



**ROCKLAND COUNTY
SOLID WASTE MANAGEMENT AUTHORITY**

420 Torne Valley Road, P.O. Box 1217
Hillburn, NY 10931
tel 845-753-2200 fax 845-753-2281

Howard T. Phillips, Jr.
Chairman

Anna Roppolo
Executive Director



Present

Chairman Phillips
Legislator Grant
Supervisor Hoehmann
Legislator Jobson
Mayor Kohut
Mayor Lynn
Supervisor Monaghan
Legislator Moroney
Legislator Paul
Legislator Schoenberger
Judge Sherwood
Legislator Soskin
Legislator Wieder

Absent

Legislator Hofstein
Councilman Noto
Supervisor Stewart
Supervisor St. Lawrence

Staff

H. Benado
K. Braunfotel
G. Damiani
S. Haggerty
D. Louis
A. Roppolo
D. Samuels
K. Scales

Others

S. Cairo
J. Dodrill
E. Giannini
T. Pytlar
J. Way
T. West

The Chairman called to order the Rockland County Solid Waste Management Authority Board of Directors meeting for Thursday, March 23, 2017 at 5:30 p.m.

Pledge of Allegiance – Led by Legislator Schoenberger

Roll call by Clerk. There is a quorum.

Introduced by: Grant/Paul

Unan.

March 23, 2017

**RESOLUTION NO. 20 OF 2017
ADOPTION OF MINUTES, MEETING OF
FEBRUARY, 23, 2017**

RESOLVED, that the transcribed Minutes of the Rockland County Solid Waste Management Authority are approved for the meeting February 23, 2017, as recorded by the Clerk and are hereby adopted.

Executive Directors Report

Roppolo: As an update to the progress of the Cocomposting RFP, the Authority hosted a mandatory walk-through of the facility on Monday March 20th. Five proposers attended.

As discussed previously, the Authority had concerns with exceedances of copper levels in sludge delivered by Sewer District #1 for processing at the Authority's Cocomposting facility and a meeting was held on February 2nd to discuss additional recommendations on obtaining information on the source of the exceedances. A follow up meeting was held on March 16th to discuss additional information obtained. The Authority also noted that there was a significant decrease in the January and February copper levels tested. Sewer District #1 will continue to collect data in support of our continued due diligence process for the New York State DEC. I will keep you updated as to the status at the next meeting.

The Rockland County Sheriff's Department oversaw the pharmaceutical take-back event in conjunction with the March 11 Household Hazardous Waste weekend event. The Authority facility saw more than 200 cars on that cold day and the Sheriff's department took away two fiber drums of pharmaceuticals. The next weekend event is April 9th.

On March 16th, the Authority hosted Leadership Rockland's Environmental Day. A copy of the agenda was included in your Board packet. It was a great day and participants were generally very interested in environmental issues and specifically interested in the Solid Waste Authority's facilities and initiatives. Thanks to Chairman Phillips for his opening remarks, it started the day with a very robust interactive dialogue about the Authority. I would also like to thank Supervisor Hoehmann who spoke about the Town of Clarkstown's solar array. The process of getting it built, improvement to the process and next steps for Clarkstown. Special thanks to Authority staff - Janet Burnet and Jen Sheridan – who put together a memorable day.

The Authority has agreed to assist D&B Architects and Engineers to develop a case study on the financial and business model of anaerobic digestion. The study will be funded by the New York State Energy Research and Development Authority (NYSERDA). I have asked Ted to speak to the Board about the project, status with NYSERDA and goals for the project.

Phillips: Motion to accept the Executive Director's report.

Monaghan: Moved

Jobson: Seconded

Engineer's Report – D&B Engineers – Ted Pytlar

Pytlar: The contract with NYSERDA to do the case study about the anaerobic digestion project for Rockland, preceding the NYSERDA approval process, we hope to get started in the spring. We looked to coincide synergistic benefits with a study that we are supporting with the Rockland Sewer District #1. This is a program to render anaerobic digestion to install combined heat and power provider for renewable energy separation. The Governor will be introducing legislation that will require food waste separation by large generators.

Phillips: Motion to accept the Engineer's report.

