

**RSWA BOARD OF DIRECTORS**  
**Minutes of Regular Meeting**  
**July 28, 2009**

A regular meeting of the Rivanna Solid Waste Authority (RSWA) Board of Directors was held on Tuesday, July 28, 2009 at 3:15 p.m. in the lower level Board Room of the Albemarle County Service Authority, 168 Spotnap Road, Charlottesville, Virginia.

**Board Members Present:** Dr. David Brown, Mr. Kenneth Boyd, Mr. Michael Gaffney - Presiding, Mr. Mark Graham, and Ms. Judith Mueller.

**Board Member Absent:** Mr. Gary O'Connell, and Mr. Robert Tucker.

**Authority Staff Present:** Mr. David Atkins, Mr. Bruce Edmonds, Mr. Tom Frederick, Ms. Mary Knowles, 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 Tuesday, July 28, 2009 at 3:15 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 special Board meeting and retreat held on Thursday, June 25, 2009, seconded by Ms. Mueller. The motion was approved by a 5 – 0 vote. Mr. O'Connell and Mr. Tucker were absent from the vote.**

**3.0 Executive Director's Report**

Mr. Frederick stated that at last month's Board Meeting some tentative recommendations were presented to the Board related to the Strategic Plan. A decision was made for the Authority to move forward with some type of business and financial plan focused on a new modern transfer station at the Ivy site. RSWA has been in contact with its consultant for the initial strategic planning process, Gershman, Brickner & Bratton (GBB), and following those discussions RSWA has drafted a scope of work that has been shared with Ms. Mueller and Mr. Graham. Mr. Frederick then invited comments from the Board on the draft plan, which encompasses a "current-day look at the market and re-establishes the tonnage potential for the different categories of trash, construction and demolition debris (CDD), and single-stream recycling." He commented that he felt "single-stream recycling" was the most difficult category to project since it was a "new and emerging issue for haulers." These items will be incorporated into the financial component to show that it would be "economically viable to move in this direction and provide a self-sustaining operation with this core service." Mr. Frederick also stated that staff felt the plan should look at the Authority's administrative cost issues and how they are allocated.

This process should not be based solely on size of the staff, as they support two authorities in areas not restricted to Transfer Station responsibilities, but also the “billing and collection function.” Mr. Frederick added that he was open to comments and suggestions from the Board and could provide copies of the draft to any interested Board member.

Ms. Mueller then stated that since she just received the copy of the draft plan late yesterday, she has not had an opportunity to review the document. Mr. Graham next commented that he appreciated the “thoroughness” of the plan, but he expressed concern with the length of time that it would take to accomplish the plan. He felt the time frame was important due to the current Local Government Support Agreement in place that expires on June 30, 2010. For that reason he felt that some preliminary numbers were needed to determine “if we are in the ballpark – that this really can work – rather than try to get an exhaustive analysis done.” Ms. Mueller also expressed concern that this plan could have a major impact on her operating budget, for which the preliminary work will need to be initiated in the near future. Mr. Graham commented that Ms. Mueller made an “excellent point,” as the County is facing a similar budgetary process.

Mr. Boyd next asked if it would be possible to use any of the previous data from the initial strategic planning process. Mr. Frederick replied that he felt there was some “good data” from the previous work that was done on the “operations side” of the Authority that could be updated. The consultant had provided estimates on the cost of a new transfer station that was based on market conditions over a year ago, which could be updated as well. However, the financial information requested by the Board last month went beyond the scope of the original work. Ms. Mueller added that a business plan was also not developed at that time.

Mr. Boyd then inquired if the business plan would ever be released to the public. Mr. Frederick stated that the intent of this draft report is to refine the data and then release the document. Mr. Boyd next asked about the time frame for releasing the report. Mr. Frederick replied that it would depend on a decision about the depth of the plan and the implementation time frame. Mr. Boyd then questioned whether this would involve a two-year process, and Mr. Gaffney next asked if Mr. Boyd meant the report or the new transfer station. Mr. Boyd clarified that he was referring to the new transfer station. Mr. Frederick then commented that it could take three or four months to develop a document that incorporated both the business and financial plan, depending on the scope of work desired by the Board. Mr. Gaffney suggested that Mr. Frederick work with Ms. Mueller and Mr. Graham on the project time line due to their budget processes. Mr. Frederick next stated that RSWA would be amenable to simplifying the process if agreement could be reached on how that could be accomplished.

Ms. Mueller next commented that she was concerned about the changes that have occurred since the initial study was conducted, which included market conditions and the new Zion Crossroads facility. She added that neither of those two items was factored into GBB's original report, and she could not see how a viable business plan could be developed without considering those two factors. Mr. Boyd expressed agreement with Ms. Mueller's comments, as those two factors would affect the volumes and demand figures. Mr. Frederick stated that he agreed that the tonnage figures would need to be updated.

