

MEMORANDUM

TO: Authority Board of Directors

FROM: William A. Rabbia, Executive Director

DATE: November 8, 2018

RE: Meeting Notice & Tentative Agenda - Monday, November 19, 2018 at 4:30 PM

1. Pledge of Allegiance
2. Approval of September 17, 2018 Authority Minutes
3. Public Hearing on Proposed 2019 Budget/Budget Presentation
4. Regular Public Comment Period
5. Investment Policy & Guidelines – Resolution
6. Project Updates:
 - HHW Storage Units/Glass Pad Repair
 - Organics Processing Facility
 - Cell 7 - Projection Completion
 - Electronics Collection Event - October 20, 2018
7. Request a Motion and a Second to go into Executive Session to Discuss Personnel Matters



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DRAFT

**AUTHORITY MEETING MINUTES
September 17, 2018**

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

Board Members Absent: Vice Chairman Vincent Bono

Authority Staff Present: William Rabbia, Jodi Tuttle, Emily Albright, Joseph Artessa, Jim Biamonte, Pat Lisandrelli, Josh Olbrys and Andrew Opperman

Chairman Long called the September 17, 2018 Authority Board meeting to order at 4:32 PM and opened with the Pledge of Allegiance.

A motion was made by Mr. Williams, seconded by Ms. Freeman and passed to approve the June 18, 2018 Authority Minutes.

There were no speakers for public comment period.

Comptroller Joseph Artessa provided an overview of the Authority’s 2018 2nd quarter financial report. Mr. Artessa reported that operating surplus for first six months was \$2,555,373, an increase of \$424,610 from 2017 2nd quarter. The Authority’s 2nd quarter revenues were \$6,628,248 or 30.71% of budget. Revenues for the first six months were \$11,451,991 or 53.06% of budget. Tipping fee revenue increased \$538,212 from 2nd quarter 2017. Tonnages increased by 25.46% over prior year 2nd quarter. Tipping fees for the first six months were \$8,845,499. Sales of recyclables decreased by \$197,799 or 38.51% from 2017 2nd quarter. Sales of recyclables for the first six months were \$937,976. Out of county recyclables’ processing revenues decreased by \$3,239. Out of county recyclables processing revenues for the first six months were \$382,793. Interest earned increased by \$24,932 from 2017 2nd quarter. Interest earned for the first six months was \$186,411. Second quarter expenses were \$4,620,879 or 21.41% of budget. Expenses for the first six months were \$8,896,618 or 41.22%. Mr. Artessa stated that overall expenses are conforming with 2018 budget assumptions. He reviewed the Authority’s balance sheet. Total assets increased by \$3,893,372 from 2nd quarter 2017 as a result of 2017 fiscal activity, 2018 first and 2nd quarter activity, and early defeasance of the 2007 bond issue. Retained earnings have increased to \$56,628,910. Authority investment in capital assets increased \$1,442,890, in comparison to 2017. Mr. Artessa reviewed the Authority’s income statement which includes all Authority and local governments’ [City of Utica and Villages of Ilion, Frankfort, Mohawk, Herkimer and Dolgeville] revenues and expenses. Overall revenues have increased by \$968,379. Overall expenses have increased by \$515,095. Changes in net assets was \$2,661,829, resulting in an increase from 2017 of \$453,284. Mr. Artessa reviewed summary charts that outlined tonnage, revenue and local governments’ financial activity.

Executive Director Bill Rabbia provided an update on recycling markets and China’s National Sword initiative. Mr. Rabbia said that the 2017 average revenue per overall ton was \$112.37 compared to \$76.37 for the period January through August 2018. In 2017, the Authority received \$84.42 per ton for newspaper, compared to \$27.07 for the period January through August 2018. Average revenue for corrugated cardboard in 2017 was \$154.57 per ton compared to \$92.41 per ton in 2018. September 2018 paper prices for newspaper was \$12.50 per ton and corrugated cardboard at \$82 per ton. Mr. Rabbia said that prices have held for the past five months and are rising on the West Coast. Mixed paper markets are projected to stay depressed for the next 12 months with OCC projected to rebound slowly.

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Total 2019 Recycling Center revenues are projected to be \$2,862,000; operating expenses projected at \$3,347,247; and debt service/depreciation at \$1,025,000.

