

RSWA BOARD OF DIRECTORS
Minutes of Regular Meeting
April 27, 2009

A regular meeting of the Rivanna Solid Waste Authority (RSWA) Board of Directors was held on Monday, April 27, 2009 at 2:30 p.m. in the Conference Room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

Board Members Present: Mr. Michael Gaffney - Presiding, Mr. Mark Graham, Ms. Judith Mueller, Mr. Gary O'Connell, and Mr. Robert Tucker.

Authority Staff Present: Ms. Tamara Ambler, Mr. David Atkins, Mr. Bruce Edmonds, Ms. Mary Knowles, Ms. Jennifer Whitaker, Mr. Lonnie Wood, and Dr. Robert Wichser.

Also Present: Mr. Jeff Greer - RSWA Citizens Advisory Committee Chairman, Mr. Kurt Krueger – RSWA Attorney, members of the public, and media representatives.

1.0 Call to Order

The regular meeting of the RSWA Board of Directors was called to order by Mr. Gaffney on Monday, April 27, 2009 at 2:30 p.m., and he noted that a quorum was present.

2.0 Minutes of the Previous Meeting

Mr. Graham moved that the Board of Directors vote to approve the minutes of the regular Board meeting held on Monday, March 23, 2009, seconded by Mr. Tucker. The motion was approved by a 5 – 0 vote.

3.0 Executive Director's Report

There was no Executive Director's Report this month.

Prior to opening up the meeting for public comments, Mr. Gaffney announced that Mr. Frederick was not in attendance today due to an illness.

4.0 Items from the Public

There were no items from the public.

5.0 Consent Agenda

Mr. Gaffney asked if there were any items that the Board members would like to pull for discussion from the Consent Agenda.

- 5a) Staff Report on Finance**
- 5b) Staff Report on Ivy Material Utilization Center**
- 5c) Staff Report on Recycling Operations**

5d) Staff Report on Ivy Landfill Environmental Status**5e) Identity Theft Prevention Program**

In regards to **Item 5e), Identity Theft Protection**, Mr. Graham questioned if the reason for this item being “exclusive” to RSWA is due to RSWA having only two customers. Mr. Wood stated that this item was also included on the RSWA Board meeting agenda for the septage/receiving customers.

Mr. Tucker moved that the Board of Directors vote to approve Items 5a), b), c), d), and e) of the Consent Agenda, seconded by Mr. O’Connell. The motion was approved by a 5 – 0 vote.

6.0 Other Business

In regards to **Item 6a, Introduction of FY 2009-10 Operating Budget**, Mr. Wood stated that RSWA has been impacted similar to what its associate agencies have dealt with due to the economic “downturn.” Interest rates have “fallen next to zero, losing investment income,” and the values of the Authority’s materials are declining. The Authority’s operational revenues are estimated to decrease 31 percent in total during FY 2010. All materials and revenues at the Ivy facility have been reduced 11 percent; materials and revenues at the Zion Crossroads facility has been reduced 44 percent; recycling materials have decreased 47 percent; and interest rate income is down 83 percent. The tipping fees will remain the same as the current fiscal year. The Local Government Support Agreement with the City and the County specifies that the tipping fees related to the Service Contribution Fee cannot increase more than the Consumer Price Index (CPI-U), which Mr. Wood reported was approximately 0.1 percent, so those fees will remain the same for both entities.

Mr. Wood next reported that to offset some of the reductions in revenue, the budget for operational expenses have been reduced by 17 percent. The cost reductions include eliminating one of the Household Hazardous Waste (HHW) collections and reducing part-time labor and contract labor usage equivalent to two full-time positions at the McIntire Recycling Center and the Paper Sort Facility. Those facilities will be manned from Ivy personnel on a rotational basis. The current three full-time positions will continue to maintain operations in those facilities. The Authority is also proposing to close the McIntire facility on Mondays, which is the slowest day and also provides an opportunity to more safely empty the bins that have filled over the weekend. Other line items included cost reductions in training and maintenance and included savings in areas such as vegetative grinding. RSWA’s operational budget was reduced by \$500,000, which did not “mitigate all the decreases in revenue,” so the Authority is proposing to use \$100,000 in reserves to help offset the operational deficit.

Mr. Wood further stated that the Memorandum of Understanding (MOU) expenses related to the environmental program that is “accounted separately” was reduced by about \$1.5 million over what was estimated last year. The reduction was due mainly to not having to treat the leachate withdrawn from Cell 3 on-site, which eliminates the need to build a lagoon or a force main to bring the material into the sewer system. The leachate from Cell 3 will be handled through the Authority’s trucking operation to the Moores Creek facility for treatment. The use of the \$1.5 million in reserves will result in the City and the County having a reduced Local Government Support and MOU payment to RSWA during FY 2010 between 35 percent to 39 percent.

