

RSWA BOARD OF DIRECTORS
Minutes of Regular Meeting
June 27, 2005

A regular meeting of the Rivanna Solid Waste Authority (RSWA) Board of Directors was held on Monday, June 27, 2005 at 2:55 p.m. in the Conference Room, Administration Building, 695 Moores Creek Lane, Charlottesville, Virginia.

Board Members Present: Mr. Michael Gaffney – Presiding, Mr. Mark Graham, Mr. Gary O’Connell, and Mr. Robert Tucker.

Board Member Absent: Mrs. Judith Mueller.

Authority Staff Present: Ms. Anne Bedarf, Mr. Mark Brownlee, Mr. Bruce Edmonds, Mr. Tom Frederick, Ms. Mary Knowles, Ms. Jennifer Whitaker, and Mr. Lonnie Wood.

Also Present: 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. Michael Gaffney on Monday, June 27, 2005 at 2:55 p.m., and he noted that a quorum was present.

Mr. Gaffney welcomed his fellow Board members, RSWA staff, and members of the public in attendance at today’s meeting.

2.0 Minutes of the Previous Meeting

Upon a motion by Mr. Tucker, and seconded by Mr. O’Connell, the Board of Directors by a 4 - 0 vote approved the minutes of the regular Board meeting held on Monday, May 23, 2005.

3.0 Executive Director’s Report

Mr. Frederick first reported on the financial status of RSWA. He stated that at the end of May, the amount of available cash for the Authority was \$414,600. Significant payments were currently being made to RSWA’s environmental consultants related to the Corrective Action Plan (CAP) at the Ivy site. It is anticipated that implementation of the CAP would continue at the same rate, which would place RSWA in a position within the next 30 to 60 days without local government support of not having sufficient cash to sustain the Authority’s day-to-day operations. The City, County, and the University of Virginia have been requested to submit their first quarterly payments by early July as called for in the Memorandum of Agreement (MOU). Mr. Frederick was also aware that City and

RSWA Board Minutes
3.0 Executive Director's Report (cont.)
June 27, 2005

County staffs were discussing funding proposals concerning the \$600,000 shortfall in the adopted RSWA FY 2006 budget. He would encourage that this process be concluded as quickly as possible in order to balance the Authority's revenues and expenses, provided that RSWA met its budget targets in FY 2006. It would also allow for discussions to focus on issues the Authority would be facing in the coming months rather than RSWA's financial situation.

Mr. Frederick directed the Board's attention to the Ivy Transfer Station Report for May under the Consent Agenda. During May, the tonnage figures for processing Municipal Solid Waste were the highest ever recorded at the facility. During that month, the Transfer Station averaged 145 tons per day, which was 96 percent of the rated average day capacity of 150 tons per day. The data so far for June suggested that that this trend was continuing and was not confined to a single area. The greatest percentage of that increase was reflected in both of the Waste Management accounts, which included MSW from the University of Virginia and other MSW. He would suggest that discussions be initiated through the Staff Committee, which included RSWA staff, Mr. Graham, and Mrs. Mueller, on what actions should be proposed to the Board to address these trends.

Mr. Frederick stated that the last part of his report addressed questions raised at the May 2005 Board meeting concerning how RSWA's recycle rate compared with other communities across the Commonwealth. At the May meeting, the statement was made that RSWA was "better than average but not at the top of the heap." Recycling rate statistics from 2003 listed on the second page of his report were used as a basis for that comparison. In 2003, RSWA reported a recycling rate of 25.6 percent as compared to 28.9 percent for 2004. Recycling rate data from other communities was not available at this time.

Mr. Gaffney asked if the May tonnages figures for the Ivy Transfer Station would be discussed during the Consent Agenda. Mr. Tucker stated that this issue would be addressed by the Staff Committee who would bring back a recommendation to the Board.

