

*Accepted as amended 2/25/15*

RHODE ISLAND RESOURCE RECOVERY CORPORATION  
BUSINESS MEETING

Wednesday, February 4, 2015

8:00 A.M.

65 Shun Pike  
Johnston, RI 02919

In Attendance

Michael Sabitoni, Chair  
Lori Ann Pezzullo (Arrived at 8:34 A.M.)  
Jared Rhodes  
Geoffrey Kirkman (Arrived at 8:22 A.M.)

Absent

Jeanne Boyle  
Geri-Ann DiPaolo  
Judith Kawa  
Charles Lombardi  
Joseph White

Staff Present

Mike OConnell, Executive Director  
Brian Card, Director of Operations and Engineering  
Sarah Kite-Reeves, Director of Recycling  
Gary Maddocks, Chief of Security  
Robert Lough, Safety Coordinator and Security Officer  
Christine Jocelyn, HR Director  
Nancy Minson, HR Coordinator  
Dean Huff, Chief Financial Officer  
Lori Perron, Director of Purchasing  
Mike McGonagle, Director of IT and Planning  
Marcel Lussier, MRF Materials Coordinator

Others Present

Ron Ronzio, Allied Court Reporters  
Kelly Carpenter, Senate Fiscal  
Michael Hogan, House Policy  
Joe Rodio, Rodio & Ursillo  
David Ursillo, Rodio & Ursillo  
Joe McGair, Broadrock  
Darrell Jenkins, Johnston Clean Energy  
Carlos Gonzalez UFCW 328  
Joe Renzi, UFCW 325

Nancy Hess, RI DOP  
Paul Gonsalves, RI DOP  
Richard O'Neil, Meketa Investment Group  
Joe Ferrara, Meketa Investment Group

### **Call to Order**

Chairman Sabitoni called the meeting to order at 8:21 A.M. Pledge of Allegiance followed by roll call. Commissioners Kirkman and Rhodes present.

### **Agenda Items**

#### **1. Ethics Training**

Jason Grammit, RI Ethics Commissioner, conducted training on understanding the Code of Ethics and Conflict of Interest for the Board of Commissioners. RI Resource Recovery Corporation Senior Management also completed the training.

#### **2. Executive Session**

Roll call to move to Executive Session under 42-46-5(a). Passed 4-0.

Roll call to seal Executive Session minutes and to return to regular session. Passed 4-0.

#### **3. Consent Agenda**

Motion to approve the regular session meeting minutes from 11/19/14 and regular and executive session meeting minutes from 12/10/14 made by Commissioner Rhodes. Seconded by Commissioner Pezzullo. Passed 4-0.

#### **4. Executive Director's Update**

We are still continuing to receive contaminated loads from Providence. Providence started to participate in the cart collection over a year and a half ago. Resource Recovery supplied them with a grant as well as education on the program. Since then they have not had any further education and we reject approximately 25 loads a week at the MRF due to contamination, which ends up getting buried in the landfill. We are trying to get the Providence Mayor and the DPW involved and give them more education to fix this issue. Providence has paid an extra \$400k in tip fees due to the rejection of these loads.

#### **5. New Contracts**

##### **a. MRF Third Party Staffing Contractor**

**Resolution:** Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into a contractual agreement with Enviro Temps, Inc. of Providence, RI to provide leased labor for the Corporation's Materials Recycling Facility (MRF) as outlined in Enviro Temps' bid dated October 27, 2014 in response to IFB No. 121 for an amount not to exceed \$2,700,000. The contract will commence on or about March 1, 2015 and continue until February 29, 2016 with the Corporation's option to renew the contract under the same terms and conditions for up to two (2) additional one-year

periods. Motion to approve made by Commissioner Pezzullo. Seconded by Commissioner Rhodes. Passed 4-0.

**b. 2014 Legal Fees**

We continue to have some major lawsuits, i.e. Broadrock, CLF, and Cranston. We expect them to be cleared up by 2016 with a cost of \$250k a year.

**Resolution:** Be it resolved that the Board of Commissioners authorizes the Executive Director to enter into contracts with Hinckley Allen, Rodio and Ursillo for legal fees for calendar year 2015 not to exceed \$850,000. Motion to approve made by Commissioner Rhodes. Seconded by Commissioner Kirkman. Passed 4-0.

**6. Contract Increases or Extensions**

None.

**7. Other Business**

**a. Meketa Landfill Trust Fund Investments**

Richard O'Neil provided an update to the Board of Commissioners on how our funds are doing and what we can do to increase our returns going forward.

As of December 31, 2014 Resource Recovery's Trusts' assets were valued at \$84M. Due to investment performance this has results in approximately \$173,000 from the beginning of the year.

In January 2014, assets began to transition from cash to short-term investment grade bond, intermediate-term investment grand bond, and TIPS investments. The short-term and intermediate-term investment bonds have shown positive results since inception. Since performance inception in February, both Trusts' had a return of 0.3%

O'Neil presented some examples of asset allocations that specifically included equities and targeted returns up to 7.5%.

Motion was made to defer to the Finance Subcommittee at the next available date made by Commissioner Rhodes. Seconded by Commissioner Pezzullo. *Passed 4-0.*

**b. Revised SWMP**

OConnell stated that after conducting due diligence meetings with about 20% of the cities and towns in Rhode Island, he has concluded that there is no consensus on which way to go and the final decision of the plan will be decided by the highest officials of the state.

**Resolution:** Be it resolved that that Board of Commissioners authorizes the Executive Director to adopt for the Board of Commissioners the Solid Waste Management Plan as written and dated February 2015 for adoption and forwarding to the State Planning Council for further consideration as an element of the state guidelines. Motion to

approve made by Commissioner Rhodes. Seconded by Commissioner Sabitoni. ~~Passed~~  
4-0. Tied 2-2.

**8. Next Regular Meeting Date**

Wednesday, February 25, 2015 at 9:00 A.M. A Governance Subcommittee meeting with be held at 8:00 A.M.

Motion to adjourn made by Commissioner Rhodes and seconded by Commissioner Pezzullo. Passed 4-0.

Adjourned 10:52 A.M.