

Approved 11/28/12

RHODE ISLAND RESOURCE RECOVERY CORPORATION
BUSINESS MEETING

Wednesday, October 10, 2012

5:30 P.M.

65 Shun Pike

Johnston, RI 02919

In Attendance

Michael Quinn, Chair

Michael Sabitoni, Vice Chair

Fred Stolle

Sheila Dormody (arrived at 6:10p.m.)

Richard Licht

Geri-Ann DiPaolo

Absent

Geoffrey Kirkman, Treasurer

Jared Rhodes

Charles Lombardi

Staff Present

Mike OConnell, Executive Director

Brian Card, Director of Operations and Engineering

Gary Maddocks, Chief of Security

Chris Jocelyn, HR Director

Nancy Minson, HR Coordinator

Tim McCormick, Chief Financial Officer

Pat Cerbo, Purchasing Director

Sarah Kite, Director of Recycling Services

Mike McGonagle, Director of IT and Planning

Dianne Gessner, Senior Accounting Associate

Allison Godfrey, Accounts Receivables

Marcel Lussier, MRF Business Manager

Others Present

Ron Ronzio, Allied Court Reporter

Kelly Carpenter, Senate Fiscal

Joe Rodio, Sr. Rodio & Ursillo

David Ursillo, Rodio & Ursillo

Tom Holt, K& L Gates

Chris Valente, K & L Gates

Call to Order

Chairman Quinn called the meeting to order at 5:37 P.M. Pledge of Allegiance followed by Roll call. Commissioners Sabitoni, DiPaolo, and Stolle present.

Agenda Items

1. Executive Session

Motion to move to Executive Session under 42-46-5(2) made by Chairman. Roll call taken. Passed 3-0.

Motion to approve the executive session meeting minutes from 8/15/12 made by Commissioner DiPaolo. Seconded by Commissioner Sabitoni. Passed 3-0.

Motion to seal the executive session accept the minutes made by Commissioner DiPaolo. Seconded by Commissioner Sabitoni. Passed 3-0.

Motion to return to regular session made by Commissioner DiPaolo and seconded by Commissioner Sabitoni. Passed 3-0.

Returned to Regular Session at 6:07p.m.

2. Approval of Meeting Minutes from 08/15/12

Motion to accept the minutes made by Commissioner Sabitoni. Seconded by Commissioner DiPaolo. Passed 3-0.

3. Approval of Revised Meeting Minutes from 5/30/12

Motion to accept the minutes made by Commissioner DiPaolo. Seconded by Commissioner Sabitoni. Passed 3-0.

4. Executive Director's Update

Mike OConnell reported that we closed on the SIMS sale and our net was \$1.4 million. We now have three lots left to sell.

Waste Haulers, our second largest account last year is back doing business with us. Their balance was paid off and are now paying promptly. They are a \$3 million account yearly.

Gary Maddocks conducted a re-review of our Scalehouse procedures. We currently accept cash from some of our customers. Maddocks and Management reviewed all of the policies, procedures, the physical layout, camera setups, and access. A few modifications were made such as tightened access, inbound and outbound reports, controlled access, and interior and exterior cameras. There are a total of 14 cameras.

We received feedback from the Board regarding temporary labor at the MRF. We were asked to consider hiring some of that staff. We will be hiring a total of 9 employees. Six will be for the MRF and three Laborers for the Tipping Facility. Commissioner Sabitoni commended us stating

that no one should be making \$7.40 an hour. Future bids will require a minimum \$10/hr be paid to employees.

OConnell addressed the progress on the Citizens Advisory Board. There will be 12 members. 11 of them will be selected by the Governor and 1 will be selected by the Mayor of Johnston. At least 2 of them must attend each of our board meetings they have an oversight role. Chairman Quinn recommended Sarah Kite to be the chair on behalf of Resource Recovery. He will also call to see if we can start to seek the Governor's help and set a plan in motion before the legislative season.

Mike OConnell and Tim McCormick had a conference call yesterday with Jared Rhodes regarding the Landfill Trust Funds. There were 9 Investment Advisors and 5 Custodians. We trimmed that down to 5 Investment Advisors and we plan to interview them as well as the 5 Custodians and then bring back the top 3 candidates for the full board to interview them.

