



Region 2000 Services Authority

Location
Haberer Bldg.
47 Courthouse Lane
Rustburg, VA 24588

Date | Time
May 22, 2019
2:00 p.m.

Minutes

Board Members Present

Susan Adams.....Appomattox County
Steve Carter Nelson County
Frank Rogers..... Campbell County
Bonnie Svrcek, *Chair*.....City of Lynchburg

1. Welcome

Bonnie Svrcek welcomed everyone and called the meeting to order at 2:00 p.m.

2. Public Comment

There were none.

3. Approval of the March 29, 2019 Meeting Minutes

Upon a motion by Susan Adams, seconded by Steve Carter, the minutes of the March 29, 2019 meeting were approved as presented.

4. Financials

- a) Rosalie Majerus reported that tonnage is tracking up, approximately 4% greater than planned, causing revenue to be about \$250,000 greater than expected.

Under expenses, personnel is better than planned due to vacancies and savings within health insurance.

Landfill O & M costs are above plan.

Disposal cost per ton for April was \$29.32 per ton, versus a budget of \$30.25 per ton. Ms. Majerus also reported that there are no 2015 bond proceeds available.

- b) In response to a request at the last Services Authority meeting regarding early pay off of the bonds, Ms. Majerus referenced a chart included in the meeting packet showing the outstanding balance along with the payment for an early payoff. The Series 2011 has a 1% premium for any early payment, and the 2015 has a 1% premium for any early payment up until November 2020. Both bonds are scheduled to be paid off in 2025.

5. Consideration of the 2019-2020 Budget

Clarke Gibson gave a summary of the proposed 2020 budget:

- Tonnage projection is increased by 2.6% to 192,866 tons
- Revenue increases 3% to \$7,054,565.
- Operating expenses are increased by 2.7 %, with total expenses going up about 2.9% to match revenue
- Disposal cost remains at \$30.25 per ton
- \$390,000 is being added to the post-closure reserve
- O & M reserve will be increased by \$75,000.
- Tipping fee remains the same, \$30.25 and \$40.25 per ton
- Tonnage is increased, increasing excess revenue by \$50,000.

The proposed budget also includes a market study which would include 10 classifications and 20 employees. Total cost would be about \$7,000. Steve Carter asked as to whether the study could be done internally. Gary Christie answered that it could be done internally, but an outside perspective would be beneficial. Susan Adams stated that it would be difficult for her to support an outside market study because the same suggestion for the PDC was not supported, and an in-house salary study was suggested. Bonnie Svrcek stated that she would have a hard time supporting an outside market study for the same reason.

Susan Adams stated that she had voiced her concern at the last meeting and it was to be discussed at this meeting, concerning the excess revenue pay out being specific to two localities. She had requested that this be a separate discussion. Bonnie Svrcek made the motion to approve the proposed budget in the amount \$7,054,565, explaining that excess revenue is not determined until after the audit. Susan Adams stated that she would second the motion provided the language was changed in the revenue budget and not have it specific to any locality, being listed as excess revenue and a total amount. Gary Christie advised that it could be re-labeled as air space reserve and not splitting it between two jurisdictions.

Ms. Svrcek agreed to the amended motion, and it was approved, with Frank Rogers voting nay.

Ms. Svrcek suggested the Authority have a working lunch session to discuss plans for the future of the Authority, and long range planning including anything that Susan Adams can share regarding Appomattox's long term intentions. The agenda may also include the impact of Bedford possibly bringing their waste to Livestock Road. Discussion will also include excess revenue. The date was set for June 12 at 12:00 p.m. in the PDC conference room.

6. Dominion Power Contract Negotiation

Bill Hefty explained that at the last meeting the proposal from Dominion was to have the authority to bring 11,000 tons of wood ash to the landfill for a term ending June 30, 2020. They agreed to pay an

additional \$2.00 over the market rate, which would be \$42.25. How much they would bring is unknown. Clarke Gibson advised that the wood ash would have very little impact on tonnage. Steve Carter made the motion to authorize the contract with Dominion Power. The motion was seconded by Bonnie Svrcek, and it was carried unanimously.

7. Discussion on Accepting Out of Service Area Waste

Gary Christie explained that the Authority has a practice of not accepting out of the area waste, except for special exceptions, and accepting any out of area waste does require action by the Authority. He further explained that he has been approached by Bedford County about considering a four or five year contract to take some of their waste. Mr. Christie explained that accepting the waste would lower the cost, but also reduce the life of the landfill. With no change in the current tonnage the Livestock Road operation will close about 2030. With the potential loss of County Waste commercial tonnage, the landfill life could extend to 2033, but raise the member rate to \$42.50/ton, and ending at \$44.00/ton after the ten year process. By selling Bedford County approximately 25,000 tons of landfill space, almost \$3.50/ton would be saved, but shortens the landfill life by one year. Excess revenue would be generated, as they have agreed to pay the commercial rate.

