

Approved Amended
on 02/26/14.

RHODE ISLAND RESOURCE RECOVERY CORPORATION
BUSINESS MEETING

Wednesday, January 29, 2014

8:30 A.M.

65 Shun Pike

Johnston, RI 02919

In Attendance

Michael Sabitoni, Chair

Joseph White

Fred Stolle

Lori Ann Pezzullo (arrived at 8:40 A.M.)

Fred Stolle

Geri-Ann DiPaolo

Geoffrey Kirkman (arrived at 8:45 A.M.)

Absent

Sheila Dormody

Charles Lombardi

Staff Present

Mike OConnell, Executive Director

Brian Card, Director of Operations and Engineering

Chris Jocelyn, Human Resources Director

Dean Huff, Chief Financial Officer

Lori Perron, Purchasing Director

Sarah Kite, Director of Recycling

Marc Boisvert, Security Officer

Marcel Lussier, MRF Business Manager

Mike McGonagle, Director of IT and Planning

Others Present

Ron Ronzio, Allied Court Reporters

David Ursillo, Rodio & Ursillo

Joseph McGair, Attorney for Broadrock

Call to Order

Chairman Sabitoni called the meeting to order at 8:33 A.M. Pledge of Allegiance followed by roll call. Commissioners White, Pezzullo, and Stolle present.

Agenda Items

1. Executive Session

Motion to move to Executive Session under 42-46-5. Roll call taken. Passed 4-0.

Motion to return to regular session made by Commissioner DiPaolo and seconded by Commissioner Kirkman. Passed 6-0.

Motion to seal the Executive Session made by Commissioner White and seconded by Commissioner Stolle. Passed 6-0.

2. Approval of Consent Agenda

Motion to approve made by Commissioner DiPaolo. Seconded by Commissioner White. Passed 6-0.

3. Executive Director's Update

OConnell and Kite had a very positive meeting with the Editorial Board of Providence Journal. Howard Sutton, Edward Achorn, MJ Anderson, and David Brussat were in attendance. Future coverage of Resource Recovery should have a more positive slant. They asked good questions, understand our business, and were surprised by what RIRRC has accomplished and how it is run like a business. By all indications, an editorial piece will follow.

Chairman Sabitoni, Commissioner Pezzullo, Senator Lombardo, and OConnell visited Wheelabrator Waste-to-Energy plant. It processes 500,000 tons a year, about a third smaller than RIRRC. It was a positive trip, they have no environmental issues, they shared their costs and revenues, host community agreement, and business issues facing them. They have a power purchase agreement through 2017 at 12 cents per kilowatt hour. (The power purchase agreements are being phased out in Massachusetts over time.) That will change when the agreement expires, and their revenues will decrease significantly. The plant cost \$350 million 27 years ago and would cost \$500 million to build today. It has been profitable over those 27 years. Their average tip fee is \$75-\$80.

There was a meeting on January 28 regarding the Memorandum of Understanding for the glass plant. The final document will be presented at the board meeting on February 26 for approval.

OConnell, Sarah Kite, and Mike McGonagle have been on the road making presentations to various municipal, environmental, and governmental groups regarding the 20-year plan. There are coming meetings with the League of Cities and Towns and with the Governor's office on February 4 and then joint senate fiscal environmental meeting scheduled for February 5. The outreach meetings have been very productive in setting the stage, identifying the issues, and putting strategies out there. What the committee will wrestle with between now and the end of 2014 is what the right combination of strategies are. Much of it has to do with educating the constituencies about rising costs and what is needed to run the business.

4. New Contracts

a. Tire Removal Services

Resolution: Be it resolved that the Board of commissioners authorizes the Executive Director to enter into a contractual agreement for tires and tire removal services (IFB #998) between Rhode Island Resource Recovery Corporation and Empire Tire of Edgewater II, LLC, of Plainfield, CT, for an amount not to exceed \$125,000 (for approximately 2,500 tons of scrap tires at the unit price of \$5-0/ton). The contract will commence upon execution and continue until December 31, 2014, with the corporation's option to renew the contract at that time, under the same terms and conditions, and with the Vendor's mutual consent, for up to two additional one-year periods. Motion to approve made by Commissioner White and seconded by Commissioner Stolle. Passed 6-0.

5. Contract Increases or Extensions

a. Legal Services

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into contracts for legal services for Calendar Year 2014 not to exceed \$1,457,000 with updates to the Board of Commissioners on at least a quarterly, but preferably monthly, bases to see the status of those particular expenditures. Motion to approve made by commissioner Kirkman and seconded by Commissioner Stolle. Passed 6-0.

b. Enviro Temps Staffing-MRF

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to increase the contract amount for IFB #963 MRF Staffing Services with Enviro Temps, Inc. of Providence, RI by \$125,000 for an amended not to exceed contract amount of \$2,525,000. Motion to approve made by Commissioner Pezzullo and seconded by Commissioner DiPaolo. Passed 6-0.

6. Other Business

a. David Fregeolle Memorial Contribution

Recommendation for a \$100 contribution in memory of David Fregeolle. Motion made by Commissioner White and seconded by Commissioner Kirkman. Passed 6-0.

b. Solid Waste Plan Update

We are in the process of developing an RFP on a waste composition study. We use EPA studies, as the last RIRRC study was 1990. That needs to be revisited and determine more specifically what is in the 750,000 tons that is buried every year. That RFP will be issued in the spring. That is a pre-requirement for issuing an RFP later this year on technology. The technology RFP will cover mass incineration, gasification, anaerobic digestion, chemical digestion, including feasibility, cost, revenues, and statutory considerations. The timeline for waste to energy plants is probably ten years from start to finish given engineering studies, permitting, vetting, funding, and so forth. This will be a two part approach: what are RIRRC's options over the short run (next five years), and what are the long term options for solid waste over the much longer term (twenty-five plus years).

Over the next couple of board meetings, we will report on the single stream project, how it's going. RIRRC has also met with DEM about options to expand in a different direction and will update on that as well. We'll be looking at all of our options.

c. Bank Signatories

Resolution: Be it resolved that the Board of Commissioners authorizes the Executive Director to execute the universal resolution attached hereto issued by Santander Bank, whereas the following issues are listed duly authorized signers representing Rhode Island Resource Recovery on the universal resolution: Michael OConnell, Brian Card, Michael McGonagle, Dean Huff. For purposes of internal control, Rhode Island Resource Recovery will continue to require ^{FWC} signatures for every check. Motion to approve made by Commissioner Pezzullo and seconded by Commissioner Kirkman. Passed 6-0.

7. Next Meeting Date

Wednesday, February 26, 2014 at 8:30A.M.

Motion to adjourn made by Commissioner White and seconded by Commissioner DiPaolo. Motion Passed 6-0. Adjourned at 9:53 A.M.

and in addition utilize "positive pay" which verifies that the checks cashed have been pre-approved by the Corporation.