

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
OCTOBER 19, 2018
CHESTERFIELD CENTRAL LIBRARY
7051 LUCY CORR BOULEVARD
CHESTERFIELD, VIRGINIA**

MEMBERS/ALTERNATES PRESENT

Voting:

Marcia Phillips (M-Chesterfield), Chairman
Scott A. Wyatt (M-Hanover), Vice Chairman
Patricia Paige (M-New Kent), Secretary
Robert L. Dunn (M-Chesterfield), Director
J. Allen Lane (M-Henrico), Past Chair
Lee Sloppy (M-Ashland)
Ricky Hicks (M-Charles City)
Scott Zaremba (M-Chesterfield)
William E. Henley (A-Colonial Heights)
Leigh Dunn (M-Goochland)
Stephen Chidsey (M-Hanover)
Marcia E. Kelley (M-Henrico)
Robert C. Whiteman (M-Henrico)
Cindy Odum Harris (M-Powhatan)
Michael Purvis (M-Prince George)
Miles Jones (M-Richmond)

Non-Voting:

Clay Bowles (A-Chesterfield)
Jeffrey Howard (A-Chesterfield)
Al Pace (A-Chesterfield)
Jon Clary (A-Henrico)
Johnny Melis (A-Powhatan)

Staff:

Kimberly A. Hynes, Executive Director
Richard Nolan, Director of Operations
Terry Eckhout, Accounting and Financial Manager
Mary Beth Mains, Part-time Administrative Assistant

MEMBERS/ALTERNATES NOT PRESENT

Mark Kukoski (M-Richmond), Treasurer
Jennifer Schontag (A-Ashland)
Michelle Johnson (A-Charles City)
Doug Smith (M-Colonial Heights)
Dwayne Jones (A-Goochland)
Randy Hardman (A-Hanover)
Michael Flagg (A-Hanover)
Chip England (A-Henrico)
Bentley P. Chan (A-Henrico)
Monique Robertson (M-Hopewell)
James H. Burrell (A-New Kent)
Tangela Innis (M-Petersburg)
William Riggelman (A-Petersburg)
Rod Compton (A-Prince George)

Guests:

With a quorum in attendance Chairman Marcia Phillips (M-Chesterfield) called the meeting to order at 9:05 a.m.

CHAIRMAN'S AGENDA

Item No. 1: Public Comment Period

Chairman Phillips opened the floor for public comment. Without any requests to address the Board, she closed the public comment period.

Item No. 2: Minutes of the Regular Meeting of September 21, 2018

Chairman Phillips opened the floor for a motion to approve the minutes of the regular meeting of September 21, 2018 as submitted. A motion was made by Mr. R. Dunn (M-Chesterfield), Director, seconded by Ms. P. Paige (M-New Kent), Secretary, and carried that the minutes of the September 21, 2018 Central Virginia Waste Management Authority (CVWMA) Board of Directors meeting be approved as submitted.

Item No. 3: Chairman's Report

Chairman Phillips thanked Chesterfield County for hosting and providing breakfast for the CVWMA Board meeting in their beautiful new library.

Item No. 4: Treasurer's and Audit Committee Report

2018 Comprehensive Annual Financial Report (CAFR)

In Mr. M. Kukoski's (M-Richmond), Treasurer's absence Mrs. K. Hynes, CVWMA Executive Director, noted the Board deferred approval of the CAFR in September to wait for the Other Post-Employment Benefits (OPEB) information from the Virginia Retirement System (VRS). The information was received and incorporated into the CAFR and reviewed by Brown Edwards, CVWMA audit firm.

Mrs. T. Eckhout, Accounting and Financial Manager, referred the Board to the FY18 CAFR provided to each Board member and reported the Authority received an unmodified opinion, (unqualified opinion) which is the highest audit rating. Brown & Edwards found no material weaknesses in the internal control structure during the audit. Mrs. Eckhout noted the CAFR format has not changed and is presented in four sections; Introductory, Financial, Statistical, and Compliance.

