

MINUTES

RAPPAHANNOCK REGIONAL SOLID WASTE MANAGEMENT BOARD

May 16, 2018

George L. Gordon, Jr., Government Center

Board Chambers

Meeting Convened: A regular meeting of the Rappahannock Regional Solid Waste Management Board (R-Board) was convened at 8:31 a.m. on May 16, 2018, at the George L. Gordon, Jr., Government Center, Board Chambers.

Roll Call: The following members were present: Meg Bohmke; Matthew Kelly; Cindy C. Shelton; William C. Withers, Jr.; Tim Baroody; and Thomas Foley.

Also in attendance were: Brandon Hefty, Esq., R-Board Attorney; Rick Markwardt, Landfill Superintendent; Diane Jones, Recycling Coordinator; Pamela Timmons, R-Board Clerk; and Keith Dayton, Director.

Approval of the minutes of prior meeting: Mr. Kelly motioned, seconded by Ms. Shelton, to approve the minutes from the March 7, 2018 meeting.

By voice, the vote was:

Yea:	(6)	Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay:	(0)	

Presentations by the Public: No members of the public desired to speak.

Presentations by the R-Board: No R-Board members desired to speak.

The Chair then noted that there was a public hearing on the agenda, with people in attendance to speak, and suggested the order of the agenda be amended to take up the item of unfinished business related to tipping fees. The R-Board voted unanimously by motion to take up tipping fees as the next item of business.

Unfinished Business:

Tipping Fee Modifications (Public Hearing)

COMMERCIAL MSW –

Mr. Dayton reported that this item was first presented at the R-Board's March 7, 2018 meeting, and was deferred to allow a public hearing to seek input. The present tipping fees have a reduced rate for larger customers (\$43/\$38/\$36/\$26). This fee structure incentivizes companies to become larger and be rewarded with a lower cost per ton, and one company is now responsible for 50% of MSW deliveries to the landfill. The system creates a disparity in financial burden for smaller companies. Staff feels fewer tiers with a narrower range between the low and high end of the fee scale would be more equitable. Whereas, revenues are adequate at the present time for long-term sustainability, staff is not proposing fee changes to increase revenue, but only to correct the perceived disparity. At the March meeting, staff presented a fee schedule with a top tier of \$40/ton (down from \$43), eliminating the \$26 rate altogether, lowering the \$36/ton rate to \$35 for all waste deliveries over 1,500 tons, and maintaining

the \$38/ton rate. This structure provided a more modest incentive for the largest customer, maintained virtually the same cost for the mid-range customers, and provided relief to smaller companies serving the area. While this schedule resulted in a modest 1.8% increase in total revenue, revenues from MSW would increase by 7%, and our largest customer would see an 18% increase in tipping fee charges. Staff assumes that they would look to pass this along to their customers. The item was deferred to allow a public hearing on the matter.

Following the March 7th meeting, staff communicated with senior management at County Waste, who expressed concern about the apparent singling out of that company with the proposed fee structure. Staff felt they had legitimate concerns and agreed to perform some additional analysis. Staff examined two additional fee scenarios: one with a flat tipping fee, and the other that lowered the cost per ton for deliveries over 1,500 tons per month from the previously recommended \$35 per ton to \$32 per ton.

This analysis determined that although the flat fee would provide the simplest fee schedule, lower costs for mid-sized and small firms; it would result in an annual cost increase for our largest customers of about 14.6%. Alternately, lowering the rate for deliveries exceeding 1,500 tons/month from \$35 per ton to \$32 per ton would net the same revenue from MSW as the current schedule, simplify the rate schedule, narrow the per ton cost difference between the smaller and larger firms, and result in a smaller 7.8% increase to the largest customer.

The Chair opened the public hearing.

