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HOUSATONIC RESOURCES RECOVERY AUTHORITY
REGULAR MEETING MINUTES

Friday, December 14, 2012, 10:00 a.m.

**Danbury Crowne Plaza Hotel
at Exit 2, Danbury, CT**

Members or Alternates Present and Voting

Bethel, Rich Straiton, Alternate	8
Brookfield, William Davidson	7
Danbury, Joel Urice	36
Kent, Bruce Adams	1
New Fairfield, Mike Gill	6
Newtown, Herbert Rosenthal	12
Redding, Larry Kulowiec	4
Ridgefield, Rudolph Marconi	11
Sherman, Ruth Byrnes	2
New Milford, Suzanne Von Holt	12
	<u>99</u>

Other Present:

Tom Tibolla, Brookfield Alternate
Glenn Lockhart, Wheelabrator
Jodi Barnell-Drescher, Winters Brothers
Kevin Nolan, Winters Brothers
Rick Kowaleski, Winters Brothers
Eric Fredricksen, All American Waste
Bob Metzler, HRRRA Counsel
Glenn Nanavaty, Auditor
Lynn Waller, Public
Susan Chapman, New Fairfield Alternate

Members Not Present

Bridgewater, Bill Stuart

Call to Order: The meeting was called to order by Chairman Gill at 10:02 a.m. with a quorum of 73 votes present from seven municipalities. B. Davidson entered the meeting at 10:03 after the Pledge of Allegiance. R. Straiton entered the meeting at 10:05 during the Chairman's comments, bringing the total votes present to 88. R. Marconi entered meeting at 10:18am during the discussion of item number 7a, bringing the total votes present to 88. M. Gill called the meeting to recess for 2 minutes at 10:24am before discussion of item 7b.

Public Comment: There was no public comment.

Chairman's and Members' Comments

M. Gill thanked Winters Brothers for providing roll-offs to municipalities in need after Storm Sandy. M. Gill thanked the HRRRA Executive Committee for their quick response and availability during the recent events regarding the region's recycling contracts.

Director's Report

C. Reedy did not highlight from the written report.

Administrative Approvals

- a. **Motion** by J. Urice, second by B. Adams, to approve the minutes of the September 27, 2012 meeting as presented. **Vote:** All in favor except S. Von Holt and R. Straiton abstaining. (Vote tally: 68 in favor. 20 abstaining.)
- b. **Motion** by H. Rosenthal, second by J. Urice, to approve the HRRRA financial statements through November 30, 2012 as presented. **Vote:** All in favor. (Vote tally: 88 in favor.)
- c. **Motion** by M. Gill, second by B. Davidson, to approve the transfer of \$1,400 from Professional Services Legal to Miscellaneous Service Fees as recommended by the Executive Committee. M. Gill explained the fund transfer will be used to subscribe to the monthly Official Board Markets Report now contained in the PPI Pulp and Paper Weekly. This report will be used in conjunction with the Regional Single Stream Recycling Agreement with Winters Brothers Waste Systems of CT that is pending. **Vote:** All in favor. (Vote tally: 88 in favor.)
- d. **Motion:** by H. Rosenthal, second by B. Davidson, to accept transfer of \$600 from Professional Services Legal to Travel/Mileage as recommended by the Executive Committee. M. Gill explained there were more meetings scheduled in Hartford in 2012 than anticipated and therefore a need to transfer funds from Legal to Travel/Mileage. **Vote:** All in favor. (Vote tally: 88 in favor.)

New Business:

- a. **Motion:** by J. Urice, second by R. Straiton, to accept the HRRRA audit for the fiscal year ending June 30, 2012 as recommended by the Executive Committee. (Attachment D)

Glenn Nanavaty, from Nanavaty, Nanavaty & Davenport, reported that this was a clean audit with no management letter comments. He explained to Authority that he recommended to the Executive Committee to continue oversight of operations through the Treasurer's review of all bank statements and scanned check images, having a counter signature on checks, reviewing investment account activities on a regular basis and reviewing monthly financial statements, specifically budget v. actual results. He further recommended the Management follow additional procedures by putting into place authorization and review of debit and payroll transactions.

H. Rosenthal commented on the positive fund balance. He pointed out that HRRRA has experienced both high and very low fund balances and that C. Reedy has done a great job as Director managing the fund to a healthy balance.

