

**AT A MEETING OF THE NEW RIVER RESOURCE AUTHORITY'S  
BUDGET COMMITTEE  
HELD ON WEDNESDAY, OCTOBER 23, 2024, AT 10:00 AM,  
NRRA ADMINISTRATION BUILDING,  
DUBLIN, VIRGINIA:**

**PRESENT:** Mr. Paul Baker, Chairman  
Mr. Steve Fijalkowski, Vice-Chairman  
Mr. Robert Asbury, Secretary  
Mr. Dirk Compton, Member

**STAFF:** Mr. Joseph Levine, Executive Director  
Ms. Marjorie Atkins, Recording Secretary  
Mr. David Rupe  
Mr. Brandon Atkins

**GUESTS:** Mr. Andrew Monk, Thompson & Litton  
Mr. Barry Helms, Board Member

Chairman Baker called the Budget Committee meeting to order.

**Approval of the Agenda**

The motion to approve the Agenda for the October 23, 2024, Budget Committee meeting was made by Mr. Fijalkowski. The motion was seconded by Mr. Asbury and approved by a recorded roll call vote of the Budget Committee as follows:

Mr. Asbury	<u>yes</u>	Mr. Fijalkowski	<u>yes</u>
Mr. Compton	<u>yes</u>	Mr. Baker	<u>yes</u>

**New Business and Administrative Items of Consent**

Mr. Monk presented the 2024 Waste Rate Study and Financial Model. Mr. Monk noted that in accordance with Article IV Section 2 of the New River Resource Authority User Agreement for Authority members, Thompson and Litton completed the third-party analysis of the New River Resource Authority's budget and waste rates. (A copy of the entire presentation is included with the NRRA Board meeting minutes for October 23, 2024). The report included waste rates for other facilities, and considered expenses including operating expenses, development and closure costs, equipment cost, and Financial Assurance cost. The five previous years of waste rates, revenues and expenses were part of the analysis. The actual waste stream variation over the last four years and applied weighted averages to each waste stream (member and non-members) were included in the assumptions. Assumed construction cost inflation is 5% (down 1% from 2023) annually as projected by industry experts. This was a significant factor in calculations. The 2023 waste rate study was reviewed. Waste increases/decreases and weighted averages were included in the presentation. Mr. Monk discussed Scenario 1 – Baseline rate schedule. The 2024 Waste Rate model indicates that without a change in the waste stream, rates would need to increase for the next five years; however not as significantly as the 2023 Waste Rate Model indicated. For FY 2025/2026 it was recommended to increase rates by \$2.00 per ton. Recommendations included NRRA maintaining current waste stream. NRRA should continue to identify and evaluate potential sources for increasing the waste stream. Ideally, the Authority should

strive to maintain a waste stream of 225,000 to 250,000 tons per year. Mr. Asbury asked about the methodology from the "Assumptions" page, referencing the compaction rate of 1600 pounds per cubic yard. Mr. Asbury asked with the size of the Authority's operation and available equipment, would it be cost effective to look at any other equipment for more compaction? Mr. Levine answered that there was nothing else to be done, without spending money; that the Authority had the biggest and best equipment. He continued that the Authority has a very efficient process given the type of waste received. Mr. Monk added that he worked with four other landfills and that NRRRA had, by far, the best compaction.

Mr. Levine thanked Mr. Monk and said that the level of detail and effort in preparing the report could not be overstated with planning for future while trying to have a minimal impact on the present.

Mr. Compton asked why the percentage increase over the years was more for members than for non-members. Mr. Monk replied that most of the Authority's revenue came in from members and the Authority does not have a large non-member revenue source and if the Authority could find the additional 40,000 to 50,0000 in tonnage, that could assist in funding and rate stabilization. Mr. Monk and Mr. Levine also explained that if rates for non-members increase too much, customers could haul to other facilities. Mr. Levine noted that the rate structure for NRRRA had only changed twice in the last twenty-one years.

