

OFFICIAL MINUTES OF THE REGULAR MEETING OF THE MANASSAS PARK GOVERNING BODY HELD ON TUESDAY, MARCH 5, 2019 AT 7:00PM AT MANASSAS PARK CITY HALL, ONE PARK CENTER COURT, MANASSAS PARK, VIRGINIA

Roll Call

Present

Jeanette Rishell, Mayor
Preston Banks, Vice Mayor
Donald Shuemaker
Hector Cendejas
Miriam Machado
Alanna Mensing
Haseeb Javed

Absent

None

Staff

Lana A. Conner, City Clerk
Laszlo A. Palko, City Manager
Dean Crowhurst, City Attorney

1. Approval of Agenda:

MOTION: Councilmember Shuemaker moved to approve agenda as presented.

SECOND: Councilmember Cendejas

VOTE: Yes: Shuemaker, Cendejas, Mensing, Banks, Javed, Machado, Rishell

2. Moment of Silence/Pledge of Allegiance: Councilmember Mensing

3. Public Comment Time:

(1) Pam Soyka, Manassas Park Station: She addressed the parking issue in her neighborhood on streets owned by the city. People park there with expired tags on their vehicle. They get tickets but they move their vehicle down the street. Parking is tight. Why does it take so long to get a car ticketed when it has been sitting there for a year (expires January 28)? She sees a lot of drug use (marijuana) by young adults both transactions and smoking in the community and want to the police department to have more presence there. There are cars parked in this area that seem suspicious to her. This is her community and she wants to feel safe

(2) Barbara Denson, Manassas Park Station: She has been a resident since 2008. Her issue is criminal activity. They had a shooting incident last year and could not get anyone to explain the circumstances. Police stated it was an ongoing investigation. They have children catching the bus in this area. Safety is an issue. She would like the city to paint the curbs in the no parking area on the cul-de-sac (W. Carondelet) because it is hard to see it. Eighteen-wheelers park there even though it is a no parking zone. If you have criminal activities and drugs, values will go down in this area.

Mayor Rishell stated the city takes safety and parking very seriously. The City Manager will look into these issues and have police department address them.

The City Manager stated in the City's CIP, there is a comprehensive plan addressing the signage in that area because painting the curbs does not work. All of Digital Drive is very dark.

Chief John Evans stated that there was an arrest made and a press release on the shooting on both police Facebook and Twitter. The police went door to door that night. Parking is an issue throughout the city. Criminal activity is slim in that area but the city will continue to enforce criminal activity and parking issues in that area. The police department works with Commissioner of Revenue on any vehicle they see that needs to be registered.

Marissa Pedison, 9712 Henderson Place: Manassas Park Station: Last year the city passed a budget with a \$5.00 increase, which was passed along to the association. This wreaked havoc on association budget. The City Manager stated it was solid waste and it was \$1.93 increase not \$5.00. She is asking the City that when they approve budgets that involves an increase, to announce it to the public. They finalize their budget in May before the city approves their budget. She stated they have a speeding problem in their neighborhood on public roads. Speed bumps would be nice. They would like to see police presence more often.

The City Manager stated he has a budget with a ten-year model. This is a projected forecast but is as close as he can get the budget not knowing all the factors involved in future budgets. He will send Ms. Pedison a copy of this model. The City starts budget work sessions in April. City budgets are not finalized until June.

4. Presentations/Recognitions: None

5. Information Items: None

6. Consent Agenda

6a. Approval of Minutes of February 19, 2019

6b. Ordinance 19-1700-1029 Surplus Equipment

6c. Ordinance 19-1700-1030 City Employee Years of Service

MOTION: Councilmember Shuemaker moved to approve Consent Agenda as presented.

