

Preserving the environment through integrated recovery and disposal.

MEMORANDUM

TO: Authority Board of Directors

FROM: William A. Rabbia, Executive Director

DATE: May 7, 2015

RE: Meeting Notice & Tentative Agenda - Monday, May 18, 2015 at 4:30 PM

1. Pledge of Allegiance
2. Approval of March 23, 2015 Authority Minutes
3. Public Comment Period
4. First Quarter Financial Report
5. Emert/Prosser Property Acquisition – Resolution
6. Updates:
 - Recycling Education
 - MRF Warehouse Construction
 - Solar Project
 - Lewis County Recyclables
7. Motion to go into Executive Session to discuss pending litigation and real property purchase.

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DRAFT

**AUTHORITY MEETING MINUTES
MARCH 23, 2015**

Board Members Present: Chairman Neil Angell, Vice Chairman Ken Long, Vincent Bono, James D’Onofrio, James Franco, Barbara Freeman, Treasurer Harry Hertline, Robert Roberts and Jim Williams

Authority Staff Present: Bill Rabbia, Jodi Tuttle, Joe Artessa, Patrick Donovan, David Lupinski, Andrew Opperman, Bill Schrader and Jamie Tuttle

Others Present: Kevin Martin, Esq. and Paul Goetz, SAXBST

Chairman Angell called the March 23, 2015 Authority Board meeting to order at 4:31 PM, and opened with the Pledge of Allegiance.

A motion was made by Mr. Bono, seconded by Mr. Franco and passed to approve the December 15, 2014 Authority Minutes.

There were no speakers for public comment period.

Paul Goetz, Partner at SAXBST, presented the audited financial statements of the Authority for the year ending 2014. Mr. Goetz met with the Authority’s Audit and Finance Committees prior to this meeting to review the independent Auditor’s Report and statements of net position. Mr. Goetz reviewed the independent auditor’s report and stated that the Authority received an unqualified opinion, which is the highest level of assurance one can receive from an auditing firm, this is also consistent with prior years’ opinions.

Mr. Goetz reviewed the statements of net position which includes assets, liabilities and equity; statements of revenues, expenses, and changes in net position; statements of cash flows; and the notes to the financial statements. Mr. Goetz reported that in 2014 the Authority had \$15 million in unrestricted investments compared to \$12.8 million in 2013, which shows that the Authority is generating excess monies from operations and is investing in its future. Restricted assets decreased to \$9.6 million in 2014, compared to \$14.6 million in 2013. Mr. Goetz said that the decrease reflects the release of some investments that were held in a debt service fund from 1998 bond issuance that was fully re-paid in 2014. Mr. Goetz stated that the Authority’s net position at the end of 2014 is very strong with \$39.7 million worth of equity.

Mr. D’Onofrio commented on the decrease in receivables of \$2 million.

Mr. Goetz said that net receivables, as of December 31, 2013, included a \$2 million grant due the Authority from New York State but that the grant was not received until 2014. He noted that this figure also appears in the statement of cash flows. He reviewed the statement of revenues, expenses, and changes in net position. He noted that the most significant increase is in the change of depreciation in 2014 as a result of the original three cells being fully depreciated. He noted that this is an expense that does not impact cash. Mr. Goetz said that the Board should be proud of investing \$6.3 million into its landfill and equipment. At the end of the 2014 the Authority had \$6.5 million in cash and cash equivalents which does not include the investments the Authority holds. Mr. Goetz reviewed the notes to the financial statements.

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Mr. D'Onofrio questioned the variance in year-end surpluses for years 2012-2014. He asked what this drop is attributed to, if there is a projection for 2015, and if it was a result of lower tonnages.

Mr. Rabbia said that the variance was consistent with financial planning in the five-year financial plan the Authority put together which included another tip fee reduction for 2015. The Authority continues to track tonnage which is in-line with budget.

Comptroller Pat Donovan said that the fluctuation in those three years is the result of the \$2 million grant and \$800,000 in additional depreciation expense. Mr. Donovan said that depreciation expense will go down as a result of landfill cells #1, #2 and #3 being fully depreciated.

Comptroller Pat Donovan said that Resolution No. 1 is an annual resolution that reconciles the 2014 budget and 2014 budget amendments to reflect 2014 actual activity and is required for the Authority's bond indenture.

Resolution No. 1 was introduced by Mr. Roberts, seconded by Mr. D'Onofrio and passed reconciling the 2014 budget and 2014 budget amendments to reflect 2014 actual activity.

Solid Waste Engineer Andrew Opperman reported on progress related to the Board-approved materials recovery facility (MRF) [Recycling Center] warehouse addition. He has been working with Barton & Loguidice (B&L) to develop specifications for a 4,500 square foot storage facility to be located on the west side of the existing MRF. He said that the bales currently housed on the tip floor would be moved to the new storage area. Mr. Opperman noted that one additional item, the removal of weigh scales that are no longer being utilized at the Eastern Transfer Station, was added to the bid. An advertisement for sealed bids was issued in compliance with General Municipal Law on February 19, 2015; a mandatory pre-bid meeting was held on February 25, 2015 with six local contractors in attendance; and bids were received and opened on March 10, 2015. All six contractors submitted bids. The bids were evaluated for compliance and it was determined that Beebe Construction Services, Inc. was the lowest bidder at \$397,900. The total project expenses with Beebe's bid, engineering, special testing and in-house electrical/sprinkler work is within the Board-authorized capital budget amount of \$500,000. Mr. Opperman said that Beebe previously constructed buildings at the Authority's Regional Landfill. Authority staff and B&L are recommending that the bid be awarded to Beebe Construction Services, Inc.

