

NEW RIVER SOLID WASTE ASSOCIATION
REGULAR BOARD MEETING MINUTES
May 14, 2015

The New River Solid Waste Association Board of Directors met in regular session on May 14, 2015 with the following members present:

Commissioner Mark Hartley, Chairman
Commissioner Karen Cossey, Vice-Chairman
Commissioner Gordon Crews
Commissioner Jimmy Tallman
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 Commissioner Crews and the Pledge of Allegiance.

Chairman Hartley called for a motion on agenda item #2, Approval of Expenditures for April 2015. Commissioner Tallman made a motion to approve the expenditures for April 2015. Commissioner Crews seconded the motion. The motion carried unanimously.

Chairman Hartley called for a motion on agenda item #3, Approval of Regular Board Minutes for April 2, 2015. Commissioner Crews made a motion to approve the minutes for the Regular Board Meeting on February 26, 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. O'Neal said Mr. Woolsey was unable to attend tonight's meeting. Mr. O'Neal said for Phase II, the box culvert is in and the next part of the project is the poured in place wing walls and the road being

constructed on top. Mr. O'Neal added that the EGC closure permit for alternative procedures for using exposed geomembrane for closure was submitted by Jones Edmunds this week to DEP. The intent is to place the soil and sod layer at some time in the future, if required, and we are hoping that current legislation will change and allow exposed cover material for final closure saving the cost of the soil and sod expense.

Commissioner Cossey asked if we were still going to do the repaving project. Mr. O'Neal said that the proposal submitted originally by Preferred Materials Inc. did not include the front part of the entrance road which is also in need of repair and repaving. When that additional portion of the road was added to the project, the estimated quote increased to \$178,704. When this was discussed last month, the approval by the board was for a cost of between \$150,000 to \$170,000. The new quote exceeds the approved amount which is based on the per ton price of \$94.54 for the SR 121 project. Mr. O'Neal asked for an amendment of the previous motion to approve the cost of approximately \$180,000 to repave the roads.

Chairman Hartley called for a motion to approve the cost to repave the roads at New River to an amount of approximately \$180,000. Commissioner Tallman made a motion to approve the amount of repaving for an approximate cost of \$180,000.00. Commissioner Cossey seconded the motion. The motion carried unanimously.

Chairman Hartley called for discussion of Agenda Item #6, LGTE Project – Alan Beer. Mr. Beer said that FEP has agreed to all of the concerns in the agreement and that New River's attorney will be sending a new version of the agreement back to FEP for review and execute. Commissioner Cossey asked what the anticipated date the contract will be ready. Mr. O'Neal said that a conference call had taken place today and our attorney had indicated that this could be done fairly quickly, however, she was on the road today. Mr. O'Neal said that he expects this to be ready by next week and that the board had authorized approval of the contract subject to final attorney review and approval so we will not have to wait until the next board meeting for signatures. Commissioner Cossey asked for a call when that happens. Mr. Beer said that after the contract is signed there will be a 6 month design and development and getting the interconnects in place while also working on the construction agreement. Mr. Beer said that the construction phase will take about 9 months but that environmental permitting will take some time and will require public notification. He thinks it will take approximately 15 months or longer for start up and that we

will be waiting on DEP and Seminole Electric for responses. Mr. Beer said that this is still a major milestone in the process.

Chairman Hartley called for discussion of agenda item #7, Discuss proposed budget for fiscal year 2015-2016. Mr. O'Neal said that the draft budget had been provided and that the Finance Committee had met prior to this meeting.

Mr. O'Neal said that projections had been made with a slight increase in tipping fees for Alachua and Levy counties and the same tipping fee rate for in-region waste. Interest Income is up but was left the same as last year. There is no longer any income from the sale of recyclables under the new recycling contract. Cash Carried Forward was for last fiscal year. The total anticipated income is \$7,645,423.

For Salaries, this amount is based on a 3% increase but will be a salary pool that will let us look at some lower paid employees to allow for incentive based salary adjustments where they are needed. Mr. O'Neal said that he does not get raises under his contract and the salary adjustments will not include supervisors, only lower paid employees.

Mr. O'Neal added as discussed with the Finance Committee, since he is not eligible for pay raises, he would like to ask the board to consider adding an additional hour of annual and sick leave per pay period for himself. Commissioner Crews asked about his current rate of accrual. Mr. O'Neal said he is currently earning 6 hours of annual leave and 4 hours of sick leave.

Chairman Hartley called for a motion to amend Mr. O'Neal's employment contract to include an additional hour for annual and sick leave earned per pay period. Commissioner Tallman made a motion to approve the amendment to Mr. O'Neal's contract to earn an additional hour for annual and sick leave per pay period. Commissioner Cossey seconded the motion. The motion carried unanimously.

Mr. O'Neal said that Retirement was increased and is based on the amounts provided by the state. No changes to Life and Health Insurance. Workers Comp has been increased slightly in anticipation of an increase. Unemployment and Attorney expenses remain the same.

