MINUTES
VIRGINIA PENINSULAS PUBLIC SERVICE AUTHORITY

Williamsburg Municipal Building
3rd Floor Conference Room
401 Lafayette Street
Williamsburg, VA  23185
9:00 AM
December 6, 2019

IN ATTENDANCE:

Jason Mitchell  City of Hampton
Barry Dobbins  City of Hampton
Grace Boone  James City County
Dutch Beukenkamp  Middlesex County
Bodina Wright  City of Poquoson
Dan Clayton  City of Williamsburg
Laurie Halperin  York County
Brian Woodward  York County

ABSENT:

Michael Lombardo  Essex County
Tom Swartzwelder  King & Queen County
Bobbie Tassinari  King William County
Mindy Conner  Mathews County

OTHERS IN ATTENDANCE:

Vernon Geddy III  Geddy, Harris, Franck & Hickman
Stephen Geissler  VPPSA
David Magnant  VPPSA
Karen Plumley  VPPSA
John Newby  Commercial Risk Consultants, Inc.

Brian Woodward called the meeting to order at 9 a.m.

1. PUBLIC COMMENT

No public comment was made.

2. MINUTES

Dutch Beukenkamp moved that the minutes of the October 4, 2019 meeting be approved. Dan Clayton seconded and the motion passed unanimously.
3. FY20 PROPERTY AND CASUALTY INSURANCE

Commercial Risk Consultants, Inc. prepared a summary of property and casualty insurance coverage for FY 20. John Newby of Commercial Risk Consultants presented the summary to the Board.

Mr. Newby stated that although insurance rates are up as a whole, rates for those in the municipal realm continue to be lower. For the Authority, Building and Equipment liability is stable and General Liability remains at a ten million dollar limit. The Cyber Coverage of $500,000 is sufficient given that the information on the Authority’s website is not confidential and no financial transactions are conducted on the website. The Cyber Coverage does not provide social engineering coverage. Mr. Newby said ownest is on the staff to ensure the legitimacy of emails that are received via the Authority’s email server. Automobile Coverage has a one million dollar limit for employee owned cars used for VPPSA activities. Mr. Newby asked if the Authority would be repairing cars for any entity other than VPPSA. Steve Geissler stated that the Authority has signed an agreement with King and Queen County to repair county vehicles at the VPPSA maintenance facility currently under construction in King and Queen County. David Magnant stated the type of vehicles to be repaired would include county vehicles such as SUVs and pickup trucks, police cars, and ambulances. Mr. Newby will contact Mr. Geissler to discuss Garage Coverage. Mr. Newby stated that Worker’s Compensation coverage had little change.

Brian Woodward asked if there were any questions. There were no questions.

4. PROJECT REPORTS

Administration
David Magnant stated that the administrative office will install a new phone system, saving the Authority approximately $150 per month. In the future the same VoIP phone system will be installed at the Transfer System field office and the Compost Facility.

Compost Facility
David Magnant stated that the facility has an abundance of material. There was a leaf fire in November due to the amount of material that had been received and was waiting to be ground. Work continues on the sediment pond. Mr. Magnant said that the bid for the front end will be posted soon.

Transfer System
David Magnant stated that the Mathews Transfer building was recently refurbished and the Mathews Convenience Center attendant building was replaced. There is a bid to replace the pup trailer which is used with the roll off trucks, allowing the Authority to facilitate two trailers at a time.

Curbside Recycling
Staff is currently working on a holiday flyer to address how to handle extra material not being placed outside the recycling cart. Items outside of the carts will not be collected. Laurie Halperin asked when the flyer would be ready. Mr. Magnant stated that the flyer was awaiting approval from TFC and as soon as Staff had that approval that the flyer would be available.

David Magnant asked for any questions. There were no questions.
5. AGREEMENT FOR HOUSEHOLD CHEMICAL COLLECTION SERVICES

The last household chemical collection event under the current five-year agreement with Clean Harbors Environmental Services was held on November 16, 2019.

A Request for Proposals for Household Chemical Collection Services was issued on October 8, 2019. Three proposals were received as follows:

- Clean Harbors Environment Services, Inc. – Hopewell, Virginia
- ECOFLO, Inc. – Greensboro, North Carolina
- MXI Environmental Services, LLC – Abingdon, Virginia

Based on the review of the proposals, MXI Environmental Services has been selected to proceed in the procurement process.

