

**CENTRAL VIRGINIA WASTE MANAGEMENT AUTHORITY
BOARD OF DIRECTORS MEETING MINUTES
OCTOBER 20, 2023
HENRICO PARKS & RECREATION CENTER
6800 STAPLES MILL ROAD, RVA 23228**

MEMBERS/ALTERNATES PRESENT

Voting

Robert L. Dunn (M-Chesterfield), Chairman
Miles Jones (M-Richmond), Vice-Chairman
John Mitchell (M-Henrico), Treasurer
Cary Drane (M-Chesterfield), Secretary
Stephen Chidsey (M-Ashland)
Clay Bowles (M-Chesterfield)
Wendy Grady (M-Goochland)
Randy Hardman (M-Hanover)
Marilee Tretina (M-Henrico)
Marcia E. Kelley (M-Henrico)
Monique Robertson (M-Hopewell)
Randall Williams (A-Petersburg)
Dean Simmons (M-Prince George)
Elizabeth Hall (M-Richmond)
Carly Glenn (M-Richmond)

MEMBERS/ALTERNATES NOT PRESENT

Jenny Schontag (A-Ashland)
Michelle Johnson (A-Charles City)
John Neal (A-Chesterfield)
Mindy McKinney (A-Chesterfield)
Dawn Rowell (A-Chesterfield)
Doug Smith (M-Colonial Heights)
Todd Flippin (A-Colonial Heights)
Susan Dibble (M-Hanover)
Theresa Arnold (A-Hanover)
Jon Clary (A-Henrico)
Rick Stewart (M-New Kent)
John Lockwood (A-New Kent)
Karin Carmack (M-Powhatan)
Michael Walker (A-Richmond)
Noah Hillerbrand (A-Richmond)

Non-Voting:

Dwayne Jones (A-Goochland)
Josh Byerly (A-Henrico)
J Bentley Chan (A-Henrico)

Staff:

Kimberly A. Hynes, Executive Director
Richard Nolan, Director of Operations
Adam George, Accounting & Finance Manager
Julie Buchanan, Public Relations Coordinator
Stephanie Breaker, Customer Service Manager
Reginald "Reggie" Thompson, Operations Analyst
Adam Girard, Recycling Coordinator
LaTanya McBride, Administrative Assistant

Visitors:

Chairman Dunn (M-Chesterfield) welcomed all to the meeting and thanked everyone for coming, he asked all attendees to stand and recite the Pledge of Allegiance. With a quorum in attendance, he called the meeting to order at 9:00 a.m.

Item No. 1: Public Comment Period

Chairman Dunn opened the public comment period and asked if there were any members of the public present who wish to address the Board to come forward. Seeing none, Chairman Dunn closed the public comment period.

Item No. 2: Minutes of the Regular Meeting of September 15, 2023

Chairman Dunn (M-Chesterfield) opened the floor for a motion to consider the minutes of the September 15, 2023, meeting as submitted. The motion was made by Mr. S. Chidsey (M-Ashland) and seconded by Ms. M. Tretina (M-Henrico), and so carried that the minutes of the September 15, 2023, Central Virginia Waste Management Authority (CVWMA) Board of Directors meeting were approved as submitted.

Item No. 3: Chairman's Report

Chairman Dunn took a moment to thank everyone that participated in the CVWMA Board Retreat in September. He expressed how much he enjoyed the terrific turnout and all the great ideas and comments. Chairman Dunn asked the board members how they felt the retreat went, and if they had any comments about the retreat.

Ms. M. Tretina (M-Henrico) said she thought that it was excellent. She liked hearing from all the different people and sharing ideas.

Chairman Dunn thanked Ms. Tretina for her comment and asked everyone about take aways. Ms. M. Tretina (M-Henrico) responded that she now understands what the Technical Advisory Committee (TAC) does. Chairman Dunn and Mrs. Hynes agreed that the TAC is very important.

