

**ULSTER COUNTY RESOURCE RECOVERY AGENCY
MINUTES OF THE REGULAR BOARD MEETING
OCTOBER 5, 2020**

The Ulster County Resource Recovery Agency held a Regular Board Meeting on October 5, 2020. This meeting was held at the Agency's Main Office located at 999 Flatbush Road, Kingston, NY 12401. There was also a call-in audio option available through Webex.

The proceedings were convened at 12:20pm.

The following Board members were present: Chair Fred Wadnola, Vice Chair Katherine Beinkafner, Treasurer Charles Landi, Member JoAnne Myers, and Member Lisa Mitten (left at 1:27pm).

Also present were: Counsel/Secretary Kenneth Gilligan, Acting Executive Director/Controller Tim DeGraff, Director of Operations and Safety Charlie Whittaker, Recycling Coordinator Angelina Peone, and Recycling Educator Melinda France.

From the public: Town of Rochester Supervisor Mike Baden, Ulster Garden Club Member Alice Jung, and Ulster County Legislator Laura Petit (on audio).

PLEDGE OF ALLEGIANCE

No pledge of allegiance.

PUBLIC COMMENT

Mike Baden spoke before the Board regarding an ongoing issue between the Agency and the Town of Rochester Transfer Station. He said that he has reached out to the DEC and was told by Wendy Rosenbach that registration of a vehicle is unrelated to the vehicles license plate, and that residents with commercial license plates can use the Transfer Station but are not allowed to dump waste generated by their business. She also told him if a resident is bringing in construction debris from their own home renovation job, it is not considered commercial and can be disposed of at the Transfer Station. This is information he had attempted to get last spring but was unsuccessful. He understands the Agency's position and the Transfer Station is working to resolve the concerns by making significant changes. He continued that taking away the cardboard compactor has caused issues for both the Transfer Station and the Agency by requiring more cardboard pick-ups. He asked the Board to consider reinstalling the compactors.

Fred Wadnola thanked Mike Baden for coming and told him that the Board would discuss his concerns and get back to him.

CHAIR'S COMMENTS

Fred Wadnola said that the concrete work at the compost site is almost finished.

Charlie Whittaker said 170ftx150ft is done, 130ftx160ft of blacktop is done. Another 140ftx140ft space that hasn't been started yet. They are about 85% done with the area under the Educational Center and

still have to do sidewalks. He listed various projects that still need to be finished, and he said he is hoping it can all be done by the end of the year but it depends on the weather.

Fred Wadnola asked if Charlie Whittaker thinks the concrete for the educational building will be finished this year.

Charlie Whittaker answered that he is 100% positive it will be.

Fred Wadnola said he's very happy that the staff has been doing this work in-house, saving the Agency a couple hundred thousand dollars. The Agency is looking to double its permit for compost operations.

Charlie Whittaker said that the modification needs to be requested. He said that the expansion request is partially due to the Ulster County composting law going into effect in 2021. He would love to see more compost facilities pop up in the area, but in case they don't the Agency needs to be ready to handle the increased amount of organics.

Charles Landi asked Charlie Whittaker about the interest Shabazz Jackson had in the Agency's compost program a while back.

Charlie Whittaker responded that Shabazz Jackson had questions about the facility that he answered for him, but other than that he tries to not get involved with other local competitors.

Charles Landi asked Angelina Peone if she knew anything about Shabazz Jackson wanting to team up with the Agency in the past.

Angelina Peone said that she was not here during that time and isn't sure. She said she knows that he uses inoculants in his composting process that he may have wanted us to use, but that the Agency's method is working perfectly as is and there is no need for that. She added that the Agency's permit is for a specific process that doesn't include biological additives.

APPROVAL OF MINUTES

Fred Wadnola motioned to approve the minutes of the August 24, 2020 Regular Board Meeting, the August 31, 2020 Special Board Meeting, and the September 10, 2020 Special Board Meeting. Moved by JoAnne Myers. Seconded by Charles Landi.

Roll Call Vote

Wadnola: Aye
Beinkafner: Aye
Landi: Aye
Myers: Aye
Mitten: Aye

The motion passed 5-0.

COMMUNICATIONS AND ANNOUNCEMENTS

Fred Wadnola stated that the next Regular Board Meeting will be held on October 26, 2020 at 12:00pm.

ADMINISTRATIVE MATTERS

Resolution No. 2517 RE: Authorizing and Approving Award of Contract for Municipal Sewage Sludge Disposal Services

Tim DeGraff explained that the Agency had a bid opening for sewage sludge disposal on September 2. He said Denali Water Solutions came in the lowest of the bidders. He said that Denali Water Solutions runs the Rockland County Compost Facility, and the Agency's sludge (about 2.5% of its waste stream) will now be diverted from the landfill.

Lisa Mitten asked where the sludge is coming from.

Charlie Whittaker responded that it's coming from wastewater treatment plants within Ulster County, transported to the New Paltz Transfer Station and loaded into a hopper. From there it is currently transported to Chemung Landfill which is 184 miles away. He noted that the Rockland County Compost Facility is only 51 miles away.

Fred Wadnola added that Rockland County Compost Facility dries the sludge and uses it for cover.

Fred Wadnola motioned to approve Resolution No. 2517 RE: Authorizing and Approving Award of Contract for Municipal Sewage Sludge Disposal Services. Seconded by Charles Landi.

Roll Call Vote

Beinkafner: Aye

Landi: Aye

Myers: Aye

Mitten: Aye

Wadnola: Aye

The motion passed 5-0.

Resolution No. 2518 RE: Authorizing and Approving Award of Contract for Municipal Sewage Sludge Transportation Services

Tim DeGraff explained that this bid goes along with the previous one for disposal. The Agency allowed bidders to bid on transportation to any of the four disposal locations. Only two bids were received, from Denali Water Solutions and GottaDo. He said that Denali came in much cheaper along with having the cheaper disposal option.

He continued that overall the Agency saw an increase of \$19/ton over the budgeted cost, taking into account the increase in disposal and decrease in transport and fuel. He said that this equates to an additional \$68,000 in the budget, which may need to be modified, but the non-monetary benefit of diverting the sludge from the landfill is huge.

Fred Wadnola said that the Agency is also looking into purchasing its own aluminum trailers for transport in order to save money.

Tim DeGraff responded to say no, that was only if the bids came back too high. Because the transport bid came in so low, it would not make sense for the Agency to purchase its own trailers.

Charles Landi asked Tim DeGraff what the cost to dispose of sludge is at the Agency.

Tim DeGraff answered that it is \$105/ton, the same as MSW.

JoAnne Meyers said that with transportation and disposal costs for the Agency that leaves a \$10 leeway.

Charles Landi responded that he just wanted to make sure the Agency is at least breaking even.

JoAnne Myers motioned to approve Resolution No. 2518 RE: Authorizing and Approving Award of Contract for Municipal Sewage Sludge Transportation Services. Seconded by Charles Landi.

Roll Call Vote

Beinkafner: Aye

Landi: Aye

Myers: Aye

Mitten: Aye

Wadnola: Aye

The motion passed 5-0.

OLD BUSINESS

Scale Project Update - Charlie Whittaker informed the Board that the inbound scale is now 98% done, minus some blacktopping. He said the outbound scale and blacktopping needs to be finished first. The MRF scale is 100% complete, and the outbound scale is about 35% complete. He added that he had gotten price quotes of \$22,000 a piece for the three steps, but because the staff did the work in-house it cost the Agency only \$15,000 total for the steps.

NEW BUSINESS

Town Agreements - Tim DeGraff stated that he and Charlie Whittaker drafted the town agreements and sent them to Ken Gilligan to look over. Agreements for ten towns have been drafted so far with five sent out.

He and Charlie Whittaker chose the first five towns as they are the easiest to work with. He said Plattekill and Marbletown let him know that they were planning to have the agreement on their agendas for their meetings this coming week. Whatever he receives back will be on the agenda for the Agency's October 26th meeting.

Fred Wadnola asked if any towns have indicated that they do not want to use the Agency's services next year.

Tim DeGraff responded that he has not heard that from any of the towns at this point, but the only direct communication he has had is with the five towns the contracts have been sent to so far.

Ken Gilligan asked Tim DeGraff if he had sent an agreement to the Town of Rochester.

Tim DeGraff replied that he did not.

Recycling Education/Compost Bagging Building - Charlie Whittaker updated the Board on the bagging/education building. He said they are trying to speed things through as fast as possible because of the weather. The building has been ordered and it could be anywhere between ten days and a month until it is on site and assembled. He said he did his due diligence by getting three quotes for the building and sending them to the project's engineers for feedback. A letter has also been sent to the DEC to notify them.

Fred Wadnola asked Charlie Whittaker how he plans to heat the new building.

Charlie Whittaker responded that there will be hanging propane heaters inside the building, with solar panels on top for power.

Lisa Mitten asked if Charlie Whittaker had considered an electrically-powered air-source split system for heating and cooling.

Charlie Whittaker replied that that is their plan already.

Charles Landi stated that he is concerned that the concrete in the building will not have enough time to cure before the bagging machine is put on it.

Charlie Whittaker responded that he has taken that into account already when scheduling the building delivery.

RECYCLING PROGRAM UPDATE

Angelina Peone told the Board that for the month of September the team has been focused on their partners in composting program, which is how they involve new participants bringing food scraps to the facility.

She said that the Agency's slogan/vision for its partners in composting program is "Grow Ulster Green". The Agency accepts source separated organics (or food scraps) from commercial partners and then recycles them into a high quality sustainable compost. The program is open to haulers, commercial businesses, restaurants, grocery stores, hotels, office buildings, farms, farmers markets, municipalities, non-profits, community events, festivals, and other large waste generators. The Agency accepts all food scraps including pre- and post-consumer, including meat, fish, bones, fruits and vegetable trimmings, bulk produce, bakery overages, coffee grounds, nut shells, cooked or uncooked foods, plate scrapings, and certified compostable packaging. The Agency does not accept packaged foods, brewery waste,

animal manure, bulk liquids, greases, waste vegetable oil, or food service contaminants like hair nets, gloves, or rubber bands.

She stated that onboarding new partners is a three step process. After an entity contacts the team with their interest, they are given a guide book and a survey to fill out so that the team can gather information about their facility operations and participants. New partners are invited to the Agency's compost facility for a guided tour, and then provided consultation services to help them understand the benefits of the program and if needed the team can provide an on-site visit to learn how to set up their program. The next step involves asking participants to develop a strategy to identify where bins will be placed, how they'll be labeled, how their participants will be trained on acceptable/unacceptable items, how often they plan to drop off organics at the Agency, etc. The final step is setting up a composting account to help the Agency track their diversion, as well as provide participants with collection bin labels, window decals, and posters.

She added that for a small (refundable) deposit fee, the Agency can provide participants within Ulster County with 35 gallon collection bins, which was made possible by a grant from Ulster County.

She said that the team likes to greet participants at their first drop-off to answer any logistical questions and give feedback on the quality of their load. One per year the team provides them with stats and facts about their compost about their composting program so that they can track their diversion and all of the environmental benefits that come with it.

She continued that the Agency currently has 37 composting accounts on file, with 12 accounts that have been very active in 2020.

She shared positive feedback sent to her by Bread Alone Bakery, Java Compost, and the Village of Scarsdale, who are all users of the program.

