

Approved 3/28/12

RHODE ISLAND RESOURCE RECOVERY CORPORATION
BUSINESS MEETING

Wednesday, February 29, 2012

9:00 A.M.

65 Shun Pike

Johnston, RI 02919

In Attendance

Michael Quinn, Chair

Michael Sabitoni, Vice Chair (departed at 12:36 P.M.)

Geoffrey Kirkman, Treasurer (arrived at 9:15 A.M.)

Geri-Ann DiPaolo

Sheila Dormody (arrived at 9:10 A.M.)

Fred Stolle

Richard Licht (departed at 10:52 A.M.)

Charles Lombardi (arrived at 9:17 A.M.)

Absent

Jared Rhodes

Staff Present

Michael OConnell, Executive Director

Christine Jocelyn, Director of Human Resources

Gary Maddocks, Chief of Security

Pat Cerbo, Purchasing Director

Robert Lough, Security Supervisor and Safety Coordinator

Brian Card, Director of Operations and Engineering

Sarah Kite, Director of Recycling Services

Marcel Lussier, MRF Business Manager

Tim McCormick, CFO

Mike McGonagle, Director of IT and Planning

Joe Rotella, Special Waste Manager

Bill Anderson, Engineering Manager

Inga Hoit, Sr. Environmental Engineer

Nancy Minson, HR Coordinator

Others Present

Ron Ronzio, Allied Court Reporter

Joe Rodio, Sr. Rodio & Ursillo

David Ursillo, Rodio & Ursillo

Michael Nugent, House Policy Office

John Blessington, K & L Gates

Chris Valente, K & L Gates

Tim Faulkner, ecoRI News

Mark Reynolds, Providence Journal

Call to Order

Chairman Quinn called the meeting to order at 9:07 A.M.. Pledge of Allegiance followed by Roll Call. Commissioners Sabitoni, DiPaolo, Stolle, Licht, Dormody, Kirkman and Lombardi present.

Agenda Items

1. Approval of Meeting Minutes from 01/31/12

Motion to accept the minutes made by Commissioner Sabitoni. Seconded by Commissioner Dormody. Passed 6-0.

Affirmation vote of full commission on Chair and Vice Chair

Roll call to affirm Commissioner Sabitoni as Vice Chair. Commissioners Dormody, Kirkman, DiPaolo, and Lombardi in the affirmative. Unanimously affirmed.

Roll call to affirm Commissioner Quinn as Chair. Commissioners Dormody, Kirkman, DiPaolo, and Lombardi in the affirmative. Unanimously affirmed.

2. Executive Director Update

a. Seagull Nuisance Management

There were an estimated 10,000 to 20,000 seagulls around the property before the USDA was hired. Since the program began the population has been reduced to between 1,000 and 1,500 now. In order to keep the population at bay, population management measures must continue.

b. Cranston Sewer

In September, 2011, we asked the officials in Cranston for details for possible settlement. There was no response in November and December. DEM has not approved their facility plan, so it cannot move forward. There are sources of nitrogen that the city cannot yet identify. Pushing approval to mid to late year with public comment following that. It will likely be a year from now for fines to be determined. The agreement with NBC was approved in mid fall, 2011.

c. Sewer Construction

The sewer construction project is going to bid the first week of April. Commissioner Sabitoni suggested revising the RFP as needed but putting it out in the interim and then make changes if necessary, so it can get started rather than waiting for a month. Bill Anderson agreed and will do so. The sewer connection project is separate from the pre-treatment project.

d. Compost

RIDEM has approved our compost as Grade A, Class 1. It is a quality product and Resource Recovery is able to sell it. Resource Recovery also received an organic certification from DEM for use of our compost in organic farming.

e. Waste Management

Waste Management approached Resource Recovery regarding both assuming control of parts of the organization as well as buying the corporation. Waste Management is number 1 waste disposal and recycling company in the country. Exploratory discussions will be held May 4. Commissioners Quinn, Licht, and Dormody will attend.

f. 6 month Financials (Appendix in Meeting Package)

\$100,000 unfavorable for the first six months and 2.4 million unfavorable compared to the same period last year. Solid waste volumes are down. Commodity prices are up at the MRF. Cost for odor remediation were incurred, Resource Recovery received insurance proceeds, the \$3.5 million state transfer is included, depreciation is lower, and changes in closure and post closure.

