

ULSTER COUNTY RESOURCE RECOVERY AGENCY

MINUTES OF THE REGULAR BOARD MEETING

JULY 22, 2015

The Ulster County Resource Recovery Agency held a Regular Board Meeting on July 22, 2015, at 999 Flatbush Road, Town of Ulster, NY.

The proceedings were convened at 5:00pm.

The following Board members were present: Chairman Leon Smith; Vice Chairman Catherine Nilsen; Treasurer Charles Landi; Member Dominic Tagliafierro; and Member David Gordon.

Also present were: Executive Director Timothy Rose; Counsel/Secretary Kenneth Gilligan; Controller Tim DeGraff; Operations Manager Charlie Whittaker; Compliance Officer Tom Briggs; Administrative Assistant Melinda France (excused); and Clerical Secretary Brenna Whitaker (covering for Melinda France).

From the public: Ken Crannell, Deputy County Executive; Kathy O'Connor, League of Women Voters – Mid-Hudson Region; Cindy Bell, League of Women Voters – Mid-Hudson Region; Scott Grower, Greylock Electronics; Manna Jo Greene, Ulster County Legislator; James E. Quigley, III, Supervisor of the Town of Ulster; William Kemble, Reporter, Daily Freeman; Dennis Doyle, Director, Ulster County Planning Department; Amanda LaValle, Coordinator, Ulster County Department of the Environment; Marc Rider, Director, Ulster County Department of Purchasing; Jonathan Engel, Assistant County Attorney; and Rich Schiafo, Deputy Executive Director, Hudson Valley Regional Council.

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Leon Smith opened the meeting up for Public Comment.

No Public Comment was made at that time.

CHAIRMAN'S COMMENTS

APPROVAL OF MINUTES

The Minutes of the June 24, 2015, Regular Board Meeting were moved by Leon Smith. 5 in favor. 0 opposed. 0 absent.

COMMUNICATIONS AND ANNOUNCEMENTS

A Regular Board Meeting has been scheduled for Wednesday, August 26, 2015 at 5:00 pm.

PUBLIC COMMENT

Leon Smith opened the meeting up for Public Comment.

Ken Crannell, Deputy County Executive, requested a partnership with the UCRRA to advance a consolidated funding application for a grant from New York State to create a large composting project. He thanked us for our support last year, but unfortunately, the County was not successful in obtaining the grant. After significant feedback and encouragement from the State, they plan to move ahead with the initiative again. He said that the County has put in a large amount of work and will be making significant changes to make the initiative successful. He stated that this project will not only be beneficial to the residents of Ulster County, but also to the Agency's composting facility. He requested the Board's support, and asked that they approve Tim Rose to write a letter in favor of the project, as was done last year.

Leon Smith asked Board if they agreed and they were all in favor.

GENERAL REPORTS

Tim Rose presented the MSW, Recycling and Leachate Collection reports.

MSW

Tim Rose stated that MSW target tons for June was 10,716 and we brought in 11,380, meaning we are to the good by 664 tons. He mentioned that for the year to date, we are just over 1,000 tons to the good.

RECYCLING TONNAGE

The Recycling tonnage report was compared to the prior year. Last June for commingle we did 62 tons and this year we did about 50.5 tons; glass was almost 34 tons and this year it is nearly 62 tons; mixed news was 146 tons and this year 122 tons; Single stream last year was 459 tons and this year it is 831; OCC was 212 tons last year and it is down to 130 tons this year. Food waste was 6.5 tons last year, and is up to 52 tons this year, which he noted is a significant increase.

COMMODITY REPORT

Tim Rose noted that the Commodity Report is in the Board packet. This shows who we sold what to and the prices.

Leon Smith made a motion to approve the Commodity Report. Charles Landi moved and Dominic Tagliaferro seconded. 5 in favor. 0 opposed. 0 absent.

LEACHATE COLLECTION

Tim Rose noted that last year in June we did 144,500 gallons and this year we did 106,000 out of Ulster and last year in June we did 122,500 gallons and this year we did 241,000 out of New Paltz.

FINANCIAL MATTERS

Tim DeGraff presented the June 2015 Treasurer's Report. He stated that we took in 11,380 tons. Total revenues for the month were \$1,301,101. Total expenses for the month were \$925,195. The result was a net operating revenue of \$375,906. Fund balance for June was \$372,491. Year-to-date fund balance deficit was \$558,287, which is about \$762,000 better than June of the previous year.

He pointed out that our fuel replenishment program is higher than it has been all year, at \$67,254, due to MBI making up a gallon deficit in the month of June. However, he noted that the good news for the Agency is that when MBI was creating that deficit, fuel prices were about \$0.20-\$0.25 higher per gallon, so they are making it up at a lower price.

Leon Smith mentioned that personnel expenses for June were higher than he would have expected, being that the Agency has had one less salary to pay. Tim DeGraff replied that this is most likely directly related to HRA reimbursement costs, as well as overtime costs.

