

Preserving the environment through integrated recovery and disposal.

AUTHORITY MEETING MINUTES
November 20, 2017

APPROVED

Board Members Present: Treasurer Harry Hertline, Neil Angell, James D’Onofrio, Barbara Freeman, Nancy Novak, Robert Roberts and Jim Williams

Board Members Absent: Chairman Ken Long, Vice Chairman Vincent Bono and James Franco

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

Treasurer Hertline called the November 20, 2017 Authority Board meeting to order at 4:36 PM and opened with the Pledge of Allegiance.

A motion was made by Mr. Angell, seconded by Mr. Williams and passed to approve the September 18, 2017 Authority Minutes.

At 4:37 PM Treasurer Hertline called the public hearing on the proposed 2018 budget to order.

Executive Director Bill Rabbia and Comptroller Pat Donovan presented an overview of the proposed 2018 Authority budget through a PowerPoint presentation. The draft budget was released to the public on October 27, 2017. Mr. Rabbia said that the proposed budget includes a \$2 per ton reduction in tipping fees for municipal solid waste (msw) and local solid waste [Ava-Boonville]. The Authority will maintain rates charged in 2017 for all other categories of waste. For the 27th consecutive year, recyclables will continue to be accepted at no charge. Graphs illustrating historical msw tipping fees for the period 1990 – 2018 (projected) and historical msw tipping fees versus the rate of inflation for the period 1990 - 2017 were reviewed. A chart outlining neighboring County tip fees was provided. An analysis of 2016 actual, 2017 (6-month data) and 2018 projected tonnage by waste class was reviewed. An overview of system revenues outlining 2016 actual, 2017 (6-month data) and 2018 projected was reviewed. A historical review of recycling revenues and budget projections for 2018 was presented. Mr. Rabbia outlined proposed 2018 revenue assumptions for system tip fees (\$15,018,300); sale of recyclables (\$2,575,000); landfill gas (\$310,000), recyclables’ processing fees (\$755,000), sale of carbon credits (\$270,000) and miscellaneous revenues which include interest earnings, State grants, compost tip fees and sales, tire fees, etc. (\$2,654,700). Overall proposed 2018 revenues total \$21,583,000.

Mr. Donovan reviewed system expenditures by cost center outlining 2016 actual, 2017 (6-month data) and 2018 proposed. He stated that 2018 proposed expenditure assumptions include a 4% to 12% increase over 2017 employee health insurance premiums (depending upon plan selected). The Budget reflects \$455,000 of contracted direct payments made to the Town of Ava and the Town and Villages of Boonville, consistent with the Host Community Agreements; fuel expense budgeted at \$2.50 per gallon as the result of industry forecasts; capital projects funded through tipping fees budgeted at \$1,770,000; and public education expenses projected at \$70,000. The workers’ compensation budget is based upon a five-year average of the Authority’s actual claims. Annual contributions to the NYS Retirement System will stay consistent with 2017 costs as rates have remained relatively the same. Mr. Donovan said that debt service is reduced based upon defeasance of the Authority’s 2007 bonds.

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William A. Rabbia
Executive Director
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Authority Board Secretary

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Proposed landfill reserves for 2018 total \$2,050,000 (\$450,000 for Regional Landfill equipment replacement and \$1,600,000 for Regional Landfill Liner extension).

Mr. Rabbia said that the 2018 proposed capital plan (with projections through 2022) funded through tipping fees will be \$7,455,000. Included in the proposed 2018 capital plan is one major project, an organics processing facility. This project represents a significant capital investment and will be partially offset by New York State grants (50%). Several charts that indicated revenues and expenses by category and cost centers projected for 2018 were reviewed.

The total proposed 2018 Authority budget is \$26,797,000.

The proposed 2018 budget for the six municipalities in which the Authority administers the respective municipal programs was presented.

Discussion ensued.

There was no one present from the public at the public hearing on the proposed 2018 budget. At 5:11 PM a motion was made by Mr. D'Onofrio, seconded by Ms. Freeman and passed to close the public hearing.

Treasurer Hertline reconvened the regular meeting of the Authority.

There were no speakers for regular public comment period.

Mr. Donovan said that the Authority is required to annually review and approve its Investment Policy and Guidelines. Resolution No. 17 before the Board would approve the Investment Policy and Guidelines without modification. He reported that the Finance Committee reviewed the Investment Policy and is recommending no modifications at this time. Mr. Donovan said that all Authority investments are in compliance with the Investment Policy.

A motion was made by Mr. D'Onofrio and seconded by Mr. Roberts to approve the Investment Policy and Investment Guidelines without modification. Authority Secretary Jodi Tuttle read Resolution No. 17 aloud. Resolution No. 17 was unanimously adopted.

