

**AUTHORITY MEETING MINUTES
1600 GENESEE ST., UTICA, NY
MARCH 24, 2014**

APPROVED

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

Absent: Alicia Dicks

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

Others Present: Paul Goetz (SaxBST) and Kevin Martin, Esq.

Chairman Angell called the March 24, 2014 Authority Board meeting to order at 4:30 PM, and opened with the Pledge of Allegiance.

A motion was made by Mr. Hertline, seconded by Mr. Roberts and passed to approve the December 16, 2013 Authority minutes.

There was no one present for public comment period.

Paul Goetz, Partner at SaxBST, presented the report related to the audit of the financial statements of the Authority for the year ending 2013. Mr. Goetz apprised the Board that Bollam, Sheedy, Torani & Co. LLP merged with Sax Macy Fromm & Co., PC to form SaxBST, LLP as of January 1, 2014. Mr. Goetz stated that, once again, the Authority was issued a clean, unqualified opinion, which is the highest level of assurance from a CPA firm. Mr. Goetz stated that the Authority's financial position remains very strong, as evidenced by the Authority's balance sheet. Total operating revenues for 2013 were \$25,141,287 in comparison to \$24,563,662 for 2012. Mr. Goetz noted that the Authority decreased some of its tip fees for 2013 but still managed to keep its revenues in-line with the prior year. The Authority's Statement of Revenues, Expenses & Changes in Net Position was reviewed. Total tipping fee revenue increased even with the tip fee reduction that was put in place in 2013. The 2013 operating income of \$6,176,000 was very similar to 2012 operating income of \$6,198,000. The Authority was able to increase its net position by \$7.4 million for 2013. In 2013, the Authority generated \$10,000,000 worth of operating cash; used \$8,000,000 for capital and financing activities; and increased its total cash and investments. Mr. Goetz said that notes to the financial statements were relatively unchanged from prior year with the exception of Note 5 - Other Assets which describes GASB No. 65, which the Authority adopted during 2013, relative to bond issuance costs. The other opinion provided was an opinion on internal controls. Mr. Goetz stated that this was also a clean opinion and that there were no disagreements with management or difficulty in preparing the audit.

Comptroller Pat Donovan said that Resolution No. 1 is an annual resolution required for rate covenant compliance.

**BOARD OF
DIRECTORS**

Neil C. Angell
Chairman

Kenneth A. Long
Vice Chairman

Harry A. Hertline
Treasurer

Vincent J. Bono

Alicia Dicks

James M. D'Onofrio

James A. Franco

Barbara Freeman

Robert J. Roberts, III

James M. Williams

William A. Rabbia

Executive Director

Jodi M. Tuttle

Authority Board Secretary

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Resolution No. 1 was introduced by Mr. Hertline, seconded by Mr. Roberts and passed reconciling the 2013 budget and 2013 budget amendments to reflect 2013 actual activity.

Mr. Donovan stated that Resolution No. 2 before the Board is a budget transfer required to cover projected expenses for 2014 legal services.

Resolution No. 2 was introduced by Ms. Freeman, seconded by Mr. D'Onofrio and passed approving a 2014 budget transfer in the amount of \$50,000 for projected legal expenses.

Mr. Donovan reported that the current collective bargaining agreement between the Authority and the United Public Service Employees Union expired December 31, 2013. Union negotiation meetings began in July 2013. At which time, the Union submitted a list of requests related to salary increases, bonuses, longevity, holidays, health insurance and miscellaneous items. Following meetings and discussions with the Finance Committee, an agreement with the Negotiating Committee was reached in October 2013. However, collective bargaining membership voted the proposal down. Over the next few months, Union leadership came back with a couple of other options. However, management did not concur. The original proposal was ultimately ratified on March 3, 2014. The new agreement is for a five-year term and modifies salaries by 2.5% in 2014 with increases to 2.9% in 2018. The majority of the existing agreement will remain in place, with the exception of adjustments in the longevity payment schedule. Mr. Donovan noted that the Authority had already built-in a 3% contingency for costs related to this agreement in the 2014 budget, therefore, there is no additional impact on the 2014 budget.

Resolution No. 3 was introduced by Mr. Roberts, seconded by Mr. Bono and passed approving a new five-year collective bargaining agreement between the Authority and the UPSEU.

