

MINUTES

RAPPAHANNOCK REGIONAL SOLID WASTE MANAGEMENT BOARD

March 20, 2013

George L. Gordon Government Center
Board of Supervisor Chambers

Meeting Convened. A regular meeting of the Rappahannock Regional Solid Waste Management Board (R-Board) was convened at 1:40 P.M., Wednesday, March 20, 2013 at the George L. Gordon Government Center, Board of Supervisor Chambers.

Roll Call. The following members were present: Paul V. Milde, III, Chairman; Frederic N. Howe, III, Vice Chairman; Beverley R. Cameron; George Solley; and Anthony J. Romanello. Gary Snellings was absent.

Also in attendance were: Bill Hefty, Esq., R-Board Attorney; Michael Fiore and Robert L. Hundley, Resource International, Ltd.; Keith Dayton, Landfill Director; Doug Martinski, Landfill Superintendent; Kevin Rotty, PFM; David King, Assistant Superintendent of Public Works City of Fredericksburg; Jason Pauley, Stafford County Utilities; Diane L. Jones, Julie May, and Lisa Butler, R-Board Staff.

Mr. Solley motioned, seconded by Mr. Howe, to approve the November 14, 2012 and January 13, 2013 minutes.

By voice, the vote was:

| | | |
|---------|-----|---|
| Yea: | (5) | Cameron, Howe, Milde, Solley, Romanello |
| Absent: | (1) | Snellings |

Presentation by the Public: There were no presentations by the public.

Report of the R-Board Attorney. Mr. Hefty reported that no new regulations affecting landfill operations were passed in the general assembly during the 2013 session. There is no new litigation against the R-Board at this time.

Report of Staff: Mr. Dayton noted that staff had produced an FY12 Annual Report which is included in the Board report package. He reported that the construction of Cell F was begun in May of 2012 and was completed late summer at a cost of \$3.4 million. Revenue performance continues below budget forecasts. Expenses are slightly ahead of projections for this point in the fiscal year, but staff is taking steps to hold down expenses.

Mr. Dayton discussed recent reorganization of R-Board staff. Mr. Doug Martinski was assigned as the permanent Superintendent. Ms. May was reclassified from Analyst to Environmental Manager. She will be in charge of regulatory permits and monitoring compliance with permit requirements. The Administrative Manager position vacated due to retirement has been downgraded to Administrative Specialist and recruitment has begun. Mr. Dayton noted that the restructuring utilized talents already within the organization and made the organizational structure more vertical and therefore more efficient. Mr. Milde asked if Mr. Crosby was still

being used in any capacity. Mr. Dayton noted that Mr. Crosby is available on an as-needed basis, but he will not be providing service on a regular basis.

Permits: Ms. May reported that a recent inspection of the landfill by the Virginia Department of Environmental Quality did note some discrepancies from permitted requirements, but that they had already been corrected. She also reported that the landfill had been sited with a Notice of Violation relating to air permitting requirements. This too has been rectified. She is currently working with DEQ with regards to the above ground storage tanks at the landfill. Lastly, the R-Board is continuing to maintain its E3 status.

Report of the Consulting Engineer. Mr. Hundley reported on the following:
Old Permit No. 74 (Old Stafford County Landfill - Post Closure)

- The most recent landfill gas sampling event in December indicated that all monitoring probes were in compliance. The next quarterly sampling event will occur in March. Regarding the monitoring network Resource will be able to remove one monitoring well as it has not had monitored constituents in its sampling for a significant time period. This removal will save about \$1,200 annually in sampling fees.

Permit No. 589 (Cells A/B/C/D/E - Active)

- The annual DEQ tonnage report is due to DEQ by March 31, 2013. Resource Engineering will be working with staff to complete that report.

Fredericksburg Landfill

- The landfill had an inspection in December. The report on the inspection was good.

Report on Finances: Mr. Dayton reported on the following:

- Mid-year Financial Review
- Weight and Material Analysis
- Current Landfill Revenue and Expenses

Mr. Dayton noted that revenue generated to date is slightly lower than last year. Expenses are somewhat ahead of budget projections and staff is working to hold down costs for the remainder of the fiscal year. The weight and material analysis shows that unbillable between FY 12 and FY 13 is up from 12% to 22%. Staff is working to understand what is causing the increase in unbillable waste. Staff was asked to look at the larger accounts for commercial revenue sources and note any trends.