Ms. M. Kelley (M-Henrico) stated she heard a lot of great ideas and goals. She feels it will be interesting and challenging to figure out how to focus and prioritize all these great ideas. She pointed out that in a session like the retreat, it's easy to discuss a lot of things we'd like to do, but the difficult part comes in figuring out how we're going to prioritize our goals.

Chairman Dunn agreed that following-up is a very good point. Chairman Dunn asked the Board how often we should do a retreat, and Ms. E. Hall (M-Richmond) stated that annually would be a great idea.

Chairman Dunn thanked everyone for their input, and emphasized how much he really liked the table structure, which was designed to mix up the jurisdictions/members, giving everyone a chance to get to know some of the people they've met but hadn't had a chance to talk to yet. Also, Chairman Dunn added that he liked the fact that everybody was fully involved and providing valuable input. Chairman Dunn explained that committees will not function well if we don't have full participation, and this is a key time for everybody to participate in their assigned committees. Mr. Dunn explained that we all need to get some things accomplished, starting with the retreat topics assigned to the strategic planning sections.

Chairman Dunn reminded the board that everyone is currently assigned to a committee, and some of the committee meeting dates have already been sent out via email. The staff is working on scheduling other kickoff meetings, so if you haven't already heard from the staff, you will shortly. Chairman Dunn ended the chairman's report with his last thoughts on the success of the event, and he thanked everyone for attending.

Item No. 4: Audit Committee Report: 2023 Annual Comprehensive Financial Report

Chairman Dunn turned the floor over to Mrs. Hynes. She reported that the 2023 Annual Comprehensive Financial Report (ACFR) is now completed, and the representatives from the audit firm Brown Edwards met with the audit committee and staff on October 5, 2023, to discuss the results of the audit. The staff also reviewed the report and the annual financial activity with the committee. Mrs. Hynes reminded the board that a draft was emailed earlier in the week. Mrs. Hynes stated that there are a couple of open line items, but the report is predominantly final. Once the report is finalized, CVWMA will post the completed version on the website and will transmit it to the Virginia Auditor of Public Accounts (APA).

Mrs. Hynes shared the results from the audit firm Brown Edwards. The Authority received an "unmodified opinion," the highest audit rating. The audit firm found no material weaknesses in our internal control structure, however there was one exception noted in the compliance section of the report. Mrs. Hynes explained that when the Accounting and Financial Manager position was vacant, she took on a lot of those responsibilities. Normally, CVWMA would have a full accounting staff printing checks and running payroll, but during that time the Authority had to continue operating. Mrs. Hynes discussed the vacancy period with the auditors, and they agreed that there were no material misstatements in the financials due to the vacancy.

Mrs. Hynes explained the format of the report which is outlined by the Government Finance Officers Association to include four sections: introductory, financial, statistical, and compliance. Mrs. Hynes stated that the introductory section contains a list of board members/staff, a transmittal letter to our members/jurisdictions, which includes sections on economic condition and major initiatives, and the Certificate of Achievement for Excellence in Financial Reporting for the 26th year.

Mrs. Hynes stated that the financial section includes the auditor's opinion (unmodified), management's discussion and analysis, and the basic financial statements of activity for the fiscal year with notes to the financials and required supplementary information. The basic financial statements are reported by major fund, which is determined by dollar value of assets and revenues. Mrs. Hynes reported the actual financial activity for the fiscal year, including the budget amendments made in May that were related to the grant and the cart rollout. CVWMA fell short of budget by \$30,000, which was due to a mid-year decline in the recycling markets, and she noted that there has been an uptick in investment income in the latter part of the year, however, were short of budget in the investment income line item.

Mrs. Hynes stated that at the end of the year total net income was \$1,327,813. Mrs. Hynes reminded the board that we were required to record the entire grant receivable from the Recycling Partnership for the carts in FY 23, keeping in mind that the reserve balance will decline as carts are amortized over the next 10 years. Mrs. Hynes reported that the net effect of the grant in fiscal year 23 was \$1,352,650.