The following person desired to speak:

Bob Griffin (County Waste)

Mr. Griffin expressed support for the fee structure that reduced the rate for high volume customers from \$35 per ton to \$32 per ton. He noted that quantity discounts were normal in the solid waste industry, but that the more modest increase could be absorbed provided the change in fee structure was not made effective immediately. When told the proposed effective date was September 1, 2018, he indicated that would be sufficient to provide notice to their customers. Mr. Griffin went on to express thanks to the R-Board for considering County Waste's position.

The Chair closed the public hearing.

RB18-03 Resolution

Mr. Withers motioned, seconded by Ms. Shelton, to approve Resolution RB18-03.

By voice, the vote was:

Yea: (6) Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay: (0)

Resolution RB18-03 reads as follows:

A RESOLUTION AMENDING THE TIPPING FEE SCHEDULE FOR COMMERCIAL DELIVERIES OF MUNICIPAL SOLID WASTE

WHEREAS, the R-Board is committed to ensuring that fees received for solid waste disposal services are commensurate with the services provided, and that revenues are sufficient to ensure

adequate funding for operational and capital needs; and

WHEREAS, the R-Board is also committed to ensuring that large and small customers are charged fairly for our services; and

WHEREAS, the R-Board currently has a tiered quantity-based fee structure with four price levels for municipal solid waste delivered by commercial firms performing residential and non-residential collections; and

WHEREAS, the current tipping fee amounts ranging from \$43 per ton down to \$26 per ton has created a pricing system prejudicial to smaller firms; and

WHEREAS, the R-Board desires to modify the fee structure to reduce this disparity;

NOW, THEREFORE BE IT RESOLVED by the Rappahannock Regional Solid Waste Management Board on this the 16th day of May, 2018, that the Fee Schedule be amended in accordance with the table below for municipal solid waste delivered to the Regional Landfill by commercial firms, effective September 1, 2018.

PROPOSED FEE SCHEDULE	
TONS	Tipping Fee
< 1,000	\$40 per ton
≥1,000;<1,500	\$38 per ton
>1500	\$32 per ton

Report of the R-Board Superintendent: Mr. Markwardt reported on the following:

Cell F2 Filling Status

Mr. Markwardt reported that the filling sequence of Cell F-2 continues to go on without issues. Approximately 690,353 cubic yards of available space has been consumed.

Personnel Status Update

Mr. Markwardt reported that the R-Board is authorized for a total of 35 employees (31 full-time and 4 part-time). The Assistant Superintendent/Environmental Manager position is now vacant, and recruitment has begun. Recruitment is also underway for two Scale Technicians, three full-time Maintenance Workers (one for Litter Crew), and one part-time Gate Attendant.

Environmental Compliance: Mr. Dayton reported that coordination with DEQ on the permit amendments continue. Staff is waiting for DEQ to provide the draft permits so a public hearing can be scheduled. The above ground tanks have been registered for another five years. Our consultant is updating the solid waste management plan, drafting a new health and safety plan, and studying our scalehouse for improvements/relocation. Stormwater sampling training and a comprehensive compliance evaluation is also currently underway.

Recycling Manager Report: Ms. Jones reported that Regional Landfill staff participated in the annual Earth Day celebration at Old Mill Park on Saturday, April 21st. The newly-renovated mobile education trailer was received with enthusiasm by residents. Grant funds from the Department of Environmental for Litter Prevention and Recycling Activities were used for the improvements.

Staff continues to monitor the market fluxes for single-stream recyclable materials. This is a result of China's "National Sword" initiative, which is intended to clean up the recycle deliveries to their country. It limits import permits for recycled materials. The decline in price brought us to a negative price per ton for March and April. It appears this trend will continue. Mr. Kelly requested a summary of the changes in the recycling market, and the impact on the adopted budget.

The Household Hazardous/Electronic Waste Collection Day is scheduled for May 19th at Stafford Middle School. Rappahannock Goodwill Industries has been invited to participate in an effort to encourage diversion of materials from the landfill.

