

Region 2000 Services Authority

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828 Main St., FL 12

Lynchburg, Virginia 24504

October 28, 2015

2:00 p.m.

Minutes

Board Members Present

Steve Carter Nelson County
Kim Payne..... City of Lynchburg
Frank Rogers..... Campbell County
John Spencer (for Susan Adams)..... Appomattox County

Others

Robert Arthur Region 2000
Emmie Boley Region 2000
Gary Christie..... Region 2000
Susan Cook Region 2000
Clarke Gibson Region 2000
Larry Hall..... Region 2000
Gaynelle Hart..... City of Lynchburg
Bill Hefty Hefty, Wiley, & Gore
Lynn Klappich Draper Aden Assoc.
Rosalie Majerus Region 2000
Candy McGarry Nelson County
Nina Thomas..... Campbell County Resident
Clif Tweedy Campbell County

1. Welcome

Kim Payne welcomed everyone and opened the meeting at 2:00 p.m.

2. Approval of Minutes of 8/19/15 and 9/21/15

Upon a motion by Steve Carter, and a second by Frank Rogers, the minutes of 8/19/15 and 9/21/15 were approved as written.

3. Public Comment Period – There were none.

4. Financial Report

Rosalie Majerus reviewed the current financial report:

- a) Revenue generating tonnage is slightly higher than expected at this time of year; market tonnage is also higher; decrease in contract tonnage is in part due to the Griffin Pipe impact.
- b) Cost of service is down due to a combination of additional revenue and also less expenses at this time of year.

Steve Carter asked how much no charge tonnage in the form of brush and slag is received each year, and what the impact is. Clarke Gibson answered that this material is used for operational purposes and takes up very little space. It offsets the cost of purchasing stone and materials to keep their roads stabilized. He could not answer on the quantity received each year, as he did not have that information with him.

- c) Rosalie reported that expenses are running about \$69,000 less than budgeted for this time.

Frank Rogers asked how much the total estimated impact was for losing Griffin Pipe. Clarke Gibson replied that it was about 6,000 tons of contractor tonnage.

Steve Carter noted that the overtime expense has nearly reached 50% of the budgeted amount. Clarke Gibson answered that they had been two positions short since early in the summer.

5. Invitation to Bid and Update on Phase 4 Lateral Expansion Permit Application

Clarke Gibson reported that the DEQ has issued the permit amendment to expand the landfill into Phase 4. This authorizes the Services Authority to begin the bidding process and construction. Clarke distributed a schedule that can be used as a guide for the next couple of months. At the January meeting he hopes to have the lowest qualified bid evaluation prepared so that he can make a recommendation to proceed with the project and have authorization to sign the contract.

The draft air permit has been received also. This is a requirement for the DEQ to issue a certificate to operate.

Clarke asked the Authority to authorize an ad to advertise the project. Kim Payne asked if there was any objection to preparing the final documents and releasing them for bid. Frank Rogers stated that he has reservations, given the vagaries around the excess revenue. The Member Use Agreement says that they "may" be paid out and a recent polling of membership showed that 3 to 1 are in favor of continuing the practice. He would like to see the Authority formalize its approach on the excess revenue before proceeding with construction of the lateral expansion, as an expression of commitment from the Authority to continue to recognize Campbell County as the host locality, going into the lateral expansion. Steve Carter said that he would go on record as stating the Nelson County is not committed to this compensation. Lynchburg and Appomattox stated that they remain committed.

A motion was made by Steve Carter, and seconded by John Spencer, to authorize completion of the construction documents and the bid of the lateral expansion. The motion was approved 3 to 1, with Frank Rogers voting against.

6. RFP for Landfill Gas Collection System

Gary Christie reported that the RFP is ready to be issued for a Landfill Gas Collection System. However, there is still the question of how to pay for it. The staff recommends waiting until January to see where the lateral expansion bids come in.

Gary also advised that an unsolicited PPEA has come in. This proposal will be reviewed and discussed in January. Clarke also stated that with the proposal the required fee was received to pay for a third party review of those documents. He and Bill Hefty will look through the contract with Draper Aden to see if it will fall under that contract.

Bill Hefty advised the Authority that there is no time line for accepting the unsolicited PPEA. If it is accepted, an RFP has to be put out for competing proposals for at least 45 days, and any proposals received would be evaluated.

If there are available funds in the existing bond after bids are received for the lateral expansion project, Clarke stated that would be his first recommendation for financing. At the next meeting he will bring the evaluation and recommendation on how to move forward with the PPEA, and also a financing plan. Kim Payne added that the agenda should also contain the possibility of adopting a reimbursement resolution should one of the ways chosen to finance be through a line of credit and future borrowing.

Kim stated that this decision will be deferred until the January meeting, and asked for:

- 1) A copy of the RFP
- 2) An analysis of the unsolicited proposal
- 3) A plan that includes financing options
- 4) Reimbursement resolution

7. Strategic Planning Time Line

Lynn Klappich (Draper Aden Associates) provided a schedule with milestones for planning and implementing a strategic plan for future regional solid waste management. She walked through the schedule that begins with a meeting to discuss the strategic planning process and ends with a new disposal/management system which (depending on variables) will be required between 2027 - 2029. By 2020 she advised that the Authority will need to begin design on the next option with the timing of design and permitting a function of the option chosen.