Mrs. Hynes reported on the current year's impact of retirement and Other Post Employment Benefits (OPEB), noting that this year's impact was minimal in comparison to last year. Mrs. Hynes explained that this revenue or expense is difficult to budget because it's based on actuarial valuations which can significantly fluctuate year over year considering the return on investment, assets and the actual evaluation of the liability.

Mrs. Hynes reported that the end of the year net position is \$1,865,398, a 247% increase over the prior year all related to that grant. CVWMA developed a target reserve balance several years ago of 5% of the operating budget. On June 30, 2023, the net position is 8.7% of total operating budget, thus the Authority is in a strong financial position.

Mrs. Hynes provided a detailed summary of the statistics located in the statistical section of the report. Mrs. Hynes explained how the operating revenues increased overall 4% over FY22. This is due to a combination of

declining markets resulting in higher recycling costs, inflationary increases, and the new contract for trash collection in Colonial Heights and Ashland.

Mrs. Hynes shared slides outlining local government assessments and smaller programs like yard waste. She noted the local government assessments have remained relatively consistent over the last 10 years. Mrs. Hynes explained how grinding projects are based on need, and this year we had a large grinding project for the City of Richmond, which resulted in a significant uptick in the yard waste program. CVWMA has some smaller programs, including household hazardous waste, waste tires, etc. and the revenue from those programs has remained fairly steady.

Mrs. Hynes explained the volatility of material sales revenue and rebates over the years. Mrs. Hynes noted that last year the Authority reported significant all-time highs in the recycling markets which have certainly levelled out post COVID. Mrs. Hynes reported an increase in Operating Expenses of 4.9% over the previous year, consistent with revenue since 95% of the operations are programmatic and passed through to participating localities. The general operating expenses have remained consistent over the last 10 years.

Mrs. Hynes shared revenue by locality. For obvious reasons, the three largest localities generate the most revenue. Mrs. Hynes reminded the board that the annual report is due by December 15th to APA. Lastly, Mrs. Hynes stated that a copy of the report will be submitted to the Government Finance Officers Association to receive the Certificate of Achievement Program again this year. Mrs. Hynes opened the floor for questions.

Chairman Dunn asked for a motion to approve the 2023 Annual Comprehensive Financial Report. A motion was made by Mr. J. Mitchell (M-Henrico), Treasurer and seconded by Mr. M. Jones (M-Richmond), Vice-Chairman Jones, and so carried that the Annual Comprehensive Financial Report for 2023 be approved as submitted and transmitted to the Virginia APA.

Item No. 5: Consideration of Resolution 24-03: Renewal of Contract for Used Oil, Oil Filters, and Antifreeze Collection, Transportation, and Processing Services

Mr. Richard Nolan, Director of Operations, presented to the board a resolution to renew the Contract between CVWMA and Universal Environmental Services for the collection and recycling of used oil, oil filters and antifreeze at various locations in participating jurisdictions. Mr. Nolan explained that the current contract expires June 30, 2024.

Mr. Nolan indicated UES desires to renew the contract for another five years at the same terms, including the rebates. Mr. Nolan reported that the TAC reviewed on October 5th, discussed the terms in detail and recommends extending the contract for an additional five years. Mr. Nolan stated that UES has been a good contractor from a service perspective.

Mr. Nolan indicated Resolution 24-03 will give the Executive Director the Authority to renew the Contract with UES and extend the Service Agreements with participating jurisdictions. Chairman Dunn opened the floor for a motion to approve Resolution 24-03 Renewal of Contract for Used Oil, Oil Filters, and Antifreeze Collection, Transportation, and Processing Services as submitted. A motion was made by Mr. R. Hardman (M-Hanover), seconded by Mr. S. Chidsey (M-Ashland), and carried that Resolution 24-03 be approved as submitted.