VPPSA staff and Vernon Geddy have prepared a draft agreement for services which has been forwarded to MXI for review and comment. Only one minor issue remains to be resolved. With approval of the Agreement and Service Agreements with the participating cities and counties, MXI will provide services at the event in James City County on February 8, 2020.

Grace Boone asked where MXI provided services and what types of services have been provided. Steve Geissler stated that some localities serviced by MXI included Norfolk (South), Northumberland County, Frederick County, and City of Fairfax. Mr. Geissler stated that services provided by Clean Harbors are being provided by MXI and in many former localities serviced by Clean Harbors.

Recommended Action:
Authorize the Executive Director to execute the Agreement for Household Chemical Collection Services with MXI Environmental Services, LLC.

Authorize the Executive Director to execute Service Agreements and distribute to the participating cities and counties. Additionally, upon review by the counties’ legal counsel that said agreements can be revised with approval from Authority’s counsel.

Dan Clayton moved to accept the recommended actions. Dutch Beukenkamp seconded and the motion passed unanimously.

6. BAY DISPOSAL AND RECYCLING – CERTIFICATION OF CONSISTENCY WITH SOLID WASTE MANAGEMENT PLAN

At the regular meeting on June 3, 2011, the Board of Directors of the Virginia Peninsulas Public Service Authority (VPPSA) approved the inclusion of the Hampton Recovery Center proposed by Bay Disposal and Recycling located at 301 E Street, Hampton, Virginia in the VPPSA Solid Waste Management Plan.

Bay Disposal has secured the approval of an amendment to the existing Conditional Use Permit from the Hampton City Council to accept municipal solid waste at the facility.

Bay Disposal and Recycling needs to provide certification to the Virginia Department of Environmental Quality form the solid waste planning unit (VPPSA) that the proposed action is
consistent with the solid waste management plan. Staff can confirm that the proposed action is, in fact, consistent with the solid waste management plan.

**Recommended Action:**
Confirm that the amendment to the Bay Disposal and Recycling Conditional Use Permit approved by the Hampton City Council on October 9, 2019, is consistent with the solid waste management plan for the VPPSA region.

Authorize the Executive Director to execute DEQ Form SW-11-01.

Jason Mitchell moved to accept the recommended action. Dutch Beukenkamp seconded and the motion was approved unanimously.

### 7. FY 21 BUDGET

Steve Geissler distributed draft budgets to Board members for review in November.

The Transfer System Oversight Committee met on November 8, 2019 and reviewed the FY 21 budgets for Administration, the Transfer System, Convenience Centers, Landfill Disposal, Landfill Monitoring, and Middle Peninsula Household Chemical Collections.

The Compost Facility Oversight Committee met on November 21, 2019 and reviewed the FY 21 budget for Administration, Compost Facility, Household Chemical, and Landfill Monitoring.

All committees approved all budget proposals. All comments received during the meetings and communications with Williamsburg and James City County have been incorporated into the budget proposal.

Steve Geissler reviewed the budget proposal, and noted the following:
- All salary adjustments include an increase of 3% and will be voted on at the June 2020 Board meeting.
- The option to change health insurance coverage (Key Advantage plans offered) depending on the renewal rate quote received in early 2020.
- The Household Chemical budget was based on an event cost of $15,000 per event. With the change in providers and a lower cost per event ($10,500 each) there will be additional dollars available that can be used to offer additional services such as collected propane tanks or latex paint recycling.
- There are no staffing changes, nor changes to services or operating hours.
- There is a Maintenance Supervisor position with budgeted time allocated between the Transfer System (80%) and the Compost Facility (20%). Actual hours would be expensed as incurred.
- The administrative fee for all communities will increase from $10,750 to $11,000.