Gas Flows are down. We notified DEM and Broadrock. Chairman Quinn asked OConnell what the next step is with the draft of the Cornerstone report. OConnell stated that both parties, RIRRC and Broadrock, have to agree for the report to be released. Chairman Quinn would like to hear from Tom Holt how the report would interact with other events. Brian Card stated that Broadrock has 4 engines up and running and 3 are down for evaluation. Quinn let the Board know that this is likely the reason that gas collection is down and the flares can't handle the excess gas. OConnell also states that he notified DEM and he asked them to call Randy Holmes at Broadrock and ask them why their flows are low. DEM was non-committal. They don't want to be responsible for having odors come back. Joe Rodio also stated that the same event that happened last year is happening again this year. The saturation on the hill could be occurring and we won't know it until there are odor issues again. RIRRC has requested the original application from the town regarding Broadrock's representation that gas collection is related to the odor issues. This is contrary to what Broadrock told RIRRC and DEM.

The RFP for Pre-Treatment went out on October 9th. It's a big engineering project due in December. The Board can expect to see that presented in January or February.

5. New Contracts

a. Insurance

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for insurance services RFQ/RFP #710 between Rhode Island Resource Recovery Corporation and Rose & Kiernan, Inc. of Wakefield, RI for an amount not to exceed \$263,000 for workers' compensation coverage, and with Troy, Pires & Allen of East Providence, RI for an amount not to exceed \$634,500 for all remaining coverage's. The contracts for these services, which total \$897,500, would commence on or about November 1, 2012 and shall continue until November 1, 2013 with an option to renew the contracts for up to two additional one-year periods. Motion to accept made by Commissioner Sabitoni and seconded by Commissioner Dormody. Passed 4-0.

b. Bond Counsel

Resolution: Be is resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for bond counsel services RFQ/RFP # 708 between Rhode Island Resource Recovery Corporation and Cameron & Mittleman, LLP of Providence, RI for an amount not to exceed \$28,000. The contract will commence on or about October 1, 2012 and continue until September 30, 2013. Motion to accept made by Commissioner DiPaolo and seconded by Commissioner Sabitoni. Passed 4-0.

c. Bond Financial Advisor

Resolution: Be is resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for financial advisory services RFQ/RFP # 709 between Rhode Island Resource Recovery Corporation and First Southwest of Lincoln, RI for an amount not to exceed \$32,000. The contract will commence on or about October 1, 2012 and continue until September 30, 2013. Motion to accept made by Commissioner Sabitoni and seconded by Commissioner Dormody. Passed 4-0.

d. Conveyor Belts

Resolution: Be is resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for the supply and delivery of Conveyor Belting, Fasteners and Services IFB #961 between Rhode Island Resource Recovery Corporation and the following two firms: Connecticut Valley Rubber, Inc. of East Windsor, CT and Colmar Belting Company, Inc. of South Boston, MA. The total aggregate value of the contracts will be \$100,000, split between the two vendors as needed. The contracts will commence on October 11, 2012 and continue until October 31, 2013, with the Corporation's option to renew these contracts, at the same terms and conditions for two additional one year periods. Motion to accept made by Commissioner DiPaolo and seconded by Commissioner Dormody. Passed 4-0.

e. Used Pick-Up Vehicles

Attorney Rodio will work with OConnell and Card to draft some form of RFP for purchase of used vehicles.

f. Fire Alarm and Sprinkler System

Resolution: Be is resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement for IFB# 945 – Fire Alarm and Sprinkler System Inspections, Testing and Repairs between Rhode Island Resource Recovery Corporation and Allstate Fire Protection, Inc. of Lincoln, RI for an amount not to exceed \$25,000. The contract will commence upon November 1, 2012 and continue until October 31, 2013 with the Corporation's option to renew, under the same terms and conditions, for two additional one year periods. Motion to accept made by Commissioner Sabitoni and seconded by Commissioner Dormody. Passed 4-0.