Mr. Wood concluded his summary of the proposed budget by stating that no merit increases are being proposed for Authority employees and most other benefit costs were kept at the same level as the current fiscal year.

Mr. Gaffney then asked if he was correct that the leachate issue at Cell 3 was not part of the original MOU agreement. Mr. Wood replied that Mr. Gaffney was correct. Mr. Wood further stated that about two years ago the leachate issue at Cell 3 was identified, which resulted in an increase in remediation costs. The volume of leachate in Cell 3 is lower than originally estimated, which allows for the reduction in some of the remediation costs. The University of Virginia's MOU payment was set prior to leachate at Cell 3 being identified as a remediation issue.

In regards to **Item 6b, Adoption of Preliminary Fee Resolution and Call for Public Hearing on FY 2009-10 Budget**, Mr. Wood stated that Mr. Krueger advised that the Board adopt the resolution included in the Board packet even though there is no change in rates for FY 2010. Mr. Krueger next commented that even though the rates are not changing, he felt it was a "better practice" to hold a public hearing on the rates that were being set for FY 2010, since rates set last year were only for the current fiscal year.

Mr. Tucker next inquired if the public hearing was scheduled during the May Board meeting. Mr. Wood replied affirmatively and added that solid waste rates are required to be advertised 15 days before their adoption.

As there were no further questions or discussion, Mr. O'Connell moved that the Board of Directors vote to approve the following proposed rate schedule as preliminary rates, and authorize RSWA to advertise the rates as preliminary rates for the purposes of notification of a public hearing to be held on May 18, 2009 at 2:30 p.m. during the regularly scheduled Board of Directors meeting, which was seconded by Mr. Tucker:

**RESOLUTION
ADOPTION OF THE RIVANNA SOLID WASTE AUTHORITY PRELIMINARY
BUDGET AND RELATED TIPPING FEES RATE SCHEDULE
FOR FISCAL YEAR 2010**

WHEREAS, Rivanna Solid Waste Authority (the "Authority") Board of Directors has reviewed the proposed budget and associated rates for Fiscal Year 2010; and

WHEREAS, Section 15.2-5136(H) of the Code of Virginia, requires the adoption of the preliminary rate schedule for notification of a public hearing prior to any rate change; and

NOW, THEREFORE, BE IT RESOLVED that the Rivanna Solid Waste Authority Board of Directors hereby approves the accompanying preliminary rate schedule for the purpose of notification of a public hearing to be held on May 18, 2009 at 2:30 p.m. during the regularly scheduled Board of Directors meeting.

TIPPING FEES PER TON:

IVY MUC:

Clean Fill Material	\$ 8.00	Pallets	\$ 46.00
Grindable Vegetative Material	\$ 48.00	Tires, Whole	\$173.10
Non-Freon Appliances	\$104.30	Sludge-Rivanna	\$ 7.30
MSW & CDD – Ivy Transfer Stn	\$ 66.00		

BFI ZION’S CROSSROAD:

MSW & CDD – Contract Disposal \$ 62.00

TIPPING FEES PER ITEM (IVY MUC):

Freon Appliances	\$ 16.70	Truck Tire Off Rim	\$ 16.20
Non-Freon Appliances	\$ 8.30	Truck Tire With Rim	\$ 32.10
Passenger Car Tire Off Rim	\$ 3.10	Passenger Car Tire With Rim	\$ 11.20

HAULING & OTHER CHARGES FOR GOODS & SERVICES:

Mulch or Lumber Log	\$ 15.60 per ton	Trash Stickers	\$ 15.60 for 12
Ticket Request	\$ 1.00 each		
General Hauling	\$ 88.70 each	Credit Application	\$ 30.00 each
Hauling Surcharges:			
Delivery Within 1 st Area	\$ 20.90 each	Within 2 nd Area	\$ 31.30 each
Delivery Over County Line	\$ 41.70 each		

The Board of Directors approved the motion by a 5 - 0 vote.

Mr. O’Connell next referred to page IV of the budget document and inquired if the costs for the Environmental programs would remain at about the same level for the next three to five years. Mr. Wood replied that Mr. O’Connell was correct. Mr. Wood further stated that out of the \$4,065,082 total estimated Environmental costs for FY 2009, RSWA will spend \$3 million and carry over \$1.1 million to FY 2010 as a revenue source.

7.0 Other Items from Board/Staff not on Agenda

Ms. Mueller requested that a progress report on the Strategic Plan be provided to the Board at the May meeting so that the plan could be discussed in relation to the budget. Mr. Wood stated that a Strategic Plan update could be provided at the May meeting.

8.0 Closed Meeting

There was no need for a closed meeting.

9.0 Adjournment

There being no further business, Mr. Tucker moved the meeting be adjourned, seconded by Mr. O'Connell. All members voted aye, and the meeting was adjourned at 2:42 p.m.

Respectfully submitted,

Mr. Gary O'Connell
Secretary - Treasurer