

## MINUTES

### RAPPAHANNOCK REGIONAL SOLID WASTE MANAGEMENT BOARD

May 20, 2015 1:30pm

George L. Gordon Government Center

Board of Supervisors Chambers

**Meeting Convened:** A special meeting of the Rappahannock Regional Solid Waste Management Board (R-Board) was convened at 1:30pm, Wednesday May 20, 2015, at the George L. Gordon Government Center, Board of Supervisors Chambers.

**Roll Call:** The following members were present: Matthew Kelly, Chairman; Paul V. Milde, III, Vice-chairman; Gary Snellings; William C. Withers, Jr.; Beverly R. Cameron; Anthony J. Romanello.

Also in attendance were: Bill Hefty, Esq., R-Board Attorney; Robert L. Hundley, Resource International, Ltd., Consulting Engineer; Keith C. Dayton, Director & Deputy County Administrator; Jason Pauley, R-Board Superintendent; Julie Daves, Christina Morgan, R-Board Staff;

Mr. Milde motioned, seconded by Mr. Withers, to approve the minutes for April 15<sup>th</sup> 2015.

By voice, the vote was:

Yea:	(6)	Milde, Kelly, Cameron, Snellings, Romanello, Withers
Nay:	(0)	
Absent:	(0)	

**Presentations by the Public:** There were no presentations by members of the public.

#### **Presentations by R-Board Members:**

Pursuant to the policy enacted by the R-Board at their April 15th meeting, Mr. Milde made a motion to grant Steven Thurston Commercial Real Estate an exception for his unlabeled commercial business vehicle to receive an annual pass. Mr. Withers seconded the motion.

By voice, the vote was:

Yea:	(6)	Kelly, Milde, Cameron, Snellings, Romanello, Withers
Nay:	(0)	
Absent:	(0)	

**Report of Staff:** Mr. Dayton, Director & Deputy County Administrator, advised the R-Board members that the financial report could be found in the front pocket of the meeting packet. He stated that April was a good month for revenue and also reported on the following:

The commercial customers delivering residential solid waste have made a modest recovery, continuing the slight improvement of the last couple of months. Activity at the Belman Road convenience center continued the slower pace seen since resident fees were put in place, and the activity at Eskimo Hill is steady. The Annual Customer Use Survey has been completed and staff will provide a full report on it at the June meeting.

He explained that staff is watching the expenses closely through the end of the fiscal year and it appears that with expenses coming in under budget, we will finish the year without an operational deficit. This does not include changes in depreciation and closure/post-closure costs. The R-Board will be asked to consider the FY16 budget later in this meeting.

Mr. Kelly questioned if we are truly breaking even as the report shows or if that included us using general fund money which was never provided. Mr. Dayton responded that the projection was based on actual revenues versus expenditures, with the unrealized general fund revenues accounted for.

Mr. Dayton continued his report with an update of the residential user fee program. As of May 15th, the R-Board has netted nearly \$340,000 from the resident fee program. Of that amount about 60% has come from the sale of annual passes. We are now experiencing a dramatic decline in sale of annual passes. Daily cash sales were consistently strong, although we observed a dramatic decline last week. Staff will be monitoring that trend closely. Staff is projecting total collections of about \$275,000 in revenue by the end of the fiscal year.

Mr. Dayton added that there have been no additional reports of illegal dumping since those reported at the March 12th R-Board meeting.

Mr. Romanello asked for clarification on the resident fee revenue. Mr. Dayton explained that the resident fees have brought in \$340,000 to date; however, a portion of the amount collected for annual passes must be prorated to FY2016 as the calendar year spans two fiscal years.

**Report of the R-Board Attorney:** Mr. Hefty had nothing to report.

**Unfinished Business:** Mr. Dayton reported on the following:

Staff presented a draft budget at the April 15, 2015 R-Board meeting. After additional review of how the draft budget was presented, staff realized that the total capital funding of \$1,067,000 for Cell F-2 construction should be reported as revenue from the reserve fund, and the same amount as an expenditure towards construction of the next cell. This is consistent with the financing plan approved by the R-Board, but wasn't reflected properly in the previous draft budget. This was addressed via email following the April meeting, with the correct version included with the information provided for the May meeting. Proposed Resolution RB15-02 is attached should the R-Board wish to adopt this budget.

Staff noted that R-Board members had also expressed concerns about the increase of \$125,000 in user fee revenue proposed from residents of the City. The added revenue was estimated based on an increase in City tipping fees from the current amount of \$20 per ton, to \$34 per ton, using the City tonnage from FY2014.

Staff has prepared an alternative budget that assumes no increase in City tipping fees, and with the \$125,000 reduction in revenue generated through an increase in collections from commercial tipping fees. Expenditures are the same as those presented in the previous draft budget. Staff noted that Proposed Resolution RB15-04 was attached should the R-Board wish to approve the alternative budget.