Mr. Geissler called attention to the following summary which was included with the budget presentation:

**General**
All salary line items include an allowance for a salary adjustment for FY 21 of up to 3%. The actual salary adjustment will be set by the VPPSA Board at the June 2020 meeting.
Increases in Health Insurance costs are anticipated in addition to the anticipated rate increases from Local Choice. The number of employees choosing employee plus one and family coverage for Health Insurance has increased over the last several years. To offset the anticipated increase, the budget has been prepared assuming that changes will be made to the health insurance plans offered to employees for FY 21. For FY 20, the Key Advantage 250 and Key Advantage 500 plans are offered. After receipt of the proposal from Local Choice in February, consideration will be given to changing the plan offerings to Key Advantage 500 and Key Advantage 1000.

Projects administered using contractors include an administrative fee of 4.7%. The fee for FY 20 is 5.5%. Projects administered using VPPSA personnel include an administrative fee of 9.3%. The fee for FY 20 is 11%. A flat fee of $500 per county will be used for the Middle Peninsula Household Chemical Collection Project.

**Curbside Recycling**
VPPSA and TFC Recycling entered into a five-year Agreement for Curbside Recycling Services which was effective July 1, 2019. The first year of the contract will be completed on June 30, 2020.

The budget for FY 21 is based on the following:
- Estimated house counts based on house count as of November 2019.
- The Agreement between VPPSA and TFC Recycling states that TFC Recycling may petition for an annual adjustment to the unit price for curbside collection services, effective July 1, to reflect the general increase in the cost of operations, that shall not exceed 3%, based on the percentage increase of the “Garbage and Trash Collection” category, series CUUR0000SEHG02, of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available. This index was used for the Agreement with County Waste and based on recent experience an increase of 2.5% in the current unit price for collection of $3.75 / cart / month was used for FY 21
- The processing fee of $95 per ton will remain unchanged for FY 21
- Total annual material quantities used for estimation of processing costs are as follows:
  - James City County – 3,800 tons
  - Poquoson – 900 tons
  - Williamsburg – 700 tons
  - York County – 4,000 tons
- The budget includes an amount for additional services – which includes fees for requested services such as extra cart fees, multiple carts at townhomes, front load container services and long lane fees.

**Household Chemical Collection**
The total project budget for FY 21 represents an increase of $7,279 or 2% over the total project budget for FY 20.

The schedule of collection events is unchanged for FY 21. Collection events will be held in James City every other month from February to October. Collection events will be held in Hampton and York every other month from March to November. One collection event will be held in Poquoson in October for FY 20.

**Operations Budget**
The proposed operations budget for FY 21 represents an increase of $5,480 or 7% compared to the operations budget for FY 20.

The Transportation Fee in the amount of $12,000 will be paid by Household Chemical Collection project to the Transfer System project to cover the cost of vehicle operation including fuel, vehicle maintenance and purchase and repair of tires. Significant cost increases are anticipated for these items for FY 21 compared to the budget for FY 20.

Disposal Budget
The proposed disposal budget for FY 21, which are best estimates based on recent history, represents an increase of $1,800 or 0.75% over the disposal budget for FY 20.

Landfill Monitoring
The budget figures for landfill monitoring have been compiled by LaBella Associates based on their understanding of the work that will be required to be completed in FY 21.

A summary of the status of all sites remaining in post closure monitoring is attached.

Computer Recycling
Computer Recycling events have been held in conjunction with the Household Chemical Collection events since the start-up of the service.

Since FY 18, the computers and peripherals have been collected and transported by VPPSA to Computer Recycling of Virginia (CRVA) for recycling. CRVA has accepted the material at no cost.

The budget for FY 21 includes continued collection and transport by VPPSA. The Transportation Fee in the amount of $10,000 will be paid by Computer Recycling project to the Transfer System project to cover the cost of vehicle operation including fuel, vehicle maintenance and purchase and repair of tires.

Compost Facility
The proposed budget for FY 21 represents an increase of $80,711, or 6.7%, compared to the budget for FY 20.

Overall, the fees charged to the member communities represent an increase of $80,711 or 14% compared to the fees charged for FY 20.

The revenue budget for User Fees has remained unchanged at $100,000 for FY21. The actual revenue for User Fees for FY 19 was $98,000.

The revenue budget for Material Sales will remained unchanged at $500,000 for FY 21. The actual Material Sales revenue for FY 19 was $477,000.