4.0 Items From The Public

Mr. Ed Strange, Ivy resident, stated that as a follow-up to the Ivy Transfer Station capacity issue, he felt it was pretty clear where the tonnage was going. It used to go to the BFI facility, but now it was being received at the Ivy site. The answer was simple; limit the number of people coming to Ivy and send them to BFI. He referenced the MSW Transfer Tonnages Charts on page 5 of the Financial report, which illustrated that the MSW received at the BFI facility in 2003 was now being processed at the Ivy site. He added if RSWA wanted this trend to stop, the Authority should send commercial haulers to the BFI Transfer Station.

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 Landfill/Transfer Station
- 5c) Staff Report on McIntire Road Recycling Center/ Paper/Paper Sort Recycling Operations
- 5d) Staff Report on Environmental Status
- 5e) Citizens Advisory Committee
 - Approved Minutes of the January 11, 2005 Meeting

In regards to **Item 5a, Staff Report on Finance**, Mr. Wood noted a correction to the “Revenue Detail Report” located on page 5 of his report. Under “Transfer Station Revenues,” the MSW Transfer Station YTD tonnage figure of 13,970 for Ivy should be corrected to read 17,260.

As there were no further questions or discussion, Mr. Tucker moved, which was seconded by Mr. O’Connell, that the Board of Directors vote to approve Items 5a), b), c), d), and e) of the Consent Agenda with the correction noted by Mr. Wood. The motion was approved by a 4 – 0 vote.

6.0 Other Business

In regards to **Item 6a), Renewal of Lease for Paper Sort Facility**, Mr. Frederick stated that as the Board was aware, for the past 10 years RSWA had been operating a Paper Sort facility at the end of Burgess Street. The facility receives various types of fiber products from the McIntire Recycling Center with the exception of newspapers. The Paper Sort facility also received material from the City’s recycling programs and commercial facilities. The sorting and bailing operation is conducted at the facility to produce grades of fiber that were acceptable to the market.

Mr. Frederick further reported that RSWA initiated an agreement with Burgess Lane Properties, Inc., in 1995, which was initially a five-year lease, with an option to renew for an additional five-year term. Both of those terms would be satisfied on June 30, 2005. In order to continue to lease that facility and keep it in operation, the Board would need to consider taking action on a proposal to renew the lease for an additional five years that was based on negotiations RSWA held with

Mr. Preston Coiner. The terms being requested entailed a monthly sum of \$2,700, which was a 7.3 percent increase from the previous lease agreement, and equated to a 1.4 percent annual increase.

Mr. Frederick then stated that RSWA was recommending to the Board that these terms be accepted, with a provision added to the contract that allowed RSWA to

terminate the lease at an earlier date with a six-month written notice. This additional provision has been proposed to Burgess Lane Properties, Inc., who have acknowledged receipt of the provision but have not communicated to RSWA whether the provision would be accepted by them. In the interest of time, Board action was being requested to authorize the Executive Director to execute an addendum extending the lease under the terms and conditions outlined in this report.

Mr. Gaffney asked what would occur if the Board approved extending the lease as recommended in the Board report and Burgess Lane Properties, Inc., did not accept the additional provision to the agreement.

Mr. Krueger recommended that the Board consider approving the agreement to extend the lease and also authorize the Executive Director to make such modifications to the agreement with Burgess Properties, Inc., concerning the additional provision as he deemed appropriate.

Mr. Frederick added that it was not his intent to enter into a five-year agreement without an additional provision for early termination.

Upon a motion by Mr. Tucker, and seconded by Mr. Graham, the Board of Directors voted to authorize the Executive Director to execute the lease under the terms and conditions as outlined above with Burgess Lane Properties, Inc., and giving the Executive Director discretion in the finalization of that lease agreement with respect to the early termination provision. The motion was approved by a 4 - 0 vote.

7.0 Other Items From Board/Staff Not On Agenda

There were no other items from the Board or staff not on the agenda.

8.0 Closed Meeting

There was no need for a closed meeting.

9.0 Adjournment

There being no further business, Mr. Graham moved the meeting be adjourned, seconded by Mr. O'Connell. All members voted aye, and the meeting was adjourned at 3:08 p.m.

Respectfully submitted,

Mr. Gary O'Connell
Secretary - Treasurer