

**ULSTER COUNTY RESOURCE RECOVERY AGENCY
SPECIAL MEETING OF THE BOARD OF DIRECTORS:
BUDGET WORKSHOP MINUTES**

AUGUST 14, 2025

START 6:25 PM

END 7:18 PM

The Ulster County Resource Recovery Agency held a Special Meeting of the Board of Directors: Budget Workshop on August 14, 2025. The workshop was held at the Ulster County Town Hall at 1 Enterprise Drive, Lake Katrine, NY, due to a pest issue (i.e. bees) at the Agency's Main Office, 999 Flatbush Road, Kingston, NY.

ROLL CALL (Recording 2:59)

Board members present: Chairperson James Gordon, Members: Donna Egan, Andrew Ghiorse, Erica Brown and Mike Baden.

Staff present: Executive Director Marc Rider, Director of Finance and Administration Timothy DeGraff, Director of Sustainability Angelina Brandt, and Coordinator of Organizational Performance and Development Tim Weidemann were present. Agency Counsel Nancy Lam was present virtually.

PLEDGE OF ALLEGIANCE

Chairperson James Gordon led the group in saying the Pledge of Allegiance.

PUBLIC COMMENT (Recording 3:55)

Chairperson James Gordon noted that Manna Jo Greene (Ulster County Legislature) had left the room briefly, but will allow her the opportunity to speak when she returns. William Kemble of the Daily Freeman was present from the public.

Public Comment Speakers:

(recording 32:57) UC Legislator Manna Jo Greene was given an opportunity to make a comment after the Board's discussion about the 2026 Budget, as she was out of the room during public comment section. She commented that meetings with municipalities are very important and that is what the Agency should be doing; she attended one in Ellenville, which went well. She then asked how the Agency was going to complete the zero waste implementation plan.

Chairperson James Gordon answered that the Board will discuss the zero waste plan during the Regular Board Meeting.

AGENDA

(There was no Agenda to be approved).

APPROVAL OF MINUTES

(There were no Minutes to be approved).

CHAIR COMMENTS

Chairperson James Gordon commended UCRRA's staff on their hard work in putting together the materials necessary to conduct the "Special Meeting of the Board: Budget Workshop" for this evening and noted that the Board was able to receive the materials a lot sooner than in the past years.

COMMUNICATIONS and ANNOUNCEMENTS

Chairperson James Gordon stated the following announcements/communications:

- The Regular Board Meeting will be held tonight on August 14 at 7:15 PM or immediately after the Special Meeting of the Board: Budget Workshop at same location (Ulster County Town Hall).

Chairperson then invited Marc Rider, Executive Director to introduce the purpose of the special meeting.

Marc Rider, Executive Director noted that the section to approve today's Agenda was inadvertently left out, but requested that since this is a Budget Workshop, that during the discussion on "Administrative Matters", the Board should take no action on the (3) Resolutions that will be discussed, since the Board will have an opportunity to vote on the Resolutions during the Regular Board Meeting tonight. The purpose of the Special Meeting of the Board of Directors: Budget Workshop is for the Board to review and discuss (1) the draft budget for 2026 and (2) the Capital Plan and Reserve Policy.

Review and discussion of the draft 2026 Budget

- Resolution #2660 Re: Approving Draft Capital Plan

Marc Rider stated that the 2026 Budget was a difficult budget to put together and that the Agency continues to look at difficult times. He praised Tim DeGraff, Director of Finance and Administration, for doing the heavy lifting in putting the budget together.

Marc Rider noted that similar to last year, there is a \$25 per ton increase on just T&D and the Agency has increased expenses; the Agency continues to try to balance the Board's goal of trying to implement the projects that are important and high priority (e.g. Reuse Center), while also maintaining low tipping fees in order to incentivize residence to use the town transfer stations; the reason being that we are encouraged to collaborate on more projects with town transfer stations (e.g. composting and reuse). Marc Rider then turned the discussion to Tim DeGraff, Director of Finance and Administration.

Tim DeGraff provided a brief background and explanation on how he generally calculates the budget in the past: Tim derives the estimate tonnages first (i.e. starting with a flat tipping fee, since the main purpose of the Budget is to set the tipping fee) and then works off of the tonnages going forward. He explained that a lot of the numbers under "Expenses" are based on contracts; and the items that are not contractual, he tends to look back at reports 3-4 years previously to provide the best estimation. Tim DeGraff also noted that the numbers are affected due to market correction from Covid, and therefore his approach for this Budget was to not take an average.