She said that so far in 2020 the Agency has received 3,753 tons of organics through its composting program. It is estimated that 31% of the Agency's organics come from partners within Ulster County, and the team is looking into how to expand local participation in the program. The Ulster County Food Waste Prevention and Recovery Act goes into effect on January 1, 2021. There are 94 designated large food scrap generators that will be impacted by this law, possibly more as the Department of the Environment (DOE) continues to refine their methodology. At phase 4 (full implementation) the DOE has calculated that will 9,500 tons of organics will be diverted through this law. The New York State Food Scrap Recycling Law goes into effect on January 1, 2022, which affects large food scrap generators located within 25 miles of an organics recycler.

She said this month the team has highlighted this program on all of the Agency's social media accounts, in the Daily Freeman, Ulster County Regional Chamber of Commerce Newsletter, and a direct mailing to select food scrap generators, which resulted in two tours and consultations coming up later this month. An open house for partners in composting was scheduled for last May, but was rescheduled due to COVID-19.

JoAnne Myers asked why the Agency doesn't accept brewery and distillery waste.

Angelina Peone explained that waste grain has an extremely high moisture content that would require more bulking agent. The food scraps are already mixed with wood chips at a 3-1 or 4-1 ratio, and using so much on waste grain would quickly deplete the Agency’s wood chips. Additionally many breweries already have diversion programs in place.

Fred Wadnola suggested that Angelina Peone should contact the members of the different School Boards, but especially Kingston, to get them to participate in the program.

Melinda France responded that an informational meeting about the program was held in March, and all of superintendents, principals, and environmental teachers from all of the Ulster County schools were invited to attend. She said there isn’t much interest at the moment due to COVID-19.

Angelina Peone added that elementary schools are labeled as large generators under Ulster County’s composting law, though they are exempt from the New York State law. This will require them to start recycling their food scraps when the law goes into effect in 2021.

Melinda France said that back in May the team held two composting classes virtually due to restrictions on gatherings, which meant that they were unable to give participants the free kitchen caddy they had advertised. This month all participants were contacted, and they were able to distribute 18 out of 20 kitchen caddies.

She said that the team held two classes this month: Using Compost in the Garden on September 25 (16 participants), and Cold Weather Composting on September 30 (19 participants). Each class ended with an exit survey and the team received only positive feedback.

Fred Wadnola asked the Board if they would like to schedule a Special Meeting to discuss the Executive Director position.

Charles Landi responded that he thought nothing would be done until January.

JoAnne Myers said yes, but the Board still needs to be discussing it.

The Board discussed having a Special Meeting directly after the next Board Meeting on October 26, but landed on instead adding it to the next meeting’s agenda as an Executive Session.

GENERAL REPORTS

Tim DeGraff presented the MSW and Recycling Tonnage reports:

MSW

	August 2020		
	Target Tonnage	Actual Tonnage	Difference
MSW	12,182 tons	12,768 tons	586 tons
Sludge	303 tons	307 tons	4 tons

JoAnne Myers noted that the Agency has been over budget as far as MSW tonnage.

Tim DeGraff said yes, which makes sense because he uses a 3-4 year average to come up with the budget numbers, while volume has steadily increased over the years, partially due to C&D.

JoAnne Myers asked if Tim DeGraff has a built in contingency. She said she worries that C&D is up this year due to COVID-19 and people doing projects on their homes.

Tim DeGraff responded that much of that is built into the revenue side and the cost side. If revenue drops off, the Agency will also lose a substantial cost as well and vice versa. He said it would have to be over about 10% before anything needed to happen.

JoAnne Myers asked what the contingency would be.

Tim DeGraff responded that hypothetically, if volume dropped off 50% he would have to modify the budget for the rest of the year, get it approved, and begin forecasting again because there would probably have to be a change to the tipping fee.

Charles Landi asked if the Agency would have to consider the net service fee at that point.

Tim DeGraff replied that the Agency can avoid that and would prefer not to go that route, but if it was absolutely necessary yes.

