

NEW RIVER SOLID WASTE ASSOCIATION
REGULAR BOARD MEETING MINUTES
February 11, 2016

The New River Solid Waste Association Board of Directors met in regular session on February 11, 2016 with the following members present:

Commissioner Mark Hartley, Chairman
Commissioner Karen Cossey, Vice-Chairman
Commissioner Eddie Lewis, Secretary/Treasurer
Commissioner Gordon Crews
Commissioner Woody Kitler
Commissioner Kenny Thompson

Others present were: Darrell O'Neal, Executive Director
Perry Kent, Assistant Director
Melissa Waters, Chief Finance Officer
Lydia Greene, Office Manager/Admin. Asst.
Russell Wade, Attorney

Chairman Hartley called the meeting to order which was followed in prayer led by Chairman Hartley and the Pledge of Allegiance.

Chairman Hartley called for a motion on agenda item #2, Approval of Expenditures for December 2015 and January 2016. Commissioner Cossey made a motion to approve the expenditures for December 2015 and January 2016. Commissioner Kitler seconded the motion. The motion carried unanimously.

Chairman Hartley called for a motion on agenda item #3, Approval of Regular Board Minutes for December 10, 2015. Commissioner Kitler made a motion to approve the minutes for the Regular Board Meeting Minutes for November 12, 2015. Commissioner Cossey seconded the motion. The motion carried unanimously.

Chairman Hartley asked if there were any questions or comments from the public. There were none.

Chairman Hartley called for discussion of agenda item #5, Engineering Updates. Mr. Joel Woolsey, Jones Edmunds, said item A is an

update for Phase II Bridge Project. Mr. Woolsey said that in the last few weeks the creek has been diverted back and is flowing through the new culvert. Also being worked on is raising the grades around the culvert. The next portion of the project will be constructing the road over the top of the bridge.

Mr. Woolsey said that agenda item #5B is the Landfill Operations Permit. He is happy to report that the permit has been finalized with no additional Request For Information (RFI) from DEP which is unusual for the permitting process. Mr. Woolsey added that finalizing the permit was completed well under budget.

Mr. Woolsey said that agenda item #5C is for Cell 7 Construction Permit. Mr. Woolsey said that there was a work order approved at the last board meeting for Cell 7 and the work on planning for geotechnical investigation and borings has begun to start the design for Cell 7. Although there is no real rush, planning for Cell 7 has started including setting up a pre-application meeting in the near future with DEP.

Mr. Woolsey said under agenda item #5D, he would like to update the board on the EGC project. A pre-application meeting was held with DEP for the actual permit modification. The meeting was held this past Tuesday and went very well. Everyone is excited about this being one of the first in Florida. Mr. Woolsey said that DEP has agreed to approve all Cells 1-6 and then close as we go. This will save time and money by not having to go back to DEP each time to modify the permit.

Chairman Hartley called for discussion of Agenda Item #6, Discuss contract proposal and budget with Frankel Media Group. Mr. O'Neal said that at the last board meeting three companies presented proposals in response to our RFP. Of the 3, Frankel Media was ranked #1 and the board's direction was to obtain a budget amount before proceeding with a contract. A handout for the board has been provided and shows for Phase I, Discovery and Research and to develop a marketing and public relations plan. The cost is not to exceed \$42,500. Mr. O'Neal added this was approximately 1/3 of the cost compared to the company that was ranked second. Mr. O'Neal said Frankel Media will require 50% down and if we want to end the process at any time, we will only be billed for their time and materials. Ms. Carrie Amox was introduced from Frankel Media and was available for questions. Commissioner Cossey asked when can they can start. Mr. O'Neal said that Frankel Media has actually already started on their own dime and another meeting has been scheduled for tomorrow, February 12th, pending tonight's decision by the board. Commissioner Cossey asked if staff was satisfied

with their work. Mr., O'Neal said staff recommendation is to proceed with a contract with Frankel Media. Chairman Hartley asked if there was a time table in place for each phase. Ms. Amox said that they will complete Phase I within the specified time of 5-6 weeks if not before. There will be some overlaps within each phase and that they will be aggressively pursuing each Phase. Chairman Hartley asked if we would receive frequent updates. Ms. Amox replied they would be happy to report to the board as often as the board would like.

Chairman Hartley called for a motion to approve the contract with Frankel Media for Phase I of the project at a cost not to exceed \$42,500. Commissioner Cossey made a motion to approve the contract with Frankel Media for Phase I for a cost not to exceed \$42,500. Commissioner Thompson seconded the motion, The motion carried unanimously.