Continuing, Mrs. Eckhout reported that the Introductory Section includes a transmittal letter to the Board of Directors which includes information on economic conditions and major initiatives of the Authority. She noted that this section includes a copy of the *Certificate of Achievement for Excellence in Financial Reporting* from the Government Finance Officers Association (GFOA), for the 2017 CAFR which CVWMA received for the 21st consecutive year. She mentioned that the report also includes a listing of Authority Board members and Administrative staff, as well as the Authority's organizational chart.

Continuing, Mrs. Eckhout reported that the Financial Section contains the auditor's unmodified opinion and management's discussion and analysis summarizing financial activity for the year. This section also provides the financial statements for the Authority's major funds which include the General Fund, Residential Recycling Fund, Drop-off Recycling Fund, Municipal Solid Waste (MSW) and Waste Transfer and Disposal Funds. She added that the major fund designation is based on revenues and/or assets in that fund. Although the Drop-off Fund does not meet the criteria of the GASB as a major fund, it was included because of the visibility in the region as one of CVWMA's initial and signature programs. Mrs. Eckhout stated that remaining funds are included as one major fund

that are grouped together in a column called Special Waste. She added that the Required Supplementary Information section includes the disclosure of the Virginia Retirement System (VRS) plan and the Other Post Employment Benefit plan.

Mrs. Eckhout reported that the Net Assets on June 30, 2018 were \$780,767 which is an increase of about 10% or \$76,330. Net Assets represents 5% of the 2019 Total Operating Budget, which 5% is the target established by the Board several years ago. Contributing to the \$76,330, the CVWMA recorded \$24,000 related to pension benefits, \$23,000 in contractor penalties, \$35,000 net from the sale of recyclable materials, and an \$18,000 increase in investment income. The Authority implemented GASB 75 for OPEB resulting in \$48,930 restatement of beginning net position. Mrs. Hynes explained the OPEB includes a liability for the health and life insurance offered to retirees even though the benefits are at their cost or have already been paid for. Interest income on the purchase card increased by \$2,800 and investment income increased by \$15,700.

Mrs. Eckhout reported the Statistical Section provides more details about CVWMA activities. She mentioned the operating revenues increased by .2% from last year to \$15,843,573 and about 95% of the revenues and expenses are passed through to the participating localities depending on program participation. More localities are taking advantage of Authority programs. Chesterfield County makes up 25% of CVWMA revenues. As the largest jurisdiction in the CVWMA service area, CVWMA provides residential recycling, hauling and disposal from 2 convenience centers and a host of other programs for the County.

Mrs. Eckhout reported that Contractual Expenses have increased proportionate to Operating Revenues. In addition, Administrative Expenses have remained consistent over the last 10 years while contract related revenue and program participation has grown.

Mrs. Eckhout stated the Virginia Auditor of Public Accounts (APA) was notified before the September 30th deadline that the report would be late due to waiting on information from another state agency. The report will also be submitted to the Government Finance Officers Association again this year for the Certificate of Achievement program. She added that the Audit Committee has reviewed the draft CAFR and staff recommends approval of the report and transmittal to the APA.

A motion was made by Mr. R. Dunn (M-Chesterfield), seconded by Mrs. C. Harris (M-Powhatan), and carried that the 2018 CAFR be approved and submitted to the Virginia Auditor of Public Accounts. Mrs. Hynes noted bounded copies of the CAFR would be available upon request and all Chief Administrative Officers of the localities will be emailed a copy via the link to our website.

Financial Reports September 2018

Mrs. T. Eckhout reported that the financial activity is consistent with previous months and the Authority continues to remain within total budget in all funds as of September 30, 2018. The Authority has a combined Net Income of \$439,284 and the net income will continue to decrease as expenses are incurred throughout the fiscal year. The accounts receivable schedule is included and reflects the details of the amounts due to the Authority. All accounts are current.