Item No. 6: Consideration of Resolution 24-04: To Renew Contracts for Acceptance and Recycling of Delivered Mixed Paper, Old Corrugated Containers (OCC) and Baled Old Corrugated Containers Services

Mr. Nolan presented Resolution 24-04 to renew the contracts for the acceptance and recycling of mixed paper and cardboard. Mr. Nolan reported that this service is currently being utilized by a couple of members jurisdictions but is available to all jurisdictions. The contracts are between CVWMA and Sonoco, Recycling Management Resources (RMR) and TFC Recycling and they expire on June 30, 2024.

Mr. Nolan stated that he reached out to all of the contractors to discuss a two-year extension and they all agreed to renew at the same terms. Mr. Nolan reported that the TAC reviewed on October 5th, discussed the terms and recommends extending the contracts for an additional two years. Mr. Nolan stated that all three contractors have provided good service.

Mr. Nolan indicated Resolution 24-04 will give the Executive Director the Authority to renew the Contracts with Sonoco, RMR, and TFC and extend the Service Agreements with participating jurisdictions. Chairman Dunn opened the floor for a motion to approve Resolution 24-04 Renewal of Contracts for Acceptance and Recycling of Delivered Mixed Paper, Old Corrugated Containers and Baled Old Corrugated Containers Services as submitted. A motion was made by Mr. M. Jones (M-Richmond), Vice-Chairman, seconded by Mr. S. Chidsey (M-Ashland) and carried that Resolution 24-04 be approved as submitted.

Item No. 7: Operations and Technical Advisory Committee Report

Mr. R. Nolan provided an update on the recycling cart rollout. Carts were delivered to the residents in Henrico, Goochland, and Hanover in May and June 2023. Mr. Nolan reported statistical data on all three jurisdictions for the first three months of the program. He reported a 36.4% increase in tonnage for the first quarter of 2024 in comparison to the first quarter of fiscal year 2023, highlighting 938 more tons recycled in those three jurisdictions. Mr. Nolan highlighted an 11.5% increase in set-out to 54%. Anecdotal evidence shows a participation rate close to 70% which is near the national averages of a mature curbside program that is fully carted.

Mr. Nolan shared an update on a few of the routes that showed dramatic improvement in set-out, in comparison to set-out prior to the cart rollout in June 2023. Several routes that once had an average 20% set-out rate have improved to 75% set-out in some areas of Henrico County. Mr. Nolan explained how areas that already had active recyclers, the increase wasn't as significant. Residents that never participated are now participating because of the carts.

Mr. Nolan stated that future reports to the Board will include static information for all the jurisdictions on a quarterly basis. Mr. Nolan reminded the board that Chesterfield County has switched to a private collection model, and he is currently working with Chesterfield to retrieve statistical information to present in January 2024.

Mr. J. Mitchell, Treasurer ask is there any feedback from TFC on an increase in contamination, to which Mr. Nolan replied that CVWMA has not received any negative feedback about increased contamination issues because of the carts. TFC is now using automatic side loader trucks, so the driver does not get out of the cab to look at what's in the container. Mr. Nolan stated that CVWMA will continue to make efforts to educate residents through educational outreach to reduce contamination. As an added measure TFC examines the materials by route when it gets dumped at the Material Recovery Facility (MRF).

Mrs. M. Kelley (M-Henrico) asked if the driver doesn't get out of the truck what about the Oops stickers? She indicated that she sees plastic bags hanging out of the cart sometime when she is driving around. Mr. Nolan replied, "Currently, we have the ability to identify routes where contamination is high and we have the ability to work that route on education. If a cart is visibly, badly contaminated, the driver will get out of the truck and leave an Oops sticker."