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

7. Unfinished Business: None

8. New Business:

**8a. IT: Comodo Security Solutions: Purchase Three Year Contract: \$17,700.00:
Don Spady, IT Director:**

City currently use F1 IT management tools to manage IT network at a cost of \$21,540.00 a year. This F1 support includes antivirus tools. The new system that the IT department is moving to is called Comodo One. The management tools in Comodo One are free but the antivirus component is not. The contract for Antivirus is for 3 years of support (beginning on July 1, 2019- June 30, 2022) at a total price of \$17,700.00. This program is transferrable if city goes with another system. They are giving the city a couple of months free before July 1 for setting up and preparing for it. The payments for support will be broken out over the next 2 years- \$8,850.00 each year. This allows tech support to be able to go online on any computer and solve the problem without physically having to drive to each department. Total savings is \$46,000 over three years.

The City Manager stated that Mr. Spady has constantly found ways to save the city money since he has been here. Staff recommends approving the purchase of Comodo Security Solutions at a cost of \$17,700 for 3 years of coverage beginning in FY20.

MOTION: Councilmember Shuemaker moved to approve the purchase of Comodo Security Solutions at a cost of \$17,700 for 3 years of coverage beginning in FY20.

SECOND: Councilmember Machado

VOTE: Yes: Shuemaker, Machado, Banks, Cendejas, Javed, Mensing, Rishell

9. Manager Update:

FY 2018 Audit Update: Slide Presentation made part of record.

The City Manager has been at a conference engaging with multiple developers. He is getting good feedback and a lot of interest. He has met with every developer that has developed any type of shopping center or retail tenant town center in the region over last couple of days. City also did direct mailing. For the developers that know this area there is always the question about City Center. Prince William is shutting down right now so developers are looking for opportunities to develop. He was surprised by the optimism from the retail and development community in the region especially because of Amazon. There was no talk of recession even though one may happen in next few years.

Social Services will move to their new facility by April 1, 2019.

The City has completed the FY2018 audit on February 28, 2019 and received a clean or unmodified opinion as shown below:

In our opinion, the financial statement referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Manassas Park, Virginia, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The same issues will continue to come up with the audits until city makes their long-term reforms. This audit was sent to the state. They wanted the audit by March 1, 2019.

FY2018 Fund Balance

CITY OF MANASSAS PARK, VIRGINIA Exhibit 3

Balance Sheet - Governmental Funds
At June 30, 2018

	Governmental Funds					Total Governmental Funds
	General	Capital Projects Fund	Debt Service Fund	Proffer Fund	Nonmajor Governmental Funds	
FUND BALANCES						
Nonspendable	\$ 191,146	\$ 45,051	\$ 2,585	\$ -	\$ -	\$ 238,782
Committed	-	-	339,531	1,563,417	1,812,570	3,715,518
Unassigned	5,439,473	(4,363,045)	-	-	-	1,076,428
Total fund balances	\$ 5,630,619	\$ (4,317,994)	\$ 342,116	\$ 1,563,417	\$ 1,812,570	\$ 5,030,728
Total liabilities, deferred inflows of resources and fund balances	\$ 8,758,424	\$ 670,244	\$ 342,116	\$ 1,563,417	\$ 1,812,570	\$ 13,146,771



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Our fund balance increased by over \$600,000. Over \$190,000 came from the schools and remainder from city fund balance standpoint. That is great news when it comes to our creditors evaluating our audit. They were going to hold off enforcing the covenant if city showed positive movement in FY2018 audit in our fund balance and if city made some kind of commitment to defray tax cuts until we built up our surplus level to where they need to be. Hopefully, city can keep this up in 2019 but some revenues are slowing down. City has hired an accountant to help the Finance Director. Non-major Governmental Funds committed are transportation fund.

Proffer funds are when we spend capital fund out instead of tapping capital projects fund we need to show it coming from proffer funds. We do not have capital funding. What the auditors do is look at previous budget and see if it came from proffer fund or capital fund. City has been pulling from capital fund instead of proffer fund. Debt service is a balanced fund.

In FY18, \$190,000 was school surplus and came back to city. In FY19 city gave it back to schools with additional \$25,000. City does not have a MOU. Last year the schools FY19 budget showed them using fund balance. This year their budget does not show that. If they have a surplus in FY20, the City Manager will seek Governing Body guidance. Mayor Rishell stated School Board Attorney is reviewing the MOU. The debt service fund will be committed toward the 15% reserves.

