

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
NOVEMBER 15, 2019
2104 WEST LABURNUM AVENUE
RICHMOND, VIRGINIA**

MEMBERS/ALTERNATES PRESENT

MEMBERS/ALTERNATES NOT PRESENT

Voting:

Marcia Phillips (M-Chesterfield), Chairman
Patricia Paige (M-New Kent), Vice Chairman
Miles Jones (M-Richmond), Secretary
Michael Purvis (M-Prince George), Treasurer
Robert L. Dunn (M-Chesterfield), Director
J. Allen Lane (M-Henrico), Past Chair
Jennifer Schontag (M-Ashland)
Ricky Hicks (M-Charles City)
Scott Zaremba (M-Chesterfield)
William E. Henley (A-Colonial Heights)
Dwayne Jones (A-Goochland)
Stephen Chidsey (M-Hanover)
Marcia E. Kelley (M-Henrico)
Robert C. Whiteman (M-Henrico)
Monique Robertson (M-Hopewell)
William Riggleman (A-Petersburg)
Johnny Melis (A-Powhatan)
Mark Kukoski (M-Richmond)

Lee Sloppy (A-Ashland)
Michelle Johnson (A-Charles City)
Al Pace (A-Chesterfield)
Doug Smith (M-Colonial Heights)
Leigh Dunn (M-Goochland)
Scott A. Wyatt (M-Hanover)
Randy Hardman (A-Hanover)
Michael Flagg (A-Hanover)
Chip England (A-Henrico)
Bentley Chan (A-Henrico)
Jon Clary (A-Henrico)
James H. Burrell (A-New Kent)
Tangela Innis (M-Petersburg)
Rod Compton (A-Prince George)
Darlene Jenkins (M-Richmond)

Non-Voting:

Clay Bowles (A-Chesterfield)
Jeffrey Howard (A-Chesterfield)

Staff:

Kimberly A. Hynes, Executive Director
Richard Nolan, Director of Operations
Kenna Shea, Accounting and Financial Manager
Reginald D. Thompson, Operations Analyst
Stephanie Breaker, Sr. Customer Service Supervisor
Mary Beth Mains, Part-Time Administrative Assistant

Guests:

With a quorum in attendance Chairman M. Phillips (M-Chesterfield) called the meeting to order at 9:00 a.m.

CHAIRMAN'S AGENDA

Item No. 1: Public Comment Period

Chairman Phillips (M-Chesterfield) 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 20, 2019

Chairman Phillips (M-Chesterfield) reminded the Board that at the October Board meeting there was not a quorum, therefore there are no minutes for approval. She opened the floor for a motion to approve the minutes of the regular meeting of September 20, 2019, as submitted. A motion was made by Mr. R. Dunn (M-Chesterfield), Director, seconded by Mr. M. Kukoski (M-Richmond) and carried with one abstention by Ms. P. Paige (M-New Kent), Vice Chair, that the minutes of the September 20, 2019 Central Virginia Waste Management Authority (CVWMA) Board of Directors meeting be approved as submitted.

Item No. 3: Chairman's Report

Chairman Phillips welcomed all attendees and moved onto the Staff Agenda.

STAFF AGENDA

Item No. 4: Residential Recycling Program

Mr. R. Nolan, CVWMA Director of Operations, reported the total tonnage of recyclables collected in the month of October 2019 in the residential recycling program was 3,026 tons, 93 tons less than last October. Mr. Nolan added that there was a total of 11,613 tons collected year to date October 2019, 593 tons less than 2018. Mr. Nolan stated that after discussion with our contractor he believes part of the reason for the reduced tonnage is because FY19 had more rain which increased the weight. He noted that FY20 to date has been extremely dry, in addition to reduced packaging and education which has improved contamination this year. Mrs. J. Schontag (M-Ashland) asked if all materials were weighed previously, including trash. Mr. Nolan stated affirmatively and noted that there is less trash in the recycling this year compared to last. There were 737 misses for the month of October compared to 746 last October. Mr. Nolan noted there has been improvement with the City of Hopewell pickups since July when TFC took over the program.

Mr. Nolan shared that a total of 246 Oops! tags were issued by TFC in October and they found 70% of the contamination was from plastic bags. Mr. Nolan noted trash, Styrofoam and furniture were also a part of the contamination.