Unfinished Business:

Belman Collection Site: Mr. Dayton reported on the current status of review with regards to the placement of compactors at the Belman Road site. At present the compactors would be used for the waste side of the site's collection. Single stream would be considered at a later date. Mr. Dayton noted that single stream runs make up only 10% of the total. The Board directed staff to bring pricing (to include total cost savings) and a strong recommendation for in-house hauling/compactor rental or outsourcing MSW compaction and hauling for Belman Road to the next scheduled meeting. Mr. Dayton noted that no other operational changes were proposed at this time, although staff would monitor the amounts of brush, construction and demolition waste brought to this site.

There was discussion of whether or not to continue the maintenance of the remote drop-off sites. Staff was asked to bring back a schedule for phasing out remote drop off sites. Mr. Milde and Mr. Howe asked to provide input into the wording proposed for the notification signs.

Waste to Energy Proposal: The Board discussed Proposed Resolution RB13-01 to authorize execution of a Waste to Energy Landfill Agreement. Discussion included Mr. Rotty's assessment of risk with regards to financing. Mr. Hefty's provided his opinion that the Board was protected by a contingency clause regarding the timing of the financing. The Board requested specific contingencies be added to the agreement to protect it in case the funding is not obtained as expected. The lease of the land will also be contingent upon the City Council and the Stafford Board of Supervisor's approval.

Mr. Howe motioned, seconded by Mr. Solley, to approve proposed Resolution RB13-01 to approve the Landfill Waste to Energy Agreement.

By voice, the vote was:

| | | |
|---------|-----|---|
| Yea: | (5) | Cameron, Milde, Howe, Romanello, Solley |
| Absent: | (1) | Snellings |

Staff will prepare the modifications to the agreement.

New Business:

Draft FY2014 Budget: Mr. Dayton introduced the draft FY2014 budget. He noted that due to reorganization and staff reductions, along with other modest budget reductions, the draft expense budget is approximately 4.3% less than the FY2013 budget. However, the draft revenue budget is approximately 1.8% lower, reflecting the continuing decline in revenues and resulting in a draft budget that relies on approximately \$626,000 in R-Board reserve funds. It was noted that this budget approach is not sustainable and that staff would be investigating long term actions to reverse this trend. The Board agreed to schedule a work session in April to discuss the proposed budget. Mr. Howe asked if the payments from the proposed Waste to Energy agreement were reflected in the proposed budget. Staff reported that these revenues were not included. Mr. Howe requested that staff incorporate these in the budget projections.

Mr. Howe also requested that there be an extension to extend the current agreement of the landfill joint venture between the City of Fredericksburg and The County of Stafford. He would like the time frame to run between 25-30 years.

Mr. Milde excused himself from the rest of the meeting at 2:25 P.M.

Closed Session

Mr. Romanello moved that the Board go into closed session pursuant to Section 2.2-3711(a)(29) of the Freedom of Information Act. The motion was seconded by Mr. Solley

By voice, the vote was:

| | | |
|---------|-----|----------------------------------|
| Yea: | (4) | Cameron, Howe, Solley, Romanello |
| Absent: | (2) | Milde, Snellings |

Mr. Romanello moved that the Board return to open session and certify, by roll call vote, that only those public business matters lawfully exempted from the open meeting requirements of the Freedom of Information Act and identified in the motion to go into closed session were heard, discussed or considered in the closed session. Motion was seconded by Mr. Solley.

By roll call, the vote was:

| | | |
|---------|-----|----------------------------------|
| Yea: | (4) | Cameron, Howe, Solley, Romanello |
| Absent: | (2) | Milde, Snellings |

Future Session: A special budget work session will be scheduled in April, to be held at the George L. Gordon Government Center, Board of Supervisors Chambers. The next regular meeting May 15, 2013, George L. Gordon Government Center, Board of Supervisors Chambers, 1:30 P.M.

Adjournment: Mr. Romanello motioned, seconded by Mr. Solley to adjourn the meeting at 3:10 P.M.

Paul V. Milde, III, Chairman

Frederic N. Howe, III, Vice Chairman

Diane L. Jones, Interim Clerk