



Region 2000 Services Authority

Location

Haberer Bldg.
47 Courthouse Lane
Rustburg, VA 24588

Date | Time

August 22, 2018
2:00 p.m.

Minutes

Board Members Present

Susan Adams.....Appomattox County
Steve Carter Nelson County
Frank Rogers..... Campbell County
Bonnie Svrcek, *Chair*.....City of Lynchburg

1. Welcome

Bonnie Svrcek welcomed everyone and called the meeting to order at 2:00 p.m.

2. Public Comment

- Jon Hardie addressed the Authority and began by thanking them for allowing him the opportunity to speak. He reminded the Authority at the last meeting he had requested as an elected official to be permitted to sit in on a closed session. As there was a closed session on the agenda for this meeting he reminded the Authority of his request. Mr. Hardy stated that elected officials should have the ability to sit in on sessions where their locality is involved.
- Eric Barringer asked about the impact of County Waste opening their own landfill in Cumberland County. He assumed that losing that customer base would require an increase in the rate structure. He also thought it would probably impact the cost benefit analysis developed to look at different alternatives for the future. Mr. Barringer also found it interesting that part of the stipulation that the Cumberland County Board of Supervisors has with County Waste is that a Property Value Protection and Compensation Program would be established.

Bonnie Svrcek advised both gentlemen that further conversation on both issues would be addressed later in the agenda.

3. Approval of the June 13 Meeting Minutes

Upon a motion by Frank Rogers, and seconded by Susan Adams, the minutes of June 13, 2018 were approved as presented.

4. Financial Update

Rosalie Majerus reported that on Schedule 1 Disposal Fee Revenue is about \$50,000.00 short of budget. On Schedule 2 Operating Expenses are better than planned by \$25,000.00. The net effect of this is that the Cost of Service is \$.05 per ton better than planned. Excess Revenue is also slightly better than planned. Budget details presented are believed to be the final numbers for F/Y 2017-2018.

The motion was made by Frank Rogers to approve the Excess Revenue. The motion was seconded by Bonnie Svrcek. Susan Adams stated that there is a 60 day accrual period, and she would feel more comfortable waiting and have the Excess Revenue placed on the September agenda. Frank Rogers withdrew his motion.

5. Report on legal and financial implications of a dissolution of the Services Authority upon the filling of the current permitted space

Bill Hefty presented the legal aspects of a dissolution of the Services Authority. When the Authority was created the agreement was made for 50 years and expires in 2058 by terms of the agreement. The statute allows for dissolving the Authority before then. If the Authority adopted a motion for dissolution, the four governing bodies would have to adopt resolutions approving the dissolution and then application would be made to the state corporation for dissolution of the corporation. There would be some agreement as to what would happen to the landfill properties and any financial assets that were left. Funds would be needed to be provided for closure-post closure and mediation.

There are two options for the Authority to continue:

- a) with all of the members
- b) with one to three members – all members and bond holders must consent, and the Authority would continue, be responsible for closure-post closure and will own the property

There was a discussion about the cost for early withdrawal. Gary Christie suggested that it would be good to discuss whether the Authority would use its money for a study for an individual jurisdiction if a jurisdiction wanted to find out what the cost would be to withdraw, or if the jurisdiction would cover that cost.

Clarke Gibson was asked if there are any financial implications of dissolving the Authority, in terms of cost to the participating jurisdictions. He advised that in 2030, when full capacity is expected to be reached, budgets are set so that the correct amount of money will be in closure-post closure funds and there will be no debt left.

Steve Carter asked who would be responsible for closure-post closure. Bill Hefty answered that it would be either the Authority or the jurisdictions. One option would be that the Campbell

property goes back to Campbell and they are responsible for Campbell, using a portion of the closure-post closure funds. It would be the same for Lynchburg, taking back the Lynchburg landfill.

6. Engineering Services Contract

Clarke Gibson reported that the landfill has two main engineering contracts and they expire this month. An RFP was published in the News and Advance, posted on the Services Authority website, and posted in the Region 2000 offices. A proposal was received from Draper Aden, the current general and environmental engineering services consultant, and also SCS. SCS, the current contract holder of the landfill gas engineering contract, also submitted a proposal for the landfill gas engineering contract.

The staff recommends the Authority renew the general engineering and environmental monitoring contract with Draper Aden, and renew the landfill gas engineering services contract with SCS. Each contract would have a five year term.

Frank Rogers asked staff for an explanation as to why Draper Aden was chosen over SCS for the general engineering and environmental monitoring contract. Clarke Gibson explained that Draper Aden has been the general engineering services engineer since the Authority was formed and he is well pleased with their performance. They also work with Burns and McDonnell, who does the financial analysis for the landfill. He feels that it would be in the best interest of the Authority to continue with Draper Aden.