Mr. Asbury stated that the number one function for budget development for most entities is to pay debt. The Authority, being a debt free facility, has allowed stabilization of rates. Mr. Asbury noted that the only debt the Authority has are lease payments for heavy equipment. And that places the Authority in a much better position than entities of similar size. Mr. Fijalkowski noted that the landfill industry is a very uncertain one, and you cannot be anything but conservative when planning for the future. Mr. Asbury noted that events that deplete reserve funds happen overnight. Mr. Compton asked if FEMA clean up items would be brought to the landfill. Mr. Levine noted that multiple agencies had been in contact regarding the lake clean up. Mr. Levine noted that the material would be landfilled. Unexpected short-term revenue of a significant volume can assist with rate stabilization. Mr. Levine noted that the initial estimation of tonnage from the lake would be a year's life of landfill space. Mr. Asbury noted that the Authority should consider, in the future, debt versus reserves to spread costs out over a longer period.

Mr. Levine noted that staff continued to develop the proposed budget for FY 2025/2026. The FY 2023/24 audit report has been received and will be presented at the November meeting.

Items of consideration of requests from Pulaski County sent to the Budget Committee:

**Increase litter grant funding from \$5,000 to \$10,000**

Mr. Fijalkowski asked if any other member jurisdictions had requested an increase. He stated that MRSWA was not interested. Mr. Baker stated that Giles County was not interested in increasing the amount.

The motion to not increase the litter grant funding to \$10,000 was made by Mr. Fijalkowski. The motion was seconded by Mr. Asbury and approved by a recorded roll call vote of the Budget Committee as follows:

Mr. Asbury     yes  
Mr. Compton    no

Mr. Fijalkowski yes  
Mr. Baker        yes

**Waiving tip fees for member jurisdiction special events**

Mr. Fijalkowski asked Mr. Compton how many special events this would include? Mr. Compton answered that one event would be the Peak Creek clean up every year. He stated that if not cleaned up the trash eventually would make its way to Radford and Giles. Mr. Fijalkowski asked again how many events. Mr. Compton stated that he did not know what items were included in the request.

The motion to deny the request to waive tip fees for member jurisdiction special events was made by Mr. Asbury. The motion was seconded by Mr. Fijalkowski and approved by a recorded roll call vote of the Budget Committee as follows:

Mr. Asbury	<u>yes</u>	Mr. Fijalkowski	<u>yes</u>
Mr. Compton	<u>no</u>	Mr. Baker	<u>yes</u>

**Create a \$1,000 scholarship for each member jurisdiction.**

Mr. Fijalkowski asked Mr. Compton where the request came from. Mr. Compton stated that the person who proposed it, from Pulaski County, considered this an opportunity for kids to earn a scholarship for picking up trash or doing educational activities about littering. Mr. Baker stated that Giles County does teach about not littering in schools. Mr. Fijalkowski stated that most citizens in Montgomery Regional Solid Waste Authority's area are not aware the landfill exists and would not be looking for a scholarship from the Authority.

The motion to deny the request to create \$1,000 scholarships for each member jurisdiction was made by Mr. Fijalkowski. The motion was seconded by Mr. Asbury and approved by a recorded roll call vote of the Budget Committee as follows:

Mr. Asbury	<u>yes</u>	Mr. Fijalkowski	<u>yes</u>
Mr. Compton	<u>no</u>	Mr. Baker	<u>yes</u>

**NRRA purchase educational materials and displays for all schools in the member jurisdictions.**

The motion for NRRA to purchase educational materials and displays for all schools in the member jurisdictions was made by Mr. Compton. The motion was seconded by Mr. Fijalkowski and was defeated by a recorded roll call vote of the Budget Committee as follows:

Mr. Asbury	<u>no</u>	Mr. Fijalkowski	<u>no</u>
Mr. Compton	<u>yes</u>	Mr. Baker	<u>no</u>

Approved at 11/13/24 Board Meeting.

Paul W. Baker  
Paul W. Baker, Chairman

ATTEST:

Robert P. Asbury  
Robert P. Asbury, Secretary