As discussed in the meeting, the function of strategic planning is to step back and look at the options for future disposal. Options addressed previously and which could be considered under this evaluation include landfill expansion, landfill/composting, transfer of waste out of the Region, or some type of waste to energy system. Strategic planning as discussed is also an opportunity to start looking at a bigger picture potentially to include recycling, composting, or a regional collection system.

Mr. Payne stated that if the estimates are correct sometime around 2027 there will need to be some place to dispose of waste. Ms. Klappich added that no matter what type of process is used to handle waste there will always need to be a disposal/landfill component whether within or outside of the Region.

Mr. Payne suggested that, before identifying options, the Authority should identify core principles for assessing the options. He provided examples such as sustainability, waste reduction, cost effectiveness, environmental responsibility, public relations, and the viable life of each option. In addition, he suggested that the Region potentially look beyond its borders for additional membership.

Mr. Rogers indicated that he would like to see this process commence without presuming that there would be an expansion beyond the existing operation in Campbell County. Mr. Payne stated that at this stage he would be unwilling to take any option off the table, as one of the options that will have to be considered is the expansion to the existing landfill in Campbell County or at another location within the County.

As discussed during the meeting, frequently localities enlist the help of the public (through citizen committees) to develop and evaluate options. Ms. Klappich briefly discussed the recent effort by Albemarle County and their use of the Institute for Environmental Negotiation to help establish the framework for planning to be used by their citizen advisory committee.

Mr. Payne presented the idea of a group of people from each of the communities working together to help put this planning process together. He asked Mr. Gibson to work with Ms. Klappich to work on a proposal for the strategic planning process. He also asked Clif Tweedy, Candy McGarry, and Gaynelle Hart to help with this project to come back with a plan for the scope of work that needs to be done over the next five years.

8. Report on Roanoke Trip

Ms. Nina Thomas reported on a trip to the Roanoke Valley Resource Authority to meet with Dan Miles and Keith Garmin, to learn about the citizens' group made up of neighbors around the Resource Authority Landfill. She reported that the Authority involved the citizens from the beginning, and addressed the citizens' concerns. Concerns that the citizens wanted addressed were property devaluation, water contamination, and increased traffic. They also included two citizens on the Board from Roanoke County as voting representatives. The Authority made provision to provide money to the citizens' group for expenses and community improvement. They also hold an annual meal and meeting to keep the citizens informed.

Ms. Thomas reported that Campbell County neighbors of the Livestock Road Landfill held an organizational meeting last week, with 45 people attending. She stated that this group is needed for support, communication, and cooperation, and that it is very important that the citizen's group work with the Services Authority. She also added that they feel that citizen representation is needed on the Authority Board.

Other needs of the citizens' group are:

- 1) A property evaluation program
- 2) Testing of wells outside of the perimeter of the landfill

- 3) A relocation plan that includes input from the citizens on any expansion plan of the landfill

The next meeting is scheduled for November 17, and a slate of officers will be presented. Ms. Thomas also stated that the group does intend to incorporate.

9. Discussion on a New Position

Clarke Gibson reported that he would like to propose a new position to be included in the FY 2017 budget. This would be an additional environmental technician position to assist Robert Arthur. Assistance will be needed in managing the landfill gas collection system, as well as the odor misting system. This position will be placed at the Operator 4 level, with benefits adding about .25 to the tipping fee. Clarke advised that he would bring a formal document showing job responsibilities to the next meeting. Steve Carter stated that he would be interested in seeing how much of the environmental work is outsourced. Kim Payne suggested comparing cost of outsourcing work as opposed to keeping it in house.

10. Director's Report

- 1) Tonnage Report – From a budget standpoint the tonnage is a little above budget, but a little below where it was last year. He has also included a chart showing tonnage that reflects the loss of the Griffin Pipe tonnage. He has not increased or decreased projections in tonnage for next year.
- 2) Update on communications with larger customers – Clarke reported that he has had the first annual meeting with the private customers. The main purpose of the meeting was to present a traffic/truck study that was performed over the summer. He also presented the hope that the Authority's Safety Manager would be able to attend one of their safety meetings each year.

Frank Rogers voiced his appreciation of this meeting with customers.

- 3) Robert Arthur reported that the odor problem has improved over the past two to three weeks. Clarke added that they are almost finished with evaluating the second odor control system. At the last meeting the Authority authorized \$50,000 for purchasing equipment. He has an estimate for getting power and a well to the site where needed, at about \$30,000. The equipment that he is presently looking at would be \$50,000 - \$60,000. He said that by the next meeting he should be well on the way to selecting, if not purchasing, the first phase of equipment for odor neutralization that he feels is most effective.

11. Financial Policies

Kim Payne stated that if the Authority is going to be borrowing money again, it would be wise to have some written financial policies. Some suggestions were:

- 1) How capital funds are spent
- 2) Equipment purchases
- 3) Member service fee based on cost of services
- 4) Host fee or excess revenue distribution
- 5) Debt policies

He asked that the financial staff write down some suggestions. He added that these policies need to be consistent with the Member Use Agreement.

12. Meeting Schedule for 2016.

Meetings were set for January 27, April 27, July 27, and October 26. If available, they will be held in the Haberer Building in Rustburg.

There being no further business, the meeting adjourned at 3:30 p.m.

Approved by: Kimball Payne

Date: 11/28/10