Mr. Nolan reported on the recycling markets; cardboard is at \$90 per ton, mixed paper is at \$35 per ton, newsprint is at \$45 per ton, and steel is hovering around \$200 a ton. Mr. Nolan shared upcoming events by locality: this Saturday, October 21, New Kent County is having an e-cycling and tire shredding event; October 28 is National Prescription Drug Take Back Day and most of the jurisdictions are providing medication drop off sites for this event; Hanover County will be holding a Household Hazardous Waste (HHW) collection event on November 4; and Goochland County is having a tire amnesty and paper shredding event on November 18.

Mr. Nolan gave an update on the October 5 TAC meeting. The CVWMA formed a committee to work on the regional solid waste plan update, consisting of some TAC members as well as Board members and other key individuals. The solid waste plan committee will be meeting on November 2 right after the TAC meeting, to discuss planning and renewals approved by the board. Mr. Nolan noted that the RFPs are being developed for next year and the group reviewed some of the other projects that were mentioned during today's meeting. In conclusion, Mr. Nolan reminded the board that the next meeting of the TAC is November 2 at 9:00am, and program stats are up front and on our website.

Item No. 8: Public Information

Mrs. Julie Buchanan, Public Relations Coordinator, presented the new CVWMA coloring posters as a new fun project for kids and adults. Mrs. Buchanan will hand out these posters at events, and our Young Scientists will help distribute them in the schools. The goal is to introduce children to waste reduction principles and let them know that recycling is not the ultimate solution to all our waste issues. Mrs. Buchanan updated the board on some advertising projects, the first one to mention is RVA Hub, a City of Richmond-based news site. Mrs. Buchanan explained the partnership and sponsored articles, as well as display ads and hopefully a few video projects over the next couple of months. The first article has appeared. It was posted on October 6th titled "What I've learned as a CVWMA Board Member," an insightful article that Board Member Elizabeth Hall (M-Richmond) wrote where she gives some personal views into why she decided to join our board, and then talks about our 'behind-the-scenes' operations and how our programs work. She and the Board thanked Ms. E. Hall (M-Richmond).

Mrs. Buchanan reported on upcoming advertising that will be starting in November with Audacy. Audacy owns several local radio stations here in the Richmond area, and the spots will focus on the audiences that listen to WRVA News station and Alternative 102, an alternative rock station. Mrs. Buchanan explained that both stations cater to a large majority of male listeners ages 24 to 45, and this is a new target audience for us to reach. Mrs. Buchanan played one of the fantasy football ads they will also be airing on the streaming versions of both stations, and they will run throughout the month of November until June. Mrs. Buchanan noted that we will have an opportunity to change ads as we focus on different things throughout the seasons.

Mr. Buchanan shared some exciting advertising opportunities with NBC 12 around the holidays regarding cardboard and wrapping paper contamination and holiday recycling tips, and those spots will air on TV, and some will be displayed on the website as well.

Mrs. Buchanan reported on outreach for last month. She had a meeting with the overseer for the science curriculum for the entire Hanover County Public Schools system and he is very excited about working with CVWMA. CVWMA and the Young Scientists are collaborating with Hanover County schools to create a plan to get recycling programs into all the schools. Mrs. Buchanan hopes to make contacts with the people in those positions in all the localities.

Mrs. Buchanan shared her in-person outreach experience in September and October with the ROMEOS (Retired Old Men Eating Out) breakfast group, and CVWMA participated in an awareness event with the students of the

VCU fashion department. Mrs. Buchanan reported that CVWMA also attended the Virginia Fiesta which was held at the Science Museum and the RVA Veg Fest at Byrd Park, which drew residents from all over the region. Mrs. Buchanan reported reaching around 600 people in-person.

Ms. M. Tretina (M-Henrico) asked if Mrs. Buchanan had any pictures of ROMEO's. Mrs. Buchanan replied, unfortunately no, there are about 40-50 that regularly attend.