Tim DeGraff then provided the Board with Key Budget Highlights for 2026, including the following:

Revenue

- Proposed 2026 Budget: Total Tons 138,250
- An increase to the tipping fee of \$15/ton to \$150/ton; reduction in budgeted tonnages and increases in personnel expenses, transport and disposal contractual costs, leachate, sludge, and the addition of a Reuse cost center; reduction in fuel surcharge estimated rate
- Tipping fee for Ulster County municipalities (MRDC's and City of Kingston) stays flat at \$135/ton
- MSW/CD budgeted tonnage is based on a continuing downward trend (2023-142,682 tons; 2024-139,945 tons; 2025 estimated-137,000)
- Compost revenues are estimated to increase with increased food waste volume/sales (anticipating with a help of our permit)
- Town pull charge revenues have been trending downward due to less pulls/volume
- Fuel surcharges decrease due to volume and rate change from 8.75% to 6%
- Recycling service/tipping fees are mattress driven
- Decrease in Sale of recyclables is expected based on current year's actuals, and due to market downturn/volume decrease

Expenditures

- Salaries/wage increase due to raises and staffing increase
 - Marc Rider noted that regarding the wage/salary increase line item, it is not just increase through CBA, but also the anticipated increase in hours for Coordinator of Organizational Performance and Development from 20 to 30 hours, an increase for Agency Counsel's position (which has been approved from last year), and adding the Reuse Coordinator's position. He therefore noted that the Agency's staffing is down 1 in operation and up 1 in administration.
- Pension rates increased
- Health insurance premium (community base) rates estimated at a 15.6% increase; staffing increase
- Retirees Health insurance decreased (2025 was an estimate/2026 is budgeted actual)
- Contracted Services decrease is directly related to engineering costs
- MSW/CD transport and disposal blended rate increase of approximately \$4/ton
- Sludge costs are expected to increase by at least 30% (will need to be bid out in 2025)
- Leachate budgeted total volumes are more reflective of recent actuals
- Addition of ReUse Innovation Center budget line which includes \$300,000 for lease expense; \$200,000 for operator costs; \$10,000 for repairs/maintenance; \$10,000 for materials/supplies

Reserve Transfers/Capital Outlay

- A transfer to fund a capital projects reserve fund in the prior year has been removed

- Capital outlay is to purchase ten 40-yard open top Rolloff containers; concrete and blacktop work at various areas of the Ulster site; replacement of MRF sorting line components (belts, glass breaker, C-301 conveyor, infeed belt)

After Tim DeGraff concluded, he invited the Board to ask questions. (Recording at 17:37)

The Board asked questions of staff and discussed the Key Budget Highlights – 2026. A question by a Board member was brought up related to what was happening with the Capital Project Reserve- are we taking out of that reserve? Marc Rider provided an explanation: the Agency set aside a certain sum (\$895k) last year for projects (Capital Project Reserve), but for this year's budget, it is recommended that the Agency would bond rather than setting aside money. He stated (as will be discussed in the treasurer's report during the RBM), the Agency only has \$68k surplus, thus the Agency's expenses are outpacing revenues. As a result, it wouldn't make sense to set aside a reserve fund rather than to bond, to prevent the tipping fee from drastically increasing. He concluded that it is not that the Agency is not going to use the Capital Project Reserve Funds: he explained that the Agency is putting forth the Reuse project (which is the main project for the Capital Project Reserve Fund). He added that if the Agency does not lease, that (\$300k) expense can come out of operations and be used to offset debt-service for bonding.

A question was presented about what is being done to look at expense reduction (i.e. Health insurance costs going up). Tim DeGraff responded that it is generally the Agency's process to look for ways to reduce expenses at an operational day to day stand point (i.e. Cheapest bids, quotes, etc.); however, to pivot the Agency's focus on trying to cut costs overall, would be contrary to the Board's goals (i.e. Reuse Center) and what the Board had agreed upon for last year's budget and the work done on the Capital Reserve with a million-dollar surplus.

Marc Rider added to Tim DeGraff's point that the budget also reflects that the Agency generally will try to reduce costs where they can (e.g. Agency removed certain positions), therefore, it is not as if the Agency is not looking to cut expenses, and reiterates that this is the point of preparing the Budget in the first place.

Tim DeGraff also noted that the health insurance is community based and on top of that it is covered under the Collective Bargaining Agreement. There was a brief discussion regarding staff health insurance.

A member with prior experience in building budgets commended Tim DeGraff on the remarkable 2026 Budget that he prepared, as it is not an easy task.

A question about the equipment was asked: are the 10 new roll offs replacement or additions that are needed? Tim DeGraff answered that they will be replacements and that the Agency will put equipment out to bid as is to sell as surplus. Tim DeGraff also explained that the Agency hired an MRF mechanic to upkeep the machines to extend the longevity of the machines, which helps save costs in the long run.

