

APPROVED

AUTHORITY MEETING MINUTES
March 20, 2017

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

Authority Staff Present: William Rabbia, Jodi Tuttle, Emily Albright, Joe Artessa, Jim Biamonte, Patrick Donovan, Andrew Opperman, William Schrader and Jamie Tuttle

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

Chairman Long called the March 20, 2017 Authority Board meeting to order at 4:30 PM, and opened with the Pledge of Allegiance.

A motion was made by Mr. Williams, seconded by Ms. Novak and passed to approve the December 19, 2016 Authority Minutes.

There were no speakers for public comment period.

Paul Goetz, Partner at BST, presented the audited financial statements of the Authority for the year ending 2016. 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 through a power point presentation, stating 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 noted that Authority Management is responsible for preparation and presentation of the financial statements and that there were no disagreements with Management in preparing the audit. Under the Management’s Discussion and Analysis section, Mr. Goetz relayed that BST does not express an opinion in this area of the audit, however, it does check the accuracy of the financial tables within the document. Mr. Goetz reviewed the Statement of Net Position (Balance Sheet) with the Board. Total assets have increased by about \$4.0 million, in comparison to 2015. The Authority had an increase in its current assets of about \$4.0 million. The Authority’s net position increased as a result of the Authority’s 2016 operations. The Authority’s Statement of Revenues, Expenses & Changes in Net Position was reviewed. Total revenues increased slightly for 2016. Total expenses increased by a little over \$1 million dollars with host community benefits increasing by over \$700,000. Total operating income was about \$4 million for 2016. The overall change in net position for 2016 was \$3,884,315. Mr. Goetz reviewed the Notes to the Financial Statements and highlighted several notes including Note 1 New Accounting Pronouncement; Note 2 Restricted Assets; and Note 4 Capital Assets. Mr. Goetz also reviewed GASB 68 and 71 regarding Pension Accounting. Mr. Goetz reviewed two additional audit requirements that had no exceptions: 1. Management Report – Compliance with covenants in Bond Issue Documents outlining rate compliance, debt service and sinking funds, Debt Service Reserve Funds and Bond Redemption and Improvement Funds; and 2. Review of the Authority’s investment activities investment guidelines, and compliance with the NYS Public Authorities Law.

BOARD OF DIRECTORS

Kenneth A. Long
Chairman

Harry A. Hertline
Treasurer

James M. D’Onofrio
James A. Franco

Nancy A. Novak
Robert J. Roberts, III

William A. Rabbia
Executive Director

Vincent J. Bono
Vice Chairman

Neil C. Angell

Barbara Freeman

James M. Williams

Jodi M. Tuttle
Authority Board Secretary

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Comptroller Pat Donovan said that Resolution No. 1 is an annual resolution that reconciles the 2016 budget and 2016 budget amendments to reflect 2016 actual activity and is required for the Authority's bond indenture.

Resolution No. 1 was introduced by Mr. Bono, seconded by Mr. Angell and passed reconciling the 2016 budget and 2016 budget amendments to reflect 2016 actual activity.

Executive Director Bill Rabbia reported that sealed bids for Cell 7 liner system construction at the Regional Landfill were solicited in compliance with General Municipal Law Section 103, received, and publicly opened on March 10, 2017. A total of five bids were received. Barton & Loguidice (B&L) evaluated the bids for compliance with the specifications for the project and references were checked. The lowest bid was from Adhan Piping Co., Inc., Cortland, NY. The lump sum bid totaled \$3,948,669. Mr. Rabbia stated that B&L is recommending that Adhan Piping Co. be awarded the contract for Cell 7 construction. He noted that Adhan has prior experience with landfill liner work.

Resolution No. 2 was introduced by Mr. Hertline, seconded by Ms. Freeman and passed, awarding the contract for Cell 7 liner system construction at the Regional Landfill to Adhan Piping Co., Inc. for \$3,948,669.

