representing 30% of the total, by agreement, and this year the cost would not be subsidized with reserves, which has driven both the City and County budgets higher.
Mr. Murphy commented that in looking at the budget in the year they were in, if the County was over $1.25 million and the City was at $200K, that was a 6:1 ratio.

Mr. Gaffney stated that the previous year, they used $390K in reserves.

Mr. Wood explained that the transfer station was lowering its deficit, of which the County was the only payer, and the transfer station was going down by about $70K and would benefit from this deficit reduction dollar for dollar in the Ivy center. He added that this savings did not benefit the City because they weren’t a financial supporter of that center.

Mr. Murphy stated that he was still trying to process how this went from a 6:1 ratio in one year to a 3.5:1 ratio in the next, as it didn’t seem to make sense to him.

Mr. Wood stated that after taking the UVA portion, it was 63.5% to the County and 36.5% to the City.

Mr. Gaffney pointed out that the biggest number, the Ivy Transfer Station, went down for the County -- with environmental and recycling being the same for the City and County. He noted that the County would be paying $2 million if the ratios were the same.

Mr. Murphy asked if they could advance this item to the next meeting for final approval.

The motion passed unanimously (6-0). Ms. Galvin was absent from the meeting and the vote.

9. OTHER ITEMS FROM BOARD/STAFF NOT ON AGENDA

Mr. Henry informed the Board he would be replaced on the Board by Lance Stewart, the new Director of Facilities and Environmental Services, at the next meeting. He added that Mr. Stewart would be a welcome addition.

10. CLOSED MEETING

There was no closed meeting held.

11. ADJOURNMENT

Dr. Palmer moved to adjourn the meeting. Mr. Richardson seconded the motion, which passed unanimously (6-0). Ms. Galvin was absent from the meeting and the vote.

The RSWA Board adjourned its meeting at 2:56 p.m.

Respectfully submitted,

Dr. Tarron Richardson
Secretary - Treasurer