Councilmember Shuemaker thanked Staff for all their hard work and for this positive report on audit.

9a. Worksession: Recycling Program: Calvin O'Dell, Director of Community Development and Laura Coughanour, VCA Operations Manager, Department of Public Works: Copy of presentation made part of the record:

Discuss Historic and Current Trash Tipping Fees

Last year at budget time, city had a hard time predicting annual solid waste budget and contract cost. City had the 5% increase in 2017 in Patriot contract due to Covanta incident (fire). In 2018, Patriot wanted to keep the 5% increase. Mr. O'Dell researched to see if that request was justified. He reviewed what was going on in the industry in municipal solid waste tipping fees as well as recycling.



Fees are what the cost haulers incur to put trash in the landfill. The 80's saw an erratic spike in trash tipping fee. For 28 years, tipping fees hovered between \$40/50 per ton.



Over the last two years, the fees increase by 14.7%. We pay what is more comparable in northeast tipping fees. When Patriot had the contract in March 2017, they had an affordable option (\$43 per ton) at I-95 Covanta facility. Covanta facility had a fire, which forced Patriot to use Waste Management, which was much more expensive. 22127

March 2018, Covanta became available again but their tipping fees went up so city did not get a savings. Waste Management has been throwing fees on the competitors, which has driven the tipping fees up. They are not increasing tipping fees but adding fees to competitors, which has increased tipping fees. Tipping fees remain steady but they are tacking on interest percentages to total load, which increases per ton rate. If you use Waste Management facility, the fee would be \$85.00 per ton. Covanta is \$62.00. There is a percentage per ton and a percentage on the total load. Percentage on daily amount hauler brings to facility. They are raising the per ton rate. They are isolating the competitors, which is standard in any industry. Competitors have to be under contract or be hit with extra fees. Waste Management runs the county landfill. Covanta is a small facility but is a very efficient facility. Waste Management is older and is starting to have issues with capacity, etc. Waste Management is the smallest of the competitors in Northern Virginia. There was a 44.13% increase in lowest available rate in one year. When you look at all of these figures, the city could be looking at a substantial increase.

Recycling Industry Changes: USA Today: In spring, 2011 recyclable materials at a North Carolina sorting facility were bringing \$188.82 a ton and in 2017, it lowered to \$103.84. This is not good for a soluble commodity. After further research it was determined that it was because of China, the recyclable consumer. "For more than 20 years, China has been the world's recycling bin, accepting an enormous quantity of recyclable waste from nations worldwide. In 2016, China processed at least half of the world's exports of waste plastic, paper and metals. The U.S. exported 16 million tons of waste to China that year, worth about \$5.2 billion. Britain sent China enough garbage to fill up 10,000 Olympic-size swimming pools."

China decided to do something" Operation Green Fence" In 2006 and 2010, China passed import regulations aimed at preventing waste coming in with recyclable scrap materials from outside sources. Allowable contamination for loads of recyclable scrap materials had been 3-10%, but this was effecting profitability, and increasing waste. In 2013, Operation Green Fence materialized with intensive inspections of imported scrap materials to ensure that contamination levels were below 1.5%. Although not touted as an official extension of Operation Green Fence, in 2015, a similar initiative took place, which increased the scrutiny of scrap import permits.

Operation National Sword: In February of 2017, the Chinese government announces Operation National Sword, which is said to target smuggling operations. The National Sword inspections are once again scrutinizing bales of recyclable plastic for contamination and bales of paper fiber for moisture content. By late February of 2017, arrests are being made and scrap material is being confiscated. By April 2017, shippers are reporting nearly every load is being inspected, not just for legality, but also for overall quality. After threatening a total ban on scrap, the government announces a 0.5% level limit of contamination for all recyclables, and the industry screams, "Unattainable!"

