

**MONTGOMERY-OTSEGO-SCHOHARIE SOLID WASTE MANAGEMENT  
AUTHORITY  
PLANNING COMMITTEE MEETING**

**DATE:** November 15, 2005

**LOCATION:** MOSA Administrative Complex, Howes Cave

**MEMBERS PRESENT:**

James Powers  
Olga Podmajersky  
Edward Wesnofske  
Charles Buck

**ABSENT:**

**OTHERS PRESENT:**

Gilbert Chichester  
Melissa Morlang

**1. Opening**

Chairperson Powers opened the meeting at 2:10 p.m.

**2. Minutes of Prior Meeting**

The minutes of the prior meeting of July 21, 2005 were approved as written.

**3. Long Range Planning**

James Powers stated that Montgomery County had indicated that they were still interested in discussing solid waste matters as they relate to MOSA even though the other two counties did not accept their refinancing proposal.

Olga Podmajersky stated that there needed to be more communication between MOSA and the counties regarding MOSA's activities and solid waste issues.

Edward Wesnofske asked Ms. Podmajersky if she had a sense of Montgomery County's desire to have the Authority in operation beyond 2014. Ms. Podmajersky stated that she was not sure what the County's position was on that issue.

Olga Podmajersky stated that the way to find out Montgomery County's position would be to simply ask them. The issues relative to MOSA are complex and not easy to understand. Ms. Podmajersky stated that she could not speak for the County and was not sure how much thought had been given to MOSA's issues on the part of the County.

Ms. Podmajersky felt that the Authority has problems. The biggest issue facing the Authority was that there was no additional source of revenue aside from the tip fee and county subsidy. The Authority does not have its own landfill and is controlled by the Transportation and Disposal costs.

Charles Buck stated that the Authority owns and operates the least profitable part of the solid waste business. No entity wants to do the job of waste transfer. Land filling is the

most profitable part of the business. Mr. Buck stated that Montgomery County must not have viewed the landfills to be profitable or they would not have pushed to form the Authority.

Mr. Chichester asked Ms. Podmajersky to explain her statement that MOSA was having problems. Ms. Podmajersky explained that she did not understand why MOSA was not making more money. Mr. Chichester stated that there is a breakeven point to every business. Once you get beyond that point you make money. The Authority only has transfer stations. Trying to find more waste to go through the transfer station is difficult in the current market place because the Authority's costs are going up.

Charles Buck felt that if the Authority were serious about a landfill it should be pursued in short order. DANC currently is at the mercy of the large haulers.

Olga Podmajersky asked if the Authority wanted to continue with long-distance transport and disposal or did they want something different. The tip fee continues to go up every year and the Authority cannot continue to use the rate stabilization fund.

Edward Wesnofske stated that the solution would be for the Authority to have its own landfill and control its own destiny. An economic analysis regarding landfill operations is necessary so that County and MOSA Board Members have data to review.

Olga Podmajersky asked if Schoharie or Otsego County would want a landfill because Montgomery County has been very clear that they were not interested in having a landfill sited in their county.

Charles Buck stated that the rates for running a landfill would be much higher than continuing with the current mode of transportation and disposal.

Edward Wesnofske raised the question as to whether or not any current MOSA Board member did not understand that the present transportation and disposal arrangement is not satisfactory.

Olga Podmajersky stated that she felt that everyone understood that issue.

Charles Buck stated that if you really want efficiency in the operation of the Authority you would close the Northern and Western Transfer Station. If you want to provide service you leave those station's open with the understanding that it will cost more money to operate the Authority.

Charles Buck asked why counties were selling their landfills to the private sector. Edward Wesnofske felt that it was largely due to the fact that the public sector entities did not set the proper funding aside for financial assurance on the closure of the landfills. Mr. Chichester stated that it was also due to the private sector having control of the waste and where it is delivered. The Public sector does not have that control and is therefore at the mercy of the private sector to provide the waste to the landfill to make it economically viable.

Olga Podmajersky stated that an alternate option would be to purchase landfill space in landfills adjacent to the MOSA service area. Edward Wesnofske stated that it did not make sense to buy space if you have no control over the waste flow.

Gilbert Chichester stated that he agreed with the concept of communicating with the counties but felt that he needed an economic analysis done by a third party. That analysis is going to cost the Authority money.

Olga Podmajersky stated that the Authority needed to ask the counties if the Authority could spend money on the study based on what they would do in 2014. Charles Buck asked if the counties were interested beyond 2014.

Olga Podmajersky asked if the Authority should turn the transfer stations over to the private sector to operate. Gilbert Chichester stated that this concept was the source for issuing the first Request for Proposal several years ago. A company presented the concept to the Authority but MOSA was required to do an RFP to seek multiple proposals.

Mr. Chichester stated that the Authority has issued RFP's in the past relative to options but felt that the Authority was now really looking for someone to assist the Authority with strategic planning. Should the Authority issue a RFP or a Request for Qualifications (RFQ) similar to the RFQ issued for the Oneonta Transfer Station Retrofit?

Mr. Chichester stated that he is concerned that the Authority does not have sufficient funds for the future. The Authority continues to utilize its reserve in nonconstructive ways. The Authority can either stop spending money on something or begin to set aside money to develop reserves for future planning.

Edward Wesnofske stated the Authority needs to take steps in one course of action. If the Authority has to pay for it then they must.

James Powers stated that it was unproductive to just go to the counties and ask what they want because the Authority has to agree upon what it wants to do first.

Edward Wesnofske stated that asking new county legislatures to analyze MOSA issues without their having past knowledge is not appropriate.

Edward Wesnofske asked if dissolution should be brought to the table. Olga Podmajersky stated that she does not see how the Authority can dissolve. The issue is whether or not the counties want to enter into a new service agreement after 2014. Gilbert Chichester stated that the Authority needed to decide what it was going to position themselves for in 2014.

James Powers stated that the issue that will be held over the counties relative to their signing a new agreement is that after 2014 MOSA has the power to site a landfill anywhere they wish to.

Edward Wesnofske asked if Erin Crotty's services were needed at this time. Olga Podmajersky stated that the problems facing MOSA are too complex for Ms. Crotty to deal with.

Edward Wesnofske stated that if everyone understands that the Authority cannot be dissolved then it should not be included as a debatable option.

Olga Podmajersky stated that she did not know if the counties would sign another service agreement or if a new agreement was necessary. The purpose of the first agreement was for debt collateral.

Edward Wesnofske stated that if the Authority was going to talk to the Counties the economics of the options needed to be presented in a readable format. It had to be above the technical details.

Gilbert Chichester stated that it appeared that the Authority still has an issue setting aside feelings when planning. Mr. Chichester agreed with the concept of doing the economic study but felt that how the Authority deals with those results will be an issue if outside assistance is not obtained.

**Edward Wesnofske motioned seconded by Olga Podmajersky to direct Gilbert Chichester to prepare an RFP or RFQ relative to the economics of three future options for the Authority. Those options are continuing to transport and dispose at long-distant landfills, develop a landfill in the MOSA service area or purchasing space at landfills adjacent to the service area. The motion passed unanimously.**

Mr. Chichester stated that given the many other operational details needing attention he did not feel that he would be able to devote time to this project in the near future.

**4. Other Business**

No other business was discussed.

**5. Closing**

Charles Buck motioned to adjourn the meeting. The motion was seconded by James Powers and unanimously approved on voice call.

The meeting adjourned at 4:50 p.m.

Respectfully submitted,

Melissa Morlang  
Director of Finance and Administration