Chairman Phillips opened the floor for a motion to accept and file the Financial Reports for September 2018 as submitted. A motion was made by Ms. P. Paige (M-New Kent), Secretary, seconded by Mr. R. Dunn (M-Chesterfield), Director, and carried that the Financial Reports for September 2018 be approved and filed as submitted.

Item No. 5: Strategic Plan Quarterly Report

Mrs. K. Hynes presented the Strategic Plan Implementation report. She informed the Board that the Authority is already in the third year of implementation. She went over the Strategic Plan dashboard which included the four goals: Protection of Environmental Resources, Customer Focus, Educational Resources and Financial Stewardship Through a Well-run Organization. She then provided details on each goal, objective and initiative and the progress that has been made toward each in the first quarter of the third year. Mr. S. Chidsey (M-Hanover) noted that Hanover does not benchmark against private sector businesses and Mrs. Hynes stated staff will take that into consideration when evaluating the results of the Pay and Classification Study. Chairman Phillips noted that gathering information isn't the same as benchmarking.

STAFF AGENDA

Item No. 6: Residential Recycling Program

Mr. R. Nolan, CVWMA Director of Operations, reported that the total tonnage of recyclables collected in the month of September in the residential program was 2,809 tons, 69 tons less than last September. Mr. Nolan added that there was a total of 458 misses for the month compared to 593 in 2017 and that TFC had zero misses for September in the Town of Ashland, Goochland County, and Hanover County.

Mr. Nolan shared the Oops! reporting for Petersburg which showed there were 68 rejections in Petersburg - 65 included trash, 1 had yard waste and 1 was rejected for plastic bags. Mr. Nolan noted there were a total of 1,063 Oops! stickers issued by TFC in Richmond - 513 or 48% were rejected for plastic bags, 190 for trash, 126 for food contamination, 3 for pet waste, and 3 for tanglers. For the Henrico routes, 125 Oops! Stickers were issued, 86 were rejected for plastic bags, 15 for Styrofoam, and 8 for trash. For the Chesterfield route, 36 Oops! Stickers were issued, 14 for plastic bags, 5 for Styrofoam and 6 for food contamination. Mr. S. Wyatt (M-Hanover), Vice-Chairman, asked if most of the contamination was in multi-family areas. Mr. Nolan verified that most of the Richmond locations were in alleys and there are several multi-unit buildings in the city. He also mentioned that all Richmond residents have carts which tend to be more contaminated than bins.

Item No. 7: Municipal Solid Waste (MSW) Program

In the month of September, Mr. Nolan reported 18 misses were recorded in Ashland and 35 misses in the Chesterfield tax relief program for County Waste. For the month of September, 91 misses were recorded in Colonial Heights, 119 misses in Hopewell; and 210 misses in Petersburg.

Item No. 8: Consideration of Resolution 19-04: Awarding a Contract for Roll Off Hauling and Front-End Collection and Recycling Services

Mr. Nolan stated the CFS contract for both the Roll Off Hauling and Front-End Collection and Recycling Services expires June 30, 2019 and after receiving renewal information, the CVWMA and TAC decided to issue a Request for Proposals (RFP). The Evaluation Committee consisting of Mr. S. Chidsey (M-Hanover), Mr. J. Clary (A-Henrico), Mr. J. Melis (A-Powhatan), Mr. R. Thompson, CVWMA Operations Technician, and Mr. Nolan, recommended that both contracts be awarded to TFC effective July 1, 2019, for a 4 year term with a 5 year renewal option.

Chairman Phillips opened the floor for a motion to approve **Resolution 19-04** as submitted. A motion was made by Mr. R. Dunn (M-Chesterfield), Director, seconded by Mrs. M. Kelley (M-Henrico) and carried that **Resolution 19-04** be approved as submitted.