Blue Sky 2018: With many permits still halted since Green Fence, haulers start reporting sharp declines in revenues by early 2018. While recycling sorting facilities all over the world scramble to improve processes to meet the new contamination standards, the new 0.5% contamination level takes effect on March 1, 2018. In mid-March 2018, Chinese customs officials announce Blue Sky 2018, another inspections uptick said to continue the mission of Operation Green Fence and Operation National Sword.

National Sword's Global Impact: Big cities have shielded their residents from the impact of China's decision last year to curtail the solid waste it will accept from other countries. Rural and small-town residents are starting to get squeezed by a change that is wreaking havoc on the global recycling market. The industry standard for contamination typically ranges between 1%- 5 % under the new policy, China's standard is 0.5 percent.

Recyclers have stockpiled certain materials while they look for buyers. Some types of scraps have declined in value, while others have become worthless. Many large cities have just absorbed the losses, fearing that passing on the cost to residents would discourage recycling.” This year, because of a far-reaching rule change in China, some of the recyclables are ending up in the local dump anyway. In recent months, thousands of tons of material left curbside for recycling in dozens of American cities and towns... have gone to landfills.....China’s stricter requirements also mean that loads of recycling are more likely to be considered contaminated if they contain materials that aren’t recyclable. That has compounded a problem that waste managers call wishful or aspirational recycling: people setting aside items for recycling because they believe or hope they are recyclable, even when they aren’t.” Two-thirds of U.S. states are facing a recycling crisis of our own making. For months, mountains of plastic, paper and other materials have been piling up at recycling facilities across the nation; recyclables are ending up in landfills en masse. Some municipalities – from Sacramento, California, to Hooksett, New Hampshire – have canceled or significantly curtailed their recycling programs, leaving residents with no choice but to throw their recyclables in the trash.” “Contamination of collected recyclables can decrease their value and increase the amount that must be discarded – across the U.S., about 25 percent of items placed in blue bins cannot be recycled at their end point – but the solution is better consumer awareness. Cities cannot control world markets. Recycled materials are economic commodities, just like pork bellies and microchips, and their value rises and falls. When oil prices are low, it’s cheaper to make plastics from virgin materials (i.e. petroleum products).”

Plastics: Once a good source of profit for recyclers and haulers, but now difficult to move due to high supply. Expensive to recycle (up to \$4,000 per ton), expensive to sort and process, and cheap to make from virgin materials when those commodities are low. Not all plastics are recyclables. The clear plastic is but the colored plastics is not. Feedstocks come from oil and natural gas, both of which are cheap and abundant right now.

National Sword’s Global Impact: Some 106 million metric tons – about 45 percent – of the world’s plastics set for recycling have been exported to China since reporting to the United Nations Comtrade Database began in 1992...By 2030, an estimated 111 million metric tons of plastic waste will be displaced because of China’s new law, the study estimates. This is equal to nearly half of all plastic waste that has been imported globally since 1988.”

“Shale drilling in West Texas and elsewhere has unleashed a steady supply of low-cost natural gas that has fueled a resurgence in domestic petrochemicals manufacturing. Chemicals and plastics producers along the U.S. Gulf Coast have capitalized on the so-called shale boom, using gas-derived liquids such as ethane as feedstocks. The abundance of cheap feedstocks has given them an edge over competitors in Europe, the Middle East and Asia, where ethane is scarce. In those regions, petrochemicals producers often rely on naphtha, a pricier feedstock derived from crude oil.”

Glass: A negative \$10 per ton venture in the single bin environment. Brings \$20-30 per ton in the two-bin environment. No matter the collection method, the broken-beyond-sorting glass is trash (unless you are crushing it into sand like Fairfax Co.) The biggest problem with glass is that the broken glass contaminates other recyclables, especially cardboard and paper with both broken glass pieces and liquid contents.

Paper and Cardboard: Once fetched \$200 a ton, but National Sword has dropped to \$100 and lower. Is heavily contaminated in single stream by broken glass and liquids. Is likely contaminated before the bin, and is just “wishful recycling” anyway. The 99.5% pure is not a goal most recycling facilities are able to meet. Mixed paper (not cardboard) fell from \$71 per ton in 2017 to \$1.56 per ton in 2018.