g. FY11 Board Meeting Packages on CD

Nancy Minson will copy the FY11 (7/1/10-6/30/11) Board Meeting Packages to CD's so Board Members can shred their hard copies or return them to us to shred.

h. Projects that were not bid but were approved by the Executive Director are listed in the Appendix. Commissioner Quinn indicated that those were within the purview of the Executive Director. The Finance Subcommittee reviewed the Purchasing approval levels which will be discussed at a future meeting.

i. Lobbyist for RIRRC

The Executive Director would like the Board to consider hiring a lobbyist for RIRRC. The Corporation has had little representation or leverage with the General Assembly. There are potential cost savings in what could be spent on a lobbyist vs. the cost of adverse legislation. Chairman Quinn suggested that the Executive Director prepare a justification. Commissioner Licht recommended surveying other quasi's as to their practices: in-house staff, in-house attorney, or outside lobbyist, and work with the Governance Subcommittee. The sitting Board Members have better communications with the Governor's office and the General Assembly, and the feeling is that some of Resource Recovery's best lobbyists are the commissioners. Resource Recovery staff should call on Board members when there is an important issue and to ensure that the Corporation's voice is heard. The lobbyist recommendation was tabled.

3. New Contracts

a. E-Waste

DEM requires two Pods for each site because of their interpretation of the universal waste rules which is different from the Federal waste rules. Resource Recovery would like to have further discussions with DEM about consolidating to one Pod. Although the manufacturers are supposed to bear the entire cost, DEM is three years behind on promulgating rules and regulations for E-Waste. Resource Recovery does not want to overstep without guidance of regulations from DEM. Commissioner Licht offered assistance with DEM.

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for RFQ/RFP No. 898- Electronic waste collection and recycling services with RMG Enterprise, LLC of Londonderry, NH in an amount not to exceed \$650,000.00. The contract shall commence on March 1, 2012 and shall continue until February 28, 2013, with an option to renew the contract for up to two additional one-year periods. Motion to accept made by Commissioner Sabitoni and seconded by Commissioner Dormody. Passed 6-0.

b. Aerial Mapping

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for the IFB No. 937 – 2012 Aerial Photography and Photogrammetric Mapping with Cooper Aerial Survey Co. of Philadelphia, PA for a total amount not to exceed \$30,708.00 for bid items 1-9. This contract will commence upon execution and continue until December 31, 2012. Motion to accept made by Commissioner Lombardi. Seconded by Commissioner DiPaolo. Passed 6-0.

c. Compost Windrow Turner

Resource Recovery has cut windrow turn times from three to four weeks to three to four days. This is a cost savings in labor as well as airspace in the landfill. Larger material can be broken

down and reprocessed and composted, saving the need to landfill it. The corporation has been able to reduce the monitoring on the compost, with DEM approval, due to the consistency of the readings. Payback period estimated at three years or less.

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for the purchase of a compost windrow turner (RFQ/RFP #701) between Rhode Island Resource Recovery Corporation and Vermeer Northeast for an amount not to exceed \$287,522.00. The contract will commence on or about February 29, 2012 and continue until April 30, 2012. Motion to accept made by Commissioner Dormody. Seconded by Commissioner Sabitoni. Passed 6-0.

d. Cornerstone Engineering

Cornerstone Engineering has been selected by RIRRC and Broadrock to serve as an independent consultant to assist in the site evaluation of the gas collection system and landfill operations to control/prevent odors.

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement with Cornerstone Engineering for 50% of the estimated price of \$107,095 effective immediately. Motion to accept made by Commissioner Dormody and seconded by Commissioner Sabitoni. Passed 5-0. Commissioner Sabitoni recused.

4. Contract Renewals

a. Baling Wire

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to renew the contractual agreement with Accent Wire Products of Tomball, TX to provide Baling Wire for the Materials Recycling Facility for an amount not to exceed \$200,000.00. The contract will commence on April 1, 2012 and expire on March 31, 2013 for the second of two one-year renewal periods. Motion to accept made by Commissioner Sabitoni. Seconded by Commissioner Kirkman. Passed 5-1. Commissioner Lombardi voted nay.