Item No. 5: Consultant Project Update

Mrs. K. Hynes, CVWMA Executive Director, wished everyone a Happy America Recycles Day and noted the recycling giveaways at each Board Members seat - plastic bag keepers, metal straws, and phone wallets with a kickstand. Mrs. Hynes reminded the Board of the two Solid Waste Consultants the CVWMA Board awarded contracts in September to Gershman, Brickner and Bratton, Inc (GBB) and SCS Engineers. In addition, GBB was awarded the first project and began on September 20th. Two milestone updates have occurred since then, one on October 16th and one on November 6th. The consultants shared some of the research they have completed to date in talking with Board Members, CVWMA localities, contractors, and

other waste haulers in the region. Mrs. Hynes noted the last meeting was to obtain feedback and thoughts on what may or may not work in our localities. They will have recommendations the first week of December and their final report is due December 31st. The Board will meet on December 6th and the consultants will provide their recommendations and present their findings. Mrs. M. Phillips stated she had not been contacted by the consultants and Mrs. Hynes stated they did say they were going to contact her and others.

Item No. 6: Municipal Solid Waste (MSW) Program

Mr. R. Thompson, CVWMA Operations Analyst, noted CVWMA recorded 11 misses by CFS in Ashland in the month of October compared to 25 misses recorded in October of 2018 by County Waste and 15 misses were recorded in the Chesterfield Tax Relief program for County Waste. Letters were mailed announcing that County Waste would be vacuuming leaves the weeks of December 9 - 13, 2019 and January 6 - 10, 2020.

In the Tri-City area, 95 misses were recorded in Colonial Heights for an average 19 misses per week; 154 misses in Hopewell for an average of 31 misses per week; and 93 misses in Petersburg by CFS for an average of 19 per week. CFS was fined in October for not delivering new carts in accordance with the contracts but he noted they have caught up in the first two weeks of November.

Item No. 7: Consideration of Resolution 20-04: Renewal of Contracts for Collecting, Transporting and Processing Used Electronic Equipment

Mr. R. Nolan reported the First Addendum to the Contracts between CVWMA and Securis of Hampton Roads and Global Electric Electronic Processing, Inc. (GEEP) for the Collection, Transporting, and Processing of Used Electronic Equipment expire November 30, 2019. The current contracts have three one-year renewal options remaining. This request is to renew the contracts for one additional year.

Mr. Nolan explained that on both contractors have done an excellent job. Securis has collected electronic material from the public at various events for participating member jurisdictions, and GEEP has been collecting material from various schools and convenience centers through-out the participating member jurisdictions in a timely and efficient manner.

This renewal was reviewed and approved by the TAC members during the September 2019 TAC meeting. Both firms have been audited by CVWMA staff and TAC committee members. Mr. Nolan noted that documentation of where downstream materials go, will be retained. Documentation of downstream vendors from both vendors has been completed and found to be acceptable and credible. Going forward, periodic review of pertinent processing procedures and downstream vendors will be a task of the CVWMA and TAC members. The TAC and staff recommend extending the contracts through November 30, 2020.

Mr. M. Kukoski (M-Richmond) asked about the volume of materials collected previously and Mr. Nolan stated Securis has a complete inventory of everything they have every taken in at each of the CVWMA events and he would share that information with all who are interested. Mr. Nolan stated GEEP gives total tonnage of all materials collected also and he would share that. Mr. Nolan noted that most of the convenience centers no longer accept Cathode Ray Tube (CRT) TVs but they are getting more flat screen televisions.

Chairman Phillips opened the floor for a motion to approve **Resolution 20-04** as submitted. A motion was made by Mr. R. Dunn (M-Chesterfield), Director, seconded by Mr. M. Kukoski (M-Richmond) and carried that **Resolution 20-04** be approved as submitted.

Item No. 8: Operations and Program Statistics

Mr. R. Thompson asked the Board if they read the newspaper article regarding the Virginia Statewide Recycling Report. Mr. Thompson stated that staff has not seen the official report from the Department of Environmental Quality (DEQ) but the article stated that the 2018 Recycling Rate for the CVWMA region is 59 % which is the highest rate in Virginia. He noted the state-wide recycling rate for CY 2018 is up 3% from the previous year to 46%.

Mr. R. Nolan noted two recent e-cycling events have seen less pounds recycled - October 5 Henrico County's e-cycling event collected 14,910 pounds which is much less than their normal collection and on November 9 Hanover County's event filled one van when they normally fill two. Mr. Nolan noted there is a noticeable difference in weight collected due to less cathode-ray tube (CRT) TV's being recycled.

Mr. Nolan updated the Board on upcoming events: Chesterfield County e-cycling Event - November 16; Goochland Waste Tire Event – November 16; Hanover County Household Hazardous Waste Event – November 16; and Powhatan e-cycling - November 16.

Mr. Nolan noted the commodity markets for fiber stayed the same as the last few months. October 2019 commodity pricing for Mixed Paper is \$0; Old Corrugated Cardboard (OCC) stayed at \$35 and newsprint is at \$25. Mr. Nolan noted steel prices have dropped to \$100/ton.

Item No. 9: Technical Advisory Committee (TAC) Report

Mr. Nolan stated the TAC met on November 12 and topics discussed included: Service Agreement updates; GBB update; TFC's request for lithium battery education; and landfill status update. The Tri-City Landfill is pursuing an appeal of DEQ's notice to revoke their Solid Waste Permit. The East End Landfill (TEEL) had several fires and is also appealing to Henrico County to continue to operate. The next TAC meeting will be December 12 and a guest speaker from County Waste will talk about Green Ridge Landfill which is proposed in Cumberland County.

Mr. R. Whiteman (M-Henrico) asked if TFC is having problems getting rid of recyclable materials. Mr. Nolan noted they have markets for everything and that all materials are being recycled. Nothing is being landfilled. Mr. Nolan noted they are not making as much as before. Mr. R. Dunn (M-Chesterfield), Director, asked for a clarification on the next TAC meeting as the Board Package states December 5. Mr. Nolan noted because of scheduling it will be held on December 12. Mr. M. Kukoski (M-Richmond) asked if the lithium battery hazard is listed on the 2020 calendar. Mrs. S. Breaker, CVWMA Senior Customer Service Supervisor confirmed it is noted on the new calendars.

Item No. 10: America Recycles Day – November 15th

Mrs. K. Hynes filling in for Mrs. N. Drumheller, Public Affairs Manager, stated Mrs. Drumheller is out and about in the community celebrating America Recycles Day. News Channel 6 created a television spot for CVWMA to help educate on how the public can reduce contamination in recycling. Mrs. Hynes reminded the Board that last year News Channel 6 created the Oops! Tag commercial which won the Virginia Association of Broadcasters Award. This year, News Channel 6's program also has a Facebook contest which has seen over 2,500 entries; 1,900 of those entries have opted for more information on CVWMA and our programs. The Carton Council contacted CVWMA to partner for America Recycles Day. They used CVWMA as a champion for recycling cartons from a promotion that CVWMA did with them several years ago. Mrs. Hynes noted CVWMA is on the Council's website as a carton recycling success story. Mrs. Hynes noted that when staff is in the community they are asking the public to pledge to reduce their waste, reuse and recycle and reduce contamination in the recycling stream. The Young Scientists have been very important part of that as they have been in all of the schools and the majority of our member jurisdictions in the last three months.

Item No. 11: Public Information

Mrs. Hynes noted there have been many requests for outreach and education and staff has been in nine of the thirteen member jurisdictions in the last three months. Staff estimates reaching over 1,400 people and distributing over 4,000 pieces of educational materials. Tom Young, a member of the Young Scientist received a thank you for his participation in the Colonial Heights Middle School Science Technology Engineering and Mathematics (STEAM) activity night. Mrs. Hynes stated she is proud that the program came through CVWMA.

CVWMA Website, Social Media and Collection Day Email Reminder

Mrs. Hynes stated social media is ongoing and staff is focusing on educating about proper handling of lithium batteries in both recycling and trash and also explaining items that CVWMA does and does not take in our recycling programs.

Item No. 12: Financial Reports for October 2019

Mrs. K. Shea, CVWMA Accounting and Financial Manager, reported the October financial activity is consistent with previous months. The Authority has a combined Net Income of \$397,998 and the net income will continue to decrease each month as expenses are incurred throughout the fiscal year. The accounts receivable schedule reflects the details of the amounts due to the Authority as of the end of the October and four accounts are now over 60 days past due. Staff is working with those localities to bring the accounts current.

