

RHODE ISLAND RESOURCE RECOVERY CORPORATION
BUSINESS MEETING
Thursday, July 1, 2010
10:00 A.M.
65 Shun Pike
Johnston, Rhode Island 02919

In Attendance

Geri-Ann DiPaolo, Vice-Chair
Bradford Gorham, Treasurer
Douglas Jeffrey, Chair
Charles Lombardi
Michael Quinn
Jared Rhodes, II
Michael Sabitoni

Absent

Carole Bell

Staff Present

Michael OConnell, Executive Director
Brian Card, Director of Operations and Engineering
Sarah Kite, Director of Recycling Services
J. Timothy McCormick, CFO
Gary Maddocks, Jr., Chief of Security and Facilities Manager
Christine Jocelyn, Human Resources Director
William Anderson, Engineering Manager
Robert Lough, Security Officer and Safety Coordinator
David Bordieri, Waste Prevention Coordinator

Others Present

Representatives from KL Gates, LLP

Agenda Items

1. Call to Order

Commissioner Bradford Gorham called the meeting to order at 10:09 A.M. Pledge of Allegiance followed.

2. Election of Officers

Commissioner Gorham called for nominations for officers.

- a. Commissioner Geri-Ann DiPaolo nominated Commissioner Douglas Jeffrey for Chair. Commissioner Michael Sabitoni seconded the motion. Commissioners Carole Bell and Charles Lombardi absent for vote. Passed 5-0.

- b. Chair Jeffrey nominated Commissioner DiPaolo for Vice-Chair. Commissioner Gorham seconded the motion. Commissioners Bell and Lombardi absent for vote. Passed 5-0.
- c. Commissioner Michael Quinn nominated Commissioner Gorham for Treasurer. Commissioner Sabitoni seconded the motion. Commissioners Bell and Lombardi absent for vote. Passed 5-0.

3. Executive Director Report

Michael OConnell, Executive Director, gave highlights of the Corporation's financial situation. In FY07, revenue was \$70 million with 1.2 million tons per year. FY10, revenue is \$47 million with 700,000 tons per year. Operating costs in FY07 were \$67 million vs \$44 million in FY10. In FY10 making the same profit as in FY07 with only two thirds of the revenue. Ten years of life has been added to the landfill for a total of about 23 years. Corporation has cut about \$26 million out of the cost structure since 2007.

Management overview of budget presented. This was approved by Governor Carcieri in May, 2010.

Chair Jeffrey called for a motion to ratify the budget as presented. Commissioner Charles Lombardi so moved. Motion seconded by Vice-Chair DiPaolo. Commissioner Bell absent for vote. Passed 6-0.

OConnell recommended that the Governor's approvals be copied and sent to the Commissioners for review and acceptance at the next board meeting.

OConnell reviewed Waste Water Treatment and Memorandum of Understanding with Narragansett Bay Commission. Chair Jeffrey called for a motion to ratify the Memorandum of Understanding. Commissioner Gorham so moved. Commissioner Lombardi seconded. Commissioner Bell absent for vote. Commissioner Quinn recused himself. Passed 5-0.

4. Director of Operations and Engineering Report

Brian Card presented highlights of operations and engineering projects: Phase VI and the permit, Johnston Pond, Cedar Swamp Brook, Macera Cap, NBC Sewer, Gas Collection and Control, internalization of engineering work at a savings of \$1 million annually; Wildlife Enhancement and Certification through Wildlife Habitat Council. We're also working with Rhode Island Audubon Society, Rhode Island Wild Plant Society, Rhode Island Tree Organization, volunteers, and a local Boy Scout troop.

We are having an Open House on July 31. We expect the Phase VI permit to be issued in early August, 2010.

5. Director of Recycling Services Report

Sarah Kite presenting highlights of recycling projects, education, and various recycling programs adopted by cities and towns such as no bin-no barrel and pay as you throw; e-waste; needle disposal. Slated to end the year at 23.5% statewide recycling rate, up about a half percentage point from last year. In FY10 served 25,000 people on tours or presentations as well as 500+ calls each week about Eco-Depot, household hazardous waste, e-waste. There are an additional 15,000 people coming through the Eco-Depot program. The Corporation is in the process of writing RFP/RFQ for services to retrofit the materials recycling facility to single stream. The RFP/RFQ will go out in July with responses due back in the fall, and a recommendation to the Board of Commissioners in December.

6. New Contract

a. Landfill Sewer Upgrade \$104.3K

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for IFB No 906 with Boyle & Fogarty Construction Company of Smithfield, Rhode Island in an amount not to exceed \$104,302, (\$94,820 contract amount, plus 10% contingency). This Contract will commence on the Notice to Proceed and be completed by October 29, 2010. This total contract amount includes a 10% contingency in the amount of \$9,482 to address any unforeseen conditions associated with the project, to be utilized only with prior approval by the Executive Director. Commissioner Gorham moved for resolution. Commissioner Quinn seconded. Commissioner Sabitoni recused himself as he represents employees of Boyle & Fogarty through Laborers' Union Local 271. Commissioner Bell absent. Resolution passed 5-0.