Chairman Hartley asked for a motion to approve the 50% contract payment amount of \$21,250. Commissioner Thompson made a motion to approve the 50% contract payment. Commissioner Cossey seconded the motion. The motion carried unanimously.

Chairman Hartley asked for discussion of agenda item #7, Discuss responses to RFP #16-01 for General Banking Services. Mr. O'Neal said that there was a handout provided showing the evaluation process for the RFP which was complex and extremely time consuming. Mr. O'Neal said that the two responses received are substantially complete and that we received the two submittals from Capital City Bank and Community State Bank. Both were received on time and both banks have a 4 star rating. Capital City is larger in assets than Community State Bank. The responses for costs of services show that Community State Bank offers 40% less cost for services than Capital City and Community State offers approximately \$1200 a month more in interest earnings. Under performance, CSB has a higher rate of performance on Return of Avg Assets, Return on Avg Equity and Net Interest Margins. Under Services, CCB offers more listed services but both proposals will meet the needs of NRSWA's current level of services. CSB has also offered any desired personalized services to NRSWA. Mr. O'Neal stated that both proposals are equal in their level of expertise. CSB has more staff involved in local community service. Mr. O'Neal said that the staff ranking was 97% for CSB and 84% for CCB.

Chairman Hartley called for a motion on the RFP for General Banking Services. Commissioner Lewis made a motion to approve Community State

Bank for NRSWA's Banking Services, Commissioner Thompson seconded the motion. The motion carried unanimously.

Mr. O'Neal said just to clarify, the process to change banks will take between 60 and 90 days and will require a lot of work for Ms. Waters to change the accounts. Mr. Oody, President of CSB, said he and his staff will be available to help with the conversion and that everyone at CSB is excited for the opportunity. Mr. Oody added that in the last few years major improvements have been made to increase their level of services. Chairman Hartley asked about our CDs. Ms. Waters said they are 14 day CDs and would not be a problem to move. Mr. Oody said he would be glad to update the board frequently on what is going on in the banking industry. The board was in agreement to hear frequent updates from Mr. Oody.

Chairman Hartley called for discussion for agenda item #8, Discuss FEP price to build the LGTE project - Alan Beer. Mr. O'Neal said that the handout given to the board contained the pricing review from FEP for building the LGTE plant. Alan Beer, FEP, noted that he had taken up the handout but would be glad to pass it out again. Mr. O'Neal referred the board to the fourth page which shows the project total of \$7,445,159. Commissioner Cossey stated that was not the total previously given to the board. Commissioner Lewis added this was more than the amount previously given by FEP. Mr. O'Neal said that was correct and that the total previously discussed with the board was \$6.3 million and NRSWA does not have this much to build the LGTE plant which means that money would have to be borrowed and will lengthen the time frame for the construction. A bond issuance will take 6 months at a minimum and will include restrictions including approval of the budget and host fees will be affected. Commissioner Lewis asked what the alternatives to this are. Commissioner Cossey stated she would like staff to report on the alternatives and options at the next board meeting. Commissioner Thompson asked about using local contractors. Mr. O'Neal said that we could look for savings there. Mr. O'Neal said that FEP had prepared a presentation for this meeting and asked if the board would like to go through it with Mr. Beer. The board asked if there were any changes to the total cost of the project, if not, they were not really interested in the presentation. Mr. Beer asked the board for the opportunity to show the presentation and numbers to the board, as this is not a firm number and is a guaranteed maximum price. Commissioner Kitler asked realistically if there was a way FEP could reduce the price by \$1.6 million from the cost. Mr. Beer responded he could not. Commissioner

Cossey said she would still like for staff to present alternatives. Chairman Hartley agreed to allow Mr. Beer some time to discuss the presentation. Mr. Beer introduced Jim Crum, construction manager and Jerry Jenkins, project manager. Mr. Beer said after first looking at the project in March 2013 changes have occurred in cost of construction due to population growth along with the increase in the cost of equipment. FEP's price also includes using local contractors. The price includes generator upgrades and add-ons of \$158,351 for a total of \$840,831 increase. This cost is a first pass at the GMP and shows real market conditions. Commissioner Crews asked about the additional \$600,000 increase in this project above the \$800,000.