Full time staffing remains unchanged for FY 21 and includes the following:
1 Compost Facility Supervisor
2 Operator III
2 Operator II
2 Operator I
1 Customer Service Representative
The budget also includes 832 hours for the Middle Peninsula Maintenance Mechanics to provide maintenance services at the Compost Facility. Maintenance activities at the Compost Facility have not always been completed in a timely manner since the mechanics primary responsibilities are for maintenance of equipment and vehicles for the Middle Peninsula and there is generally more work than available maintenance work hours.

With the expectation of a new Middle Peninsula vehicle maintenance facility being operational for FY 21, a Maintenance Supervisor position has been added for the Transfer System project. By sharing time for the Maintenance Supervisor lost expertise with the current vacancy can be gained and oversight for maintenance at the Compost Facility can be provided. The time for the Maintenance Supervisor will be charged 80% to the Transfer System and 20% to the Compost Facility.

Significant reductions in expenses for the Compost Facility for FY 21 compared to the FY 20 budget are as follows:

- Workers Compensation – the reduction in the experience modification factor will result in lower costs
- Colorant Purchase – based on recent experience

Significant increases in expenses for the Compost Facility for FY 21 compared to the FY 20 budget are as follows:

- Salaries – salaried – addition of time for Maintenance Supervisor
- Salaries – hourly – increase in overtime allowance to meet facility operating requirements
- Equipment Maintenance and repair – based on recent experience.
- Fuel - based on recent experience

The total monthly fee to the communities for FY 21 will be $56,249. The total monthly fee will be allocated among the communities based on actual quantities delivered to the facility each month.

**Middle Peninsula Solid Waste System**

The proposed combined budgets for FY 21 for Transfer System, Convenience Centers and Landfill Disposal for Essex, King and Queen, King William, Mathews and Middlesex represent an increase of $77,677, or 2.5%, in the fees paid by the counties compared to the combined budgets for FY 20.

There are no changes proposed to transfer station and convenience center operating hours.

One position has been added for FY 21. With the expectation of a new vehicle maintenance facility being operational for FY 21, a Maintenance Supervisor position has been added for the Transfer System project. Charges for this position will be split between the Transfer System and the Compost Facility. There are no other proposed staffing changes.

**Transfer System**

The proposed budget for the Transfer System for FY 21 represents an overall increase of $128,758 or 6.6% compared to the budget for FY 20.
The operating schedule for the Transfer Stations will remain unchanged. As noted above, the proposed staffing for FY 21 includes the addition of a Maintenance Supervisor. The remaining staffing proposed for the system remains unchanged and includes the following:

Full Time
• 1 Supervisor – Solid Waste Operations Coordinator
• 10 Attendants
• 8 Drivers
• 2 Maintenance Mechanics
• 1 Maintenance Supervisor
• 2 Dispatchers

WAE
The budget includes funding for approximately 2,700 hours of WAE employees – Convenience Center Attendants. The attendants will provide the following:
• Staffing Transfer Stations when Transfer Station Attendants are working Household Chemical Collection Events
• Working as second attendant at Transfer Stations that require staffing by two attendants
• Staffing Transfer Stations when Transfer Station Attendants are on Annual Leave or Sick leave
• Site maintenance activities such as grass cutting
• Mixed paper collections

Significant reductions in expenses for the Transfer System budget for FY 21 compared to the FY 20 budget are as follows:

• Workers Compensation – the reduction in the experience modification factor will result in lower costs
• Rent – Maintenance Building – with the anticipated completion of the new vehicle maintenance facility, there will be no rent payments for the building in Middlesex County
• Oil and antifreeze recycling – based on recent experience
• Communication Services – based on recent experience
• Communication Equipment – based on recent experience
• Administrative Fee – anticipated increase in the Administrative budget of only 1% and additional revenue from the vehicle maintenance facility repayments.

Significant increases in expenses for the Transfer System budget for FY 21 compared to the FY 20 budget are as follows:
• Salaries – salaried – addition of Maintenance Supervisor position
• Health Insurance – significant increase in employees choosing employee plus one and family coverage
• Recycling - Tires – Limited processing options are available and the nearest processor has significantly increased unit costs.
• Tires – repair and purchase – based on recent experience, increase in tire costs
• Vehicle Maintenance and repair – based on recent experience.

The basis for allocation of variable costs associated with waste hauling – fuel, vehicle maintenance and tire repair and purchase - is the total number of miles expected to be traveled
based on the number pulls for waste, white goods tires and drop off recyclables and the distance from the site to the disposal facility or recyclables processing location.

Anticipated revenues are as follows:

Transfer System - Line Item Number 43000 - White Goods Revenue
Actual revenue from the sale of scrap metal and white goods for FY 18 and 19 was $121,000 and $122,000 respectively. Prices received for the sale of scrap metal and white goods have been decreasing over the last several years.

Transfer System - Line Item Number 44400 – Hauling Fees
Hauling fees will be charged to HRSD and the Town of Tappahannock for hauling sludge from the treatment plants to the landfills. VPPSA has provided hauling services at three campgrounds in Middlesex County for many years. Hauling fees for drop off recycling in James City County and York County are also credited to this line item. Other miscellaneous hauling revenue, such as hauling tires for York County will also be credited to this line item. Approximately $69,000 was received in hauling revenue for FY19.

Transfer System - Line Item Number 44700 – Used Battery Recycling
Actual revenue for used battery recycling was $3,316 for FY 19. The budget for FY20 includes $3,500 as revenue for used battery recycling.

Transfer System - Line Item Number 44750 – Corrugated Cardboard Revenue
All revenue received from the sale of corrugated cardboard collected through the front end collection system and drop off recycling collections will be credited to this line item. Total revenue for corrugated cardboard recycling through the Middle Peninsula Solid Waste System and drop off collections was more than $56,000 for FY 19.

Transfer System - Line Item Number 44800 – Operating Fee
Payment in the amount of $3,000 will be made from the Household Chemical Collection Project to cover additional operating costs including telephone, uniforms and safety equipment. Fee also covers cost of repair and maintenance to containers.

Transfer System - Line Item Number 44810 – Vehicle Maintenance Fees
VPPSA will provide vehicle maintenance services for King and Queen County vehicles in FY 21. Based on the number of vehicles in the County fleet, it is estimated total fees charged to the County for FY 21 will be $50,000.

Transfer System - Line Item Number 49100 – Mixed Paper Revenue
All revenue received from the sale of mixed paper collected through the mixed paper recycling program and the drop off recycling collections will be credited to this line item. Total revenue for mixed paper recycled through the Middle Peninsula Solid Waste System and the drop off recycling collections was more than $7,000 for FY 19.
While there is some optimism in the mixed paper market, there is still uncertainty in the market as a result of actions taken by China to limit or possibly ban imports of recyclables. The revenue budgets for Mixed Paper Recycling for FY 21 has been set at $10,000

Transfer System - Line Item Number 49300 – Transportation Fee
Payments in the amount of $12,000 will be made from the Household Chemical Collection Project and to cover the cost of vehicle operation including fuel, vehicle maintenance
and purchase and repair of tires. In addition, the Computer Recycling project will contribute $10,000 for the use of the roll off vehicles.

Transfer System - Line Item Number 49500 – Container Rental
A total of $25,000 was received as revenue for rental of containers for cardboard recycling, waste hauling from campgrounds in Middlesex County and drop off recycling for James City County and York County.

The budget for FY 21 includes $26,000 as revenue for container rental.

Convenience Centers
The proposed budget for the Convenience Centers for FY 21 includes an increase of $16,320 or 2.2% compared to budget for the Convenience Centers for FY 20.

There are no proposed changes to the operating hours and staffing levels for FY 21. The budget includes the following staffing:

Full Time
• 1 Supervisor – Transfer System Supervisor
• 12 Attendants

Part Time / WAE
The budget includes funding for 7,800 hours of Part Time and WAE employees. This time will be split between one part time employee and eight WAE employees. These employees, for the most part, serve as attendants at convenience centers throughout the five-county system.

The increase in the FY 21 budget is attributed almost entirely to salary adjustments and health insurance. A significant increase is also expected for tire recycling. There are limited processing options available and the nearest processor has significantly increased unit costs.

Significant cost reductions are anticipated for oil and antifreeze recycling compared to the budget for FY 20 based on recent experience.

Landfill Disposal
Budget estimates for landfill disposal reflect anticipated waste quantities based on recent experience.

Disposal rates for FY 20 have been established as a result of a procurement effort completed in February 2018.

The weighted disposal fee for FY 19 was $23.10 per ton. The budget for FY 21 assumes a 2.5% increase in the weighted disposal fee.

An administrative fee of $3,600 has been included for the City of Poquoson.

Middle Peninsula Household Chemical Collections
A summary of program costs and project balances for Household Chemical Collections for the Middle Peninsula is attached.

One event has been held in FY 20 in Mathews County. It is expected that a second event will be held in King and Queen County for FY 20.

Events in FY 21 will be held in Middlesex County and Essex County. Budget figures for FY 21 have been established based on current project balances and anticipated costs for the upcoming events. The goal is for all counties to finish FY 21 with a project balance of approximately $2,000.

A flat administrative fee of $500 per county is proposed for FY 21 which is increased from $400 for FY 20.

**Administration**

The proposed budget for FY 21 represents an increase of $7,185 or 1% compared to the budget for FY 20.

The proposed staffing remains unchanged and includes the following positions:

**Full Time**
- Executive Director
- Director of Operations
- Recycling Coordinator / Safety Officer
- Office Manager
- Solid Waste Assistant

**Part Time**
- Accounting Clerk

There are no significant increases or reductions in the budget proposed for FY 21.

The Board approved the use of $150,600 from the Administrative fund balance for the development of the Middle Peninsula Vehicle Maintenance Facility. The five Middle Peninsula Counties committed to replenish these funds, and others from Middle Peninsula vehicle and equipment replacement funds, over a five-year period. The annual payment to Administration, in the amount of $30,120, will be credited as revenue and reduce the need for project administrative fees.

The Community Fee will increase by $250 to $11,000 for FY 21.

Dan Clayton stated that the Curbside Recycling house count for the budget seemed lower than actual for the City of Williamsburg. Mr. Geissler stated than an adjustment for the house count for the budget would be sent to the four participating communities.

Dutch Beukenkamp moved that the FY 21 budget as presented for distribution to member communities be approved. Jason Mitchell seconded and the motion was passed unanimously.

**8. CLOSED SESSION**

Jason Mitchell made the following motion:
I move that the Board of Directors of the Virginia Peninsulas Public Service Authority enter into a closed meeting for to discuss a specific personnel matter in accordance with Section 2.2-3711 (A) (1) of the Virginia Code.

Dutch Beuckenkamp seconded and the motion passed unanimously.
The Board entered into Closed Session.

After the Closed Session Jason Mitchell made the following motion:

I move that the Board of Directors of the Virginia Peninsulas Public Service Authority certify that to the best of each member's knowledge (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification motion applies and (ii) only such public business matters were heard, discussed or considered in the closed meeting by the Board as were identified in the motion, Section 2.2-3711 (A) (1), discussion of a specific personnel matter.

Stephen Geissler called the roll call vote.

Essex County, Michael Lombardo - ABSENT
City of Hampton, Jason Mitchell - YES
James City County, Grace Boone - YES
King & Queen County, Tom Swartzwelder - ABSENT
King William County, Bobbie Tassinari - ABSENT
Mathews County, Mindy Conner - ABSENT
Middlesex County, Dutch Beukenkamp - YES
City of Poquoson, Bodina Wright - YES
City of Williamsburg, Dan Clayton - YES
York County, Brian Woodward - YES

9. EXECUTIVE DIRECTOR’S REPORT

Stephen Geissler reported that during the Closed Session he notified the Board of his intent to retire around April 1, 2020. He noted he would select the date of retirement after further review of VRS, Medicare and Social Security benefits.

10. OLD BUSINESS

No old business.

11. NEW BUSINESS

No new business.

Brian Woodward asked if there were any additional questions. There were no questions and Mr. Woodward adjourned the meeting at 10:06 a.m.
12. NEXT MEETING DATE

February 7, 2020
Williamsburg Municipal Building
2nd Floor Conference Room
401 Lafayette Street
Williamsburg, Virginia

Respectfully Submitted,

Grace Boone
Secretary/Treasurer