6. Contract Renewals

a. Machine Fluids and Lubricants

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into renewal agreements for the purchase and delivery of machine fluids and lubricants IFB #933 between Rhode Island Resource Recovery Corporation and the following firms: GH Berlin (Booth Waltz Enterprises) of East Hartford, CT and Industrial Oil & Supply, Co. Inc. of Woonsocket, RI for a total aggregate amount not to exceed \$80,000.00, split between the vendors as necessary. The renewal term will commence on or about October 1, 2012 and continue until March 31, 2013. Motion to accept made by Commissioner Sabitoni and seconded by Commissioner Dormody. Passed 4-0.

b. Advertising

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into renewal agreements for public education and advertising services RFQ/RFP # 896 between Rhode Island Resource Recovery Corporations and (add)Ventures of Providence, RI for an amount not to exceed \$500,000.00. The renewal term shall begin November 1, 2012 and continue until October 31, 2013. Motion to accept made by Commissioner Dormody and seconded by Commissioner Sabitoni. Passed 4-0.

Note: The next board packet will include a scaled-down version of the full review of advertising services.

7. Contract Increases or Extensions

a. Leachate Maintenance

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to increase the contractual amount for leachate maintenance services IFB #854 between Rhode Island Resource Recovery Corporation and Inland Waters, Inc. of Johnston, RI \$240,000, bringing the new contract amount to \$1,441,850.00 and to extend the contract end date to January 31, 2013. Motion to accept made by Commissioner Sabitoni and seconded by Commissioner DiPaolo. Passed 3-0. Commissioner Dormody stepped out of the room when the vote occurred.

b. MRF Leased Labor

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to both extend the end date to RFQ/RFP # 883-2 MRF staffing services with Enviro Temps, Inc. of Providence, RI from October 31, 2012 to February 28, 2013 and to increase the current contract amount an additional \$300,000, for an amended contract not to exceed amount from \$2,800,000 to \$3,100,000 to fund the MRF staffing services provided. Motion to accept made by Commissioner Dormody and seconded by Commissioner Sabitoni. Passed 4-0.

c. K&L Gates Expert Consultants

Resolution: Be it resolved that the Board of Commissioners authorizes \$112,250.00 to engage the services of expert consultants. Motion to accept made by Commissioners Sabitoni and seconded by Commissioner DiPaolo. Passed 4-0. Note: Original resolution indicated \$102,250 which was mathematically incorrect. The approved itemized request of \$40,000, \$25,000, \$37,250, and \$10,000 total \$112,250.

8. Other Business

a. Approve a Merit Increase of 2% retroactive to July 1, 2012 for non-union employees and increase by an additional .5% for the union employees

Resolution: Motion to accept made by Commissioner Sabitoni and seconded by Commissioner DiPaolo. Passed 4-0.

Note: Commissioner DiPaolo exited the meeting at 7:47 p.m.

b. State Invoice for Deloitte Deposition

Receivables billing statement of \$32,992.81 from Deloitte for services provided to answer the subpoena ducus tecum.

Resolution: Be it resolved that the board of commissioners authorizes the executive director to pay a Deloitte invoice for \$32,992.81, for a deposition of Jim Agar of Deloitte in regards to various insurance lawsuits for Resource Recovery. Motion to accept made by Commissioner Dormody and seconded by Commissioner Sabitoni. Passed 3-0.

c. Legislative Agenda 2013

There is no formal update until we meet with the Governance Subcommittee.

d. Matching Grant Funds for Municipalities

Resolution: Whereas support for initiatives by municipalities that enhance and promote recycling, environmental education, and the diversion of materials from disposal is a priority for the State of Rhode island and the Resource Recovery Corporation, therefore, be it resolved that the Board of Commissioners authorizes the Executive Director to reallocate funds in the recycling department budget in the amount of \$50,000 to award competitive matching grants to support environmental education and waste diversion with priorities in but not exclusive to three key areas: public space recycling, event recycling, and scrap metal and/or rigid plastic recycling Motion to accept made by Commissioner Sabitoni and seconded by Commissioner Dormody. Passed 3-0.

9. Review meeting schedule for balance of CY12

a. Next Meeting Date

Wednesday, November 28, 2012, 4:30P.M.

Wednesday, January 9, 2013 4:30 P.M.

Motion to adjourn made by Commissioner Sabitoni and seconded by Commissioner Dormody Motion passed 3-0.

Adjourned at 8:06 P.M.