The greasy side of a pizza box is not recyclable. That last gulp of Pepsi in a bottle is not recyclable because it contaminates the paper. Certain plastics cannot be recycled. Tapes used on packaging box is not recyclable. It gums up the works of the sorting equipment.

Local Effects of the Global Crisis: In March 2017, they were taking everything to American Disposal recycling facility on Route 28 and paying nothing. You can see why any company would have been anxious to start a recycling program because they can charge us for the hauling and paying zero to tip. They could sort out the plastics themselves and sell the plastics for real money. Because of China, June 2017 it went up \$30 and they were driving to Sterling, VA to get rid of it.

Patriots Recycling Tipping Cost. Waste Management not accepting recyclables from Patriot. American Disposal shut their doors.

LLF was charging \$90 per ton by December 2018. LLF is charging a 150.00 contamination fee. There is a risk for haulers to take material to somebody that is taking that hard of a stance. Our citizens are putting it out, it is being picked up and taken to a facility and there is a risk that it is going to be hit with this fee.



Budget expenditures were not erratic but actual contract cost were erratic. By switching to Patriot in 2013, the city saved \$106,180. If you look at the trends, there is nothing to indicate that contract cost are going to stop going up.

Vice Mayor Banks stated it looks like China is getting out of the recycling business but he believes another country will pick this opportunity up because there is a demand for this business and there is money to be made.

Mr. O'Dell stated that metal is recyclable but not in a single stream recycling facility. It is not a targeted product. Scrap metal is recyclable and is real money if you take it to their facility but not if you put it in recycling bin.

Mayor Rishell stated she is very concerned with the 0.5% because the city will do it best to educate our residents and try to get them to do the right thing for recycling but she does not think city will ever achieve 0.5% rate.

City Manager stated there was talk about making Fairfax County's facility a regional facility for glass and somewhere all glass could go. It was a discussion at a NVRC meeting several weeks. Councilmember Shuemaker stated this could be an issue for COG. Mr. O'Dell stated the facilities in this area are only set up for single stream.

Education of what is recyclable is very important in getting the recyclables to a recycling facility.

10. Closed Session: State Code: VA Freedom of Information Act: Sec 2.2-3711a: 8:27PM:

MOTION: Councilmember Shuemaker moved to accept recommendation of City Attorney that the Governing Body go into closed meeting to consult with the City Attorney regarding a specific legal matters requiring the provision of legal advice by the City Attorney and (ii) to discuss the award of a public contract, and the terms of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the City, pursuant to Paragraphs 8 and 29 of Subsection 2.2-3711A of the Code of Virginia.

SECOND: Councilmember Cendejas

VOTE: Yes: Shuemaker Cendejas, Banks, Javed, Machado, Mensing, Rishell

11. Return to Open Session: 9:40PM:

MOTION: Councilmember Shuemaker

SECOND: Councilmember Cendejas

VOTE: Yes: Shuemaker, Cendejas, Banks, Javed, Machado, Mensing, Rishell

12. Certification & Action out of Closed Meeting if Necessary:

MOTION: Councilmember Shuemaker moved the following Resolution:

WHEREAS, the Governing Body of the City of Manassas Park has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712(d) of the Code of Virginia requires a certification by this public body that such closed meeting was conducted in conformity with Virginia law.

NOW THEREFORE BE IT RESOLVED that the Governing Body of the City of Manassas Park hereby certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under this chapter and (ii) only such public business matters as were identified in the motion by which the closed session was convened were heard, discussed or considered in the meeting by the public body.

SECOND: Councilmember Cendejas

VOTE: Yes: Shuemaker, Cendejas, Banks, Javed, Machado, Mensing, Rishell

13. Adjournment 9:41 PM:

MOTION: Councilmember Shuemaker

SECOND: Councilmember Cendejas

VOTE: Yes: Shuemaker, Cendejas, Banks, Javed, Machado, Mensing, Rishell

Approved March 19, 2019

Jeanette Rishell, Mayor

Lana Conner, City Clerk

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