

**MINUTES
VIRGINIA PENINSULAS PUBLIC SERVICE AUTHORITY**

**Williamsburg Municipal Building
2nd Floor Conference Room
401 Lafayette Street
Williamsburg, VA 23185
9:00 a.m.
October 1, 2021**

IN ATTENDANCE:

Jason Mitchell	City of Hampton
Grace Boone	James City County
Steve Hudgins	King William County
Sanford "Sandy" Wanner	Mathews County
Bodina Wright	City of Poquoson
Dan Clayton	City of Williamsburg
Laurie Halperin	York County

ABSENT:

Michael Lombardo	Essex County
Thomas J. Swartzwelder	King & Queen County
John Koontz	Middlesex County

OTHERS IN ATTENDANCE:

Laura Harden (via Zoom)	Cherry Bekaert, LLP
Logan Booth (via Zoom)	Cherry Bekaert, LLP
David Magnant	VPPSA
Karen Plumley	VPPSA
Vernon Geddy	Geddy, Harris, Franck, and Hickman, LLP

Grace Boone called the meeting to order at 9:01 a.m.

Grace Boone and David Magnant recognized Brian Woodward of York County for his two years as the VPPSA Board Chairman. Ms. Boone and Mr. Magnant also recognized Tom Jones of the City of Poquoson for his eleven years of service to the VPPSA Board.

1. PUBLIC COMMENT

No Public Comment

2. MINUTES

Bodina Wright moved that the minutes of the August 6, 2021 meeting be approved. The motion was seconded by Jason Mitchell and was passed unanimously.

Prior to item 3, David Magnant and Karen Plumley shared a PowerPoint presentation highlighting the VPPSA services provided to the member communities. Ms. Plumley will email a link to the presentation for each Board member.

3. FINANCIAL STATEMENTS – FY21

Laura Harden and Logan Booth of Cherry Bekaert, LLP presented a final draft of the financial statements for FY 21. Ms. Harden noted that the audit included not only an audit of financial statements but also an audit of the Authority's compliance with the Auditor of Public Accounts' Specifications for Audits of Authorities, Boards and Commissions and Government Auditing Standards. Ms. Harden reported an unmodified opinion on the financial statements which is the best opinion that can be given. There were two material weaknesses in internal control over financial reporting noted in findings 2021-001 and 2021-002. Ms. Harden also stated that nothing came to their attention where management did not comply with laws or regulations.

Ms. Harden noted the following for the FY21 audit: there were no changes in accounting policies, there were no uncorrected misstatements and material audit adjustments during the audit, there were no difficulties in performing the audit, and the Authority had no other consultation with other accountants.

Ms. Harden addressed future accounting and reporting changes for FY22, specifically GASB-87 which addresses accounting and financial reporting for leases.

Ms. Harden turned the discussion to David Magnant to address the two material weaknesses. Mr. Magnant stated that both weaknesses were from prior fiscal years. The first weakness was with regards to unrecorded internal journal entries for landfill disposal deferred revenues and household chemical revenues. All dollars were correctly reported to each affected community and correctly reported in cash, but necessary journal entries were not entered to affect the liability. The appropriate journal entries have been made for the FY21 audit. Mr. Magnant stated that the second weakness was an overstating of net revenues and net expenses (resulting in a net zero affect) to account for administrative overhead expense, a procedure followed in all prior fiscal years but noted as a weakness in the FY21 audit. Mr. Magnant informed that a letter will be sent to each Board member's Accounting Department outlining how these expenses will be invoiced going forward. Sandy Wanner expressed his appreciation to Karen Plumley for discovering both weaknesses and bringing them to the attention of the auditors.

Ms. Harden asked if there were any questions for the auditors. There were no questions to the auditors. Laurie Halperin moved that the report be accepted as presented. Jason Mitchell seconded and the motion passed unanimously.

4. PROJECT REPORTS

Compost Facility

David Magnant reported that:

- The BMP Retrofit work was completed.
- Straw waddles have been upgraded around the perimeter of the facility (now 24" in diameter).
- Paving project to address numerous potholes has been completed.

Transfer System

David Magnant reported that:

- On Tuesday, September 28th, the final DEQ Stormwater inspection was conducted at the Middle Peninsula Field Office and Vehicle Maintenance Facility. The inspection went well and VPPSA is now waiting on the final approval from DEQ.
- Waiting on four compactors for installation in King William (two), Middlesex (one), and Essex (one).

Household Chemical Collection

David Magnant reported that the disposal costs were up for FY21 when compared to prior years, most likely due to COVID and residents having time to clean out items at their homes. Given the current costs, FY22 costs are more in line with pre-COVID costs even though participation at the events is higher than in prior years.

Curbside Recycling

David Magnant stated that a new glass recycling program has started in James City County. The hopes are that this will be very successful with the possibility of other member communities participating with James City County and Owens Illinois (OI). Laurie Halperin asked about the \$95 processing fee for curbside recycling. Mr. Magnant said, based on research, that the fee is consistent with fees around the country. Ms. Halperin asked about removing glass from the curbside program. Mr. Magnant said that could be a possibility with the new glass program in James City County, but how to pick up the glass would need to be addressed. Mr. Magnant said VPPSA will have a meeting with OI in the coming weeks and Ms. Halperin said York County would be interested in attending.