Commissioner Cossey said she would still like to look at other options as good stewards of the citizen's money. Commissioner Kitler said the bottom line is this is more than what NRSWA was planning to spend. Mr. Beer said FEP deals with energy financing opportunities that are competitive with bond rates and loans can be obtained within 30 to 60 days. Commissioner Cossey said that NRSWA can get loans and that is not the issue. Mr. Beer said that in this scenario, FEP takes all the risk. Chairman Hartley asked if the design contract has been completed. Mr. O'Neal said it has not and we have paid only for what FEP has completed. Mr. Woolsey added there are some outstanding deliverables that have not been completed and have not been approved for payment. Chairman Hartley asked if that should have already been done. Mr. Woolsey said yes, based on the schedule. Mr. Beer said that final equipment choices have not been made. Commissioner Crews asked again about the additional cost in the project total of approximately \$600,000. Mr. Beer said the numbers provided before had a 5 to 10% margin of error and that the cost of delay could be in the millions due to lost revenue. Mr. Beer stated that the pricing given to NRSWA is market prices. The board requested staff to bring back options to the board. Mr. O'Neal complimented Mr. Beer on his level of involvement in the LGTE project. Commissioner Lewis thanked Mr. Beer but said that unless FEP can reduce the price by \$1.6 million other options must be considered. Chairman Hartley asked Mr. O'Neal if he could present other options by the next board meeting. Mr. O'Neal said he would do his best.

Chairman Hartley called for a motion on the proposal from FEP and looking into other options including NRSWA building the LGTE plant. Commissioner Lewis made a motion for staff to review FEP's proposal and other options for reducing the cost to build the LGTE plant along with inviting FEP to come back to the board next month with a savings of \$1.6 million. Commissioner Cossey seconded the motion. The motion carried unanimously.

Chairman Hartley asked for discussion for agenda item #9, Discuss approval of scheduled quotes received for limerock and sod. Mr. O'Neal said that we ask the board for approval of all quotes received and then call the lowest priced company first for the materials. Limerock and sod are generally needed due to conditions of the landfill and must be ordered when needed.

Chairman Hartley called for a motion to approve all limerock quotes received from Liberty Trucking and Pritchett Trucking and use lowest priced material first. Commissioner Lewis made a motion to approve limerock quotes received. Commissioner Thompson seconded the motion. The motion carried unanimously.

Chairman Hartley called for a motion to approve the sod quotes received from Smith & Son, Suwannee Valley and Starke Sod using the lowest prices first. Commissioner Lewis made a motion to approve the sod quotes. Commissioner Kitler seconded the motion. The motion carried unanimously.

Chairman Hartley called for discussion of agenda item #10, Discuss upcoming dates for annual HHW Round-up Days. Mr. O'Neal said this is our annual toxic waste roundup dates and has been successful in keeping unwanted materials out of the landfill. The dates are as follows: Bradford County is February 20th, Baker County is February 27th and Union County is March 5th.

Chairman Hartley asked for any discussion under agenda item #11, Discuss changing regular board meeting time. Mr. O'Neal said that that are times when the entire board are not able to meet later in the evening. Commissioner Cossey asked if 4:30 would work. Chairman Hartley stated that 5:00 p.m. would be better. The board agreed that 5:00 p.m. would be better for all.

Chairman Hartley called for a motion to change the regular board meeting time to 5:00 p.m. Commissioner Lewis made a motion to change the regular board meetings to 5:00 p.m. Commissioner Cossey seconded the motion. The motion carried unanimously.

Chairman Hartley asked for any discussion under agenda item #12, Alachua County Issues/Items. Ms. Palmi said that their budget process has been moved up by 2 months by their new county manager and they are

already working on the 2017 budget. Part of the budget includes taking incorporating permanent control of the materials and recovery facility allowing for processing more recycling. They are also working on an interlocal agreement with Bradford County for plastic recycling as a pilot project. They may be able to offer this to all the counties at some time in the future. Ms. Palmi said they have plans for developing property next to the transfer station for a resource and recovery park along with other general improvements to the entire site. They are also under development for a storm debris management site.

Chairman Hartley asked for discussion under agenda item #13, Attorney Issues/Items. Mr. Wade said he did not have anything for discussion.

Chairman Hartley called for discussion under agenda item #14, Executive Director Issues/Items. Mr. O'Neal said he would like to mention an excellent article in the Union County Times recently featuring Commissioner Cossey and complemented her on the upbeat article.

Chairman Hartley asked for discussion under agenda item #15, Board/Chairman Issues/Items. The board did not have anything for discussion.

Chairman Hartley called for a motion to adjourn. Commissioner Lewis made a motion to adjourn which was seconded by Commissioner Cossey. The meeting was adjourned.