5. Contract Increases

a. Engineering Services

The biggest drivers for the \$635,000 increase are leachate pretreatment design and superfund work on Upper Simmons Reservoir. The Corporation completed a 30% design to ensure apples to apples bidding for the pretreatment project. The EPA has requested studies earlier than originally required causing an increase of \$125,000. When civil engineering and environmental engineering contract are combined, the Corporation will be a net \$125,000 over on the combined contracts.

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to increase the Contractual Amount for Environmental Consulting/Engineering Services as stated in the original RFQ/RFP No. 882, with the following firms: Camp Dresser & Mckee, Inc., SCS Engineers, PC / Brown and Caldwell, and GZA GeoEnvironmental, Inc., for a total increase of \$635,000 to be distributed between the three firms, for a total amended contract price of \$1,535,000. Motion to accept made by Commissioner Dormody. Seconded by Commissioner Sabitoni. Passed 6-0.

6. Other Business

a. RFP for Trust Fund Management

RIRRC maintains two trust fund accounts, one with Webster Bank and one with Rockland Trust. The corporation will issue three RFP's for Investment Advisor, Custodian for the landfill Remediation Trust Fund (EPA), and Custodian for the Closure/Post-Closure Trust Fund (DEM). The Evaluation Committee will be the Board of Commissioners. The recommendations will be reviewed with the General Treasurer's office prior to a final decision. There is a prohibition on the RFP's that if anyone on the Board of Commissioners is contacted by any of the bidders, that bidder will be disqualified immediately. The language in the RFP must be changed to clarify who is the Evaluation Committee and that the General Treasurer's office or designee will review. Motion to accept made by Commissioner Sabitoni. Seconded by Commissioner Lombardi. Passed 6-0.

b. Deputy Director discussion has been tabled.

c. 2012 Board of Commissioners Meeting Schedule will be the fourth Wednesday of each month.

d. Gas Systems Flows Update

Sr. Environmental Engineer Inga Hoit presented three charts showing Total Instantaneous Flow, Phase V Instantaneous Flow, and Phase IV Instantaneous Flow. All of the new wells are on line. Hoit has requested answers from Broadrock as to why the gas flow has decreased and to date has not received a response. The Corporation does not get communication from Broadrock when devices are down or broken.

e. 2012 Legislative Positions Discussion

Sarah Kite presented a list which includes extended items of what may impact RIRRC. Since 2007, Kite has met with representatives at the State House. This has resulted in increasing and deepening relationships. Each fall the Corporation reviews pending legislation with a view towards how it might impact the mission, operations, finances of the corporation and also the taxpayers. Kite believes that RIRRC should have a voice on these items when they come up for vote. The Corporation needs to be proactive rather than reactive. Kite and Joe Rotella have met with General Assembly representatives on both side of the aisle to voice the corporation's position. The Recycling Subcommittee reviewed the "wish list" for legislation in the fall. Commissioner Licht believes that is the Board who should determine policy and position on legislation with input from Resource Recovery staff. The vetting process rests with the Board as much as possible and then reprioritize as needed. On certain issues there should be input from the Governor's office. The Commissioners should submit position statements to members of the House and Senate. The Governance Subcommittee should prepare a timeline and a process for initial legislation and then what the process should be for new or changed bills.

Motion to recess and return in Executive Session made by Commissioner DiPaolo and seconded by Commissioner Sabitoni. Passed 6-0.

7. Executive Session

Motion to approve Executive Session Meeting Minutes from 1/31/12 made by Commissioner Dormody and seconded by Commissioner DiPaolo. Passed 6-0.

Motion to seal the meeting minutes from 1/31/12 made by Commissioner DiPaolo and seconded by Commissioner Dormody. Passed 4-0.

Motion to return to regular session and seal the minutes made by Commissioner DiPaolo and seconded by Commissioner Lombardi. Passed 4-0.

8. Next Meeting Date

Wednesday, March 28, 2012, 9:00 A.M.

Motion to adjourn made by Commissioner DiPaolo and seconded by Commissioner Dormody. Passed 4-0. Adjourned at 12:37 P.M.