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

Financial Summary (FY 2018 – through April):

Mr. Dayton reported that revenue projections are virtually unchanged from January. Staff is expecting nearly \$1.9 million in revenue over budget. There will be a transfer of another \$1.5 million from cash reserves to higher yield long-term reserves. Expenses for maintenance, repairs, fuel, and overtime are all over budget this fiscal year. The R-Board engaged in a discussion about the maintenance costs, the age of our equipment inventory, and whether replacement costs were adequately accounted for in our Capital Improvement Program.

Weight & Material Analysis (FY 2018 – through January):

Solid waste deliveries also strong – with quantities up consistent with revenues. Total tonnage is up significantly from last year, with debris collections still very strong due to the strong home construction market.

Unfinished Business (continued):

Scrap Tires: Mr. Dayton noted that our scrap tire deliveries have increased markedly in recent weeks due to service problems by PROCO, a major tire recycler in the area. This is the same firm disposing of our scrap tires; consequently, the Landfill is taking in tires that would have gone directly to PROCO. This has led to disposal of these tires in a manner higher than the cost as budgeted. Current rates for tires are \$120/ton for regular tires and \$210/ton for oversize tires. Staff analysis indicates we are losing between \$40 (Fairfax incinerator) and \$70 (tire recyclers) per ton for regular tires, and \$60/ton for oversize tires, depending on the method of disposal. Staff recommends a fee schedule that assures we do not lose money regardless of how we have to dispose of tires. We believe a rate of \$170/ton for regular tires and \$270/ton for oversize tires would accomplish this.

Mr. Kelly questioned why the Landfill served as the recipient for materials that other companies had difficulty disposing of, and for which we lose money in handling. He asked if the landfill could refuse to take these materials and force companies with scrap tires to dispose of them somewhere else. Mr.

Dayton noted his concern that refusing to take these scrap tires at the landfill may encourage companies to dispose of them illegally. He noted that the County previously had a number of very large, illegal tire dumps, and that the Fire Marshall had spent many years having these dumps removed. Mr. Dayton stated that his preference was to charge a tipping fee that adequately compensated the Regional Landfill for handling and disposal costs.

RB18-09 Resolution

Mr. Withers motioned, seconded by Ms. Shelton, to approve Resolution RB18-09.

By voice, the vote was:

Yea: (6) Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay: (0)

Resolution RB18-09 reads as follows:

A RESOLUTION AMENDING THE TIPPING FEE SCHEDULE FOR SCRAP TIRES

WHEREAS, the R-Board is committed to ensuring that fees received for services are commensurate with the services provided, and cost of providing these services; and

WHEREAS, the Regional Landfill has experienced a large increase in scrap tires, while at the same time been required to modify the means of disposal, resulting in a significant increase in cost; and

WHEREAS, current options to dispose of standard scrap tires result in total handling and disposal costs ranging between \$160 and \$190 per ton, versus the current tipping fee of \$120 per ton; and

WHEREAS, disposal costs for oversize tires are \$270 per ton, versus the current tipping fee of \$210 per ton; and

WHEREAS, the R-Board desires to modify the fee structure to ensure tipping fees are commensurate with the costs incurred;

NOW, THEREFORE BE IT RESOLVED by the Rappahannock Regional Solid Waste Management Board on this the 16th day of May, 2018, that the Fee Schedule be amended to increase the tipping fee for standard size scrap tires to One Hundred Sixty Dollars (\$160) per ton, and increase the tipping fee for oversize tires to Two Hundred Seventy Dollars (\$270) per ton, effective June 1, 2018.

Operational Agreement Amendment Update Staff has completed some analysis of solid waste tonnage and revenues from the participating localities, but there hasn't been time to communicate with both localities regarding the results. Staff requested this matter be deferred for the August meeting to allow more time to schedule discussions between the City and County. The R-Board consented to defer discussion of this matter to the August 15 meeting.

New Business:

Annual Service Contracts: Mr. Dayton briefed the R-Board on annual contracts, or amendments to current contracts, for maintenance and repair services for the Landfill's larger equipment. Although on-site staff provides all routine maintenance and minor repairs for the larger equipment, we don't have the facilities, staffing or expertise for the major repairs and overhauls.