Engineering: Monitoring has been increased slightly for the first time since Jones Edmunds has been our engineers and may not even be spent. Miscellaneous Services is the same and is by direction of the board. Title V / Gas Systems has been reduced by \$25,000. Class III relocation has been completed. Borrow Pit Permitting may require some completion activity this year and has been reduced by \$57,545. Engineering for the LGTE

Project has been reduced by \$150,000. Rate Study Updates is a place holder in the event the board wants to request an update. Operations Permit Renewal is due this year and will include Cell 7 construction in the amount of \$300,000. Closure Construction and Permit Modification will be submitted this year.

Professional Services has been increased by 10% for upcoming projects. Accounting & Auditing has been increased by \$6000 per the increase that can be requested as stated in their contract. If not spent, this will be moved to the Long Term Planning escrow account. Other Contractual Services has been increased by 15% as it is time to re-bid all of these contracts. Mr. O'Neal said the recommendation to the Board is to negotiate with our contracted vendors and if they are willing to stay at their current rates, that we renew the contracts for another three years. That way we may not need to spend that additional budgeted amount.

Travel & Per Diem has been increased slightly due to classes and training needed next year. Communications has been increased primarily due to communications with the flare. Freight is for hauling costs of aggregate material and waste tires and has been increased based on recent activity. Utilities expense has been increased some.

Environmental Insurance is required in our contract with Alachua County and is renewed every three years. This is the year for renewal.

For Closure Escrow, now that we have closed Class III and reclaimed it we do not have to put anything additional into that account this year. For Cell 7 Construction, we are on track and are funding the same amount as last year. For Long-Term Planning, this has been reduced due to keeping host fees at the same amount as last year. For Depreciation, nothing has been funded this year. Phase II Development is \$2.35 surcharge that is applied to Alachua County's disposal rate, and is escrowed separately.

For Equipment, the D8 has been purchased. This year, purchase of an 826K compactor and a frontend loader has been budgeted for. The Fusion Welder is still in the budget but will not be purchased until closure has started. No changes to Miscellaneous Equipment, Bioreactor Expansion, LF Gas System Operations and Maintenance, and Gas Expansion. For Borrow Pit Permitting there is a little left to do so this has been reduced to \$50,000. Compaction Analysis is the same.

Host Fees remain the same for this fiscal year. The total expenditures for budget year 2015-16 is \$7,645,423.

Mr. O'Neal said there is a handout that will show our financial snapshot. The first page shows the current status of each escrow account and the amount funded and underfunded. Closure is at 100% as required by

statute, Long Term Planning is at 52%, Depreciation is an account that we budget for per auditor recommendation in order to have money set aside to replace equipment when needed. Phase II is the big money project but we have no idea how far down the road this is and depends on the Alachua County contract. The second page shows the equipment replacement plan through 2018. The last page is the tipping fee analysis that was done in 2009 and shows that we are projected to go to \$30 per ton for tipping fees next year. Mr. O'Neal said based on the 2009 analysis, he wanted to show what will happen to tipping fees without Alachua or Levy County and without any LGTE income.

Chairman Hartley called for a motion to approve the budget for Fiscal Year 2015-16 as presented. Commissioner Crews made a motion to approve the budget as presented. Commissioner Tallman seconded the motion. The motion carried unanimously.

Chairman Hartley called for discussion for agenda item #8, Alachua County Issues. Ms. Palmi said she was sorry to have missed the meeting last month and that everything is going smoothly. We should be seeing the new tractor that they are trying out which is the first new automatic tractor and should give them better gas mileage. They have been having some employee outages that affects drivers so some new drivers will be used. She has gotten copies of the New River Landfill Traffic Rules to give to the new drivers. Mr. O'Neal asked about recycling. Ms. Palmi said that the recycling market saw a huge crash right about the time Alachua County took over the recycling process. Some recovery and stability is now being seen and everyone is doing a good job settling in. Ms. Palmi said they are working with Bradford County who had called about looking into a way to provide plastic recycling again. Ms. Palmi said they were working with Bradford County on some ideas to provide plastic recycling and she would like to talk to New River before the contract with Reliable Recycling is renewed. Mr. O'Neal said that is scheduled to be discussed next week as they have expressed an interest in renewing the contract. Ms. Palmi said she is scheduled to talk to Bradford County Commission next week about ideas on how to recycle plastic. Chairman Hartley said Baker County may have some interest in discussing plastic recycling ideas also.

Chairman Hartley asked for discussion for agenda item #9, Attorney Issues/Items. Mr. Wade said he did not have anything for discussion.

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Chairman Hartley called for discussion under agenda item #10, Executive Director Issues/Items. Mr. O'Neal said he did not have anything further for discussion.

Chairman Hartley asked for discussion under agenda item #11, Board/Chairman Issues/Items. There was nothing further for discussion.

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