7. Contract Renewal

a. Environmental Engineering Services \$710.0K

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to renew the contractual agreement for Environmental Consulting/Engineering Services as stated in the original RFP/RFQ No 882 under the same terms and conditions of the original contract for the following firms: Camp, Dresser & McGee, Inc; SCS Engineers, PC/Brown and Caldwell; and GZA Environmental, Inc. The combined total value of the contract shall not exceed the current FY2011 Engineering Budget for Environmental and Engineering related services of \$710,000. The contract(s) will commence on August 1, 2010, and expire on July 32, 2011, for the first renewal period. Motion to accept by Commissioner Quinn. Seconded by Commissioner Gorham. Commissioner Bell absent. Passed 6-0.

b. Landfill Engineering Services \$800.0K

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director of renew the contractual agreement for general landfill consulting services as stated in the original RFQ/RFP No 881 under the

same terms and conditions of the original contract with the following terms: Pare Corporation; Brown and Caldwell/SCS Engineers, PC; and Shaw Environmental, Inc. The combined total value of the contract shall not exceed the current FY11 engineering budget for engineering-related services of \$800,000. Contract will commence on August 1, 2010, and will expire on July 31, 2011, for the first renewal period. Motion to accept by Commissioner Gorham. Seconded by Commissioner Lombardi. Commissioner Bell absent. Passed 6-0.

8. Contract Increases

a. Household Hazardous Waste Collections \$138.0K

Resolution: Be it resolved that the Board of Commissioners authorize the Executive Director to increase the contractual amount for Clean Harbors Environmental Services to provide household hazardous waste disposals by \$138,000 for a total amended contract prices of \$784,000. Motion to accept by Commissioner Quinn. Seconded by Vice-Chair DiPaolo. Commissioner Bell absent. Passed 6-0.

b. Financial Auditor Fees \$33.8K

Request for increase in contract to Carlin, Charron & Rosen, LLP as during the first year of their three-year engagement they were required to provide additional services not originally anticipated as there was not a smooth transition from the former financial auditor. \$33.8K is the amount of additional payment over and above the original bid for additional work done in the first year of their engagement. Motion by Commissioner Sabitoni to pay for the work that has been done and to have the Corporation request that Carlin, Charron, & Rosen provide quantification of the additional \$33,800. Vice-Chair DiPaolo seconded the motion. Commissioner Bell absent. Passed 6-0.

9. Other Business

a. Labor Contract Approval for Local 57

As the labor contract was not ratified by Local 57 members, there was nothing to report.

b. Transfer one used vehicle to Town of Johnston

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to transfer and donate one Rhode Island Resource Recovery security vehicle, a 2002 Chevy Blazer, to the Town of Johnston Recreation Department. This transfer will commence once new security vehicles are officially placed in service. Motion to accept by Commissioner Lombardi and seconded by Commissioner Sabitoni. Commissioner Bell absent. Passed 6-0.

Adjournment to Executive Session at 11:05 A.M.

Board of Commissioners of the Rhode Island Resource Recovery Corporation shall adjourn to Executive Session to consider and act upon such matters as may be considered to the public pursuant to Open Meetings Law under Subsection II, litigation of the Rhode Island General Laws 42-46-5, Subsection A, Open Meetings Law. Matters to be considered in Executive Session are as follows: 1. Update regarding pension insurance claims.

Chair Jeffrey directed that the record of Executive Session proceedings be sealed.

Motion made by Commissioner Lombardi to adjourn Executive Session. Motion seconded by Commissioner Sabitoni. Commissioner Bell absent. Commissioner Gorham recused. Passed 5-0.

Motion to convene in Public Session made by Commissioner Lombardi, seconded by Commissioner Sabitoni. Commissioner Bell absent. Commissioner Gorham recused. Passed 5-0.

Resolution: Be it resolved that the Board of Commissioners authorize the Executive Director to execute and extend the existing agreement with K & L Gates and Rhode Island Resource Recovery to encompass the prosecution of claims against any and all third parties under the same terms and conditions as was previously executed on February 1, 2010.

Motion made by Commissioner Sabitoni to adopt the resolution so read by Attorney Rodio, seconded by Commissioner Quinn. Resolution passed 5-0.

Action Item: Motion to direct Attorney Rodio to provide a legal opinion of the statute of the proceeds of the claim made by Commissioner Lombardi and seconded by Vice-Chair DiPaolo. Motion passed 5-0.

Next meeting scheduled for August 11, 2010 at 10 A.M. at Rhode Island Resource Recovery Corporation.

Motion to adjourn made by Commissioner Sabitoni and seconded by Commissioner Quinn.

Adjourned at 1:17 P.M.