



Region 2000 Services Authority

Location
Electronic Meeting - GoToMeeting

Date | Time
January 27, 2021
2:00 p.m.

Minutes

Board Members Present

Susan Adams.....Appomattox County
Steve Carter Nelson County
Frank Rogers..... Campbell County
Reid Wodicka.....City of Lynchburg

1. Welcome

Frank Rogers, Chair, welcomed everyone and called the meeting to order at 2:00 p.m.

2. Public Comment

No public comments were received.

3. Approval of September 16, 2020 and January 8, 2021 Meeting Minutes

A motion was made by Reid Wodicka, seconded by Steve Carter, to approve the September 16, 2020 and January 8, 2021 minutes as presented, and it was unanimously approved.

4. Financial Report

- a) 2019-2020 Audit Report: Matt McLearn, with Robinson, Farmer, Cox presented the FY 2020 audit report and supplemental documents to the Authority. No major concerns were presented.
- b) 2020-2021 Year to Date Financials: Rosalie Majerus noted that tonnage is up, which is reflected in revenue. Expenses are currently as projected.

On Schedule 1, the Per Ton Disposal Fee for market rate was noted, as a waste management system was installed in November and staff believe there may be a program/software issue. The actual reflects \$39.65 when the rate should be \$40.25, and staff believe there may be an issue with the new system lowering that number. Staff are currently working with the software company to resolve this issue.

5. 2021-2022 Budget Proposal

Clarke Gibson noted that the budget proposal includes tonnage rates to remain at the same level as FY21 as well as a projected revenue of \$7,247,451 (2.73% increase), with expenses equaling the projected revenue.

This proposal does include a 3% merit-based salary increase for employees. Additionally, a 10% increase has been included for health insurance costs, which will be available in March. A 10% increase is usually included and adjusted after the final rate changes are made available. In 2020, the actual increase was 5%.

Disposal cost of service will be increased to \$31.25 per ton, which is a \$1.00 increase. The tipping fee was not increased last year, but it has been noted that the rate would need to be incrementally increased through FY31. Commercial customers will have a market rate of \$41.25, which is also a \$1.00 increase. This generates an airspace reserve amount of \$1,219,761.

Gary Christie informed the Authority that they will need to authorize a public hearing regarding the rate increase. Steve Carter stated that he would like to review the presented budget proposal before deciding, which was also affirmed by Susan Adams.

Ms. Adams asked about the current health insurance rates for staff. Rosalie Majerus stated that there is a staff payment percentage, which is tiered based on coverage rates. Ms. Adams also asked for the total cost of the 3% proposed raise, which is \$28,887.

Mr. Carter noted that health insurance rates have been received by Nelson County staff, and that they have seen a decrease for the coming year. Staff noted that health insurance rates will be received in March and the reflected numbers will be updated at that time. Additionally, Gary Christie noted that health insurance rates for Authority staff are also the same rates used for staff to the CVPDC and Workforce Board, and the intent is to keep rates the same for all staff. Staff will follow up by providing a more detailed breakdown of health insurance rates to the members of the Authority.

Steve Carter suggested that the Authority conduct a budget work session in February or March before authorizing a public hearing regarding the rate increase.

6. Solar Energy PPEA Project and Presentation

BQ Energy Development has submitted a PPEA Proposal for installing solar panels on Authority property.

Susan Adams asked if this proposal has been accepted, and Clarke Gibson stated that it has not yet been accepted. Bill Hefty advised that the Authority will have to approve this proposal, after which point an RFP will need to be sent out for 45 days for competing proposals. The Authority was also advised that the proposal can be presented today, and the Authority can decide at a later date whether to approve the proposal.

Staff with BQ Energy Development provided a presentation of the proposal regarding solar panel installations. The project would be built in such a way as to not compromise the current state of the landfill and would include a 30-year lease paid to the Authority. The project requires

approximately 100 acres for viability. Additionally, the Authority is not required to purchase the power generated by the solar panels. The reflected timeline allows for approximately three years until construction of the site occurs.

Steve Carter asked if this project can be completed without use of the Bennett property. Clarke Gibson advised that a portion of the property would likely need to be used to meet the needs of the project.

Reid Wodicka stated that this project sounds like a good option for the Authority and region, but that he would like some more information regarding any deforestation necessary to proceed with this project.

7. Financing Resolution for Borrowing for Next Landfill Cell

Jesse Bausch, with Sands Anderson, reviewed the resolution provided to the Authority. Based on discussion with staff, this resolution allows the Authority to incur the costs of any project expenditures the Authority may choose to finance and pay itself back. This resolution does not obligate the Authority to take any such action.

Steve Carter asked for clarification on the Phase 5 development, and Clarke Gibson stated that Phase 5 needs to be opened by Summer 2023. He stated that preliminary surveying needs to begin immediately, so that construction can begin in the summer of 2022. This section of the property is already permitted.

Susan Adams asked for the total amount available in the Capital Improvement Fund. Rosalie Majerus stated that money is not specifically set aside for that, as those types of funds are bond related.

Steve Carter made a motion, seconded by Reid Wodicka, to approve the resolution as presented. The vote was:

Susan Adams – No
Steve Carter – Yes
Reid Wodicka – Yes
Frank Rogers – Yes

The motion carried.

8. General Assembly Proposed Legislation Regarding Landfills

Gary Christie advised that SB1210 has been proposed again in the General Assembly, which the Authority opposed during the last legislative session. A substantive bill has also been proposed that would set up a study group involving several local government officials to review the entire state permit package of fees. Staff is looking for input from Authority members on whether opposition to this legislation remains.

Frank Rogers asked if a member of the Region 2000 Services Authority would be able to serve in the study group. At this point, it is unknown whether that will be the case.

9. Director's Report

- a) Tonnage Report: Clarke Gibson noted that tonnage remains ahead of projected tonnage rates.
- b) Update on Landfill Gas to Energy at the Livestock Road Landfill Contract: Staff has been working on a contract negotiation with INGENCO. Staff has reviewed the contract proposal several times and has submitted comments to INGENCO this month. They will be meeting internally in the next few weeks and staff anticipates hearing back from them after that point. When a final contract is determined, it will be presented to the Authority for review.

10. Other businesses from staff or Authority members

There was none.

11. Adjourn – There being no further business, the meeting was adjourned at 3:13 p.m.