Carter Machinery is the original equipment manufacturer representative for Caterpillar in this area, and much of our large equipment is manufactured by Caterpillar. They have a large service facility near Richmond, capable of performing all types of service, and have provided excellent service for many years.

Draper Aden has provided professional services to perform monitoring, report writing and permitting services for several years. Staff has found them thorough and conscientious, with an excellent rapport with DEQ. This year staff is proposing to combine services of two separate contracts (landfill gas monitoring and environmental management) into a single contract for ease of administration. The total proposed cost of \$302,250 is significantly less than the amount included in the adopted budget. Staff recommended approval of resolutions RB18-04 and RB18-05 to authorize annual contracts with Carter Machinery and Draper Aden, respectively.

Staff recommended approval of both actions.

Mr. Kelly expressed support for the maintenance contract, but requested an analysis of our equipment maintenance costs relative to the age of the unit, along with replacement recommendations.

RB18-04 Resolution

Mr. Kelly motioned, seconded by Mr. Foley, to approve Resolution RB18-04.

By voice, the vote was:

Yea: (6) Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay: (0)

Resolution RB18-04 reads as follows:

A RESOLUTION TO AUTHORIZE CARTER MACHINERY COMPANY, INC. TO PROVIDE REPAIR SERVICE AND PARTS FOR LANDFILL EQUIPMENT

WHEREAS, the R-Board must comply with DEQ regulations requiring that equipment be maintained in top working condition; and

WHEREAS, the majority of the equipment operated by the Regional Landfill is manufactured by Caterpillar; and

WHEREAS, Carter Machinery Company, Inc. of Salem, Virginia is the sole authorized dealer for providing repair service and parts for Caterpillar equipment in our area; and

WHEREAS, staff recommends the R-Board authorize the use of Carter Machinery Company, Inc. to provide repair service and parts for Caterpillar brand landfill equipment during FY2019 in an amount not to exceed \$200,000; and

WHEREAS, funding in the amount of \$200,000 has been budgeted and appropriated in the adopted FY2019 budget for this purpose;

NOW, THEREFORE BE IT RESOLVED, by the Rappahannock Regional Solid Waste Management Board on this the 16th day of May, 2018, that the County Administrator, or his designee, is authorized to execute a contract with Carter Machinery Company, Inc. in an amount not to exceed \$200,000 to provide parts and maintenance services for landfill equipment in FY2019.

RB18-05 Resolution

Mr. Kelly motioned, seconded by Mr. Foley, to approve Resolution RB18-05.

By voice, the vote was:

Yea: (6) Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay: (0)

Resolution RB18-05 reads as follows:

**A RESOLUTION TO RENEW THE CONTRACT FOR PROFESSIONAL ENVIRONMENTAL
MONITORING AND MANAGEMENT SERVICES**

WHEREAS, the Rappahannock Regional Solid Waste Management Board (R-Board) voted by Resolution RB16-05 to authorize a professional services contract with Draper Aden Associates (DAA) to provide environmental monitoring and engineering support for a period of one (1) year commencing on July 1, 2016; and

WHEREAS, this contract provided for the renewal of these services for four (4) additional years to be negotiated and approved by both parties; and

WHEREAS, there are three (3) additional year of services remaining for this solicitation; and

WHEREAS, this contract also includes services related to landfill gas monitoring and maintenance which have previously been provided under a separate and overlapping contract; and

WHEREAS, DAA has proposed to provide environmental monitoring, engineering support, and landfill gas monitoring and maintenance services for the period for the estimated, not to exceed amount of \$302,250; and

WHEREAS, DAA has consistently provided these professional services with the highest quality, and

WHEREAS, staff has reviewed this proposal and determined it is reasonable for the scope of services offered.