Mr. Rabbia stated that Resolution No. 4 before the Board would authorize extending the Solid Waste Management Agreements with Oneida and Herkimer Counties for another 25-year term. The agreements identify the obligations that the Authority would undertake on behalf of the two Counties with regard to local solid waste management.

Mr. Rabbia reported on the proposed renewal of the Solid Waste Management Agreements with both Oneida and Herkimer Counties. There are a total of five agreements. Mr. Rabbia said that the agreements identify the obligations that the Authority would undertake on behalf of the two Counties with regard to local solid waste management. He said that one important undertaking is the Authority's role as representing the planning unit. The Authority develops the local solid waste management plan; determines the necessary facilities that need to be constructed or contracted with; and is charged with managing all the waste that is directed to those facilities. Mr. Rabbia said that the Counties commit that they will direct all the waste and recyclables to Authority facilities through local flow control laws. The initial agreements were put in place at the request of the financing community when the Authority was enabled and needed to borrow money as provided in the enabling legislation. He said that the financing community wanted to see back-up from the two Counties and commitment that the Authority would have the cash through the flow of garbage to its facilities and be able to pay for that debt. The Agreements are structured whereby the Authority sets its rates to cover the cost of operations and any debt service. Mr. Rabbia said that the two Counties commit to back-up the bonds in the event the Authority was unable to make necessary payments. He noted that in the past 24 years the Authority has never had to borrow any money from the Counties which, he stated, is a reflection of this Board's policy and commitment.

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Mr. Rabbia relayed that Authority Bond Counsel has drafted simple renewal agreements. Otherwise, there are no other language changes reflected in the draft agreements.

Draft agreements and amendments have been forwarded to both Oneida and Herkimer Counties and do not include any suggested edits or language from the Counties' attorneys at this point. Both Counties have begun moving forward toward extending and renewing the agreements.

Mr. Rabbia said that Resolution No. 4 would authorize himself, Mr. Angell and Mr. Hertline to negotiate the extensions with the two Counties and move forward with the extensions.

Resolution No. 4 was introduced by Mr. Roberts, seconded by Mr. Long and passed authorizing the adoption of amendments to existing Solid Waste Management Agreements and certain related agreements of the Authority for purposes of extending terms for additional twenty-five year periods.

Resolution No. 5 was introduced by Ms. Freeman, seconded by Mr. Williams to approve the current Mission Statement, without modifications, and the Performance Measure Report for 2013, 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.

Mr. Rabbia stated that the next six Resolutions before the Board are related to Governance policies and procedures of the Board. Based upon enabling legislation, the NYS Authority Budget Office and the Public Authorities Accountability Act, the Authority is required to annually review and approve the policies and procedures. Mr. Rabbia said that the Governance Committee reviewed all at its October meeting, with no recommendations for modifications at this time.

Resolution No. 5 was put to a vote and adopted.

Resolution No. 6 was introduced by Mr. Roberts, seconded by Ms. Hertline 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.

Resolution No. 7 was introduced by Ms. Freeman, seconded by Mr. Roberts and passed re-appointing James Biamonte to be the Contracting Officer responsible for the disposition of Authority property and approving the Procedure for the Disposition of Authority Property without modification.

Resolution No. 8 was introduced by Mr. Roberts, seconded by Mr. Bono and passed approving the Authority's Code of Ethics and Fraud Policies, without modification.

Resolution No. 9 was introduced by Mr. Williams, seconded by Mr. Franco and passed approving the Authority's Procurement Policy, without modification, and designating sole source vendors/purchases.

Resolution No. 10 was introduced by Mr. Roberts, seconded by Ms. Freeman and passed authorizing and directing the Executive Director to submit/certify all reports required under the Public Authorities Accountability Act.

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At 4:54 PM a motion was made by Mr. D'Onofrio, seconded by Mr. Williams and passed to go into executive session to discuss litigation.

At 5:10 PM a motion was made by Ms. Freeman, seconded by Mr. Williams and passed to come out of executive session.

Before adjournment, Mr. Bono suggested holding an electronics collection/recycling event in Herkimer County for the valley residents. Mr. Rabbia said that he would move forward to plan the event.

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

Respectfully submitted,


Jodi M. Tuttle
Authority Secretary