

NEW RIVER SOLID WASTE ASSOCIATION
SPECIAL CALLED BOARD MEETING MINUTES
June 26, 2018

The New River Solid Waste Association Board of Directors met for a Special Called Board Meeting at 12:00 p.m. on June 26, 2018 with the following members present:

Commissioner Karen Cossey, Chairwoman
Commissioner James Croft, Vice-Chairman
Commissioner Kenny Thompson, Secretary/Treasurer
Commissioner Chris Dougherty
Commissioner Cathy Rhoden

Others present were: Perry Kent, Executive Director
Melissa Waters, Finance Officer
Lydia Greene, Office Manager/Admin. Asst.
Russ Wade, Board Attorney

Chairwoman Cossey called the meeting to order. Prayer was led by Commissioner Thompson followed by the Pledge of Allegiance.

Chairwoman Cossey called for a motion on agenda item #2, Approval of Expenditures for May 2018. Commissioner Thompson made a motion to approve the expenditures for May 2018. Commissioner Dougherty seconded the motion. The motion carried unanimously.

Chairwoman Cossey called for a motion on agenda item #3, Approval of Workshop and Regular Board Minutes for May 10, 2018. Commissioner Thompson made a motion to approve the minutes for the Workshop and Regular Board Minutes for May 10, 2018. Commissioner Rhoden seconded the motion. The motion carried unanimously.

Chairwoman Cossey asked if there were any questions or comments from the public. There were none.

Chairwoman Cossey called for discussion of agenda item #5, Engineering Updates. Mr. Kent asked Mr. Woolsey, Jones Edmunds, to update the board on the engineering items. Mr. Woolsey said the permit

documents have been submitted to DEP for the Cell 7 Expansion Permit as a draft. After comments have been received from DEP the permit application for Cell 7 Expansion will be sent to DEP.

Chairwoman Cossey called for discussion of Agenda Item #6, Discuss Financial Audit FY 2016-2017 – DDF. Ms. Lora Douglas, DDF, said that she was able to complete the financial audit after the issue with FRS was resolved. Page 9 shows New River's total current assets of approximately \$28 million along with total liabilities of approximately \$21 million along with unrestricted assets of approximately \$19 million. Page 10 shows operating revenues of \$8.6 million, operating expenses of \$4 million and operating income of \$4.6 million along with Total Net Assets of \$29.6 million. Ms. Douglas complimented Ms. Waters for the good job she does as Finance Officer. Ms. Douglas said that there were no findings to report in the Financial Audit.

Chairwoman Cossey called for a motion to approve the Financial Audit for FY 2016-2017 as presented. Commissioner Dougherty made a motion to approve the Financial Audit. Commissioner Thompson seconded the motion. The motion carried unanimously.

Chairwoman Cossey asked for discussion for Agenda Item #7, RFP 18-01 LGTE Project Presentations. Mr. Kent said we had received a total of 7 responses to our RFP and that 4 of those companies had been asked to come to present their projects to the board. The 4 companies that will be talking about their projects today are: 1) Fortistar/Teco Gas; 2) Cromeco/US Venture; 3) Renewable Natural Gas Company and 4) American Energy Producers.

Fortistar/Teco Gas made their project presentation for an on-site fueling station and pipeline injection for a contract length of 20 years with a projected revenue of \$36 million, \$1.8 million/year. The projected schedule was 18 months.

Cromeco/US Venture made their project presentation for an off-site fueling station and pipeline injection for a contract length of 15 years with a 20 year option. Projected revenues of \$13.3 million with \$889,000 in year 1 for a 15 year contract and \$17.8 million for a 20 year contract. The projected schedule was 17 months.

Renewable Natural Gas Company made their project presentation for a CNG truck & trailer virtual pipeline for a contract length of 15 years with a

projected revenue of \$7 million with \$849,265 in year 1 plus RINS values of \$1,226,108. The projected schedule was 10-12 months.

American Energy Producers made their project presentation for an on-site landfill gas to diesel fuel station for a contract length of 15 years with a projected revenue of \$10.3 million, \$630,000 in year 1. The projected schedule was 8-10 months.

The board asked for staff's recommendation. Mr. Kent said that staff recommends Fortistar/TECO Gas as #1 due to projected income and the fact that the gas pipeline company is actually part of the working group for the project. Fortistar is also working with other Florida agencies right now on similar landfill gas projects which should make New River's go smoother. American Energy Producers was ranked #2 because we know that diesel will sell and has a known customer base.

Chairwoman Cossey asked for a motion from the board. Commissioner Dougherty said he agrees with staff recommendation and made a motion to enter into a contract with Fortistar/TECO Gas first and move to American Energy Producers if the contract with Fortistar is not doable. Commissioner Thompson seconded the motion. The motion carried unanimously.

Chairwoman Cossey called for discussion under agenda item #8, Discuss County's Recycling Costs starting FY 2018-2019. Mr. Kent said for the past 4 years Reliable Recycling has been collecting the county's recyclables at no cost. He was contacted last week by Ed Higgs, owner of Reliable Recycling, who said he would not be able to continue collecting for the counties at no charge due to the decline of the recycling market. Mr. Higgs has provided a service fee option for the counties to consider which is for a cost of \$150 per month per site or an alternative option of 1 central location in each county for \$500 per month. His current agreement expires September 30, 2018 so service fees would begin October 1, 2018 if the counties wanted to contract with Reliable Recycling for pickup. Mr. Kent added that an estimated disposal cost has been provided for the tons currently diverted by recycling and would increase each county's tipping fees if not recycled. Mr. Kent reminded the board that when we issued the RFP for recycling 4 years ago, Reliable's was the only response received. Mr. Kent said he would like each county to consider signing a contract with Reliable for recycling services. Mr. Higgs said that the charges are monthly but pickups are weekly and the only way this has been working is that there are paying customers that are picked up at the same times. Mr. Higgs added

that the decline in the market has made it a money loser for his business. Commissioner Dougherty asked if there was any flexibility in the contract terms. Mr. Higgs said not much and that cardboard recycling is his only chance of making money. Mr. Kent said we all know that recycling is important but will be at a cost and he is not sure how New River could cover the expense due to the reduced revenue coming in from the new contract with Alachua County.

Chairwoman Cossey called for discussion of agenda item #9, Discuss Limerock Quotes Received for July through December 2018. Mr. Kent said that limerock quotes are requested every 6 months. Three quotes were received: Liberty Trucking, Pritchett Trucking and Robby Worrell Construction. There was no change to the quote from Liberty and Worrell with only a slight increase in Pritchett's quote. Mr. Kent asked the board to approve all quotes so that when limeorck is needed we could contact the lowest first and then the second or third depending on who could provide the material.

Chairwoman Cossey called for a motion to approve the limerock quotes for July through December 2018. Commissioner Croft made a motion to approve the three limerock quotes received. Commissioner Dougherty seconded the motion. The motion carried unanimously.

Chairwoman Cossey asked for any discussion under agenda item #10, Alachua County Issues/Items. Ms. Palmi said she had just attended the state's recycling conference and that they have also had to start charging for recycling at their facility. It is a little easier for them due to their volume. Ms. Palmi thanked the board for the new contract for waste disposal. Ms. Palmi said they are working on several projects for their Resource Recovery Park including diverting bulk materials.

Chairwoman Cossey asked for discussion of agenda item #11, Attorney Issues/Items. Mr. Wade said he did not have anything for discussion.

Chairwoman Cossey asked for discussion under agenda item #12, Executive Director Issues/Items. Mr. Kent introduced Carol Sawyer with Jones Edmunds and said we will be seeing more of Carol who is assuming the Project Manager role for New River.

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Chairwoman Cossey called for any discussion under agenda item #13, Board/Chairman Issues/Items. There were none.

Chairwoman Cossey called for a motion to adjourn. Commissioner Thompson made a motion to adjourn which was seconded by Commissioner Dougherty. The meeting was adjourned.