NOW, THEREFORE, BE IT RESOLVED by the Rappahannock Solid Waste Management Board on this the 16th day of May, 2018, that the County Administrator, or his designee, is authorized to execute an amendment to the contract with Draper Aden Associates to provide environmental monitoring and management services for a period of one (1) year, commencing July 1, 2018 to June 30, 2019, in an amount not to exceed Three Hundred Two Thousand Two Hundred Fifty Dollars (\$302,250), unless modified by a duly-executed Contract Amendment.

Equipment Purchase Contracts

The adopted FY2019 budget includes funding to purchase a new trash compactor and a roll-off truck to replace units in service since 1989 and 1994, respectively. The current trash compactors have been in service long past their useful life, and have become unreliable due to age, our current rate of solid waste deliveries, and the difficulty of acquiring parts. Staff proposed to remove one unit from continuous duty and replace it with a 2018 Caterpillar model 826K dozer suitably equipped for landfill service. The sales proposal is in the amount of \$693,087.

The Landfill operates six roll-off trucks used to transport boxes from the convenience centers at Belman and Eskimo Hill to the landfill, as well as recycle boxes and sludge. These trucks range from 1994 to 2007, and are subjected to harsh conditions. Staff is in the process of replacing the three oldest units over the next five years and funds are budgeted to replace the first of these in FY2019. The sales proposal is in the amount of \$145,300.

Staff recommended approval of both contracts.

RB18-06 Resolution

Mr. Kelly motioned, seconded by Ms. Shelton, to approve Resolution RB18-06.

By voice, the vote was:

Yea: (6) Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay: (0)

Resolution RB18-06 reads as follows:

A RESOLUTION TO AUTHORIZE THE PURCHASE OF A NEW SOLID WASTE COMPACTOR FOR LANDFILL OPERATIONS

WHEREAS, the Regional Landfill (Landfill) operates two solid waste compactors to properly compact solid waste and extend the life of the Landfill; and

WHEREAS, one of these compactors was placed in operation in 1989 and the other in 1990, and with the current pace of solid waste deliveries, it is imperative that both units be in operable condition; and

WHEREAS, the R-Board must comply with DEQ regulations requiring that equipment be maintained in top working condition; and

WHEREAS, it is necessary to replace one of the existing compactor with new equipment of similar size; and

WHEREAS, Caterpillar, Inc. manufactures high quality compactors designed for use in landfill environments, and supported by a strong regional and national maintenance and repair operation; and

WHEREAS, Carter Machinery, the sole distributor for Caterpillar equipment in this area, has proposed to sell a Caterpillar 826K Landfill Compactor, properly equipped for solid waste operations, for the price of \$693,087; and

WHEREAS, this compactor is available under a joint purchasing agreement through the National Joint Powers Alliance; and

WHEREAS, funds are included in the adopted FY2019 budget for equipment;

NOW, THEREFORE BE IT RESOLVED, by the Rappahannock Regional Solid Waste Management Board on this the 16th day of May, 2018, that the County Administrator, or his designee, is authorized to execute a contract with Carter Machinery in an amount not to exceed \$693,087, for the purchase a 826K Caterpillar Compactor for landfill operations.

RB18-07 Resolution

Mr. Kelly motioned, seconded by Mr. Withers, to approve Resolution RB18-07.

By voice, the vote was:

Yea: (6) Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay: (0)

Resolution RB18-07 reads as follows:

A RESOLUTION TO AUTHORIZE THE PURCHASE OF A NEW ROLL OFF TRUCK FOR LANDFILL OPERATIONS

WHEREAS, the Regional Landfill relies on roll-off trucks for the transport of solid waste and recycling containers from locations in the City and County, as well as waste treatment residual solids from treatment facilities in both localities; and

WHEREAS, our fleet of roll-off trucks is aging and requires the periodic replacement of vehicles; and

WHEREAS, the R-Board must comply with DEQ regulations requiring that equipment be maintained in top working condition; and

