

NEW RIVER SOLID WASTE ASSOCIATION
REGULAR BOARD MEETING MINUTES
May 14, 2020

The New River Solid Waste Association Board of Directors met for a Regular Board Meeting at 12:00 p.m. on May 14, 2020 with the following members present:

Commissioner Karen Cossey, Chairwoman
Commissioner Kenny Thompson, Vice-Chairman
Commissioner Cathy Rhoden, Secretary/Treasurer (via Zoom)
Commissioner James Croft (via Zoom)
Commissioner Channing Dobbs
Commissioner Chris Dougherty

Others present were: Perry Kent, Executive Director
Joel Woolsey, Assistant Director
Melissa Waters, Finance Officer
Lydia Greene, Office Manager/Admin. Asst.
Russ Wade, Board Attorney (via Zoom)

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

Chairwoman Cossey called for a motion on agenda item #2, Approval of Expenditures for January, February, March and April 2020. Commissioner Dougherty made a motion to approve the expenditures for January, February, March and April 2020. Commissioner Dobbs seconded the motion. The motion carried unanimously.

Chairwoman Cossey called for a motion on agenda item #3, Approval of Regular Board Minutes for January 9, 2020. Commissioner Dobbs made a motion to approve the minutes for the Regular Board Minutes for January 9, 2020. Commissioner Thompson 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 said that Phase I of the EGC Construction Project was completed about 2 weeks ago. This EGC Phase I project consists of approximately 15 acres on the east side and includes cells 5, 4, and 3 of the current landfill footprint.

Ms. Carol Sawyer, Jones Edmunds, said she had two work orders to present to the board today. Work Order #95 is for Engineering for Completion of the EGC Cover Project and includes their services through the certification phase of the project and is for \$119,795.00. Ms. Sawyer said that 149 days was added to the project due to weather and other delays. The final punch list and documentation from Comanco should be completed within the next 30 days.

Chairwoman Cossey called for a motion on Work Order #95 in the amount of \$119,795.00 for Engineering for Completion of EGC Phase I Construction. Commissioner Thompson made a motion to approve Work Order #95 as presented. Commissioner Dobbs seconded the motion. The motion carried unanimously.

Ms. Sawyer said the second Work Order #96 is for the Solid Waste Operations Permit Renewal which is renewed every 5 years and is due November 2020. This work order is in the amount of \$50,515.00.

Chairwoman Cossey called for a motion on Work Order #96 for Solid Waste Operations Permit Renewal in the amount of \$50,515.00. Commissioner Dougherty made a motion to approve Work Order #96 as presented. Commissioner Thompson seconded the motion. The motion carried unanimously.

Mr. Kent asked Mr. Woolsey to discuss the materials testing portion of the EGC Project. Mr. Woolsey said that due to the time added to the project the testing company, Terracon, has presented a change order for their testing for the construction project. Mr. Woolsey said that basically they had underestimated the amount of trips and tests that would be required. The change order is for an additional \$4,000 for a total cost not to exceed \$15,500.00. Mr. Woolsey added that even with the change order, Terracon is still well under the next closest bidder. Commissioner Dougherty asked to verify that no additional change orders would be presented. Mr. Woolsey said that the work has been done and this is the final number of tests and money due to complete the materials testing portion of the EGC Construction Project. Chairwoman Cossey asked Mr. Wade if he was okay with the change order presented. Mr. Wade said that provided there were no contractual issues there is no problem.

Chairwoman Cossey asked for a motion on the change order presented by Terracon for materials testing in the amount not to exceed \$15,500.00. Commissioner Dougherty made a motion to approve the change order as presented. Commissioner Dobbs seconded the motion. The motion carried unanimously.

Chairwoman Cossey called for discussion of Agenda Item #6, Update on LGTE Project. Mr. Kent said that he and Mr. Woolsey has recently had discussions with New River's gas attorney about the contracts to be completed. There are two contracts, one for purchase of the gas and one for lease of the property. We have been notified that Peoples Gas, as equipment purchaser, wants to be on the lease agreement instead of Fortistar. This changes the original lease document wording that tied the lease to the purchase contract, so revisions are necessary. Our gas attorney has had a conversation with the Peoples Gas attorney and is working on the new lease contract wording. Mr. Kent said that the project has been slowed down but not stopped completely. Some of the slow down is due to the virus related shutdowns, some is due to change of lease contract wording. He added he is hoping to have both contracts soon and expects both to be ready within the next couple of months. Mr. Kent said that new wells have been installed and some have been capped as a result of the EGC Construction. This will help capture gas which is a benefit to selling our landfill gas. Mr. Woolsey added that having Peoples Gas as the lease holder is a positive for New River and if for some reason Fortistar couldn't follow through, Peoples Gas would find another company to take over our project