Mr. Rabbia noted that Oswego County extended its contract with the Authority for marketing and processing of recyclables for another five years.

Mr. Rabbia reported on NYSDEC's recycling stakeholders meeting he attended in August 2018. He stated that while some planning units are asking DEC for waivers and requesting that the list of acceptable recyclable items be minimized, the Authority is concentrating its efforts on quality and working with the fiber brokers. He noted that the Authority is currently evaluating the need for an additional optical sorter. The Authority will continue to accept recyclables at no charge and will not change the list of acceptable items for recycling in 2019.

Landfill Operations Manager Josh Olbrys provided an update on cell 7 construction at the Regional Landfill. The 10-acre cell is the largest cell constructed, thus far. Adhan is the contractor for the project and Chenango is the liner contractor. Mr. Olbrys said that the two-year project is close to being on schedule. The secondary pipe will be connected within the week. Moving forward, construction will include finishing the primary collection liner, hauling and placing the primary collection stone, electro resistivity testing and installing anchor trenches.

Solid Waste Engineer Andrew Opperman has been working with contractor RRT on the floor plan for the source-separated organics facility. He said that the facility is on-schedule and should be able to accept material the first quarter of 2019.

Mr. Rabbia announced that September 2018 marks the 30-year anniversary since the formation of the Authority. A recognition ceremony and community open house to commemorate 30 years of service will be held on Saturday, September 29th at the Oneida-Herkimer Recycling Center. Following the recognition ceremony, tours of the Recycling Center, informational exhibits, and Authority events such as confidential paper shredding (through Confidata), household hazardous waste drop-off, pharmaceuticals collection and compost for purchase will be available that day.

Mr. Rabbia said that the Authority is continuing its regional demolition program offered to municipalities. Under the program, the Authority makes available a demolition crew and equipment to demolish abandoned structures owned by a municipality, during the months of December through March. The Authority does not charge for the demolition crew and equipment. However, the municipality would have to abate for asbestos and is required to pay for disposal of the demolition debris to be landfilled. The Village of Middleville, Village of Ilion and Town of Augusta have recently expressed interest in the program.

Mr. Rabbia reported that the draft 2019 proposed budget, including key budget assumptions, was presented to the Finance Committee. The initial draft budget does not include any tip fee increases but does include a new rate for source separated organics. The Committee also received an updated five-year financial plan which takes into account the projected 2019 budget and projected revenue and expenses for 2019-2023. The Finance Committee will review the proposed budget and five-year financial plan and meet again in October. The proposed 2019 budget will then be released to the public prior to November 1, 2018.

A motion was made by Mr. Angell, seconded by Mr. Franco and passed to schedule a public hearing on the proposed 2019 budget for November 19, 2018 at 4:30 PM.

At 5:49 PM a motion was made by Mr. Franco, seconded by Ms. Freeman and passed to go into executive session to discuss contract negotiations.

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At 5:56 PM a motion was made by Mr. Franco, seconded by Mr. Hertline and passed to come out of executive session.

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

Respectfully submitted,

Jodi M. Tuttle
Authority Secretary

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Introductory No.

Resolution No. 14

Introduced by:

Seconded by:

RE: APPROVAL OF INVESTMENT POLICY AND INVESTMENT GUIDELINES

WHEREAS, the Authority Board of Directors adopted an Investment Policy with a comprehensive set of investment guidelines by Resolution No. 42 on August 20, 1990 in compliance with the requirements of the Public Authorities Law and the Authority's Bylaws; and

WHEREAS, these investment guidelines detail the Authority's operative policy and instructions to officers and staff regarding the investing, monitoring and reporting of funds of the Authority; and

WHEREAS, pursuant to the Public Authorities Accountability Act, this Investment Policy will be reviewed annually and from time to time the Authority may amend such Investment Guidelines; and

WHEREAS, the Board approved amendments to the Investment Policy by Resolution No. 13 on May 18, 2009, Resolution No. 12 on May 17, 2010 and Resolution No. 24 on November 21, 2011; and

WHEREAS, the Authority's Finance Committee has reviewed the existing Investment Policy and Investment Guidelines and is recommending no modifications be made to the Investment Policy and Investment Guidelines at this time; now, therefore, be it

RESOLVED, that the Authority approves the attached Investment Policy and Investment Guidelines without modification.

Adopted by the following vote:

AYES ___ NAYS ___

Dated: