

SOLID WASTE MANAGEMENT AUTHORITY

Solid Waste Management Authority Board Meeting
10:00 A.M.

May 26, 2016

M I N U T E S

PRESENT: Chairman Jeffrey E. Turner (SWMA Member), (SWMA Member), Mary-Ann Carp (SWMA Member), Earl Randall (SWMA Member) and Terry Baskin (SWMA Member). Also present were Mayor Bobby Cartwright (Mayor of Lovejoy), Jeff Metarko (Director of Transportation and Development), Tim Gilliam (Landfill Manager), Dennis Johnson (Budget Manager), Reginald McClendon (Staff Attorney), Ellen McManus, Edie Yongue with Keep Forest Park Beautiful and Sandra T. Davis (Clerk).

ABSENT: Vice-Chairman Sonna Gregory, Andrew Love (SWMA Member) and Victor Lett, Sr. (SWMA Member).

I. CALL MEETING TO ORDER

Chairman Turner called the meeting to order.

II. ADOPTION OF AUGUST 25, 2015 SPECIAL CALLED MEETING MINUTES AND AUGUST 27, 2015 MEETING MINUTES

Motion by Mr. Baskin to approve the August 25, 2015 Special Called Solid Waste Management Authority Board Meeting minutes, second by Mr. Randall. The motion carried unanimously by the four members present with Vice-Chairman Sonna Gregory, Andrew Love and Victor Lett, Sr. being absent from the meeting.

Motion by Mr. Baskin to approve the August 27, 2015 Solid Waste Management Authority Board Meeting minutes, second by Ms. Carp. The motion carried unanimously by the four members present with Vice-Chairman Sonna Gregory, Andrew Love and Victor Lett, Sr. being absent from the meeting.

III. FINANCIAL REPORT

Mr. Dennis Johnson Budget Manager made reference to the financial report that provides an idea of where the county is with the landfill and some of the factors that are affecting where we are today. Mr. Johnson then called attention to the increase in revenue in that the county has exceeded last year's revenue in term of tipping fees. There is a steady increase in tipping fees as activity has picked up. The other challenge is that as we experience an increase in revenue there are other challenges on the expense side. He recalled that in September of 2015, we refinanced the bonds; therefore, there are some one-time expenses in this budget that we incurred, such as,

the \$198,000 in audit fees. However, the value of what the county would pay out this year and going forward is a lot less. He projected that the county would pay \$542,000 this year, but would pay \$463,000 and next year budgeted to pay \$301,000. This reduction is a result of the reduced interest rate. The bonds were originally issued at a time when interest rates were much higher; therefore, there was a huge savings to refinance. The other challenges are that we had a hit for dirt of approximately \$250,000 above budget. Also with the depreciation, we would see some more money being hit there. We still see similar spending levels and are expected to exceed where we were last year, and that is still going to be a sizable amount of money. The projection is approximately \$1 million from the General Fund. At this point, we have attempted to reduce the expenses and are experiencing some benefit to the increased revenue at approximately \$2.4 million. In conclusion, Mr. Johnson maintained that this is just a top level view of where we are at right now.

IV. LANDFILL STATUS

Mr. Jeff Metarko, referring to a document on the landfill status, explained that the first page has graphs to try to depict the amount of tonnage that we are seeing coming across the gate. In the last two years, the amount has really jumped up. For Fiscal Year 2016, the projected amount of tonnage is almost 62,000. The graph on the bottom of the first page depicts the average tons per day that is being disposed, which is in line with the increased revenue that Mr. Johnson referred to. He explained that every year, we have to do an estimate of remaining capacity for EPD (Environmental Protection Division). He noted that last year when we provided this information, it was 24 - 25 years; this is the entire landfill which includes Cells 5 and 6 that have not been developed; therefore, those cells cannot receive any trash. Now, there is approximately 12 to 12.5 years of capacity in the developed landfill, which are Cells 1 - 4. This calculation was done off rates from a year to a year and a half ago. When this information is taken into consideration, the life span of the landfill is approximately 6 to 6.5 years of capacity or maybe 7, and that's if we can top out. Therefore, with our current operational parameters and without some changes in mode, we would have to close the doors.

Mr. Randall asked what would be the cost to develop Cells 5 and 6, at which time, Mr. Metarko responded that the cost would be approximately \$7.5 million.

Mr. Metarko continued with his presentation by depicting the current "Fill Level" for Site 3. He determined that we could go another 25 to 30 feet higher and that is how much more space we have available. He then outlined the gas and extraction wells and pipes located in Site 3. He explained that this is his cause for concern right now, because we are up against them with trash at some of these wells in certain areas. We are getting into pre-grade safety issues, because they are too close to the energy source that could cause explosions if it gets knocked over, and that is the worst case. However, we are working around there and this is the situation. We have to kind of fill in pockets around these wells. This is not efficient or safe. This causes concerns if we keep going that way, because if in a year and a half we are done and we go to close it, EPD

would not accept it. Chairman Turner asked how long we have been doing it that way if it is not acceptable. Mr. Metarko explained that we have been filling up; now, we are above the level of the top of the wells. Traditionally, wells would not have been put in an active landfill, the county would have waited until the landfill was complete or in sections. When the Board of Commissioners decided to go with the Trane contracts years ago, they put in the extraction wells. He then explained the permitting process after this was done and the idea at the time was that the wells in these cells would stay there, Cells 5 and 6 would be developed and when that gets to its final height; then, the permanent wells would be put in there. Then, Cells 1 - 4 would be capped, keep the extraction system going; then fill up Cells 1 - 4 and put permanent wells in there. However, without Cells 5 and 6, there is nowhere to move the wells to. He pointed out that we have to do something about these wells. Chairman Turner asked if another Cell needed to be opened. Mr. Metarko noted that right now, the wells are being capped; the wells are being shut off. Then, we could put trash on top of them; however, the problem with that is the wells are there, and that is the only way we could have inert material go into that landfill because we have a gas-to-power generation plant.