Mrs. Hynes reminded Board Members that the accounts receivable schedule is presented monthly so there are no surprises as requested by the Board several years ago. Most of the past due amounts have been small invoices that may have been lost in email, junk mail or misplaced. Mrs. Hynes assured the Board that staff is billing timely in accordance with our service agreements and contracts. Contractors are required to send in their invoices by the 10th of the month and staff reviews for accuracy and then sends them out to the localities. Mrs. Hynes stated the only thing that has not been timely recently is the CFS FEL MSW collection bills. The new contract started in July 1st and it has taken awhile to get the billing straight. Previously invoices were emailed directly from one individual email account but in the spring, staff started emailing directly from the CVWMA scanner/copier machine. We think that coming from a different location some of the scans may have gone into junk mail. Staff has since corrected the issue but we believe the past due invoices may be a part of that issue. Staff plans to contact localities when the invoice is not paid on day 31 in future. The \$125,000 invoice for Hopewell is for the purchase of the recycling carts from County Waste and Hopewell did submit a check that has gotten lost in the mail. It will be reissued before the next Board meeting. Henrico has had turnover in their purchasing and payables departments. Mrs. Hynes noted that staff is working with Henrico County to bring those bills current. She noted staff is billing out about \$1.5 million monthly.

Chairman Phillips opened the floor for a motion to accept and file the Financial Reports for October 2019 as submitted. A motion was made by Mr. R. Dunn (M-Chesterfield), Director, seconded by Mr. M. Kukoski (M-Richmond) and carried that the Financial Reports for October 2019 be approved and filed as submitted.

Item No. 13: 2020-2021 Proposed Operating Budget

Mrs. K. Hynes presented the 2021 Proposed Operating Budget. She reminded the Board that the budget must be approved by December 31st for the ensuing fiscal year, in accordance with the Bylaws. Mrs. Hynes noted the goals of this budget are to continue fostering our mission and vision as established in the Strategic Plan. We will continue to meet goals, objectives and initiatives and at the same time balance economic challenges. Staff plan to continue to provide the level of services to the jurisdictions in a cost efficient and effective

manner. Mrs. Hynes stated the 2021 budget as proposed keeps the status quo, not meaning stagnant, but it continues to meet our goals and objectives.

Mrs. Hynes stated she was presenting a balanced budget totaling \$17,893,030 which is an increase of 1.2% over the 2020 operating budget. The annual operating assessment remains at \$.48 per capita, unchanged since 1997. She noted our population is nearly 1.2 million in the CVWMA region.

Program Revenues are based on current and projected activity and contractual increases/changes were applicable. The revenue from the sales of recyclables have been discussed previously and no revenue is budgeted in the Curbside Fund. The Dropoff Fund revenue was reduced significantly in the 2020 budget and the estimates are consistent in the 2021 budget. Mrs. Hynes stated staff did increase Scrap Metal material sales slightly. Overall revenue from the sale of recyclable material estimates are consistent and conservative. Administrative expenses increased overall 1.6 %.

Mrs. Hynes noted details of the revenue and expenses. The bulk of the CVWMA budget is passed onto localities based on their participation in our programs. The Customer Service and Public Relations Assessments are increased for inflation by \$.002 per household per month. The sponsorship of the calendar in the Residential Recycling Program is included in the contract with TFC at \$10,000. Modest revenue and expenses for cart purchases are also included based on current sale activity. Interest income is budgeted at a higher level due to stronger interest rates. In addition, the interest line item includes the purchasing card rebate.

Mr. W. Henley (A-Colonial Heights) noted he is a member of other Authorities and one thing he would like to see is a breakdown of revenue by participating members, that would be reported to all of the jurisdictions regularly and routinely so that localities can use that for their budget development. Mr. Henley noted that the other Authorities he is a member of report revenues routinely in the budget for each of the jurisdictions. Mrs. Hynes noted that would not be a problem because it is reported in the Comprehensive Annual Financial Report (CAFR) and staff does prepare budget estimates. Mr. Henley stated the other Authorities make it a part of the budget so that the localities can take it directly from the Authority's Budget. Mrs. Hynes stated she could add it in the FY2021 Budget and she would be happy to send it out and have a slide for the December meeting as well.

Continuing, Mrs. Hynes stated the Operating Assessment was maintained at the \$.48 per capita and it increased a little over \$7,000 based on population increases. Program revenues include estimated inflation where appropriate in our contracts and volume changes where applicable. Most of the new procurements and renewals were effective July 1 and were factored into the 2020 budget so this will be a continuation of their second year in 2021. Customer Service and PR Assessments were increased by an inflationary factor. Cart purchases remain strong, as over 200 carts are sold a monthly. Our Purchasing Card through our bank allows us to earn a 1% rebate.

