

**MONTGOMERY-OTSEGO-SCHOHARIE SOLID WASTE MANAGEMENT
AUTHORITY
BOARD MEETING #10**

DATE: November 16, 2006

LOCATION: Howes Cave Administrative Complex

Members Present

Joan Bent
Rudolph Laguna
Meredith McNeil
Olga Podmajersky
William Strevy
Edward Wesnofske

Members Absent

Raymond Halgas
Martha Clarvoe

Others Present

Gilbert Chichester
Robin Loske
Terry Bliss - Otsego Co.

1. Opening

Chairman Laguna opened the meeting at 10:13 a.m.

2. Adoption of Agenda

William Strevy motioned, seconded by Olga Podmajersky, to adopt the Agenda. The agenda was unanimously approved on voice call.

3. Privilege of Floor

Terry Bliss, Otsego County Solid Waste Coordinator, took the floor and reported that the County went out for bids for recycling services. The bids will be opened on November 22nd.

The County has set a meeting for November 27th to meet with haulers to update them on the tipping fee rate, the County subsidy rate and give them an update on the Oneonta Transfer Station retrofit.

Mr. Bliss expressed his regrets on behalf of himself and other Otsego County personnel of the passing of Bud Ingraham. He stated that Bud had been of great help and always cooperative when working with the County especially during the flood crises this past summer. He stated that Bud will be missed by all who knew him.

Ms. Podmajersky asked Mr. Bliss if he knew what the County was proposing for a subsidy rate. Mr. Bliss responded that it would be \$13.00 per ton.

4. **Minutes of Prior Meeting**

Olga Podmajersky motioned to accept the minutes of the prior meeting of October 19, 2006 as written. Edward Wesnofske seconded the motion. The minutes were unanimously approved on voice call.

5. **Reports**

Chairman

Chairman Laguna stated that he had nothing new to report.

Executive Director

Mr. Chichester reported as follows:

Accountant Interviews - Mr. Chichester reported that he has concluded the interview process for the new Accountant position. He is waiting for responses on the candidates continued interest.

Equipment Maintenance Technician - Mr. Chichester stated that there was a resolution on the Agenda to deal with abolishing the position of Maintenance Technician/Site Supervisor and creating the position of Equipment Maintenance Technician.

2006 Audit - Mr. Chichester stated that he met with representatives from Bollam Sheedy and Torani relative to the 2006 Financial Audit. A list of items to be addressed has been forwarded to the Audit Committee.

Published Budget - Mr. Chichester is finalizing the 2007 Published Budget. Upon its completion it will be forward to the appropriate county and state agencies.

Recycling Activities at OTS - Mr. Chichester reported that Glenn Packard has met with representatives from Casella Waste relative to the placement of compactor boxes used for the County recycling program at the Oneonta Transfer Station. It is felt that currently there is room for up to three boxes but this could change with the retrofit.

Western Transfer Station Scale - Mr. Chichester reported that the installation of the new scale at the Western Transfer Station is on schedule.

RFQ for Solid Waste Planning Services - Mr. Chichester stated that the RFQ has been prepared and will be issued by the following day. The return date for responses to the RFQ is December 15, 2006.

Accounting/Financial - Mr. Chichester informed the members that the August and September Financial Board packet has been completed and is on the table for Board review.

The Auditors have completed their preliminary review for the 2006 Audit. They do not foresee any problems. They will start the audit process on February 26th.

Financial Report

Mr. Chichester reported on the Financial Reports for August and September as follows:

Bond Accounts - No significant activity has taken place other than interest and debt service payments.

Trailers Placed at Project Sites - There have been no trailers placed since the floods earlier in the summer.

GAT Tonnages - Based on the GAT deliveries through September, all three Counties are projected to be over their established GAT. The total projected GAT overage is 13,932 tons.

Recycling - the revenue from paper continues to drop. The Authority is currently charging \$64 per ton to dispose of commingled recyclables.

Transportation and Disposal - Ms. Podmajersky asked if Waste Management is happy with the tonnages that are getting. They are not getting as much waste as Ontario or Hyland. Mr. Chichester responded that he has not heard anything. He pointed out that about 2,600 tons was shipped to High Acres in September, which is about 20% of the waste flow.

William Strevy asked if there was a mechanism in place to track the overhead costs to the Authority for recycling. Mr. Chichester responded that the administrative cost for staffing and maintenance of equipment is considered. The debt service is not considered. He indicated that it could be reviewed. Ms. Podmajersky stated that the Authority should know the exact cost for a ton of waste and a ton of recycling. Mr. Strevy agreed that the exact costs should be known.

WTS Outside Tip Wall - Mr. Chichester stated that the Authority should continue to think about using the outside tip wall at the Western Transfer Station for future recycling purposes. Mr. Wesnofske agreed stating that recycling contracts are getting bigger. He indicated that it might be best to wait and see if flow control is implemented.

Committee Reports

Personnel Committee

Executive Director's Performance Program - Edward Wesnofske reported that the Personnel Committee met on November 2nd and reviewed the format for the Executive Director's Performance Program. He reminded members to promptly return their performance reviews before the next Personnel Committee meeting.

Finance Committee

There was not a Finance Committee meeting to report on.

Operations Committee

Mr. Laguna reported that Ray Halgas chaired the Operations Committee in his absence. The Operations Committee met on November 9th and reviewed the following.

- **Oneonta Transfer Station Retrofit** - Mr. Laguna stated that the engineers would be providing cost estimates within a week relative to the Oneonta Transfer Station retrofit. The Executive Director was authorized to work with the engineers to request bids on drawings finalized from those presented to the Committee.
- **Oneonta Transfer Station Paving** - Mr. Laguna stated that staff did a very good job paving at the Oneonta Transfer Station, which saved the Authority substantial money. The total cost for material and equipment was about \$25,000. The cost to contract out the work would have been \$250,000. It took two staff members about 3 weeks to accomplish the work.
- **Western Transfer Station Scales** - While the scale is being installed at the Western Transfer Station haulers can be weighed at Santos Sand and Gravel and Tri-Valley Crop. The Authority will have to pay \$5.50 per weigh for the service.
- **Temporary Tip Wall** - The City of Amsterdam will not be using the temporary tip wall at the Western Transfer Station because they selected a bid, which does not require the use of a local facility. Consideration should be given at a later time to making changes to the wall that would allow for the handling of recyclables.
- **Household Hazardous Waste Collections** - Both the Montgomery and Schoharie Household Hazardous Waste Collections were successful. A significant amount of electronics was collected at both events.
- **Eastern Landfill** - Barton and Loguidice recommends that the pumps and controls be updated at the Eastern Landfill along with cleaning the leachate lines. Mr. Wesnofske suggested that the Authority might be able to work with the Fulton

County Landfill relative to cleaning the leachate lines. Mr. Chichester stated that he would check this possibility.

- **City of Amsterdam Cleanup** - Mr. Halgas updated the Committee on the City's cleanup that took place October 2nd through October 28th. He expressed his appreciation for the cooperation he received from the MOSA staff.
- **Tarping Systems** - Mr. Packard met with Jack Pollitt relative to the construction of tarping stations at the sites. Mr. Pollitt recommended an engineer to develop a design. He has worked with this engineer in the past.
- **Phone System Upgrade** - A new phone system for the Main Office will be put on hold because of the number of projects that are currently ongoing.
- **Scrap Metal** - Mr. Chichester reported that he had been contacted by a vendor who is interested in handling the Authority's scrap metal. Mr. Chichester will follow up on this.

Planning Committee

Mr. Strevy reported that the Planning Committee met on November 2nd and discussed the following:

Recycling

- **Single Stream Recycling** - The Committee discussed the economics of single stream recycling. Both Casella and Waste Management have invested in the technology. The single stream concept had developed to streamline recycling at the homeowner level and it makes the process easier for the collector.
- **Ulster County** - The recycling arrangements made with Ulster County was discussed. There may be changes that will impact the costs incurred for handling recyclables. More options need to be explored for efficient movement of recyclables.
- **City of Amsterdam** - As reported earlier, the City of Amsterdam will not be using the Western Transfer Station for processing recyclables. The Committee discussed still retrofitting the tip wall at the Western Transfer Station so that it could be used for recycling purposes in the future.
- **Flow Control** - A copy of the last draft of a flow control law was distributed to the Committee. The draft was developed by the Authority in conjunction with Mr. Cahill. The Committee felt that Mr. Cahill should review the draft for any changes.

It was felt that the Authority should take the lead with moving forward with implementation and enforcement of the flow control law.

Mr. Chichester stated that Mr. Cahill has raised the point that accepting outside waste could cause a problem when establishing flow control. Mr. Strevy stated he felt that by having the subsidies in place the issue of outside waste could be arguable. Mr. Wesnofske felt it depends on what the court would say relative to the legitimate public purpose of taking in outside waste in relationship to flow control. Ms. Podmajersky stated that the Authority was not formed to take in outside waste.

Mr. Chichester felt that it would be most effective in Montgomery County to establish districting. Mr. Wesnofske stated that the Counties might delegate the Authority to form districts. Ms. Podmajersky and Mr. Strevy felt that would not be the case.

- **Next Meeting** - The Planning Committee will meet again on December 14th at 9:00 a.m.

Audit Committee

Ms. Bent reported that the Audit Committee met November 16th and reported that Bollam Sheedy and Torani have done a preliminary review of its needs to complete the Audit. They supplied a list of what would be needed when they returned in February. They have not submitted their Engagement Letter at this time. There will be an Engagement Letter and an accompanying Resolution for the next Board meeting.

The Committee felt it would be best, due to the time constraints, to continue with Bollam Sheedy and Torani for the 2006 Audit because they are familiar with the Authority.

Governance Committee

Mr. Wesnofske stated that the Governance Committee should establish a meeting. He indicated that the first items of business should be to review the Ethics Policy for the employees and the Board members along with Board member accountability for meeting attendance. He also felt that a written policy should be put in place for Board member expenditures and reimbursement. He will get back to the members with a tentative meeting date. He indicated that he would like a meeting before the next Board meeting.

6. Old Business

There was no old business discussed.

7. **New Business**

Resolution Number 40 Confirming Desire to Continue Implementation of Subsidization Agreement} by Meredith McNeil - Seconded by Edward Wesnofske

The Resolution authorized the Executive Director to execute Subsidization Agreements with the participating Counties for the period January 1, 2007 through December 31, 2007.

On roll call vote the Resolution was unanimously adopted.

Resolution Number 41 Abolishing the Position of Maintenance Technician/Site Supervisor, Creating of the Position of Equipment Maintenance Technician, Establishing the Pay Grade for the New Position and Authorizing the Necessary Transfers} Sponsored by William Strevy - Seconded by Edward Wesnofske

The Resolution established the position of Maintenance Technician at Pay Grade I and authorized the Executive Director to solicit applications, interview candidates and hire the most qualified person. The Executive Director is also authorized to make the necessary transfer of funds to facilitate the filling of the position.

On roll call vote the Resolution was unanimously adopted.

8. **Other Business**

Revenues Obtained by the 2006 Flood

Mr. Wesnofske stated that the 2006 flood generated extra solid waste and revenues. He felt that some of the funds could be used to obtain information about what municipalities are doing relative to recycling. Mr. Strevy felt that it would be difficult to obtain this kind information. He stated that in his town there is no contract for recycling, only for the hauling. Mr. Wesnofske felt that information relative to recycling tons collected and the associated hauling expenses could be very useful.

Ms. Podmajersky stated that the Authority has a \$99 tip for 2007 and the Board should be looking at ways to reduce it. She indicated that she is not belittling recycling but felt that the Board should not be spending so much time on it. She felt that time should be spent on solid waste disposal and how it could be improved.

Ms. Bent felt it would be beneficial to have the recycling information but was not sure that the flood revenue was a windfall as suggested by Mr. Wesnofske. Ms. Podmajersky stated that it was a windfall because of FEMA reimbursement. She felt that the money should be used to lower the tip fee. She indicated that the Montgomery County is very upset over the \$99 per ton tip fee.

Mr. Wesnofske stated that \$99 per ton tip fee was going to happen not matter what because of the transportation and disposal costs. The only way around it would be to build a regional landfill. Without a landfill garbage will be exported all over the United States as the landfills fill up. He stated that recycling is expensive and there should be a way to find out if it can be handled in a less expensive manner, either in the handling or disposal. He indicated that if the question is not asked it is not possible to know what is available. Ms. Podmajersky responded that it depends on priorities. She stated that she agreed that the Authority needs a landfill. She felt that the Board is going off in different directions and is not addressing the big problem of the \$99 per ton tip fee. The Authority was formed to take care of solid waste.