Leon Smith made a motion to approve the June, 2015 Treasurer's Report, Charles Landi moved and seconded by Dominic Tagliaferro. All in favor. None opposed. None absent.

MRF COST CENTER ANALYSIS

Tim DeGraff presented the June 2015 MRF Cost Center Analysis. Total sale of recyclables were \$20,823. The net loss for June before depreciation was \$9,013 and after depreciation was \$20,048; year-to-date net loss before depreciation was \$92,728 and after depreciation \$158,948.

Tim DeGraff stated that June was a little bit of a better month, due to the fact that the Agency sold some of the cardboard and newspaper that had been held in inventory.

Charlie Whittaker noted that in July the Agency was also able to sell a load of plastic and a load of steel that had been held, because more room was needed and the market was favorable.

Resolution No. 2353 Re: Authorizing and Approving the Sale of Surplus Roll-Off Containers

Tim Rose presented the four bids received for the sale of 10 surplus roll-off containers: \$3,200, \$5,027.5, \$3,850, and \$11,357. He made a recommendation to the Board that they award the sale to Calvetta, whose bid was \$11,357.

Leon Smith moved to the floor **Resolution No. 2353**; Motion to approve was made by Charles Landi and seconded by Catherine Nilsen. 5 in favor. 0 opposed. 0 absent.

Resolution No. 2355 Re: Approving the Solid Waste Management Agreements Between the Ulster County Resource Recovery Agency and the Towns

Leon Smith stated that before the Board votes on the resolution, they need to vote whether or not to accept the contracts that were received after the deadline. He said that the deadline was 3:00pm on Friday July, 17th. Two towns were received after the deadline. In an email sent to Ken Gilligan, the Town of Hurley has also expressed interest in signing the contract but it will not be received until next week.

David Gordon said that he is not aware of any legal prejudice from accepting the contracts of the towns that missed the deadline, and would be willing to do so.

Tim Rose noted that if the Board does vote to accept the late contracts, he would need something in writing from them stating that they will accept contracts up until a specific date so that he can move forward with the budget.

Catherine Nilsen asked if we have been specifically told “no” by any of the towns.

Leon Smith replied that the only towns that let us know they would not be signing are Saugerties and Ulster.

Leon Smith proposed that the Board vote to accept the towns that have turned their contracts in, but no others going forward.

Ken Gilligan said that in an email from Gary Bellows, he was told that Hurley is planning to approve the contract at their Board meeting on the 27th and sign the next day.

Leon Smith reiterated that the Board will be voting to accept only the Town’s contracts that they have on hand as of this meeting, plus the Town of Hurley.

Leon Smith asked if anyone had spoken with the Town of Lloyd, because he was under the impression they were going to sign the contract.

David Gordon answered that he had spoken with the Town of Lloyd on Wednesday night, and had mistakenly told them that the deadline was the 22nd. He said that he spoke with Supervisor Hansut’s confidential secretary the next day to correct the error.

Ken Gilligan said that if Supervisor Hansut said that they were in the process of signing the contract, then the Board should include them in the vote.

David Gordon noted that he had two meetings with the Town of New Paltz in the week prior, and both meetings were very productive. He said he was under the impression that New Paltz would be handing their contact in on Friday, however he was made aware that the Agency didn't end up receiving the contact until the next Monday. He said that he received personal apologies from both Jeff Logan and Kevin Barry.

Leon Smith stated that the Board will be voting to accept the towns which the Agency has contracts for, plus the Towns of Hurley and Lloyd.

The Board unanimously decided to accept the contacts received from the Towns of Denning, Rosendale, Olive, Rochester, Plattekill, Wawarsing, Shawangunk, New Paltz, and Esopus, and to approve the contacts from the Towns of Hurley and Lloyd when they are received.

Leon Smith opened up discussion for Resolution No. 2355, now that the contracts have been accepted.

Dominic Tagliafierro asked Tim Rose if he could foresee any financial impact as a result of only receiving agreements from 11 out of 19 towns.

Tim Rose replied that they will have to go back and rework the numbers in order to see how the pull charges are affected.

Leon Smith commented that numbers will be discussed during the annual Budget Workshop Meeting.

David Gordon suggested that the Agency needs to communicate with the towns regarding what the new numbers might be.

Leon Smith said that what the Agency has said to the towns all along is that two things could change: the tipping fee and the pull charge.

David Gordon responded that what the Agency has communicated to the towns is that prices may change based on fuel and labor costs. He said that it could be a legal issue not to communicate with the towns about costs that could be substantially higher due to the fact that there is less than expected participation.

Leon Smith expressed his concern that if the Board delays voting on whether to service the towns, the Agency may be back to square one. He said he doesn't believe that the Agency has a way of knowing exactly what the costs will be in the upcoming years.

Catherine Nilsen asked if the contract had stated that the numbers were based on 100% participation.