Marc Rider provided further commentary on the increases in tonnages; he also stated the strategic recommendation to increase the tipping fee to 150/ton generally + 135/ton for MRDCs,

would be similar to Rockland County. The Agency's goal is to continue partnering with the towns (i.e. composting, reuse) and encourage residents to use the transfer station to create a circular economy at local scale. Some board members asked if being able to charge the 2 fees is legal; Marc Rider answered yes as confirmed by outside legal counsel (West Group), he can circulate their legal memo regarding this.

A question about the effects of the new tipping fee was presented: what happens if a large number of haulers react negatively, and residents shift to municipalities? Tim DeGraff responded that it is possible, but that the Agency will have to see if the impact is a 9% jump versus a 20% jump; if the impact is extreme, the Agency can look into operational reserve; Marc Rider added that although not preferred, other counties have adjusted tipping fees mid-year. It was agreed that the bigger concern is if waste does not come to the Agency at all.

Chairperson James Gordon concludes the discussion about expenditures with a statement that a lot of the expenses are due to the Agency trying to pivot from landfills and create a circular economy. He acknowledges that this is a good start and commends the Board for the vision and the staff on moving Agency to a modern era.

* UC Legislator Manna Jo Greene was then given an opportunity to make a comment after the Board's discussion about the 2026 Budget. See public comment Section Above.

Discussion about Capital Improvement Plan and Reserve Policy (Recording 37:30)

- Resolution #2659 Re: Authorization of Draft 2026 Agency Budget

Marc Rider noted that once this Resolution is passed, it will be incorporated into the 5 year Capital Improvement Project Plan.

2025 Budget: \$895,000; \$535k is for MRF. (See UCRRA 5 Year Capital Plan, attachment to Resolution #2659)

Marc Rider noted and explained that what is not included is leachate treatment and collection – although it is included in the 5-year capital Project Plan, it is just not included in this budget because there are some landfill contingency funds, and furthermore, it is recommended that the Agency would bond what is leftover. He also noted that the SCS will be done with their report and present at next board meeting.

A question was presented to confirm if the Agency would be meeting their goal budget of 2025 (\$686k). Tim DeGraff confirmed that as of June spending was (\$374k), thus, they would meet the goal, as of June currently. However, he pointed out that the Agency is still waiting for new equipment (excavator/ loader), also the road repairs due to DEC compliance, and therefore they can go over the budget; but Tim DeGraff also noted that those costs might be offset by overbudgeting for Marathon Baler Pumps and other materials for the MRF.

A question was raised about why the chart was absent on predictions for year 4 and 5? Marc Rider commented that for the purpose of presenting information and discussing the Capital Plan,

it was more useful to leave those numbers out, as it would not be helpful to make up expenses that are unknown.

Tim DeGraff acknowledged that the Agency has in the past provided predictions for each of the 5 years, but from a cash-flow standpoint, he did not calculate this time because, for example, the Agency just bought roll off trucks: the agency used money from operational reserves due to compound interest; however he would need to factor in having grant money coming from DEC, to figure out how to generate more accurate calculations.

Discussion on 2026 Tipping Fee Schedule (Resolution #2661) (recording 46:16)

Marc Rider noted that the only change from last year in the fee schedule is the tipping fee. He stated that mattress recycling will begin in January of next year and will discuss the status of the permit in the executive director's update during the Regular Board meeting. A brief discussion regarding items on the fee schedule (refrigerators, mattresses and box springs) was discussed by the Agency's Board and Directors.

CLOSE

Mike Baden moved to close the Special Meeting of the Board: Budget Workshop. The motion was seconded by Erica Brown and approved with 5 in favor 0 opposed and 0 absent.

The meeting was closed at 7:18 PM.

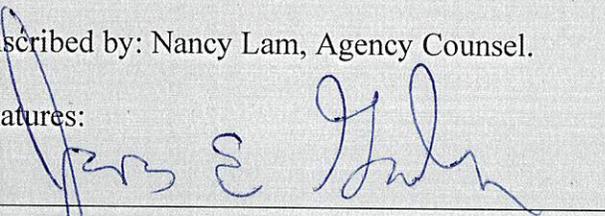
January 8, 2026

Motion to approve the above transcribed Minutes of the August 14, 2025, Special Meeting of the Board: Budget Workshop was made by Mike Baden, seconded by Donna Egan. 5 in favor, 0 opposed, and 0 absent.

The Minutes were approved by the Board.

Transcribed by: Nancy Lam, Agency Counsel.

Signatures:

A handwritten signature in blue ink, appearing to read 'James Gordon', is written over a horizontal line.

James Gordon, Chair