



ADMINISTRATION COMMITTEE AGENDA

June 25, 2024

Time: 4:00 p.m. / Location: In-Person

Admin Members: B. Page – Chair, D. Lawless, J. Driscoll, J. McMahon, G. Popps

PRESENT DISCUSSION ITEMS:

Meeting with Counsel – Personnel Investigation Report

1. Contract with Bond, Schoeneck & King - **Resolution**
2. Purchase of WTE Insurance – **Resolution**
3. Strategic Planning Overview – **(15-20min)**
4. Small Contracts – **Discussion**
5. 1st Quarter Investment Report – **Handout/Discussion**
6. Budget Calendar Reminder: **August – 1st Review, September - Resolutions**

**RESOLUTION AUTHORIZING HIRING OUTSIDE COUNSEL
TO ASSIST IN PERSONNEL INVESTIGATION**

WHEREAS the Onondaga County Resource Recovery Agency did, by Resolution No. 436 of June 9, 1993, and Resolution No. 1469 of February 8, 2006, adopt policies and procedures for “Handling Agency Legal Matters” and for “Retention of Outside Legal Consultants”, and

WHEREAS, within those policies and procedures, Agency Counsel is tasked with recommending to the Agency Board instances where outside legal counsel is appropriate, and

WHEREAS, the Agency has an ongoing personnel matter that was initiated February 2024 where Agency Counsel has determined a third-party investigation is appropriate, and

WHEREAS, in accordance with the Agency's policies and procedures, Agency Counsel has recommended that the assistance of an outside Counsel to conduct this investigation is necessary and has recommended that the law firm of Bond, Schoeneck & King and, in particular, Colin M. Leonard, Esq., a member in said firm, be retained, now, therefore be it

RESOLVED, that the Onondaga County Resource Recovery Agency does hereby authorize its Board Chair to retain the law firm of Bond, Schoeneck & King to assist Agency Counsel in performing a personnel investigation on an hourly basis with a not to exceed amount of \$40,000. Agency Counsel is directed to report monthly to the Agency's Administration Committee on the amount of such expenditures incurred during this engagement. This Resolution shall take effect immediately.

Resolution Adopted Date: _____

Vote: Ayes _____ Nays _____ Abstentions _____

Signed: _____

RESOLUTION AUTHORIZING AND AFFIRMING EXECUTIVE DIRECTOR’S CONTINUING PURCHASE OF ALL RISK PROPERTY INSURANCE POLICIES FOR WASTE TO ENERGY FACILITY

WHEREAS, the Onondaga County Resource Recovery Agency did, by Resolution No. 2139 of April 11, 2018, authorize its Executive Director to exercise its option under Appendix 6, Part 1 (d) (2) of the Service Agreement with Covanta Onondaga LLC to procure the necessary facility insurance for the Onondaga County Resource Recovery Facility, as delineated in Appendix 6, through the Agency’s broker, and

WHEREAS, the Agency’s insurance broker has secured competitive quotes for continuation of such all-risk property insurance for the period July 1, 2024 through June 30, 2025, and has recommended that the Agency purchase policies through Zurich and a consortium of other entities in the amounts attached and at a total premium, including broker fee and taxes, not to exceed \$X,XXX,XXX to fully comply with the insurance requirements set forth in Appendix 6, now, therefore be it

RESOLVED, that the Onondaga County Resource Recovery Agency does hereby authorize and affirm its Executive Director’s purchase of continuing all risk property insurance, for the period July 1, 2024 through June 30, 2025, for the Onondaga County Resource Recovery Facility at the coverages and rates attached and with the insurers set forth above at a total annual premium, plus broker fee and taxes, not to exceed \$ X,XXX,XXX including \$60,000 in a flat brokers fee. This Resolution to purchase this insurance shall take effect upon the commencement of the above referenced policies.

Resolution Adopted Date: _____

Vote: Ayes: _____ **Nays:** _____ **Abstentions:** _____

Signed: _____

COMMITTEE BRIEF

Renewal of WTE Insurance

June 30, 2024

In 2018, in response to a 40% increase in pass through costs for insurance, the Agency exercised its option procure insurance on its own for the OCRRF. The Agency has procured its own insurance policy began July 1, 2018 and the next policy period begins July 1, 2024.

In order to procure the specialized insurance, the Agency appointed Beecher Carlson as its broker. The premiums quoted below are inclusive of their commission amount, which is \$60,000. The commission amount in the prior two years was \$55,000.

