

ONONDAGA COUNTY  
RESOURCE RECOVERY AGENCY

JULY 8, 2009  
BOARD MEETING MINUTES



<b>Board Members Present:</b>	Jake Barrett, Jeffrey DeRoberts, Esq., Mark Donnelly, Roger B. Eidt, Dereth B. Glance, Jonathan Y. Kelley, Donald Lawless, Rachel May, Gwendolyn Raeford, Ravi Raman, P.E., Michael J. Reilly, CPA, Robert R. Ripberger,
<b>Board Members Absent:</b>	Lee Klosowski, P.E., Richard Smardon, Ph.D.
<b>Also Present:</b>	A. T. Rhoads, William J. Bulsiewicz, Esq., Warren Simpson, Andrew Radin, Joseph Fontanella, Kristen Lawton, Maria Cirino, Amy Lawrence, Mukai Shumba (Law Intern)
<b>Guests:</b>	Harold Baker (Town of Clay)

The Board Meeting was called to order at 4:31 p.m.

The June 10<sup>th</sup> Minutes of the Board were accepted as presented and filed.

The TREASURER'S REPORT was presented by R. Raman. Copies of the report were distributed to Board Members.

The EXECUTIVE DIRECTOR'S REPORT was presented by A.T. Rhoads. Report copies were distributed to Board Members.

**Resolution # 1668** — **Resolution To Go Into Executive Session** for the purposes of discussing the financial history of a particular corporation. Resolution was moved by D. Glance and seconded by R. Raman. The Resolution was approved: 10 ayes, 0 nays, 0 abstentions. Executive Session began at 4:55 p.m. and concluded at 5:18 p.m.

The ADMINISTRATION COMMITTEE REPORT was presented by D. Lawless, and copies were distributed to the Board. Highlights of the Committee Meeting are as follows:

- Joe Fontanella presented to the Committee the results of the June 30, 2009 bid opening for Ley Creek Paving. The Committee is addressing this item at the request of the Operations Committee in order to expedite the process of the paving.
- The Business Officer advised the Committee on the recent results of 60-day CD investment bids. Three of the eight institutions passed on the opportunity to bid; the remaining bids ranged between 0.09% and 0.50%. As a result, the funds were liquidated into our Money Market account with M&T with a current return of 0.55%.
- The Business Officer advised the Committee that OCRRA was in much better shape than most governments and agencies regarding Other Post Employment Benefits (OPEB) liability due to early management and Board decisions to limit post employment benefits (mainly health insurance) offered to retirees.
- The Business Officer shared the very preliminary 2010 Budget draft with the Committee. The draft shows a deficit of \$441,000 that we hope to eliminate during the budget process.
- The Business Officer advised the Committee that our per-ton revenue, per ton, has risen from \$102 (\$35 per ton + \$67 premium) to \$163 (\$70 per ton + \$93 premium) over the last three months as the scrap markets appear to have stabilized and improved.
- The Business Officer advised the Committee that we have \$3,620,000 in Series A Bonds maturing on May 1, 2010. By prepaying these bonds, we will be saving/earning over \$15,000 per month as opposed to the \$1,500 per month, or less, that we would earn by investing the same amount.

The Business Officer gave the Board an overview of the Series Bonds.

**Resolution # 1669** — **Resolution Authorizing Executive Director to Proceed with Contract for Paving at Ley Creek Facility** was moved by D. Lawless and seconded by R. May. The Resolution was adopted: 10 ayes, 0 nays, 1 abstention (J. DeRoberts, who arrived late).

The OPERATIONS COMMITTEE REPORT was presented by J. Kelley, and copies were distributed to Board Members. Highlights of the Committee Meeting are as follows:

- Larry Evans, Covanta Onondaga Facility Manager, gave a 30-minute plus presentation to the Committee regarding the two recent unscheduled Turbine Generator Outages. He showed and told the Committee what happened, outlined the investigation as to why it happened, and then outlined the steps already taken and being contemplated to prevent a recurrence. A question and answer session followed the PowerPoint presentation.

- Ms. Lawrence presented a synopsis of the CDM Consultant Report to the Committee. Larry Evans also addressed the comment regarding air infiltration in the bag house, which was mentioned.
- Ms. Lawrence presented the highlights of the NAWTEC Conference she attended in May, along with a handout. She also advised the Committee that DEC had just granted a 60-day extension to the comment period regarding the Title V Permit Renewal even though no comments had been received in the initial period.
- Mr. Fontanella showed the Committee initial Tonnage Projections for 2010. Several cost cutting and revenue enhancing ideas were also discussed.
- Agency Engineer's Report was distributed to the Board.