Ken Gilligan replied that nothing like that was added to the contract, but it had been discussed with the towns all along that the numbers were based on full participation.

David Gordon stated that you can't enter an agreement and then change the terms without the other side's consent. He said that people are already suspicious, and therefore the Agency needs to be as transparent as possible. He said that the Agency has worked hard to be open with the towns during this process, and not communicating with the towns would be a step back.

David Gordon continued that way the contract is written, the Board can vote to approve the contract at this time, and then wait to sign the contracts until the towns have been notified of possible changes.

Leon Smith said that he is concerned that this will cause a slippery slope of towns pulling out of the agreement.

Tim Rose noted that he received multiple calls from supervisors all over the county last week asking him specifically which towns had signed the contract.

Ken Gilligan said that his legal advice to the Board is that they notify the towns to let them know that the numbers for the coming years could be substantially higher than expected, and give them a chance to run their numbers and decide whether they want to continue. He said he is concerned that we will lose towns and have to continually re-do the numbers.

Charles Landi recommended that the Board postpone voting on the resolution, and convene again in two weeks for a special meeting, which would give enough time for the Agency to send a letter to the towns stating that the variables may change.

Tim Rose stated that the annual budget is due on July 15 of each year, however, the Agency has always turned their budget in to the County during the second week of August. He said that the Agency can proceed with the budget, as long as the Board can give him direction about what assumption to make about the agreement with the towns.

Dominic Tagliafierro stated that the Board needs to table the resolution for one month, until the next regular Board meeting. He said that this is already a flawed program as it is, and if we create more animosity between the towns and the Agency, then the program is destined to fail. Either the resolution is tabled for a month so that the program can be fine-tuned, or the Board votes no.

Tim Rose stated that he will be turning in the Agency's budget the morning after the August Board Meeting. He voiced his concern that the budget might not be accurate, and asked how he is supposed to proceed if the Board won't be voting on the agreement with the towns until the night before the budget is due.

Catherine Nilsen said that the letter the Agency would send the towns regarding the change in terms should have a two week deadline, giving the Agency enough time to get a feel for what the participation will be. She also suggested that the Agency create multiple budgets to cover different scenarios.

Leon Smith moved to the floor **Resolution No. 2355**; Motion to TABLE until the next meeting, August 26, 2015, was made by Charles Landi and seconded by Catherine Nilsen. 4 in favor. 1 opposed (Smith). None absent.

ADMINISTRATIVE MATTERS

Resolution No. 2354 Re: A Resolution Expressing the Ulster County Resource Recovery Agency's Support for Ulster County's Solar Energy Project at the Former Landfill Located on Frank Sottile Boulevard in the Town of Ulster

Ken Gilligan stated that this is a memorializing resolution, showing the Agency's support for the County Executive's solar energy project located at the former landfill in the Town of Ulster. He noted that the project would need to be approved not only by the Agency, but also with the Town of Ulster, which has rights based on our deed transfer.

Ken Crannell stated that he appreciates the support of the Board, and that approving this resolution will allow the County to start the application process with the State.

David Gordon brought up the issue of sharing the energy that is generated from the project. He mentioned that the last time the project was discussed, he was told by the County that because of the way the grant is structured, there would be no possibility of sharing electricity. He stated that although he understands that the project is for the greater good, this puts the Agency in a funny position, being that we will be providing land for no return.

Ken Gilligan said that he has not had a chance to look into the legalities of that particular issue.

Leon Smith replied that they will negotiate the terms of the contract at a later time.

Leon Smith moved to the floor **Resolution No. 2354**; Motion to approve was made by Charles Landi and seconded by Catherine Nilsen. 5 in favor. 0 opposed. 0 absent.

OLD BUSINESS

Leon Smith opened the floor for Old Business.

Tim Rose stated that he completed the second round of interviews for the Recycling Coordinator position, and that he plans to have a final decision soon.

Tim Rose introduced Scott Grower, of Greylock Electronics, who is installing the Agency's new camera equipment.

Charles Landi asked if the app used to view the cameras could be downloaded on the Board Members' devices so that they can monitor the facilities remotely.

Scott Grower replied that it can be used on any device, however it can only be used by a maximum of five devices at one time. He also thanked the Board for choosing Greylock Electronics and said that he looks forward to working with us in the future.

NEW BUSINESS

Leon Smith opened the floor for New Business.

No New Business was reported.

MOTION to ADJOURN the July 22, 2015, Regular Board Meeting at 6:05pm was made by Charles Landi and seconded by Dominic Tagliaferro. 5 in favor. 0 opposed. 0 absent.

The above transcribed Minutes of the July 22, 2015, Regular Board Meeting were moved by Charles Landi and seconded by Dominic Tagliaferro. 5 in favor. None opposed. 0 absent. The Minutes were **UNANIMOUSLY APPROVED** by the Board.

Date: August 26, 2015