David Magnant asked to meet with Grace Boone and Laurie Halperin at the conclusion of the meeting to discuss drop-off recycling invoicing.

David Magnant asked if there were any questions. There were no questions.

5. AGREEMENT SCHEDULE

David Magnant provided information on upcoming agreements and their expiration dates as follows:

Set to expire in 2022:

- Landfill Disposal Agreement Expires 6/30/2022
 - *Essex, King William, Mathews, Middlesex and Poquoson*
- HHC agreement with MXI three (1) year extensions Expires 2/14/2022
 - *All Ten Member Communities*
- Debris Monitoring Services Expires 4/30/2022 and 6/30/2022
 - *All Ten Member Communities*
- Curbside Recycling Services - two (1) year extensions Expires 6/30/2022
 - *James City, Poquoson, York and Williamsburg*
- Recyclable Material Processing - two (1) year extensions Expires 6/30/2022

Set to expire in 2023:

- Transfer System - one (10) year extension Expires 6/30/2023
 - *Essex, King and Queen, King William, Mathews and Middlesex Counties*

- Compost Facility - one (10) year extension Expires 6/30/2023
 - *Hampton, Poquoson and York*
- Debris Clearance, Removal, Reduction and Disposal Expires 4/30/2023
 - *All Ten Member Communities*

Sandy Wanner asked if any of these agreements needed approval from the communities' Board of Supervisors or City Councils. David Magnant said that extensions did not need approvals but that new agreements would need approval which Vernon Geddy concurred.

6. FY23 BUDGET PLANNING

Staff has started preparation of the FY23 Budget.

Following is the schedule for distribution, review, and adoption of the FY23 Budget:

FY23 Budget Schedule

Distribute Draft Project Budgets to Board Members (Draft Budgets for Community Review)	October 26
Distribute Budgets for: <ul style="list-style-type: none"> Curbside Recycling Drop Off – Peninsula Tire Disposal - Peninsula Landfill Monitoring Computer Recycling Compost Facility Transfer System Convenience Centers Landfill Disposal Household Chemical Collection Administrative Services 	
Middle Peninsula Oversight Committee Meeting	November 12
Review Budgets for: <ul style="list-style-type: none"> Landfill Monitoring Transfer System Convenience Centers Landfill Disposal Household Chemical Collection - Middle Peninsula Administrative Services 	
Compost Facility Oversight Committee Meeting	November 17
Review Budgets for: <ul style="list-style-type: none"> Curbside Recycling Household Chemical Collection - Peninsula Computer Recycling Compost Facility Administrative Services 	

Separate meetings will be scheduled with James City County and City of Williamsburg.

Distribute Draft Budget in Board Meeting Package	November 23
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7. EXECUTIVE DIRECTOR'S REPORT

David Magnant stated that two grants totaling \$2,000 were awarded to VPPSA by Virginia Risk Sharing Association (VRSA): one for chain saw training and one for \$1,300 purchase of a drone.

8. OLD BUSINESS

Sandy Wanner asked about the calendar invites for Board meetings. David Magnant stated that the invites were sent for the current meeting and will be sent for future meetings.

9. NEW BUSINESS

No new business

10. CLOSED SESSION

Grace Boone read the following:

I move that the Board of Directors of the Virginia Peninsulas Public Service Authority enter into a closed meeting to discuss a personnel matter. This closed meeting is being held in accordance with Section 2.2-3711 (A) (1) of the Virginia Code.

At the end of the closed session, Grace Boone read the following:

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), to discuss a personnel matter.

Karen Plumley called the roll call vote.

Essex County, Michael Lombardo – ABSENT
City of Hampton, Jason Mitchell – AYE
James City County, Grace Boone – AYE
King & Queen County, Tom Swartzwelder – ABSENT
King William County, Steve Hudgins – AYE
Mathews County, Sandy Wanner – AYE
Middlesex County, John Koontz – ABSENT
City of Poquoson, Bodina Wright – AYE
City of Williamsburg, Dan Clayton – AYE
York County, Laurie Halperin – AYE

After closed session, David Magnant was called in to discuss his performance review. Sandy Wanner stated that the Board and the performance review committee believed Mr. Magnant had done an excellent job as the Executive Director and in his dual responsibilities as the Director of Operations. Mr. Wanner stated that the only comment made was that some additional mentoring was needed in presentation of policy. Mr. Wanner motioned on behalf of the performance review committee that Mr. Magnant be compensated for: lost annual leave, for performing two jobs, and an annual increase of 5% retroactive to July 1, 2021. Laurie Halperin seconded, and the motion passed unanimously.

David Magnant expressed his gratitude both for the review and the offer of help from the Board members.

Sandy Wanner asked if there were any legislative updates that each Board member needed to address with their communities. David Magnant stated he and Ryan Prosser would be attending SWANA meetings in October that would address legislative updates and that he would inform the Board after these meetings.

11. NEXT MEETING **Cooks Corner County Complex**
2911 General Puller Highway
Saluda, Virginia
December 3, 2021
9:00 a.m.

Grace Boone asked for a motion to adjourn the meeting. Dan Clayton motioned to adjourn the meeting. Laurie Halperin seconded, the motion passed unanimously, and the meeting was adjourned at 10:10 am

Respectfully Submitted,

Michael Lombardo
Secretary/Treasurer