The GOVERNANCE COMMITTEE REPORT was presented by M. Donnelly, and also distributed to Board Members. Following are highlights of that Committee Meeting:

- Mr. Donnelly mentioned that the *Board Indemnification* was voted on at the June Board Meeting, and it passed unanimously. Mr. Donnelly stated that the Board Indemnification is a great policy for every Board Member and Agency employee.
- Mr. Smardon asked the Committee to look into Cross-Committee issues. There was a great deal of attention to this issue, and it received several suggestions. It was finally determined that the Chairs of the various Committees will discuss Resolutions when necessary, when issues of conflict arise.
- The orientation process of new Board Members and suggestions for new Board Member candidates was discussed.
- Mr. Donnelly quoted Sarbanes Oxley, which does not apply to government agencies. The quote, as follows:

**Sarbanes Oxley:**

*“For our purposes, COSO, ABO, or PAAA are Board Member issues and they should be informed as such. Informing is a fundamental aspect of Governance. Board Member Duty of Care and knowing their role on checks and balances is vital. **The Board is the oversight for the Agency.** Board Members need the comfort that internal controls are an important issue for the Agency, and are consistently being addressed in compliance with Board, Agency, and Regulatory requirements. This is not exclusively an Audit Committee function; it is an Agency Management and Board responsibility.”*

Mr. Rhoads invited the Board Members to an OCRRA Web Site Orientation, conducted by K. Lawton, which will be held on Tuesday, July 14<sup>th</sup> at noon, in OCRRA's Conference Room.

The GREENHOUSE GAS COMMITTEE REPORT was presented by R. May. Copies of the report were distributed to Board Members, and highlights of the meeting are noted as follows:

- The Greenhouse Gas Committee met to discuss and review the status report by Agency Engineer on fleet GHG reduction, and to discuss the table of contents for the OCRRA's GHG Committee closing report (and contents of annual GHG reports that would follow in future years) to the Board of Directors.
- The Committee discussed its final report, as the GHG Committee is scheduled to sunset in August 2009. An outline of the "final report" was attached to the GHG Committee Report for the Board's review. Ms. May said that it is expected that the final GHG Report will be out in October or November.
- Mr. Donnelly stated that with the sunset of the GHG Committee in August, it will then become a part of the Recycling Committee.

The RECYCLING COMMITTEE REPORT was presented by D. Glance. Copies were distributed to the Board. Following are highlights of the Recycling Committee Meeting:

- May 2009 Recycling Figures are as follows:

Mandatory Recycling:	17,300 tons
Mandatory & Voluntary Recycling:	48,000 tons
Total Waste Reduction through Recycling:	63%

- The Committee discussed in great detail the option of operating its own MRF (Material Recovery Facility).
- The Committee discussed the various logistical challenges associated with separating out the small amount of working TV's (about 10%) received at C3 for potential reuse, and elected not to pursue this but rather continue to focus on the recycling of these items.
- Ms. Glance updated the Committee on efforts to expand use of rain barrels in the community as a method to help control combined sewage overflows (CSO).

**Resolution # 1670** — **Resolution Authorizing Contract for Newsletter Production and Distribution** was moved by D. Glance and seconded by J. Kelley. A discussion followed:

Mr. Raman questioned the paper pricing. He suggested that there should be a "fixed known index", that can be verified, within the contract.

Mr. Raman offered an amendment to the Resolution. Agency Counsel amended the Resolve in the Resolution to read: "*RESOLVED, that the Onondaga County Resource Recovery Agency does hereby authorize its Executive Director to enter into a contract with the Scotsman to print and distribute through the Pennysaver four issues in 2009-2010 at a unit cost of \$0.105 each for a total cost not to exceed \$68,000 per year. The Agency will also have an option to extend the contract for an addition four issues at the same prices, with an appropriate adjustment in the option year for paper pricing based upon a fixed paper price index.*"

Resolution # 1670 was adopted: 11 ayes, 0 nays, 0 abstentions.

**Resolution # 1671 — Resolution Authorizing Executive Director to Contract for Recycling Educator** was moved by D. Glance and seconded by R. Ripberger. The Resolution was adopted: 11 ayes, 0 nays, 0 abstentions.

The AUDIT COMMITTEE REPORT was presented by R. Eidt. Copies of the report were distributed to Board Members. Following are Committee Meeting highlights:

- Several reports were provided to the Committee and Management for review: PC Scales Software Controls Final Audit Report, 2009 First Quarter Incentive Payout Draft Audit Report, Collateralization for Reserves Interim Report, Annual Internal Controls Assessment Memo from Internal Audit, proposed Public Authorities Accountability Act (PAAA) Amendment, and an Internal Audit Status Report. Background information was provided by Agency Counsel and Agency Business Officer in order to educate the new Members of the Committee on the Agency's operations.
- M. Cirino gave status updates for the MAS Access Rights Quarterly Review. The Committee asked questions about the upcoming audits and discussion was held.
- The Committee was given an article from the Government Finance Officers' Associations (GFOA) Magazine in regards to understanding the Financial Statement Audit.
- A proposed Request For Proposal (RFP) for hiring a CPA firm for professional auditing services for the year-end audit was handed out for the Committee's review. Discussion took place and the Committee then approved the RFP.
- The Committee discussed the proposed Amendment to the PAAA.

Mr. Rhoads shared some kind words with the Board via several e-mails that were received from OCRRA customers regarding the various OCRRA events.

The Board Meeting adjourned at 6:04 p.m.

Board Minutes were taken by C.M. Strong, Executive Secretary.



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