The expenses have not changed much as indicated earlier. The 2021 Proposed Operating Budget provides for 9 full-time staff and 4 part-time staff with no new positions budgeted. The budget includes an average 3.0% wage increase effective July 1. The Pay and Classification information has been updated in the budget document based on the study that was approved by the Board in February. CVWMA's contribution to the Virginia Retirement System is estimated at the current 5.7% in fiscal year 2021. The health insurance cap on monthly premiums remains at \$650. Capital Outlay is budgeted at \$10,000 for routine updates to the Customer Service application which is vital to providing great customer service and other office equipment as needed.

Mrs. Hynes reiterated that the budget is required to be adopted by December 31 per our Bylaws and two-thirds affirmative vote is required to pass the budget. She encouraged the Board to review the draft budget

over the next few weeks and contact her with any questions. The resolutions adopting the budget will be included on the December 6 Board agenda for consideration.

Mr. R. Whiteman (M-Henrico) asked about the current lease of the CVWMA offices and Mrs. Hynes stated it is a 7 year lease and it was just negotiated May 1, 2019, and for a little longer period to spread out the cost of the renovation. Mrs. Hynes stated some office space was added for a little growth within the office. Mr. Whiteman stated it appears to have increased 10% over last year. Mrs. Hynes stated some of the increase was in the 2020 budget and there was also common area cost increases.

Item No. 14: Administrative

Mrs. Hynes stated that Senate Bill 218 passed by the General Assembly in 2018 tasked the DEQ with gathering information and providing a report to the General Assembly on the future of recycling in Virginia by November 2019. The DEQ issued their report earlier in the week.

The goals of the report:

- Evaluate Virginia's recycling rates
- Provide recommendations for improving the reliability of the supply of recycled materials during the next 10 years in order to provide for beneficial use
- Include incentive-based strategies, including the granting of economic development incentives for the construction of recycling centers and beneficiation facilities that have the potential to increase beneficial use of glass, plastic, metal and fiber
- Assess the effect of the operation of mixed-waste material recovery facilities on the quality and quantity of recyclable materials available for beneficial use

The feedback from localities and Materials Recycling Facilities included:

- Data/information regarding recycling including challenges/burdens
- Feedback on incentives that may increase recycling and availability of source materials
- Data/information/feedback on single source versus separated recycling
- Feedback/proposals on recommendations that should be considered by DEQ as part of this evaluation

The evaluation and recommendations were:

- Creation of a Waste Diversion and Recycling Task Force – to take a broad and deeper look at waste issues across the Commonwealth and develop recommendations for increasing waste diversion and recycling. Recommendations could include approaches to waste reduction and diversion from landfills, including measures to reduce waste at the source, increase organics recycling and composting and improve recycling (recycling mandates, landfills' role in organics and recycling, etc.
- Economic Incentives such as additional funding or resources that could include:
 - Direct economic funding to recycling and beneficiation facilities
 - Increase resources for local recycling programs and recycling efforts
 - Resources to support recycling initiatives at the state level

DEQ Expects to continue to move forward on recommendations consistent with available resources including:

- Work with VDOT to increase awareness of the availability and use of specs for VDOT and local administered projects.
- Engage VEDP to encourage the establishment of recycling and beneficiations facilities in Virginia, including development and exchange of information regarding existing available grants, credits and other incentives and information.

- Identify ways DEQ may engage with business and recyclers to collect additional data and share with localities and SWPUs.

Mrs. Hynes stated this has been presented to the General Assembly and there will likely be more to come in January when the General Assembly convenes.

Mrs. Hynes reminded the Board that the Executive Committee will meet on Tuesday, December 3rd at 10:00 a.m. The Board will meet in in Richmond on December 6th with a Holiday Reception immediately following. Mrs. Hynes reminded the Board that the TAC Meeting will be held on Thursday, December 12th at 9:00 a.m. in the CVWMA office.

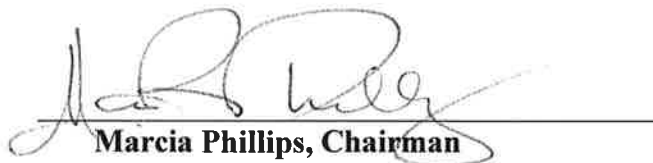
Old/New Business

Chairman Phillips asked if there was any old or new business to come before the Board. 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 10:00 a.m. The motion was made by Mr. R. Dunn (M-Chesterfield), seconded by Mr. R. Whiteman (M-Henrico) and carried that the November 15, 2019, 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 November 15, 2019, 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., December 6, 2019. Given under my hand and seal of the CVWMA this 6th day of December 2019.



Marcia Phillips, Chairman