With discussion of developing Cells 5 and 6, Mr. Metarko advised that it is approximately a two-year process to design, permit and prepare to put trash in there. Chairman Turner also reminded that the cost to the county is \$7.5 million that we do not have. Chairman Turner then asked for the solution, at which time, Mr. Metarko suggested capping the wells at an approximate cost of \$100,000 or reduce the intake. The intake could be reduced if the county shut the service out from outside customers and use it only for county internal dumping. There is another solution, at which time, Mr. Metarko explained that the services not be shut off and raise the rates.

The last page of the document offers rate comparisons of the Municipal Solid Waste Landfills to the Construction and Demolition Landfills. Chairman Turner asked Mr. Metarko for his recommendation, at which time, Mr. Metarko responded that his recommendation would be to decrease the dumping, whether it be closing it to outside customers or raising the rates. With regards to developing Cells 5 and 6 at a cost of \$7.5 million, Mr. Metarko reminded the authority that every year the county is putting money away for post-care, and that is a requirement of EPD, but right now, EPD sees it at 25 years; therefore, the calculation is somewhat small. If we were to redo that calculation, that cost is going out of sight, because it would be advertised back down to one or two years. Then, in approximately two years, it's done and the county would be faced with \$7.5 million to \$8 million closure cost. Therefore, there is money any which way you look at it in the near term.

Mr. Metarko recalled a study conducted by Jacobs that was updated in January of 2015 that outlined the county's true cost per ton, which came in at just over \$100 as there estimation. He explained that if the authority wanted to entertain raising the rates, the true cost is approximately \$100.00 and that could be justification for raising the rate. Chairman Turner pointed out that we got to have some longevity, and nothing precludes the authority from reducing the rates down the road. Mr. Metarko stated that if the authority buy some time and defer some of the intake, this

allows the authority time to go forward with the collection service, discuss a transfer station and revisit other options to determine the best solution.

Mr. Baskin then made the motion to raise the rate to \$100 per ton. Mr. Metarko added it would be \$100 per ton and \$100 minimal deposit. The motion was then seconded by Mr. Randall and carried unanimously by those four members present for the meeting.

Mr. Metarko asked for clarification with regards to the notice to the public. Chairman Turner added that this would also need to go before the Board of Commissioners. Mr. Metarko reminded the authority that it has the authority to set rates. Chairman Turner recalled that previously the matter was brought before the Board of Commissioners to ratify the action; even though, this authority makes that decision. Mr. Metarko informed that he would need a thirty (30) day notice to the public. There was a consensus among the authority members for the effective date of the rate increase to be July 1, 2016. Mr. Metarko reiterated that the effective date of the rate increase would be July 1, 2016.

V. STATUS OF SOLID WASTE PROGRAM DEVELOPMENT

As an overview, Mr. Metarko recalled that during the last meeting, we identified March 2019 as the start date for collections. After discussing this matter with Jacobs, it was determined that it would have to be a multi-phase approach. However, we hit a road block with our legal department. He explained that some discussions between the Staff Attorney's Office and Central Services led to former Chief Staff Attorney Christie Barnes questioning if we have the authority to contract by professional services with our engineer at the time and made the recommendation against it. Chairman Turner suggested that Mr. Metarko confer with Attorney Jack Hancock to get another interpretation on that, at the same time, not going against Ms. Barnes interpretation. Mr. Metarko continued by stating that we began writing the RFP (Request For Proposal), which is more labor intensive. Chairman Turner added that it is also more time consuming. Mr. Metarko then briefly explained the contents of the RFP and estimated the timeline for the RFP to come before the board to be late August and the start for the consultant to be September. He pointed out that we put \$200,000 in the budget in our request, but currently, it is not in the budget moving forward. He said by whatever means that we hire a consultant to start this development, there would have to be an allocation of funds, because the funds are not in the budget. Mr. Metarko recalled that every year for the last several years, we have been contracting with Jacobs around June of each year for landfill matters; therefore, there would be a couple of months that he would have to bridge services. He maintained the money has been requested and Mr. Johnson- Budget Manager has identified the money in the proposed budget; however, we would have to figure out how to continue services with Jacobs if we are going to move forward with this RFP, because there is a lapse. He then suggested a short term contract with Jacobs if we have to continue with the RFP. Mr. Baskin reiterated that Mr. Metarko gets some answers first from Attorney Hancock and the authority would call for a Special Called Meeting if necessary to make a decision. Mr. Metarko clarified that if the answer is no, we cannot do it;

then, there is a process in place. If the answer is yes, we would need that Special Called Meeting for the authority to approve continuing on with Jacobs. Mr. Metarko said then it would go before the Board of Commissioners.

VI. OTHER BUSINESS

Chairman Turner asked if anyone had any further business to bring before the authority. There was none.

There being no further business to discuss, motion by Mr. Baskins, second by Mr. Randall, to adjourn the Solid Waste Management Authority Board Meeting of May 26, 2016 at 10:41 a.m. Vote unanimous.

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