

MINUTES OF MEETING
DELAWARE SOLID WASTE AUTHORITY
BOARD OF DIRECTORS

DATE: May 28, 2020

LOCATION: This meeting was held via teleconference due to the State’s COVID-19 social distancing requirements.

TIME: 5:00 p.m.

ATTENDEES:

DIRECTORS

Gerard L. Esposito, Chairman
Timothy P. Sheldon, Vice Chairman
Temple Carter, II
Norman Griffiths
Michael R. Paraskewich, Ph.D, P.E.
Tonda L. Parks
William J. Riddle

STAFF

Richard P. Watson, P.E., BCEE
Robin M. Roddy, P.E., BCEE
Michael D. Parkowski
Joseph J. Koskey, CPA
Jason M. Munyan, P.E., BCEE
Lynsey K. Baer, P.E., BCEE

LEGAL COUNSEL

F. Michael Parkowski (PG&S)

GUESTS

Colleen Varallo and Mike White, Wipfli CPAs

REGULAR BOARD MEETING

The Chairman, Gerard Esposito, called the four hundred and eleventh regular meeting of the Delaware Solid Waste Authority Board of Directors to order on Thursday, May 28, 2020. He announced the meeting had been duly noticed and the Directors had received copies of the information to be considered.

A. MINUTES

Chairman Esposito called for additions or corrections to the draft of the Minutes of the April 23, 2020, meeting of the Board of Directors.

Motion A – moved by Mr. Carter

“The Minutes of the April 23, 2020, Board of Directors’ meeting of the Delaware Solid Waste Authority be accepted as written.”

Second - Mr. Griffiths

Vote – (Carter, Griffiths, Paraskewich,
Parks, Riddle, Sheldon, Esposito)

Motion Adopted
(7 Yes, 0 No, 0 Absent)

Report of the Administrative & Citizens’ Affairs Committee

B. CHECK SIGNING RESOLUTION

Motion B – moved by Ms. Parks

“The Board approves the Check Signing Resolution as stated.”

Second – Mr. Carter

Mr. Watson said that this new resolution was necessary with the retirement of Logan Miller and the changing of staff positions. This authorizes Jason Munyan, Chief of Facilities Management, Lynsey Baer, Chief of Engineering and Coleen Champlin, Controller, to sign checks and transfers as stated in the resolution.

Mr. Carter	Yes
Mr. Griffiths	Yes
Mr. Paraskewich	Yes
Ms. Parks	Yes
Mr. Riddle	Yes
Mr. Sheldon	Yes
Mr. Esposito	Yes

Motion Adopted
(7 Yes, 0 No, 0 Absent)

C. FY 2021 BUDGET

Motion C – moved by Ms. Parks

“The Board approves the FY 2021 Proposed Budget as presented.”

Second – Mr. Sheldon

Mr. Watson said this is our usual annual fiscal year budget process. Mr. Koskey said that staff began the budget preparation process in December 2019. The process included multiple internal meetings and discussions the led up to finalizing the in-house budget and then presented it to the Committee at the March 12th meeting. That budget as presented included a tonnage of 907,200 tons and revenues of about \$71.8 million, operating expenses of about \$48.1 million, debt service obligations of about \$4.4 million, capital funding at about \$16.3 million and prefunding reserves at about \$2.7 million for a surplus of about \$241,000 on the proposed budget. This budget was then brought to a public hearing on April 15th. It was held via teleconferencing in accordance with

COVID-19 social distancing guidelines. No public was present. The exhibits were entered into the record. Staff recommends the approval of this budget as presented. Ms. Parks stated that there was much discussion at the Committee meeting. There was nothing alarming or out to the ordinary in respect to the budget. It was discussed adequately in the Committee.

Mr. Carter	Yes
Mr. Griffiths	Yes
Mr. Paraskewich	Yes
Ms. Parks	Yes
Mr. Riddle	Yes
Mr. Sheldon	Yes
Mr. Esposito	Yes

Motion Adopted

(7 Yes, 0 No, 0 Absent)

D. CAPITAL IMPROVEMENT PROGRAM

Motion D – moved by Ms. Parks

“The Board approves the 10-year Capital Improvement Program as presented.”