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 Mr. Bono, seconded by Mr. Franco and passed to approve the current Mission Statement, without modifications, and the Performance Measure Report for 2016; 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. Williams, seconded by Ms. Freeman 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. 5 was introduced by Mr. Angell, seconded by Ms. Freeman 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. Franco, seconded by Mr. Bono and passed approving the Authority's current Code of Ethics Policy and Fraud Policy, without modifications.

Resolution No. 7 was introduced by Mr. Roberts, seconded by Mr. Franco and passed approving the Authority's Procurement Policy, with modifications, and designating sole source vendors/purchases. The recommended modifications will allow the Authority to make purchases from any New York State municipal entity, including school districts.

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

A Memorial Resolution (Resolution No. 9) recognizing the life and contributions of former Board Member, A. Frank Dolan, was read by Authority Secretary Jodi Tuttle. Resolution No. 9 was introduced by Mr. Hertline, seconded by Ms. Freeman and unanimously adopted. A moment of silence was held in Mr. Dolan's memory.

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Director of Recycling Emily Albright provided an update on Styrofoam recycling. Ms. Albright said that Styrofoam is a trademarked form of polystyrene foam insulation, also known as Expanded Polystyrene (EPS) foam. Only 2% of EPS foam is polystyrene, the rest is air. Due to its light weight, low cost and durability, it is difficult to recycle. EPS takes up less than 1% of the total municipal waste stream by both weight and volume and of that 1%, only 12% of it is recycled. Some of the concerns with Styrofoam recycling include: finding long-term stable markets; fewer businesses are utilizing Styrofoam; difficulty obtaining the volume of clean material with no contamination; separation, sorting and storing the material; transportation/cost of hauling; and markets are low. Ms. Albright said that it is also getting more difficult to identify Styrofoam as there are now starch-based alternatives that look and feel very similar. Ms. Albright reached out to Madison County who started recycling Styrofoam in December of 2015. Madison County accepts clean, white packaging Styrofoam (packaging peanuts, food trays, containers, cups and colored foam are not accepted) at its drop-off facility (it is not accepted curbside). Madison County built an addition to store the Styrofoam material and purchased a \$42,000 cold densifier unit. Over a 10-month period, Madison County collected approximately 7,000 pounds of undensified Styrofoam. Ms. Albright noted that approximately 40,000 pounds of Styrofoam is needed to make up a full-load. Madison County has since added clean Styrofoam food containers and cups to be included. Ms. Albright said that in addition to their densifying unit being very sensitive, contaminants are a big issue with Madison County.

Mr. Rabbia reported that the Source-Separated Organics Feasibility Study conducted by B&L is now complete and the project is determined to be feasible. The Study outlines a conceptual process, plan and impacts/effects on the Authority's current operations. B&L identified and evaluated the types of equipment and processing equipment required for the Authority to accept commercial and institutional food scraps/organics; developed a conceptual site plan and building floor plan; developed preliminary capital and O&M cost estimates; and conducted an organics feasibility tip fee analysis. The analysis factored in costs associated with running equipment, contamination, capital amortization, heating expenses and potential fees from Oneida County.

Board discussion ensued. Mr. Franco stressed the importance of developing accurate O&M costs in moving forward. Board members concurred that there are many logistics involved to determine the feasibility to incorporate organics, including the effect on tip fees. Mr. D'Onofrio stated that the fact that the Authority's Utica facility is adjacent to Oneida County's Wastewater Treatment plant is a plus, as transportation costs would be avoided. Ms. Novak inquired as to the timeframe for implementation and required upgrades.