Vote: All in favor. (Vote tally: 88 in favor)

Old Business:

- a. *Consider and possible action on the revised report and recommendations of the SMART Task Force.*

Motion: by M. Gill, second by R. Byrnes, to approve the revised report and recommendations of the SMART Task Force. (Attachment E)

C. Reedy pointed out the changes i.e. that SMART programs, by definition, should not increase cost for consumers but are intended to decrease costs for consumers who reduce their trash. C. Reedy also pointed out the change in item #7 where it encourages all municipalities to evaluate the pricing structure at their local transfer stations and make adjustments, including unit-based-pricing, in order to promote recycling and reduce MSW. The SMART task force communicated through email and

all agreed to the current changes. M. Gill opened the floor for questions and comments. There were none. C. Reedy announced the next step is to hold a haulers meeting some time in January.

Vote: All in favor. (Vote tally: 99 in favor)

- b. *Consider and possible action on the Regional Single Stream Recycling Service Agreement between HRRRA and Winters Bros. Transfer Stations of CT, LLC*

M. Gill explained the current contract expires in February, 2013. At the last HRRRA meeting the Authority authorized the Executive Committee to approve the agreement with Winters Brothers. HRRRA's legal counsel wrote the agreement and it is now being reviewed by Winters Brothers.

Motion by J. Urice to approve the Regional Single Stream Recycling Service Agreement between HRRRA and Winters Bros. Transfer Stations of CT, LLC, second by R. Straiton. (Attachment F)

C. Reedy explained Winters Brothers proposed a formula to share commodity revenue with HRRRA based on OCC and ONP market rates. C. Reedy presented the formula which shows that at bottom market HRRRA would receive no less than \$7.50 a ton and at a high HRRRA would receive 25% share plus \$2.50 per ton of OBM NY High based upon a blended rate of OCC and ONP above \$60 processing and marketing cost. Rebates would be calculated quarterly. Haulers would pay a \$10 per ton tip fee. Only when the markets were very low would the tip fee increase to \$15 per ton. The contract between Winters Brothers and HRRRA would be signed for a three year agreement with an option to renew for a three year extension bringing the recycling contract to expire in 2019 at the same time as the Wheelabrator MSW contract.

J. Urice withdrew his original motion and R. Straiton his second on advice of counsel.

Motion by H. Rosenthal, second by B. Davidson to approve the Winters Brothers agreement presented with the caveat that management is authorized to make non-material changes to the document. **Vote:** All in favor. (Vote tally: 99 in favor)

M. Gill explained that at a recent meeting with the owners of All American Waste, HRRRA asked if they would be willing to bring recycling tonnage to White Street as a way to compensate for the recycling educational programs HRRRA offers to All American's current customers throughout the region. Their response was no; however, All American Waste has offered to pay HRRRA a rebate on single stream material going into their own facility in exchange for HRRRA providing public recycling education in the region.

Motion by J. Urice, second by M. Gill to add the All American Waste contract to the agenda. –
Vote: All in favor. (Vote tally: 99 in favor)

C. Reedy explained the benefits All American Waste will be receiving will not be additional work for HRRRA as it is already something HRRRA has been providing.

C. Reedy explained the contract with All American Waste will begin January 1, 2013 while Winters will begin April, 1 2013. All three contracts will run 3 years with one three year option to renew expiring in 2019.

Motion by M. Gill to approve the agreement between HRRRA and USA Waste LLC with the caveat that management is authorized to make non-material changes to the document, second by J. Urice. C. Reedy clarified one agreement is not dependent on the other. – **Vote:** All in favor. (Vote tally: 99 in favor)

7c. Consider and possible action on the form of the Municipal Single Stream Recycling Services Agreement between HRRRA and the Participating Municipalities

M. Gill explained this is a document HRRRA will be presenting to each town for approval.

Motion by B. Davidson, second by J. Urice to approve the form of the Municipal Single Stream Recycling Services Agreement (Attachment G) for recommendation to the Municipalities; and to approve HRRRA entering into such an agreement as is amended by the request of the town in a non material fashion; as approved by the executive committee. – **Vote:** All in favor. (Vote tally: 99 in favor) (Attachment G)

R. Straiton from Bethel asked what the effect would be if a municipality decided not to approve the agreement. B. Metzler explained that each Municipality under State law has recycling obligations and currently HRRRA provides the benefits and services needed to meet those obligations, which would then become the Town's responsibility. H. Rosenthal pointed out that Municipalities will not have any financial impact from signing the agreement.

C. Reedy will make an appointment with each town's officials to review the contract and asked that each HRRRA member and or alternate be present at the meeting to help answer any questions.

Adjournment: Motion by H. Rosenthal, second by J. Urice, to adjourn the meeting at 11:07a.m. Vote: All in favor. (Vote tally: 99 in favor.)