Second – Mr. Carter

Mr. Watson said that this was the annual update of the Capital Improvement Program (CIP). Ms. Roddy said that the CIP is a 10-year look at projects that are scheduled for all the facilities. They include maintenance projects, and landfill expansion. The major focus is on the current budget year and the next budget year as an estimate. This year there is approximately \$15 million planned maintenance projects and new build projects throughout the state. This dollar amount is part of the budget that was just presented. Some of the money spent next year is a carry-over from last year. The CIP has been discussed at the last two Committee meetings and staff has a realistic plan for FY21. Even with some of the schedule adjustments due to Covid-19, we are still on track. Ms. Roddy recommends approving the CIP for the next 10 years. Mr. Griffiths said that 10 years is a long time and is there flexibility to shift the project around if the circumstances warrant. Ms. Roddy said that yes, that the highest priority are the projects that are permit driven. Every year we look at what is projected. As an example, if we have \$75,000 earmarked for a truck scale replacement we would typically push that into the future if after the facility manager evaluates that system and determines that it is not necessary. The 10-year plan does have some estimates and place holders out into the future, but it is flexible. Even in the current year we have flexibility to delay or accelerate a project.

Mr. Carter	Yes
Mr. Griffiths	Yes
Mr. Paraskewich	Yes
Ms. Parks	Yes
Mr. Riddle	Yes
Mr. Sheldon	Yes
Mr. Esposito	Yes

Motion Adopted

(7 Yes, 0 No, 0 Absent)

E. LETTER OF ENGAGEMENT FOR WIPFLI CPAs and CONSULTANTS

Motion E – moved by Mr. Carter

“The Board approves to have Gerard Esposito sign the letter of engagement with Wipfli to provide auditing services.”

Second – Mr. Griffiths

Mr. Koskey explained that DSWA has been using Wipfli for several years to handle the annual audit. They are doing their preliminary work the end of May and through June and will finalize it in August and September. The agreement presented is estimated at about \$64,500. This is the same rate that has been in effect since 2017. That is 23% below their standard rate. Beginning last year, we started the process of the Board approving the engagement letter. Ms. Parks said the Committee thought it was appropriate because the Board is asked for some oversight of the contract. Wipfli was asked to provide a pre-audit discussion with the Board in addition to their post-audit presentation to the Board. Mr. Mike White then made a presentation to the Board. Mr. Riddle asked if the analysis of the post-closure reserve has to be so high. Mr. Watson said that there is a GASB document that he followed that gave the breakdown on how to estimate the amount. Mr. White said that there is a GASB statement that is followed. Ms. Roddy said that a few years ago when staff did cost adjustments, she was impressed with the level of questioning from Wipfli in response to the adjustments made to the Closure and Post Closure Care cost estimate adjustments. Ms. Varallo said that Wipfli does do audit vouching to validate some of the invoices that were used to come up with these figures. Wipfli also compares this year’s report to last year’s report and look at any anomalies and big changes. Ms. Parks thanked Ms. Varallo and Mr. White for giving the Board this presentation. Mr. Riddle said that the Board should go forward with signing the letter of engagement.

Mr. Carter	Yes
Mr. Griffiths	Yes
Mr. Paraskewich	Yes
Ms. Parks	Yes
Mr. Riddle	Yes
Mr. Sheldon	Yes
Mr. Esposito	Yes

Motion Adopted

(7 Yes, 0 No, 0 Absent)

NEW BUSINESS

No comment

PUBLIC COMMENT

No comment

Motion – moved by Ms. Parks

“The Board Meeting is adjourned.”

Second – Mr. Carter

Vote – (Carter, Griffiths, Paraskewich,
Parks, Riddle, Sheldon, Esposito)

Motion Adopted
(7 Yes, 0 No, 0 Absent)

Respectfully submitted,

Pamela Williamson

Meeting Adjourned: 5:43 p.m.