



Region 2000 Services Authority
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Date: January 25th, 2023; 2:00 PM
Location: CVPDC Offices
828 Main Street, 12th Floor
Lynchburg Virginia

Regular Meeting Minutes

I. Welcome:

Members Present:

Chairman Frank Rogers, Campbell County
Greg Patrick, City of Lynchburg
Susan Adams, Appomattox County
Candy McGarry, Nelson County

Staff Present:

Alec Brebner
Sandy Dobyns
Tonya Hengeli (virtual)
Kirsten Trautman
Clarke Gibson

Other:

Ben Packett, Robinson, Farmer, Cox & Associates (virtual)
Bill Hefty (virtual)
Jeremy Carroll (virtual)

Frank Rogers called the meeting to order at 2:00 and welcomed everyone including the newest member, Greg Patrick, representing the City of Lynchburg.

II. Public Comment:

Frank then opened the floor to anyone who had any public comment for the Services Authority. When none was given, the meeting moved to the next item on the agenda.

III. Minutes of Regular Meeting, October 27, 2022:

Frank made a note that the October 27 minutes should state that the FY 2023 budget was approved through January 31, 2023, and asked if anyone else had any corrections that they noticed.

Susan Adams stated that under item 3 it should be that she was okay with the entire operating budget year through June.

Hearing no other corrections to the minutes, Frank entertained a motion to approve the meeting minutes.

Candy McGarry made the motion, and Susan Adams seconded the motion. All were in favor. The motion passed.

IV. Fiscal Year 2022 Financial Statements:

Moving on, Frank introduced Ben Packett of Robinson, Farmer, Cox & Associates and opened the floor to him.

Ben thanked everyone for their time. He explained that the audit was performed in August 2022. Starting with the most important part of the report, on page one, Ben pointed out that this was the independent auditor's report, and he briefly reviewed the financial statements. He stated that the total net position at the end of the year was 7.98 million and going further along this 7.98 shows a 2.2 million increase from the previous year. Continuing on, they discovered no mistakes or illegal activity while doing this audit and formed a clean opinion.

After hearing no questions from anyone about the audit, Frank asked for a motion to accept this audit.

Greg Patrick made the motion, and Susan Adams seconded the motion. All in favor. The motion passed.

V. Fiscal Year 2023 Budget Consideration

Frank said he'd propose that they adopt the budget with the same provisos, and since they may be in litigation from excess revenues, to carry them through the fiscal year. If it was agreeable to the board, Frank was happy to make a motion to that effect.

Susan said that she would like to second his motion and asked for a brief overview from Alec.

Alec explained that the board has been approving the budget every three months, and each time the provisos were for all excess revenues to be set aside in reserve to offset any operation deficiencies from this.

Susan asked for clarification that operations are now being borrowed from post-closure because they did not adopt the FY23 budget and they did not appropriate funds.

Alec said that the Authority would collect revenue under the current system 25% of the total excess revenues. This money is being held and any operating deficiencies would be borrowed from post-closure monies.

Greg said that it is his understanding that everyone on the board paid a tipping fee and commercials pay more for the tipping fees. In the past, the excess revenue was dispersed between Campbell County and the City of Lynchburg as hosts at different percentages. At this point, the original plan for the FY23 budget is that 75% of the excess revenue would go to Campbell County and 25% would go to the authority. Since we are holding the excess revenue, 25% is required to meet the operational expenses of the Authority. He then asked are they voting on a budget that is imbalanced.

Frank responded not presuming that the Authority retains the 25% along with other revenues coming into the Authority, the tipping fee was sufficient to cover to cost of service.

Frank entertained a motion to approve the FY23 budget as presented by staff through June 30, 2023, except that the 75% shown to be paid to Campbell County and the 25% to the authority from the airspace reserve and fiscal years 2022 and 2023 will not be part of the budget but will be held in a separate account. The portion of the 25% shown as revenue to the Authority through June 30, 2023, will instead be funded by borrowing that amount for the closure/post-closure fund, and member jurisdictions will use their best efforts to resolve all issues currently in litigation thereafter.

Susan asked for clarification, making sure that this was the same motion prepared by Mr. Hefty last year and she then seconded the motion. All were in favor. The motion passed.

VI. Financial Report, FY23 Quarters 1 and 2, & Fiscal Year 2024 Budget Consideration

Frank opened the floor to Sandy Dobyms to provide the financial report.