Resolution No. 2 was introduced by Mr. Hertline, seconded by Mr. Roberts and passed awarding the construction of a storage addition to the existing MRF to Beebe Construction Services, Inc. for \$397,900.

Mr. Rabbia explained the remaining resolutions before the Board and noted that they are annual governance resolutions that have been reviewed by the Governance Committee.

Resolution No. 3 was introduced by Ms. Freeman, seconded by Mr. Roberts and passed to approve the current Mission Statement, without modifications, and the Performance Measure Report for 2014; and directing the Secretary of the Board to file and post the Performance Measure Report in accordance with the New York State Public Authorities Law.

Resolution No. 4 was introduced by Mr. Bono, seconded by Mr. Franco and passed approving the Confidential Evaluation of Board Performance form, without modifications. Board members were asked to submit their evaluations in a timely manner in order that the Secretary of the Board could submit a summary of the results to the Authority Budget Office before the March 31st deadline.

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Resolution No. 5 was introduced by Mr. Williams, seconded by Mr. Hertline and passed re-appointing James Biamonte as the Authority's Contracting Officer responsible for the disposition of Authority property and approving the Procedure for the Disposition of Authority Property, without modification.

Resolution No. 6 was introduced by Mr. Bono, seconded by Mr. Roberts and passed approving the Authority's Code of Ethics and Fraud Policies, without modification.

Resolution No. 7 was introduced by Mr. D'Onofrio, seconded by Mr. Roberts and passed approving the Authority's Procurement Policy, with modifications, and designating sole source vendors/purchases.

Resolution No. 8 was introduced by Mr. Long, seconded by Ms. Freeman and passed authorizing and directing the Executive Director to submit/certify all reports required under the Public Authorities Accountability Act.

School Recycling Coordinator Jamie Tuttle provided an update on the Authority's Earth Day events to be held at the Recycling Center on Saturday, April 18th. Events include the sale of backyard compost bins and rain barrels (a pre-sale of the compost bins and rain barrels will also be held at the same location on Friday, April 17th from 4 PM to 6 PM); free tours of the Recycling Center; free paper shredding in cooperation with Confidata; free collection and disposal of unused medication and pharmaceuticals; free Utica Zoo "Zoomobile" demonstrations; free Oneida County Cooperative Extension Master Gardener Composting Seminar; free drop-off of bulky rigid plastics, paints/chemicals/household hazardous waste and electronics; and certified, screened compost will be available for purchase in bags or in bulk. Miss Tuttle said that the Authority will also participate in the Utica Zoo's Earth Day events to be held at the zoo on April 25th.

Miss Tuttle reported that the Authority will conduct its fifth annual "Zero Waste" lunch challenge for all public and private K-12 school buildings in Herkimer and Oneida Counties. The purpose of the challenge is to demonstrate how students can reduce the amount of waste they produce.

Mr. Rabbia added that the compost and rain barrel sale is part of the Authority's Local Solid Waste Management Plan to increase home composting and that rain barrels are being sold in cooperation with the Oneida County Sewer District's "Operation Ripple Effect".

Ms. Freeman commented that Director of Recycling David Lupinski will be working with the Mohawk Valley Food Policy Council, which Ms. Freeman serves on, and other Earth Day events, including soil testing at the community gardens in Utica.

Mr. Rabbia reported that the Herkimer-Oneida Counties Transportation Study (HOCTS) group has finalized its alternate routing study for the Village and Town of Boonville and will be holding a public meeting on March 25, 2015 at the Adirondack Central School. Mr. Rabbia said that the link to view the project website is on the Authority Board portal. Budget numbers for this project, which did not include design and land acquisition, range from \$4.71 million to \$13.3 million. Mr. Rabbia said that the Village and Town will consider information received and move forward however they see fit. The Village's newly elected Mayor, Dave Leffingwell, said that one of the most important issues facing the Village is the resolution of an alternative route, in one form or another. Mayor-elect Leffingwell also brought up speaking with the Authority about potential improvements at Boonville's waste water treatment plant and potentially taking some of the Authority's leachate.

At 5:13 PM a motion was made by Mr. D'Onofrio, seconded by Mr. Roberts and passed to go into executive session to discuss pending litigation and proposed real property acquisition.

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At 5:13 PM a motion was made by Ms. Freeman, seconded by Mr. Long and passed to come out of executive session.

With no further business, a motion was made by Mr. Williams, seconded by Mr. Hertline and passed to adjourn the meeting.

Respectfully submitted,

Jodi M. Tuttle
Authority Secretary