

NEW RIVER SOLID WASTE ASSOCIATION
WORKSHOP MINUTES
May 10, 2018

The New River Solid Waste Association Board of Directors met for a workshop on May 10, 2018 at 4:00 p.m. 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
Commissioner Jimmy Tallman

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

Chairwoman Cossey called the workshop to order. Commissioner Tallman led in prayer which was followed by the Pledge of Allegiance.

Chairwoman Cossey asked for discussion of agenda item #1, Discuss Draft Alachua County Contract for Solid Waste Disposal. Mr. Kent said we have a draft contract to present to the board today for consideration after multiple attempts and after several years. He feels this is a contract that everyone can live with. Mr. Kent said some of the highlights of the contract is that it is a 10 year initial contract period and reminded the board that when we responded to the RFP for Alachua County's solid waste, it was for an initial 2 year period only. The contract also includes an option for multiple 5 year extensions. The Alachua County staff had advised New River staff that they had contract criteria they were looking for which included an initial \$28 per ton tipping fee and that they also wanted to stay below \$30 per ton for the contract period. The contract contains a table on page 9 that shows years and rates per ton for 10 years which starts at \$28 and ends at \$30 and applies to Member Counties rates as well. This represents an increase of only \$2 over the next 10 years, which is pretty impressive and not much of an increase for the counties. Mr. Kent added that the contract does not include any constraints for any future LGTE project. The wording says New River would assist Alachua County with an evaluation of a landfill gas-to-fuel facility or a food waste composting facility at New River. The contract does provide for rate discussions for a minimum and maximum

ton threshold. If monthly tonnages are below 15,000 per month New River has the option to renegotiate for higher tipping fees. If monthly tonnages are above 17,500 per month Alachua County has the option to renegotiate for lower tipping fees. In looking at the past 19 years, this tonnage criteria should not be a problem.

Mr. Kent said that this is a good contract for the environment we are in right now. There are currently 4 other landfills that Alachua County could potentially haul their waste to and this contract will cover New River's expenses and keeps tipping fees down.

Mr. Kent referred to another handout provided which was originally prepared for the board back in 2014 which shows that our tipping fees could have been \$30 in 2016 and \$34 in 2017. Without the Alachua County contract, we would be at \$46 in 2018 and \$69 by 2028.

Commissioner Dougherty asked about the minimum and maximum tonnages referred to earlier and if this included other tons. Mr. Kent said they do haul Gilchrist County to New River but that this could change in the future and could possibly result in a direct haul to New River. Mr. Woolsey added that if the tons from Alachua County did exceed 17,500 this would be a good thing for New River even if the tipping fee did go down. The increased tons would benefit and not adversely affect New River. Additionally the contract language for minimum tons per month protects New River from a potential waste diversion. Commissioner Croft asked about waste from Gilchrist. Mr. Kent said the Gilchrist County waste hauled by Alachua County came about because Gilchrist didn't have the trucks and trailers to do their own hauling. Mr. Kent added that he has had some recent discussions with Levy County about renewing their contract for another 5 years at the same rates as in the Alachua contract.

Commissioner Croft asked about the Host Fees. Mr. Kent said that Alachua County has expressed their not wanted New River to take the money out to pay host fees to the member counties. This contract does contain language regarding a maximum amount payable as host fees which is more than what is currently being paid. However, the tipping fees in the contract does limit the amount of host fees that can be paid without affecting disposal cost. The host fee amounts that can be paid are \$100,000 to each member county plus an additional \$100,000 to Union County for the site. The tipping fee analysis used actual numbers for the past 19 years and unless this changes drastically, the host fees should not change.

Mr. Wade asked whether the board understood that Alachua County is dictating that they are getting the same tipping fee rates as the member counties. Based on this he doesn't see how host fees could be paid without any extra being collected. Mr. Kent said it will be payable based on the analysis and at these rates and that Alachua County had specifically stated no host fees or lower rates for their waste. Mr. Woolsey added that the previous Alachua County contract had wording that any other contracted waste could not be at a lower rate than they were paying. This new contract does not have that wording

and if New River does get other contract waste opportunity the rate that could be offered is not restricted by this contract.

Commissioner Croft asked about the member counties surcharges. Mr. Kent said that Bradford and Union charge a surcharge which is added to the base rate being discussed. The surcharges applied by the counties are collected by New River and paid to the counties monthly.

Chairwoman Cossey called for discussion of agenda item #2, Discuss Proposed Budget FY 2018-2019. Mr. Kent said that the proposed budget being presented shows projected revenues based on tipping fees.

Proposed Expenditures includes a 3% increase for raises in salaries along with the differences in each category affected. Chairman Cossey asked about Workmans Comp and if we had seen a big increase. Mrs. Waters said that we did not and that our claims have been down. Commissioner Croft asked about Health Insurance and the trend they are seeing in increased premiums. Mrs. Waters said that we did have a large increase a few years back but that premium increases have leveled out in the last few renewals which will take place in November 2018.

Mr. Kent said that the budget includes replacing an older off road truck along with replacing our inbound scale. Not a lot has changed in this budget compared to last year's. We have spoken with all of our contractors who have agreed to keep rates the same for another 3 years so no increases were needed for contracted services.

Mr. Kent said there is a Cell 7 Permit expense of \$200,000 included this year along with engineering for the EGC for Closure for \$250,000. The premium for the 3 year renewal of the Pollution Policy is included in the budget also. Mrs. Waters said that withdrawals from the Closure and Cell Construction Escrow Accounts are shown in this budget for those projects.

Chairwoman Cossey adjourned the workshop.