Susan Adams stated that additional information would be needed at the June work session. She said that she would like information on the buyout option for the City of Bedford, and the response received from Bedford County when they were asked if they would like to join the Authority. She also would like to know who the current hauler is for Bedford County, as well as any historical background that the Authority has had with Bedford. Ms. Adams also asked if they would have any obligation to the Authority's debt service as well as closure expenses.

Clark Gibson added that Bedford County does have an RFP out for solid waste disposal and hauling.

8. Director's Report

- a) Mr. Gibson reported that the regional recycling report is complete and submitted to the DEQ. Calculations show the recycling rate at about 40%, and the mandated rate for our region is 25%. This number is not official until reviewed by the DEQ.
- b) The Hazardous Household Waste collection in April was successful. Another is scheduled for June, and another in the fall.
- c) Mr. Gibson reported that he has asked SCS to put together a proposal to assist with a preliminary engineering report to include the landfill gas projections, and quality and quantity. This would be data needed to put together a potential RFP for beneficial use at Livestock Road. He also asked that they assist with the advertising and bidding process, and meetings with potential vendors. They would also assist with evaluations of proposals that are received. SCS has offered a proposal for these tasks, in the amount of \$13,000.00. Mr. Gibson suggested funding this project with funds from this year's budget with some of the excess revenue from increased tonnage.

A motion was made by Bonnie Svrcek to approve funding of a consultant to explore how to best use our landfill gas, including issuance of an RFP. The motion was seconded by Steve Carter, and was unanimously approved.

d) Update on Projects

- i. Closure of Cell 3 – Counts & Dobyns and Falwell Corp. have done the gas system additions. The project is on schedule and within the budget parameters. Mr. Gibson said that he expects completion sometime in July.
- ii. Addition to the Maintenance Shop – Two bays are being added to the maintenance shop, and the project is about 75 % complete. This project also includes conversion of the heating system in the existing shop and the two new bays from waste oil and diesel to propane.
- iii. Road Paving – The paving was completed three or four weeks ago.

9. Other Business

Frank Rogers informed the Authority that part of the reason Bedford has approached the Authority to take some of their waste has to do with some revisited calculations on their own capacity. He asked that we recheck the Region 2000 capacity. Mr. Gibson said that he would get an estimate for another look at capacity, from another source.

Susan Adams asked that the Authority consider a change of venue for the meetings to possibly the Lynchburg location. Steve Carter stated he is also in favor of a change. Frank Rogers objected, because he feels the meetings should be held where the citizens most affected by the presence of the landfill can most readily access the meetings. He encourages staying in Campbell County to continue transparency and accessibility to the immediate neighbors. Bonnie Svrcek agreed. Steve Carter asked how the Campbell residents were specifically impacted. Ms. Svrcek responded that they are neighbors to the landfill. Mr. Rogers added odor issues, traffic, noise, and debris along the roadway as some of the other issues. Ms. Adams added that in all fairness to the constituency she suggested moving it from member locality to member locality on a rotation basis. She added that she hoped it was understood that she had to look out for her constituents. Steve Carter said it was the same for him. Gary Christie suggested going to another jurisdiction once a year. It was decided to add this to the agenda for the work session, along with other scenarios.

10. Election of Officers for 2019-2020

Gary Christie advised that it was time to elect officers for 2019-2020. It has been the practice that Campbell County and Lynchburg rotate at the chair position, and Nelson and Appomattox Counties rotate at the treasurer position. The current officers were elected in 2018, so they are eligible to be re-elected for one more year in their current positions.

Susan Adams nominated Bonnie Svrcek as chair, Frank Rogers a vice-chair, Steve Carter as treasurer, and Gary Christie as secretary. Steve Carter seconded the nominations, and the vote was unanimous.

11. Closed Session for Discussion of the Purchase of the Above Ground Equipment for the Gas Collection System at Concord Turnpike

Steve Carter made the motion that the Board go into closed session pursuant to Section 2.2-3711(a)(7) for consultation with legal counsel pertaining to probable litigation regarding the Authority's gas collection contract with Land Gas of Virginia regarding the Concord Turnpike landfill in Lynchburg.

The motion was seconded by Bonnie Svrcek and unanimously approved.

The motion was made by Steve Carter and seconded by Bonnie Svrcek that the Board return to open session pursuant to Section 2.2-3712.D and certify that only those business matters lawfully identified in the motion to go into closed session and exempt from the open meeting requirements of the Freedom of Information Act were heard, discussed or considered in a closed session.

The motion was approved as followed:

Susan Adams – Aye
Steve Carter – Aye
Frank Rogers – Aye
Bonnie Svrcek - Aye

12. Next Meeting – July 31, 2019

There being no further business the meeting adjourned at 3:30 p.m.