Mrs. Buchanan concluded with the upcoming outreach events, after this meeting, Adam Girard, Recycling Coordinator and Mrs. Buchanan will be participating in an awareness event at VCU. Mrs. Buchanan is happy that VCU is taking a role in that messaging, and some of the VCU students are going into the community to talk with residents who have recycling in their alleys to inform them about contamination and what to do if they get an Oops sticker. Mrs. Buchanan stated that tomorrow she will be in Henrico at the Native Plant Festival, and next month the Jewish Women's Club. Lastly, November 15th is America Recycles Day, so stay tuned for more info on what CVWMA has planned.

Item No. 9: Financial Reports for September 2023

Mr. Adam George, Accounting & Financial Manager, reported a year-to-date net income of \$476,031. Mr. George stated that the amount is consistent with the anticipated budget. He reported on the accounts receivable, noting that there are two accounts more than 60 days past due, specifically the City of Richmond and Hanover County. Mr. George stated that the staff is working closely with those jurisdictions and anticipate collections in the next couple of weeks. Chairman Dunn opened the floor for questions.

Mr. C. Drane, the Secretary, asked what steps does the CVWMA take if a locality has an economic issue and hasn't paid for an extended amount of time. Mrs. Hynes answered, the Authority would attempt to work with that jurisdiction by providing a payment plan, however we would not be able to continue to provide services to that jurisdiction if it went on too long and depending on the dollar amount. Mrs. Hynes continued, if it gets to a point where we are just not going to get paid, we would have to take legal action in accordance with service agreement(s) with that locality and there are steps to follow contractually.

Chairman Dunn asked for a motion to approve the Financial Reports for September 2023 as submitted. A motion was made by Ms. M. Tretina (M-Henrico), seconded by Ms. M. Kelley (M-Henrico) and carried that the Financial Reports for September 2023 are approved and filed as submitted.

Item No. 10: Administrative

Mrs. Hynes reminded the board that CVWMA will be taking on some additional office space that's adjacent to our current suite, and renovations will begin in the next four to six weeks. Mrs. Hynes explained that some of the meetings that normally convene in the CVWMA conference room may be rescheduled or moved to another location during that timeframe.

Mrs. Hynes reminded the board that our next board meeting will be held on November 17, 2023, and we'll be presenting the fiscal year 2025 budget. She reminded the Board they will have the following month to review the proposed budget and be prepared to consider it at the December board meeting. Mrs. Hynes explained that we are currently planning our annual holiday reception in December which will take place directly after our normal board meeting. Mrs. Hynes explained that we are currently looking for a space and the staff is open for suggestions. Mrs. Hynes reminded the board that she will invite all our contractors and some of the folks that the staff works closely with every day, so everyone will have an opportunity to meet them.

Mrs. Hynes stated that at the November board meeting, we'll have a presentation by Eryn Cook of Eco Inspired Living, a local reuse and refilling store here in Richmond.

Mrs. Hynes explained that unfortunately UBQ was unable to attend the meeting today due to the conflict in Israel. UBQ is an Israeli based company, that has developed a technology to convert waste into a thermal plastic product. Mrs. Hynes indicated she will invite them to a future meeting and shared a video from their website that talks about their process.

OLD/NEW BUSINESS

Mrs. M. Kelley (M-Richmond) expressed how wonderful the article is that was written for RVA Hub, and she hopes CVWMA can make the article available in several ways.

Ms. M. Tretina (M-Henrico) clarified that the next meeting is November 17, not November 20 as indicated in the presentation.

ADJOURNMENT

With no further business to come before the Board, Chairman Dunn opened the floor for a motion to adjourn the CVWMA Board of Directors meeting at 9:50 a.m. The motion was made by Mr. J. Mitchell (M-Henrico), Treasurer, seconded by Mr. M. Jones (M-Richmond) Vice-Chairman and carried that the October 20, 2023, Board of Directors' meeting be adjourned.



CERTIFICATE

I, Robert Dunn, Chairman of the CVWMA, certify that the foregoing minutes are a true and correct copy of the minutes of the October 20, 2023, 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 17, 2023. Given under my hand and seal of the CVWMA this 17th day of November 2023.


Robert Dunn, Chairman