Staff recommended adopting a budget at the May 20 meeting to allow staff adequate time to enter the budget into the County's financial system, and to complete the preliminary work necessary to allow purchasing activities to commence immediately after the start of the next fiscal year on July 1.

Mr. Romanello motioned for RB15-02 to be approved, and discussion of the draft budget ensued. Mr. Cameron stated that the City was reluctant to approve the initial budget due to an increase in fees. Mr. Milde asked Mr. Cameron if the City generates a profit from the hauling in Fredericksburg. Mr. Kelly explained that the City does not generate a surplus from the fees residents pay to have their trash hauled away, and the service was partially subsidized. Mr. Cameron then shared his concern about the projections for commercial hauler revenue, given the recent decline in revenue. He asked staff about their level of confidence in being able to generate sufficient revenue from commercial haulers. Mr. Dayton stated that the amount needed is close to historical amounts and some of the measures staff has already taken give some level of comfort that the revenues will be realized. Mr. Kelly expressed concern for a potential shortfall and how that would be handled. Mr. Dayton replied that in the case of a revenue shortfall, each locality could contribute in accordance with the agreement. Mr. Snellings agreed, saying that at least one member of the Stafford Board of Supervisors thinks funding the landfill should be a core government responsibility. Mr. Milde asked what the Stafford County contribution would have to be to eliminate the need for the user fee. Mr. Kelly stated the importance of rebuilding the reserves. Mr. Milde asked if the County provided their portion, would the City also make the same commitment. Mr. Kelly stated that he believed the City would honor the agreement.

Mr. Romanello clarified that he would like to make a motion for RB15-04, the alternative budget with no increase in City fees, rather than RB15-02. Mr. Withers seconded the corrected motion.

By voice, the vote was:

Yea:	(6)	Kelly, Milde, Cameron, Snellings, Romanello, Withers
Nay:	(0)	
Absent:	(0)	

As written:

**RAPPAHANNOCK REGIONAL SOLID WASTE MANAGEMENT BOARD**  
**RESOLUTION**

At the regular meeting of the Rappahannock Regional Solid Waste Management Board (R-Board) held in the Board of Supervisors Chambers, Stafford County Administration Center, 1300 Courthouse Rd., Stafford, Virginia, on the 20<sup>th</sup> day of May, 2015;

<u>Members:</u>	<u>Vote:</u>
Mathew J. Kelly, Chairman	Yes
Paul V. Milde, III, Vice-chairman	Yes
Beverly R. Cameron	Yes
Anthony J. Romanello	Yes
Gary Snellings	Yes
William C. Withers, Jr.	Yes

On motion of Romanello, seconded by Withers, which carried by a vote of 6 to 0, the following was adopted:

**A RESOLUTION ADOPTING THE FISCAL YEAR 2016 R-BOARD BUDGET**

WHEREAS, the R-Board is committed to providing high quality solid waste services to the residents and businesses in the City of Fredericksburg and Stafford County; and

WHEREAS, the continuation of these services is dependent on the completion of Cell F-2; and

WHEREAS, the R-Board is also committed operating the Rappahannock Regional Landfill in a cost effective, environmentally responsible manner; and

WHEREAS, the proposed budget addresses those goals in a fiscally responsible manner; and

WHEREAS, the proposed budget in the amount of \$6,014,675 addresses the financial concerns of each locality in an equitable manner;

NOW, THEREFORE BE IT RESOLVED, by the Rappahannock Regional Solid Waste Management Board on this the 20<sup>th</sup> day of May, 2015, that the alternative proposed budget in the amount of Six Million, Fourteen Thousand, Six Hundred Seventy-five Dollars (\$6,014,674) presented at the May 20, 2015, meeting be and it hereby is approved.

**Closed Session:**

Mr. Milde made a motion, seconded by Mr. Withers, which passed 6-0 on a roll call vote, to go into closed session at 2:18 PM, pursuant to Section 2.2-3711 (a)(7) for the discussion with legal counsel regarding legal matters relative to flow control.

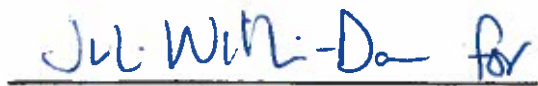
Mr. Milde made a motion, seconded by Mr. Withers, to return to open session at 2:28 PM, and certify by roll call vote which passed 6-0, that only those public business matters excluded from the open meeting requirements of the Freedom of Information Act and identified in the motion to go into closed session were heard, discussed or considered in the closed session.

**Next Meeting:** The next meeting will be held on June 17th at 1:30 pm in the George L. Gordon Government Center, Board of Supervisors Chambers.

**Adjournment:** The meeting was adjourned at 2:36 pm by unanimous vote.



Keith C. Dayton, Director & Deputy County Administrator



Christina Morgan, Clerk