Mr. Rabbia said that Resolution No. 18 before the Board would authorize him to execute a contract for the collection of solid waste and recyclables in the City of Utica to the lowest responsible bidder, based upon final canvassing and the City's authorization and extension of the Solid Waste Agreement. As reported at the September 18, 2017 Board meeting, the Authority went out to bid for this work on August 7, 2017; three bids were received, but based on technical omissions and pricing considerations, all bids were rejected. The Authority reopened the process and on October 6, 2017 resolicited bids with changes to the bid specs, providing more service options and potential savings. A mandatory pre-bid meeting was held on October 16, 2017 with six contractors in attendance. Final proposals were due November 3, 2017. A total of four bids were received. Mr. Rabbia said that the Authority did receive lower pricing, based upon the rebid. However, the City would still need to raise its bag and user fee rates. The apparent low bidder is Controlled Waste Systems, Inc. of Utica. Mr. Rabbia said that a canvassing of all bids submitted to verify compliance with all requirements of the bid solicitation is currently underway. He stated that the Authority's current five-year contract for the collection of solid waste and recyclables for the City of Utica expires on April 1, 2018. Mr. Rabbia said that the Authority's 25-year Agreement with the City of Utica expires in 2021 and that the Authority and counsel are currently working on extending this Agreement, under the same terms.

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A motion was made by Mr. Angell and seconded by Mr. Roberts to authorize the Executive Director to execute a contract for the collection of solid waste and recyclables in the City of Utica to the lowest responsible bidder and directing the Authority Attorney to prepare and the Executive Director to sign all necessary contracts, agreements and other instruments necessary to implement the bid awards, and to take all other action necessary to continue service on April 1, 2018. The Authority Secretary read Resolution No. 18 aloud. Resolution No. 18 was unanimously adopted.

Mr. Rabbia updated the Board on the City of Rome Agreement. He stated that the Authority and the City of Rome originally entered into a Solid Waste Management Agreement in 2000, wherein the Authority would provide solid waste management and disposal services to the City and the City would deliver all solid waste generated and collected within the City to the Authority. The Agreement with Rome allowed the Authority to deliver leachate generated at the Authority's Ash Landfill to Rome's Wastewater Treatment Facility, and the City would treat the leachate generated at the Ash Landfill at a discounted rate. In return for the discounted leachate treatment, the Authority agreed to haul Rome's sludge and pay \$1 per ton for all non-recyclable waste delivered to the Authority's Western Transfer Station. The Agreement was extended and amended to include discounted pricing for treatment of leachate from the Regional Landfill in 2007 and 2009. The current extension to the Agreement is set to expire on December 31, 2017. Messrs. Rabbia and Donovan have met with Rome Mayor Izzo and Rome DPW Commissioner Conover to discuss extending the current conditions of the Solid Waste Agreement and Addendum for an additional ten-year period with the same terms. Mr. Rabbia noted that within the Agreement, the Authority and/or City of Rome would have the ability to adjust pricing, if necessary. The Rome Common Council is expected to vote on a proposed agreement on December 13th. Mr. Rabbia anticipates having a resolution for the Board's consideration at the December 18, 2017 Authority meeting.

Mr. Rabbia said that he and Director of Recycling Emily Albright worked with the Village of Ilion on a new bid for collection of waste and recyclables in the Village. The current contract expires March 31, 2018. At the Village's bid opening, two bids were received. The bid was ultimately awarded to the current contractor, Spohn's Disposal, for a five-year term. As part of the Agreement, it will also be necessary for the Authority to extend the intermunicipal agreement with the Village.

Mr. Rabbia provided an overview of the organics processing facility to be located at the Authority's Utica site. He stated that the Authority continues working with RRT to refine the design and ultimately finalize the Authority's sensitivity analysis for tipping fees, and with Oneida County Sewer District to fine tune the intermunicipal agreement between the County and the Authority. Discussion ensued. Mr. Rabbia said that through the budget process the Board would authorize spending the money on the organics processing facility and taking advantage of the NYS grants available for the project. Mr. Rabbia said that he will have a resolution for the Board's consideration at the December 18, 2017 Authority meeting that would authorize a contract with RRT Design and Construction.

Mr. Rabbia reported that Career Connections, the employment division of Arc Herkimer, honored the Authority with the 2017 Employer of the Year Award for outstanding continued commitment to providing employment opportunities for people with disabilities. The Authority also received recognition by the Central New York Office for People with Developmental Disabilities (OPWDD) during National Disability Employment Awareness Month in October, which celebrates inclusion of individuals with disabilities in the workplace. Mr. Rabbia stated that these organizations also honored Authority employee Paul D'Amelio, who works at the Recycling Center. Mr. Rabbia stated that Mr. D'Amelio is a great worker and has been working as a sorter since the opening of the Recycling Center.

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Mr. Rabbia stated that the Authority was highlighted in Google's 2017 Sustainability Report. Mr. Rabbia noted that Google buys all the Authority's carbon credits. He said that this article speaks highly of the Authority's operations and to the Board's commitment on how the Authority operates.

Mr. Rabbia said that the Authority is also the recipient of the 2017 NYS DEC Environmental Excellence Award, specifically for its Go Green program. School Educator Jamie Tuttle and Director of Recycling Emily Albright put together an application and submitted it to the State. The Authority was one of seven entities chosen to receive the award this year.

At 5:50 PM a motion was made by Ms. Freeman, seconded by Ms. Novak and passed to go into executive session to discuss personnel matters.

At 6:13 PM a motion was made by Mr. D'Onofrio, seconded by Ms. Novak and passed to go back into open session.

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

Respectfully submitted,

Jodi M. Tuttle
Authority Secretary