Insurance required includes, among other items, insuring the Facility at a total value of approximately \$315,542,000, inclusive of Business Interruption of approximately \$30,684,000. The Agency's expiring policy has a primary deductible of \$1,000,000. With a specific waiting period related to Business Interruption. These terms are as similar to the ReWorld program as are available in the commercial market. Not all terms available to the ReWorld group are available to OCRRA in the commercial market.

Although specific data is not always publicly available, the Agency estimates it saves approximately \$100,000 per year through procuring its own coverage.

The expiring premium and broker fee total is \$1,045,000, and the renewal premium and broker fee total is approximately \$X,XXX,XXX.

Premiums related to insuring waste to energy facilities have been particularly volatile over the past five years. In particular, the December 2016 fire at the Montgomery plant in MD, which has resulted in years of insurance litigation, and the recent February 2023 fire in Miami-Dade have had large impacts on the premium insurance carriers are seeking. Unfortunately, these large losses, although not a fault of OCRRA, are generally passed along throughout the industry.

As of June 21th, 2024, current indications are for a 15%-20% cost increase, while not all carriers' quotes are in, a 20% increase would equate to premium of \$1,188,000, and inclusive of broker fee a total cost of \$1,248,000.

Management Recommendation:

Management recommends continuing insurance on the WTE facility in accordance with the requirements of the Service Agreement, at a cost not to exceed \$X,XXX,XXX for the policy year July 1, 2024 – June 30, 2025.

DRAFT STRATEGIC PLANNING PROCESS

At the Board Meeting on June 12, 2024, in preparation for the Agency's upcoming strategic planning efforts, we discussed:

1. **An Agreement on the model/style:** A simple model was desired, and the Board agreed to consider the same format our last strategic plan utilized in 2022 which was laid out in a SWAT analysis approach.
2. **An Agreement on the planning horizon** – that is the number of years forward covered in the planning period, and it was decided that a two-year planning cycle, with future considerations, similar to the last plan, was appropriate.

At the Committee Meetings this summer, we will discuss the new plan with the following outline:

3. **Agree on a big picture agenda/model** for the planning sessions to follow.
 - A. At the first committee meeting, approximately 30 minutes, briefly discuss history and where we have been. Take a moment to consider the fully integrated system and distill the purpose of the strategic plan, guiding principles of the organization, articulate and agree upon major challenges, *revisit:* vision, mission and core values.
 - B. Spend the second session, approximately 30 minutes, (about 3 to 4 weeks after session 1) discussing and agreeing on the strategic objectives for the OCRRA system for each area as outlined in the previous plan.

Recycling & Operations – Rock Cut Area of the Plan

Ad-Hoc – Ley Creek Area of the Plan

Administration – Waste and Recycling Capacity Area of the Plan

The Committees may also want to consider organics/composting and public education/communication which were not detailed in the 2022 Strategic Plan. It is suggested the Committee begin the session by revisiting the challenges and considering the opportunities. Session deliverable: coming to agreement on the objectives in general to face the challenges and opportunities identified.

- C. Third session, approximately 30 minutes, (about 3 to 4 weeks after session 2) would be setting and prioritizing the strategic initiatives, for the planning period. Start the session by reviewing the strategic objectives, then kick around and come to concurrence on the specifics to focus on and track to achieve those objectives, with short term, intermediate, and long-range goals.

The Board will then convene a one-day retreat in the fall with Committee Chairs and staff reporting out findings from the summer meetings and drafting a strategic plan for the Board to consider at a future meeting.

Waste and Recycling Capacity

<p>Strengths:</p> <ul style="list-style-type: none"> • Effective Board leadership and planning capability • WTE disposal capacity secured through 2035 • Strong partnership with Camillus for use of C&D landfill • OCRRA has contracts with regional landfills through 2025 	<p>Weaknesses:</p> <ul style="list-style-type: none"> • There are costs associated with pursuing multiple possibilities • Current waste stream may be different than the waste stream of the future – planning may need to incorporate various timelines • Camillus C&D landfill is reaching capacity, unless expanded • Limited organics capacity
<p>Opportunities:</p> <ul style="list-style-type: none"> • Community’s tonnage relatively stable • The County has existing assets in the community with development potential: Ley Creek, Site 31, Honeywell waste beds • EPR and “Green” initiatives generally gaining political ground • Waste collection and diversion techniques (i.e. carts, organics) may accelerate based on technological and political advances. • The County’s Solid Waste Management Plan expires in 2024 and will need to be updated and approved by DEC 	<p>Threats:</p> <ul style="list-style-type: none"> • Regional landfill space continues to be under pressure, ash cover may not be as desired in future • Climate Act and NYS Constitutional Amendments may place additional burdens on solid waste systems and could limit disposal capacities. • WTE plant is aging, extended downtime would place significant pressure on current system setup. • Site 31 Permit is not compliance with Part 360 Regulations and expires in 2026

Strategies / Action items:

Short Term:

- 1) Evaluate current disposal capacity under various WTE plant scenarios to determine potential need
- 2) Support member municipalities as they transition to cart based waste and recyclables collection
- 3) Permit renewals for Ley Creek and Site 31 are a priority

Mid Term:

- 1) Evaluate Honeywell waste beds as a disposal site
- 2) Ensure disposal capacity at regional landfills or an in-county location by 2025
- 3) Work with County to review and update SWMP, including potential for expanded organics diversion

Long Term:

- 1) Support EPR and “Green” initiatives in the political sphere where they contribute to waste diversion and increased recycling or recovery of materials



VISION

Maintain a world-class waste management system that benefits our community and environment.

MISSION

Serve our community by providing a comprehensive solid waste management system that is environmentally, socially and financially sound.

Through innovative strategies such as waste reduction, recycling, composting, disposal and education, we make our community a more healthy and sustainable place to live.

CORE VALUES

- Integrity and Honesty
- Environmental Stewardship
- Fiscal Responsibility
- Excellence in Services

Customer Service

Public Participation

Community Relations

Purchase Orders Between \$5,000 and \$20,000				6/21/2024			
Purchase Order Types							
SD: Standard		EM: Emergency					
BL: Blanket		SDM: Standard with Multiple Purchases					
Vendor Selection							
OEM: Original Equipment Manufacturer		CC: County Contract		R: Resolution			
B: Bids		SS: Sole Source		DD: Deputy Director			
RFP: Request for Proposals		Q: Quotes					
RFQ: Request for Quotations		P: Preferred Source					
SC: State Contract		EXD: Executive Director					
MWBE: Minority/Women Business Ent.		BUS: Business Officer					
PO Date	PO #	Type	Manager	Vendor Name	Amount	Selection	Res. #
4/15/24	18698	SD	Dan Haas	Kenworth Northeast Group Inc. Service Call Truck 50	7,271	OEM	
4/16/24	18705	SD	Dan Haas	Anderson Equipment Service Call WA500-6: Ley Creek	5,693	OEM	
4/16/24	18708	SD	Dan Haas	Alta Equipment Company Volvo L180 Rental	9,200	Q	
4/16/24	18710	SD	Dan Haas	Goodyear Commercial Tire & Service Tires,Tubes and Services-RCR	5,040	SC	
4/19/24	18724	SD	Dan Haas	Milton Cat Service Call 962M RCR	7,404	OEM	
4/19/24	18728	SD	Dan Haas	Kenworth Northeast Group Inc. Truck 55 RCR Parts	7,954	OEM	
4/25/24	18749	SD	Dan Haas	Goodyear Commercial Tire & Service Tires,Tubes and Services -RCR	5,600	SC	
4/29/24	18757	BL	Dan Haas	Red Wing Shoe Store Safety Shoes Expires 12/31/24	7,000	SC	
5/1/24	18763	SD	Dan Haas	Allied Spring & Services Inc. Service Call Truck 51	7,961	CC	
5/3/24	18767	SD	Dan Haas	United Radio Radios/Program to Specs/Speaker Mic	5,177	SC	
5/6/24	18770	SD	Dan Haas	Kenworth Northeast Group Inc. Truck 55 RCR Parts	7,835	OEM	
5/7/24	18778	BL	Dan Haas	Alta Equipment Company Preventative Maint. Volvo EW240E	10,151	OEM	
5/7/24	18779	BL	Dan Haas	Kings T & S Mowing Approx 26 Times at all sites	13,000	P	
5/10/24	18792	BL	Dan Haas	Kenworth Northeast Group Inc.	5,631	OEM	

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Purchase Order Types								
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<u>PO Date</u>	<u>PO #</u>	<u>Type</u>	<u>Manager</u>	<u>Vendor Name</u>		<u>Amount</u>	<u>Selection</u>	<u>Res. #</u>
				Truck 54/RCR/Fuel Tank				