Chairwoman Cossey asked for discussion for Agenda Item #7, Discuss Proposed Budget FY 2020-2021. Mr. Kent said that when the Alachua County contract was negotiated it was based on a rate study for the length of the contract which is 10 years and that we are on course for the estimated tonnages used in the study. The first 5 years includes an increase in tipping fees of .50 cents per ton per year. The first .50 cent increase was effective January 1, 2020 which made the disposal rate \$28.50 per ton, the second .50 cent increase will be effective January 1, 2021 to make the disposal rate \$29.00 per ton. The rate study also includes an increase in the Out of Region disposal rate from \$42.00 per ton to \$45.00 per ton. Out of Region waste has to be approved on a case by case basis and does not result in much Class I tonnage normally. The budget includes a 3% salary increase. Salaries reflect some movement due to a change in department for the director's salary. Other budget items remain the same; Engineering

items remain the same or lower due to Mr. Woolsey assuming some of the engineering functions. Actual retirement rates will not be available until July so have been estimated for budget purposes. We have also added an additional gas employee for gas system operations. We purchased a compactor and D8 last year and this year's budget includes purchase of a 326 excavator off state contract.

Commissioner Croft asked if Mr. Kent had heard anything from Alachua County about financial impact due to the virus. Mr. Kent said he had spoken with the Alachua County Transfer Manager who has not seen much reduction in waste tonnages. Commissioner Croft said he is trying to get a feel for cuts that may be coming from the state. Commissioner Dougherty said there is a feeling that some cuts may occur and although they have looked at collection sites and solid waste operations, they are not making any changes at this time.

Chairwoman Cossey asked for a motion on the increase from \$42 per ton to \$45 per ton for Out of Region Class I waste. Commissioner Dougherty made a motion to approve the increase to \$45 per ton. Commissioner Thompson seconded the motion. The motion carried unanimously.

Chairwoman Cossey asked for a motion on the proposed budget for FY 2020-2021. Commissioner Dobbs made a motion to approve the budget as presented. Commissioner Thompson seconded the motion. The motion carried unanimously. Commissioner Dougherty added that he wanted to thank staff for being able to meet or stay under budget numbers.

Chairwoman Cossey called for discussion under Agenda Item #8, Discuss Audits for FY 2018-2019. Ms. Lora Douglas, DDF, said she would like to present the audit of Landfill Management Escrow Accounts first which is required by DEP and is for funds required to be set aside for closure. Page 3 shows a balance of \$14,153,264 in the escrow account. Page 4 shows the minimum required funding amount of \$7,811,833. Page 5 shows \$3,000,000 for traditional soil closure if needed and is the minimum amount required by DEP. Ms. Douglas said that New River is fully funded and all requirements by DEP have been met. Ms. Douglas asked for any questions, there were none.

Chairwoman Cossey called for a motion on the Landfill Management Escrow Audit. Commissioner Dougherty made a motion to approve the Escrow Audit as presented. Commissioner Dobbs seconded the motion. The motion carried unanimously.

Ms. Douglas said page 5 of the Financial Audit reflects net assets for the current and prior year. Assets are up by \$3,000,000 and liabilities are up by \$3,000,000. Unrestricted assets are up by \$2,000,000. Total Net Assets are \$40,710,166. Page 6, shows Statement of Revenues for current and prior years and show revenue is down as expected due to change in Alachua County contract. Expenses were up as expected due to EGC construction. Investment revenue was down. Page 8 shows longterm debt which is up about \$3,000,000 due to closing/longterm care costs. OPEB, liability for insurance for retirees, is fully funded. Ms. Douglas said that there were no audit findings to report. Ms. Douglas asked for any questions. There were none.

Chairwoman Cossey asked for a motion on the Financial Auditors' Report. Commissioner Dobbs mad a motion to approve the financial audit as presented. Commissioner Dougherty seconded the motion. The motion carried unanimously.

Chairwoman Cossey called for any discussion under Agenda Item #9, Alachua County Issues/Items. There was nothing from Alachua County for discussion.

Chairwoman Cossey called for discussion under agenda item #10. Attorney Issues/Items. Mr. Wade stated he did not have anything for discussion.

Chairwoman Cossey asked for discussion under agenda item #11, Executive Director Issues/Items. Mr. Kent and Mr. Woolsey said they did not have anything further to discuss at this time.

Chairwoman Cossey called for any discussion under agenda item #12, Board/Chairman Issues/Items. Commissioner Dobbs said he would like to say he is proud of the landfill staff for taking over extra duties during this time of shutdown and not being able to get inmate labor from the prison.

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