Item No.9: Consideration of Resolution 19-05: Awarding Contracts for the Town of Ashland Municipal Solid Waste Collection Services and for Front-End Municipal Solid Waste Collection Services

Mr. Nolan introduced **Resolution 19-05** awarding contracts for the Town of Ashland Municipal Solid Waste Collection Services currently held by County Waste and Front-End Municipal Solid Waste Collection Services currently held by CFS. After receiving renewal proposals from both contractors, it was decided to issue an RFP. CFS is the contractor recommended by the Evaluation Committee. The Evaluation Committee consisted of Mr. S. Chidsey (M-Hanover), Mr. J. Clary (A-Henrico), Mr. J. Melis (A-Powhatan), Mr. R. Thompson, CVWMA Operations Technician, Mr. Nolan, and Mr. Mike Davis of Ashland. The contracts will be effective July 1, 2019 for a 5 year term with a 5 year renewal option. Ms. C. Harris (M-Powhatan) asked Mr. Nolan about the landfill or transfer station owned by Republic in Ashland and why were they not considered for this contract considering how close they are to Ashland. Mr. Nolan noted there is not a transfer station owned by Republic in Ashland or Hanover and Republic's proposal was considered by the committee. Mr. L. Sloppy (M-Ashland) asked if **Resolution 19-02** was the same as **Resolution 19-05**. Mrs. Hynes verified the RFP was numbered 19-02 and the Resolution to award is numbered 19-05 for Ashland MSW and Front-End MSW.

A motion was made by Ms. P. Paige (M-New Kent), Secretary, seconded by Mr. M. Jones (M-Richmond) and carried that **Resolution 19-05** be approved as submitted.

Mr. S. Chidsey (M-Hanover) reminded the Board of rising costs of all recycling and trash collections services, stating that Hanover's Front-End Load MSW contract cost will triple with this last procurement. Chairman Phillips thanked Mr. Chidsey for reminding the Board of the rising cost of recycling and trash and the need to plan for increased costs.

Item No. 10: Operations and Program Statistics

Mr. Nolan reminded the Board that the program statistics were available on the table near the door. He also noted that paper prices have not changed over the last month.

Mr. Nolan continued stating the City of Richmond rescheduled their eCycling and paper shredding event from last month because of the storm and it is scheduled for October 20, 2018 at the Robin Hood Road location. On November 17th, 3 localities will have separate events: Chesterfield County will host eCycling and paper shredding at West Chester Commons; Goochland County is holding a tire amnesty and paper shredding event at the Fairgrounds, and Hanover County will have a Household Hazardous Waste event at the Mechanicsville location. Mr. Nolan noted he would be coming before the Board in November with a request to renew the eCycling contracts.

Technical Advisory Committee (TAC) Meeting

Mr. Nolan stated that curbside contamination was discussed at the October 4, 2018 TAC meeting. He also requested that all localities return their Waste Surveys if they had not already done so to include in the update to the Solid Waste Management Plan. The next TAC meeting will be November 1st.

Item No. 11: America Recycles Day – November 15th

Mrs. Hynes, filling in for Mrs. Drumheller who is participating in the Henrico Energy Fair, reminded the Board that America Recycles Day (ARD) is celebrated November 15th annually and this year's focus is recycling right and rethinking waste. Staff is focusing on educating about the 3 R's - Reduce, Reuse, and Recycle and asking people to pledge to reduce waste, reuse items and recycle right. Staff has shared locality specific events online as well.

Item No. 12: Public Information

Mrs. Hynes referred the Board to the slides which included most of what she had covered during the Strategic Plan presentation. Staff continues to work with member localities and our community partners daily, weekly and monthly to increase our educational reach to residents to recycle right.

Mrs. Hynes stated staff is pleased to announce that the print award for the 2019 Collection Schedule has been given to Worth Higgins and Associates and the mail house preparation award has been given to Commonwealth Mailing Services. The annual collections schedule will be mailed December 26, 2018.

CVWMA had 219 new email subscribers for September bringing the total to almost 33,000 total email subscribers who receive email reminders from CVWMA every 2 weeks.