WHEREAS, the majority of the roll off trucks operated by Regional Landfill are manufactured by Mack Trucks (Mack), and Mid-Atlantic Waste Systems is the sole distributor for Mack roll-off trucks in this area; and

WHEREAS, it is necessary to replace an existing Mack roll-off truck which has been in use past the useful life for this equipment; and

WHEREAS, staff has received a quote in the amount of \$145,300 for a new roll-off truck suitably equipped with a motorized tarp system for use on public highways; and

WHEREAS, the Mack is available under a joint purchasing agreement through the National Joint Powers Alliance; and

WHEREAS, funds are included in the adopted FY2019 budget for this equipment;

NOW, THEREFORE BE IT RESOLVED, by the Rappahannock Regional Solid Waste Management Board on this the 16th day of May, 2018, that the County Administrator, or his designee, is authorized to execute a contract with Mid-Atlantic Waste Systems in an amount not to exceed \$145,300 to purchase a Mack Truck roll-off vehicle for landfill operations.

Budget Amendment

Mr. Dayton noted that the Landfill had sustained expenses in excess of budgeted amounts for maintenance and repairs, fuel and overtime costs. This resulted in a deficit in multiple budget lines. There was a pay-out nearly \$49,000 on an insurance claim from a 2016 accident, and a payment of \$41,000 in FY2017 debt service in the current fiscal year. This \$90,000 in unbudgeted expenditures has aggravated an already difficult budget year. Staff requested a budget amendment in the amount of \$90,000 to assure sufficient funds for higher than expected expenditures in FY2018.

RB18-08 Resolution

Mr. Withers motioned, seconded by Mr. Foley, to approve Resolution RB18-08.

By voice, the vote was:

Yea:	(6)	Baroody, Bohmke, Foley, Kelly, Shelton, Withers
Nay:	(0)	

Resolution RB18-08 reads as follows:

A RESOLUTION TO AUTHORIZE A BUDGET AMENDMENT TO THE ADOPTED FY2018 BUDGET

WHEREAS, the R-Board approved a Fiscal Year 2018 budget in the amount of \$5,430,162; and

WHEREAS, the Regional Landfill (Landfill) has sustained unanticipated and unbudgeted FY2018 expenses in the amount of \$48,912 for an insurance settlement resulting from an employee accident in 2016; and

WHEREAS, the Landfill also made a \$41,000 interest payment for Cell F2 which had been budgeted in FY2017, but unexpectedly was paid for in FY2018; and

WHEREAS, expenses related to maintenance, repair, and fuel costs have exceeded budgeted amounts and require additional funding for the balance of the fiscal year to assure continued operation; and

WHEREAS, funds are available in the R-Board Reserve Fund, but must be budgeted and appropriated;

NOW, THEREFORE BE IT RESOLVED, by the Rappahannock Regional Solid Waste Management Board on this the 16th day of May, 2018, that the approved FY2018 budget be increased by the amount of Ninety Thousand Dollars (\$90,000) to fund unanticipated and unbudgeted expenses; and

BE IT FURTHER RESOLVED that the amount of Ninety Thousand Dollars (\$90,000) be budgeted and appropriated from the R-Board Reserve Fund.

Commercial Request for Annual Pass Exception

Staff received a request for a commercial exception from Robert Boutchyard (Harold's Electric). Mr. Boutchyard intends to use his vehicle (free of commercial markings, logos, or advertisements) to dispose of household residential trash at the Landfill. Staff finds these requests consistent with exceptions previously granted by the R-Board and requests the R-Board provide direction by motion.

Ms. Shelton motioned, seconded by Mr. Withers, to approve the application.

By voice, the vote was:

Yea: (6) Bohmke, Foley, Kelly, Shelton, Withers, Whitley
Nay: (0)

Adjournment: The meeting was adjourned at 9:22 a.m.

Future Session: The next regular meeting will be held on August 15, 2018, at the George L. Gordon Government Center, 8:30 a.m., in Board Chambers.


Keith C. Dayton, Director
Pamela L. Timmons, Clerk