Mr. Wesnofske stated that there are many subjects that need to be talked about. The subjects need to be taken one at a time. His question referred to recycling activities. He pointed out that the Authority is the planning unit for the three Counties and cannot report comprehensively on recycling activities to the State because of the lack of information. Mr. Podmajersky pointed out that the Authority gave the responsibility of recycling back to the Counties.

Mr. Strevy stated that the Authority is not competitively priced on its solid waste and therefore cannot have competitive pricing for recycling. Mr. Wesnofske stated that if the system was not fragmented, and in fact was integrated, deals with long term business trends in the recycling markets could be obtained rather than allowing communities to take whatever shows up at the door.

Mr. Strevy felt that Montgomery County would not give recycling activities back to the Authority nor will it implement flow control. He stated that he is trying to do his duty as a Board member and as a Town Supervisor. He indicated that a lot of time is being spent on things that will not come to fruition instead of spending time on how to lower the tip fee.

Ms. Podmajersky stated that the amount of time being spent on discussing recycling and not on discussing how to lower the tip fee is obscene.

Mr. Laguna stated that he has reviewed some news articles from the Daily Star archives. He referred to an article that was printed in the year 2000, which indicated that the tip fee for 2001 could go to \$99 per ton. He stated that the debt has gone down \$3 per ton and all the smaller units of the budget has increased very modestly. The transportation and disposal cost is what is driving the tip fee.

Ms. Podmajersky pointed out that the money in the Rate Stabilization Fund came from the Counties through tip fees. She felt that some of it should be used to lower the tip fee.

Mr. Strevy agreed that T&D is a big part of the tip fee. He indicated that the MOSA went out with an RFP for transportation and disposal and chose a vendor that was easy for the Authority instead of making a radical change to keep the costs at a more

competitive level, which would have required thinking from outside the box. If the Authority wants to affect change the Board has to do something different. It should be clear to all members that the costs are going to continue to go up.

Mr. Strevy pointed out that Fulton County offered to take Montgomery County waste at \$31 per ton for disposal in their landfill. But the Authority chose not to and now has a \$99 per ton tip fee because it fits the Authority's needs. Mr. Chichester stated that Fulton County did not offer to take all of the Authority's waste. Their permit would allow them to consider taking part of the Authority's waste stream but there was no plan for the rest of the waste.

Mr. Chichester stated that his concern was that all the facts and numbers were not available. The information is not available and that is why the Board has authorized an RFQ for Solid Waste Planning Services. The Authority needs good solid planning, not "knee jerk reactions".

Mr. Wesnofske stated that when negotiating the T&D contract the Board agreed to split the contract according to where the Counties wanted their waste to go. This is what drove the costs up.

Mr. Strevy stated that as long as the Otsego and Schoharie County representatives on the Authority Board stick together as they have been doing then they could do whatever they want. Mr. Wesnofske stated that he is open to many other ideas. He indicated that the Authority could try and make alliances with other Counties for other solid waste alternatives. He felt that the next time the Authority goes out to bid it has to make the landfills compete rather than go through the transporter.

Mr. McNeil stated that the \$99 tip fee might work out to be advantageous. It has got people's attention. He talked to several members of the Schoharie County Board of Supervisor who are not happy with the \$99 tip fee. Because of the increase it will make representatives take an incentive to look at other alternatives.

Mr. Strevy stated that recycling is under control. The tip fee needs to be addressed as to how to reduce it.

Ms. Podmajersky asked Mr. McNeil what Schoharie County was going to do relative to its subsidy. Mr. McNeil responded that Schoharie County is raising its subsidy to \$34 to keep the tip fee rate at \$65 per ton for it haulers. He pointed out that the Budget has not been adopted at this point but that is what is being proposed at this time.

Meetings

The Board set up the following Committee and Board meetings:

Governance Committee	Thursday, November 30 th at 10:00 a.m.
Planning Committee	Thursday, December 14 th at 9:00 a.m.
Board Meeting	Thursday, December 14 th at 11:00 a.m.

9. Closing

Edward Wesnofske motioned to adjourn the meeting. The motion was seconded by William Strevy and was unanimously approved on voice call.

The meeting adjourned at 11:57 a.m.

Respectfully Submitted,

Robin Loske
Confidential Secretary