Curbside Education Advisory Committee

The next quarterly meeting of the Curbside Education Advisory Committee will be held on Tuesday, October 23, 2018, at the Appomattox Regional Library in Hopewell, Virginia and the City of Hopewell will be the member focus. Mrs. Hynes encouraged all to attend.

Education and Outreach September

Staff responded to 37 requests for the month of September and of these requests, 9 were for presentations, 23 were for educational materials, 3 were grassroots events, and 1 media story (WTVR CBS 6). These requests impacted 500 people as well as the distribution of over 3,400 educational materials in 8 of our member localities.

Item No. 13: Consideration of Resolution 19-06: Appropriating Funds for an Education Campaign to Reduce Contamination in Recycling

Mrs. Hynes reminded the Board of the current focus to get the public to recycle right and she noted the Executive Committee suggested enhancing the push to educate everyone on the importance of recycling right and why it's so important at this time. Mrs. Hynes referred to things that staff has been able to do within the current budget and some of the things staff would like to do if more money were available to increase effective messaging. She spoke of working with the Recycling Partnership to use their expertise in suggesting what is effective for others in the recycling field. Mrs. Hynes provided suggested uses of additional monies such as utility bill stuffers and more targeted efforts. Mrs. Hynes also suggested working with TV and media partners to target areas that are not recycling correctly. Continuing, Mrs. Hynes stated staff would like to do more at the drop off sites to increase signage and prevent people from bringing their recycling in a plastic bag.

Mrs. Hynes stated staff is asking to appropriate \$40,000 out of the reserve balance for educational outreach. She noted that last fiscal year \$76,000 was added to the reserve balance which is now over \$780,000. Mrs. Hynes added that we need to keep the momentum going. Chairman Phillips noted this is a good time to build on the growing public awareness about the recycling issues we are facing and capitalize on the good media coverage we have been getting. If we can build on it, not only will we be able to attract attention, we might be able to really effect some change.

A motion was made by Mr. R. Dunn (M-Chesterfield), Director, seconded by Mr. R. Whiteman (M-Henrico) and carried that **Resolution 19-06** be approved as submitted. Mrs. Hynes thanked the Board and stated staff will keep the Board updated on efforts and outreach. She thanked them for their support and for all that they are doing in their jurisdictions.

Item No. 14: Administrative

Mrs. K. Hynes noted she would be attending the Southeast Recycling Development Council conference in Charleston, SC, November 12th through 14th. Mrs. Hynes also thanked the Board for keeping Reggie in their thoughts and prayers stating that Mr. R. Thompson is doing well and he will be returning home soon.

Mrs. Hynes thanked Chesterfield County for breakfast and hosting the Board at their beautiful new Central Library.

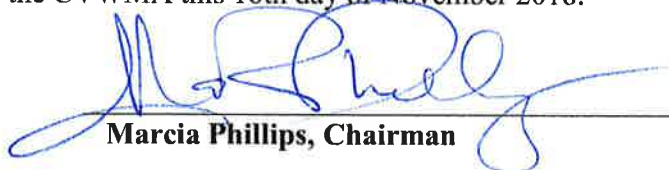
Old/New Business

Chairman Phillips asked if there was any old or new business to come before the Board and with no further business to come before the Board, Chairman Phillips opened the floor for a motion to adjourn the CVWMA Board of Directors meeting at 9:46 a.m. The motion was made by Mr. R. Dunn (M- Chesterfield), Director, seconded by Mr. R. Whiteman (M-Henrico) and carried that the October 19, 2018 Board of Directors' meeting be adjourned.



CERTIFICATE

I, Marcia Phillips, Chairman of the CVWMA, certify that the foregoing minutes are a true and correct copy of the minutes of the October 19, 2018 regular meeting of the Central Virginia Waste Management Authority (CVWMA) Board of Directors. These minutes were adopted at a CVWMA Board meeting held at 9:00 a.m., November 16, 2018. Given under my hand and seal of the CVWMA this 16th day of November 2018.


Marcia Phillips, Chairman