Sandy explained as of December there was not much to report with the exception of the 30-ton truck that was purchased on December 31st. She wondered if anyone had any questions.

Frank asked about schedule 4, which had a section for professional staffing services. Sandy responded that she would look into this and will follow back up with everyone.

Moving to the purposed Fiscal Year 2024 Budget, Clarke Gibson began a brief explanation of this. He explained that the revenue has increased 11.6% and included the 25% airspace that was discussed earlier. The proposed budget includes a 7% merit-based salary increase for employees. Staff had not received the health insurance rates as of that moment. He did include in the budget an increase in the tipping fee,

which has not been raised in the six previous budget cycles. The tipping fee increase will continue to fund their closure/post-closure reserve.

Frank asked if the tipping fee increases proposed in the budget were something staff recommended, which Authority members would need to take back to their boards.

Clarke said that after today, they will bring back the budget at the next board meeting for further discussions or a vote.

Candy asked why they increased the tipping fee to 34.50 rather than 34.11 as the proforma recommends.

Clarke explains that the proforma is used as a guide, and the increase was recommended by staff and ensure the funds they get will be enough for the closure/post-closure fund.

Tonya Hengeli spoke up, circling back to the financial questions that Frank had. She reminded him that last year at this same time about the Phase 5 bond, which had a springtime closing. The \$52,345 was the fee from Davenport.

VII. Organizational Reports

A. Director's Report

1. Odor Complaint Report

Clarke explained that there have been 16 complaints on ten different days from different addresses. They receive roughly two a month and the winter weather can impact the odor. Phase V cell construction has been underway as well which may expose some areas, letting gases escape. This phase includes an expansion of the landfill gas collection system into the currently active phase IV, which will include nine more vertical wells and one horizontal well which will help capture more of the landfill gas.

Frank asked if there was more that could be done to help control the odors.

Clarke explained that phase IV is undergoing work, getting fully developed gas-capturing wells, which will help this situation.

2. Tonnage Report

As of right now, there was a variation of tonnage due to the time of year, according to Clarke, and it seems to be leveling off. He also stated that he did not want to increase the tonnage predictions because of this.

3. Phase 5 Update

Clarke stated that Phase 5 cell construction is nearing completion, and staff is putting together the QAQC documents for DEQ, with the hope for the certification to operate into Phase 5 in late spring. Phase 5 does have a permitted

capacity to 2029, and Clarke recommended they discuss the future of the landfill and alternatives for it.

Clarke also mentioned the house on the Bennet property, which the landfill has been maintaining. With the heat pumps no longer working in the house, he asked the board for direction on this but did recommend they keep up this house.

Candy asked if there was any reason to rent it or not.

Susan also asked if they had ever considered selling it.

Clarke said that they have thought of both options, and they have had a few people approach them about this house. He added that these expenses appear in the FY23 budget.

Frank thanked Clarke for his updates and thought several good points had been raised.

Susan asked if they knew when they would be receiving the insurance rates. Sandy said it is usually around March.

B. Staffing Update

Alec announced that Sandy Dobyms would be taking Tonya Hengeli's position once she leaves at the end of April.

VIII. Closed Session

At 2:45 PM, Frank entertained a motion to amend the agenda to include a closed session and to enter into a closed session. Frank moved that the Board go into closed session pursuant to Section 2.2-3711 (A) (8) of the Code of Virginia for consultation with legal counsel regarding the case of Virginia Land Gas, LC, vs. Region 2000 Services Authority.

Greg seconded the motion, and all were in favor. The motion passed.

Greg Patrick left the meeting at 3:00 PM, during the closed session.

Frank entertained a motion to go back into open session at 3:15 PM.

Candy McGarry made this motion and Susan Adams seconded the motion. All were in favor. The motion passed.

Candy McGarry read the certification by the Authority that, to the best of each member's knowledge, all public business matters lawfully exempted from open meeting requirements and only such public business matters identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the meeting.

Susan Adams made the motion and Frank Rogers seconded the motion. All were in favor. The motion passed.

IX. Adjournment

Frank Rogers then entertained a motion to adjourn the meeting.

Susan Adams made the motion and Candy McGarry seconded.
All were in favor. The motion passed, and the meeting was adjourned at 3:20 PM.

Signatures

X  _____
Secretary