Dr. Brown then inquired if the information on the Zion Crossroads facility was considered public information or “proprietary.” Mr. Frederick replied that it was a private company, and all the information that is available to the Authority is located in the permitting files at DEQ or what

“the owner chooses to acknowledge.” Mr. Boyd next commented that he would not have a “serious problem” with considering the use of private companies to handle the recyclable materials if it were a more economical option. Mr. Frederick then stated that the Authority has stated publicly that is not contemplating building a materials recovery facility (MRF). The intent of the business plan is to build a new transfer station that provides service to the western side of Albemarle County and “match” what was available on the eastern end of the County. As a public agency, RSWA would need to issue an RFP related to contracting with a MRF for delivering its transferred recyclable materials, which would include any private companies interested in providing that service. Mr. Boyd next commented that he felt that a transfer station operating in the western part of the County needed to be competitive in its tipping fees.

Mr. Boyd then stated that he was in agreement with Mr. Graham that preliminary numbers were needed in the short term and suggested that a temporary extension of the agreement that ends in June 2010 may be needed. Ms. Mueller next commented that she did not see how the new transfer station could be built by that time and suggested that one-year extension be considered. Mr. Graham concurred with Ms. Mueller's suggestion about temporarily extending the operations agreement and would initiate action necessary action with County officials.

#### **4.0 Items from the Public**

Mr. Hawes Spencer, who resides at 2330 Sheffield Road in Albemarle County and is also the Editor of *The Hook* newspaper, commented that “nothing was said at the last Board meeting about the operating deficit ... the documents for this Board show [an operating deficit of] \$451,000,” and he wondered if the Board would address this issue.

Mr. Gaffney next asked Mr. Frederick to respond to Mr. Spencer's question, as this issue had been previously discussed. Mr. Frederick replied that the RSWA provides multiple services that are requested through the City and the County, operates the Ivy Transfer Station, and offers recycling services free to the public – referred to previously as “public service government type programs as opposed to enterprise programs.” In the past “to the degree that service contribution fee revenues were available, they were used to fund service programs. To the extent they were not sufficient, there is a local government support agreement in place between the County of Albemarle, the City of Charlottesville, and RSWA that pledges to cover that deficit, on the basis of population.” Mr. Boyd then commented that it was a “planned or acknowledged deficit” and has been about at that figure for the past few years. Mr. Frederick next pointed out that this year's deficit is higher than it has been “historically.” The Authority was actually reducing its expenditures, but revenues from service contribution fees are substantially lower than they were a year ago. Mr. Boyd further commented that he felt this was the reason that the Authority was looking at improving the transfer station to make it a “break even” operation. Mr. Graham next stated that he felt the transfer station could “break even fairly simply or come close to it,” but it was the free services that RSWA provides that “the public enjoys,” such as the Household Hazardous Waste (HHW) collections and the recycling operations, which have always cost more than the revenues produced. Mr. Frederick then stated that the public communicated to staff that they “really appreciate” that RSWA provides the HHW program. He felt that from the “local government perspective” providing a way for the public to have an environmentally safe way to dispose of their household hazardous waste products is important, otherwise they could be improperly disposed causing negative impacts to the environment. Mr. Frederick added that the disposal of HHW is strictly enforced by the federal government through the Resource

Conservation and Recovery Act, which includes very detailed requirements on how that material is to be handled during the collection process. RSWA does not charge a fee for this service due to its concern that the public would not utilize this service if it were not a free program.

## **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**

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

## **6.0 Other Business**

There were no Other Business items this month.

## **7.0 Other Items from Board/Staff not on Agenda**

Mr. Boyd then asked that the Board consider beginning the RSWA Board meeting one hour after the conclusion of the RWSA Board meeting. Dr. Brown further suggested that the RSWA Board meeting be held prior to the RWSA Board meeting since RWSA Board meetings tend to last a much longer time than the RSWA Board meeting. Dr. Brown further suggested that this be a subject of discussion at the next meeting in order to allow the Board members not in attendance at today to provide input as well as the public. Mr. Gaffney next suggested that if the Board was in agreement with this suggestion, then the RSWA meeting be advertised at 2:00 p.m. and the RWSA at 2:15 p.m., as legally the meeting can start after the advertised time but not at an earlier time. Mr. Frederick then stated that this item would be put on the agendas of both the RWSA and RSWA Board meetings for further discussion. Mr. Boyd next expressed concern with the suggested start time of the RWSA meeting, since the RSWA could last longer than 15 minutes. Ms. Mueller then pointed out that if this proves to be the case, then the advertised time for future meetings can be adjusted accordingly, which has been done in the past. Mr. Krueger then advised that if Mr. Frederick so desired he could solicit the members of the RWSA Board to see if they had any objection to starting the meeting last instead of first and actually notice the next meetings at those times. He added that there is nothing in the Authority’s Bylaws that would prevent the Chairman from calling a meeting at whatever time he desired, as long as they were held on the fourth Tuesday of the month. Mr. Frederick agreed to contact the Board members absent from today as to their preference, and if there was agreement to this meeting time change, then the next meeting would be advertised accordingly.

## **8.0 Closed Meeting**

There was no need for a closed meeting.

**9.0 Adjournment**

**There being no further business, Mr. Boyd moved the meeting be adjourned, seconded by Dr. Brown. All members voted aye, and the meeting was adjourned at 3:35 p.m.**

Respectfully submitted,

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Mr. Gary O'Connell  
Secretary - Treasurer