



MEMORANDUM

**TO: RIVANNA SOLID WASTE AUTHORITY
BOARD OF DIRECTORS**

FROM: THOMAS L. FREDERICK, EXECUTIVE DIRECTOR

**SUBJECT: AMENDMENTS TO LOCAL GOVERNMENT SUPPORT AGREEMENTS
TO EXTEND TERM OF SERVICES FOR IVY MATERIALS
UTILIZATION CENTER AND RECYCLING PROGRAMS**

DATE: APRIL 28, 2015

As the Board is aware, the volume of solid wastes received at the Ivy Materials Utilization Center, McIntire Recycling Center, and the Paper Sort Facility are insufficient to provide adequate revenue to offset the necessary fixed operating and administrative costs to provide effective customer service. Since 2011 these facilities have remained open through the specific request of the County of Albemarle, with the City of Charlottesville also requesting only the recycling programs. As a part of these requests the local governments agreed to subsidize these operations through provisions in Local Government Support Agreements. There are two such agreements: (1) Ivy Materials Utilization Center (County only); and (2) Recycling Programs (County 70% and City 30%). The current term of both agreements is through June 30, 2015.

Staff understands the local governments are interested in continuing these services for another year. Attached are draft amendments to both contracts extending the term through June 30, 2016. The amendment to agreement for the Ivy Materials Utilization Center programs also includes language that would end the term earlier than June 2016 to the extent that RSWA were required to do so to satisfy its permit obligations to DEQ. An executed Letter of Agreement between RSWA and DEQ requires that RSWA close the permitted activities at the transfer station by March 31, 2016 in the event that an approvable narrative plan for either bringing this facility into DEQ compliance or building a new facility is not submitted by December 31, 2015. The narrative plan will be prepared locally based on upcoming decisions by the Albemarle County Board of Supervisors.

Board Action Requested

Staff respectfully requests the Board authorize the Executive Director to present the attached contract amendments to the County Executive and the Recycling Programs amendment to the City Manager, for respective approval by County and City elected officials, and authorize the Executive Director to execute the amendments on behalf of the Authority. Staff also requests the Board authorize the Executive Director, in consultation with RSWA's counsel, to accept minor and non-substantive amendments to the present draft if requested through the review of the current draft by the City or County attorney.

**AMENDMENT NO. 4 TO
IVY MATERIAL UTILIZATION CENTER PROGRAMS AGREEMENT
BETWEEN
THE COUNTY OF ALBEMARLE
AND
THE RIVANNA SOLID WASTE AUTHORITY**

This **Amendment No. 4** to the **Ivy Material Utilization Center Programs Agreement** (this "Amendment") is made this ____ day of _____, 2015 by and between the **County of Albemarle, Virginia** (the "County") and the **Rivanna Solid Waste Authority** (the "Authority", individually a "Party", and together referred to as the "Parties").

WHEREAS, the County and the Authority entered into a certain Ivy Material Utilization Center Programs Agreement dated August 23, 2011 (the "Original Agreement"), providing for the County's financial support for, and the Authority's operation of, the Ivy MUC; and,

WHEREAS, the Original Agreement provided that such financial support and operations continue through the Authority's fiscal year ending June 30, 2012, with the County retaining an exclusive option to extend the Original Agreement for two successive one-year periods by giving prior written notice to the Authority; and,

WHEREAS, the County exercised its first option to extend the term of the Original Agreement through June 30, 2013, but elected not to exercise its second option to extend the term through June 30, 2014 and instead requested an extension of the term of the Original Agreement through December 31, 2013; and,

WHEREAS, the County and the Authority entered into Amendment No. 1 to the Original Agreement dated June 7, 2013 extending the term of the Original Agreement through December 31, 2013; and,

WHEREAS, the County and the Authority entered into Amendment No. 2 to the Original Agreement dated October 23, 2013 extending the term of the Original Agreement through June 30, 2014; and,

WHEREAS, the County and the Authority entered into Amendment No. 3 to the original agreement, dated January 28, 2014 extending the term of the Original Agreement through June 30, 2015 (the Original Agreement, as amended by Amendment No. 1, Amendment No. 2, and Amendment No. 3, hereinafter, the "Agreement"); and,

WHEREAS, the Authority, after review with the County, entered into a Letter of Agreement with the Virginia Department of Environmental Quality ("DEQ") dated March 19, 2015, amending and restating an earlier Letter of Agreement dated May 27, 2014, whereby the Authority agreed to submit a written plan with a milestone schedule by December 31, 2015 to address regulatory deficiencies in the current Ivy