Recycling Tonnage

	August 2020	August 2019
Commingle	134.51 tons	111.36 tons
Glass	55.09 tons	64.26 tons
Mixed News	85.73 tons	101.33 tons
Kingston City Hard Mix	86.8 tons	82.73 tons
OCC	207.04 tons	166.1 tons
Food Waste	455.78 tons	454.48 tons

Recycling Market Update

Charlie Whittaker stated that HDPE Color went up from \$0.04 per pound to \$0.16 per pound. PETE is flat at \$0.02 per pound. He said that for a long time the Agency could rely on getting a good price for PETE, around \$0.11-\$0.15 per pound, so the current price is bad. Steel is a little lower than it should be at \$125 per gross ton, and tin is at \$150 per gross ton. Hard mix is still flat, and they are moving some of the cardboard over from the hard mix to OCC. Mixed news is about \$10 per ton. From January until June the Agency was sending OCC to a company called Kruger in Montreal. Due to a change in the way they operate they became unreliable which affected the Agency. Now the Agency is sending OCC to a company called WestRock in Syracuse. He said that new paper mills (which make the paper mediums in corrugated cardboard) are being built in the US that will help the markets and hopefully the Agency will be able to get a better price for cardboard.

FINANCIAL MATTERS

Tim DeGraff presented the August 2020 Treasurer's Report and MRF Cost Center Analysis.

Treasurer's Report

For the month of August, the Agency's MSW tons were 9,063 and C&D tons were 3,705 and 307 tons of sludge. No revenue line items of note. Total revenue for the month of \$1,526,065. No expense line items of note. Total expenses for the month of \$1,183,563. Net operating revenue was \$342,502. Capital Outlay includes \$451,408 (\$67,656 for the compost expansion, \$210,488.50 for the scale project, \$145,317 for the new tractor, \$935 for the border fence, \$26,825 for new blacktop between the MRF and compost facility, and \$186 for electrical work at the new Recycling Ed Building. For the month of August, the fund balance was a negative \$108,906. Year to Date fund balance is a deficit of \$1,862,410 (exclusive of operating reserve transfer in, a deficit of \$2,185,885).

Charles Landi said he would like a breakdown what the Agency's bonding indebtedness is and the schedule.

Tim DeGraff replied that the information can be found in the Agency's financial statements footnote number 7, which the Board was given copies of.

Fred Wadnola said that in 2025 the Agency will have everything paid off.

Fred Wadnola motioned to approve the August 2020 Treasurer's Report. Moved by Charles Landi and seconded by JoAnne Myers.

Roll Call Vote

Wadnola: Aye
Beinkafner: Aye
Landi: Aye
Myers: Aye
Mitten: Absent

The motion passed 4-0.

MRF Cost Center Analysis

For the month of August, tipping fees were \$0. The total sale of recyclables was \$40,992. Total transport/disposal costs for August were \$3,831. Total personnel expenses were \$35,531. Total operating expenses were \$8,609. Total personnel/operating costs were \$44,140. Net loss for the month of \$6,979. Year-to-date net loss of \$214,338.

ADJOURN

Fred Wadnola motioned to adjourn the October 5, 2020 Regular Board Meeting. Moved by Charles Landi, seconded by JoAnne Myers. 4 in favor, 0 opposed, 1 absent (Mitten).

Roll Call Vote

Beinkafner: Aye

Landi: Aye

Myers: Aye

Mitten: Absent

Wadnola: Aye

The motion passed 4-0.

October 26, 2020

Motion to approve the above transcribed Minutes of the October 5, 2020 Regular Board Meeting was made by Katherine Beinkafner, moved by Lisa Mitten and seconded by JoAnne Myers. 4 in favor, 0 opposed, 1 absent. Absent: Wadnola

The minutes were approved by the Board.

Transcribed by: Brenna Whitaker, Administrative Assistant. Meetings are recorded and available upon request.

Signatures:

Fred Wadnola, Chair

Ken Gilligan, Secretary

Brenna Whitaker, Administrative Assistant