Mr. Rabbia said that Oneida County's digester is scheduled to become operational in late 2018. The mandate that the Governor is proposing is that the law would be implemented in 2021. Mr. Rabbia said that the Authority already has a force main from its Utica facility to the Wastewater Treatment Plant, but it would have to be upgraded to handle the slurry. Based upon 50% of the project being funded by the Climate Smart Community Grant, Mr. Rabbia recommend moving forward with an RFP for design, procurement and construction of the system to better determine true costs. Authority staff will prepare the 120-w RFP for Board consideration at the May Board meeting. Final Board approval of the project would not be required until after analyzing the proposals and making the final determination that going forward with the project makes sense. Meantime, Mr. Rabbia will be providing additional grant documents required for submittal.

Mr. Rabbia reported that MVCC (Rome campus) will be taking advantage of the Authority's regional demolition program this year. Through the program, the Authority aids municipalities with clean-up of abandoned, dilapidated structures.

The Authority provides a demolition crew, including equipment, at no cost, to demolish abandoned structures owned by a municipality. The municipality then pays for the transportation and disposal of the demolition debris which must be landfilled.

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Mr. Rabbia announced that the Authority, Herkimer County and the City of Little Falls are sponsoring a one-day electronics recycling event for all residents of Herkimer County. The one-day event will allow residents to drop-off unwanted or outdated electronics for recycling at no charge. The event will be held on Saturday, March 25, 2017 from 10:00 AM to 2:00 PM at the City of Little Falls DPW Garage, Loomis Street Ext., Little Falls, NY.

Mr. Rabbia said that Authority staff will be putting together an RFP to solicit proposals related to utilization of the waste heat generated at the WMRE landfill gas to electricity plant at the Regional Facility, to see if there is any outside interest in utilizing the waste heat generated.

Mr. Rabbia said that in its Host Community Agreement with the Village of Boonville there is a clause which states the Authority will consider the possibility of sending some of its leachate from the Landfill to Boonville's Village Waste Water Treatment Plant. Currently, 50% of the Authority's leachate goes to the City of Rome Waste Water Treatment Plant and 50% to the Oneida County Waste Water Treatment Plant. The last time the Village of Boonville analyzed its headworks was 9 to 10 years ago. Based on some of the parameters, the Plant's current design is not able to accept the Authority's leachate. Mr. Rabbia has talked with the Village Mayor and the Operator of the Treatment Plant about reanalyzing their headworks and has asked B&L to provide a proposal on how much the sampling would cost. As soon as the cost estimate is available, Mr. Rabbia will report back to the Board.

Mr. Rabbia highlighted the Authority's upcoming Earth Day Events scheduled for Saturday, April 22, 2017 at the Oneida-Herkimer Recycling Center (80 Leland Ave. Ext., Utica) from 10 AM - 2 PM. In addition to the Authority's regular Saturday services, the event will include confidential paper shredding, in cooperation with Confidata; collection of pharmaceuticals; Utica Zoomobile demonstrations; appearances by radio stations and the Utica Comets mascot; and tours of the Recycling Center. In accordance with the Authority's Local Solid Waste Management Plan, and in concert with Oneida County Sewer District's Operation Ripple Effect, the Authority will also be holding a composter and rain barrel sale. As advertised on the Authority's website and media advertisement, this year composters and rain barrels must be pre-ordered and paid in advance.

Mr. Rabbia reported that the new scales at the Western Transfer Station (Rome) have been installed and that the new modular scale house is nearing completion. The Authority has also upgraded all unattended kiosks with RFID (radio-frequency identification) technology. Commercial customers will now utilize a key fob, in lieu of a swipe card, for truck identification. With exception of the modular scale house, all other capital improvements from 2016 have been completed and the Authority is moving forward with its 2017 capital improvements, including bidding out repair of the tip floor at its Eastern Transfer Station (Utica).

Mr. Rabbia said that Solar City's most recent notification indicates a late May commercial operation date for the solar array project in Rome.

At 5:57 PM, with no further business, a motion was made by Mr. Bono, seconded by Mr. Franco and passed to adjourn the meeting.

Respectfully submitted,

Jodi M. Tuttle
Authority Secretary