Frank Rogers made the motion to approve the renewal of the engineering contracts as proposed by staff, with Steve Carter seconding the motion. The motion was unanimously approved.

7. Director's Report

- In response to Mr. Barringer's question concerning the Cumberland County landfill proposal submitted by County Waste, Clarke advised that the Cumberland County Board of Supervisors has approved construction of the landfill. County Waste is probably looking at a two to three year period of permitting, design, and construction. County Waste has also recently submitted a proposal to Botetourt County to take over their solid waste operations. He added that he would not be surprised if sometime in the near future County Waste proposed a transfer station for their use in this region. Mr. Gibson has run some analysis on how this would impact the Authority. County Waste is our largest customer at this point and currently disposes 50,000 tons per year in the Campbell County landfill. If they were to build a transfer station in this region, the impact would likely be an increase in the tipping fee for members by \$10.00/ton, but could add four or five years of capacity to the Livestock Road landfill.

Steve Carter asked if County Waste would have to apply for a special use permit from Campbell County. Clark Gibson replied that yes, they would probably need to do this.

Frank Rogers questioned whether options presented by the work group should be revisited due to this development. Clarke Gibson replied that for the most part this would be

primarily a financial analysis that could be done by Burns and McDonnell and Draper Aden.

Steve Carter suggested that Mr. Gibson stay abreast of how County Waste proceeds. Mr. Gibson replied that about three years ago he invited County Waste to submit a PPEA, but after County Waste approached the Authority to consider a transfer station at the Concord Turnpike landfill site he never received a proposal.

Susan Adams asked what was being done as a regional landfill to look at a new customer base or come up with a plan to compensate if there is a loss in tonnage. Mr. Gibson explained that there is a \$10.00 differential between the private market rate and the member rate that is not set in stone, where adjustments could possibly be made. He also advised that there are two other counties that are a part of Region 2000, and periodically over the last 12 years they have been approached by the Authority for either joining or using the landfill. However, when Amherst County approached the Authority, the Authority voted against their joining the landfill.

Mr. Gibson added one other option, known as flow control. Mr. Hefty explained that this term means that private haulers would have to use our landfill for trash that they picked up in Authority members' jurisdictions.

Mr. Gibson was asked to review all of the options discussed and get an estimate from Draper Aden and a task list of what would be done.

- Update on Livestock Road Partial Closure Project – Clarke Gibson reported that they are completing construction documents for partial closure of Phase 3. They plan on advertising towards the end of September and issue a notice to proceed mid to late November, with substantial completion in spring of 2019. The engineering cost estimate is about \$4.3M, which includes a 15% contingency for the construction. There is presently \$4.7M in our closure-post closure care fund.
- Recycling Rate for 2017 – Mr. Gibson reported that one of the responsibilities of the recycling coordinators job was to compile the annual recycling rate for the calendar year. He advised that he has taken over this task and submitted the calculations to the DEQ. They recently received approval for the calendar 2017 recycling rate, at 40.1%.

8. Meeting Location Discussion

Steve Carter had previously asked that Services Authority meetings be moved back to the Region 2000 offices. On reconsideration, Mr. Carter asked that this request be tabled for future consideration.

9. Public-Private Educational Infrastructure Act Proposal (PPEA) – Closed Session

The motion was made by Bonnie Svrcek for the Board to go into closed session pursuant to Section 2.2-3711(a)(3) of the Code of Virginia to consider the acquisition of real property for a public purpose and pursuant to Section 2.2-3711(a)(29) of the Code of Virginia for discussion of the award of a public contract, both regarding an unsolicited proposal presented to the Authority under the Virginia Public-Private Educational Infrastructure Act of 2002 and where under both

provisions discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

The motion was seconded by Frank Rogers. The motion was approved, with Steve Carter abstaining.

Bonnie Svrcek asked the Authority what their pleasure is regarding Mr. Hardie's request to attend the closed session.

The motion was made by Susan Adams to allow Mr. Hardie to come into closed session with the Authority. The motion was seconded by Frank Rogers. The motion failed, with Steve Carter and Bonnie Svrcek voting nay.

Susan Adams made the motion to return to open session pursuant to Section 2.2-3712.D and certify that only those business matters lawfully identified in the motion to go into closed session and exempt from the open meeting requirements of the Freedom of Information Act were heard, discussed or considered in a closed session.

The motion was seconded by Steve Carter, and the vote follows:

Susan Adams – Aye
Steve Carter – Aye
Frank Rogers – Aye
Bonnie Svrcek – Aye

The Authority was back in open session and no action was needed as a result of the closed session.

10. Adjourn – There being no further business the meeting adjourned at 3:30 p.m.

Next meeting September 26, 2:00 p.m.