Sherwood: Moved

Hoehmann: Seconded

Financial Statements Report – BST & Co. CPAs – Paul Goetz

Goetz: The audit of 2016 is our first engagement with the Authority. The financial statements of the Authority is broken down in the following statements; the statements of net position, statements of revenues, expenses, and changes in net position, statements of cash flow and notes to financial statements. Since you are a government, you also have to provide a management discussion and analysis. Under government, accounting supplementary information has to be reported. All of the financial statements are in accordance with the requirements of both Government Auditing Standards and the Governmental Accounting Standard Board. The Authority engaged an auditing firm to render an opinion on the financial statements, but the financial statements are a responsibility of management. The opinion states the financial statements were presented fairly in all material respects to the financial position of the Authority as the year-end 2016. This is a clean audit opinion and is the highest level of assurance an auditing firm can give. The Authority paid down \$4.1M worth of principal in 2016 in accordance to the debt requirements. The Authority increased their net position by \$3.2M for the year. The current assets are two and a half times your liabilities, which is a strong financial statement. Operating revenues and expenses have been basically flat year over year and that is reflected of your tip fees remaining unchanged from 2015. There was an increase in tonnage, which is responsible for the increase in revenues. In government, the accounting standards require you to have a pension liability that the Authority and everyone who participates in the New York State employee retirement system is responsible for their portion of that liability. This affected the Authority in 2016; therefore, the benefits line it is up almost \$200,000 this year. Those are benefits that are going to be paid in the future related to the pension obligation of the Authority.

On the notes for the financial statements, the way the notes are organized Note 1 describes the Authority and its operations and also contained in Note 1 are any changes from year to year. One new standard came out in 2016 that the Authority adopted which is GASB 72 fair value measurements.

Note 2 is restricted assets. There are certain assets to the Authority that are restricted as to their use. The significant restrictions here relate to parts of your bond resolution.

Capital assets depreciation expense, which is noncash, was \$3.9M. There were capital assets addition in 2016 of \$1.2M. Capital assets went down by \$2.7M, which is the excess of the depreciation of the total of the investment in capital assets. There was a \$2.1M reduction in bonds in 2016.

The net pension liability is recorded on the books and that comes from the New York State Retirement System. In 2015 when the actuaries were calculating the net pension liability for all participants, they used the discount rate of 7.5%. The liability was significantly less than it was in 2016 when the discount rate went down to 7%. The reduction in discount rate significantly affected the liability that the Authority recorded on its books.

There were no disagreements or difficulties in performing our audit. With respect to considerations as a result of our audit there are some certain things you may consider to do going forward.

Phillips: Do any of the Board members have any questions?

Schoenberger: Why on the cover page, and I know you are new but maybe you could clarify, where it says Rockland County Solid Waste Management Authority (A Component Unit of the County of Rockland, New York) what do you mean by component unit of the County of Rockland?

Goetz: Under the Government GASB standards, being the County has the ability to appoint you all here, they have the ability to control the Authority through that. Therefore, your financial statements are actually included within the County's financial statements as well.

Phillips: I did not realize that either; but, apparently the past auditors also felt the same.

Schoenberger: You say you are aware we are a public authority created by the State of New York and that the County of Rockland, aside from the members who are being appointed, has no connection with the operation of the Authority or its obligations or assets?

Goetz: The County gets to weigh in on this also as to who the County is required to include within their financial statements as well. It's almost a determination made on the County level.

Schoenberger: When you say on the County level do you mean the Executive Branch or who?

Goetz: Whoever is responsible for preparing the Counties financial statements like the treasurer or comptroller.

Schoenberger: We have a Commissioner of Finance.

Goetz: Yes, then the Commissioner of Finance.

Schoenberger: The County has eight Legislators on this board, two mayors which are also appointed by the County Legislature, two members from the County Executive's Office, which are not appointed by the County Legislature, and the five Town Supervisors, which are not appointed by the County

Legislature. It gives me the impression and it may give other people the impression that somehow or other we are a unit of the County government like the sewer district which is a unit of the County government.

Goetz: Absolutely, it is different from the sewer district. The County Executive has some ability to decide who sits on that Board there.

Phillips: I would worry that it would affect our bond rating, but apparently, it has not.

Goetz: This is very typical of most authorities, as well.

Schoenberger: May I recommend in Note where it talks about the Authority as membership, in the future an explanation be added to the paragraph at the end where it talks about the membership and how they are appointed to say that reasons that it is referred to as a component of the County of Rockland is due to accounting standards. It is a solid waste management authority public benefit corporation established to Title 13-M of the New York State Public Authorities Law. It is its own Authority. I want people to think just physical point of accuracy that it is somehow or other a component of Rockland County Government. Which it is not.

Phillips: When the County reports us, in what manner do they record us? Are they saying that our financial statements are under their auspice; or are they saying that it is part of the County financials?

Goetz: You have basic County financial statements, which is its general fund auditor's response and then component units strictly presenting components.

Phillips: Are those component units based upon their reporting consider us as part of them?

Goetz: Yes, but not included in general funds.

Phillips: So for instance if anybody was looking into any banking or financial report looking to purchase bonds from us would they utilize that document?

Goetz: The County document?

Phillips: Yes.

Goetz: No.

Schoenberger: On the auditor communication one of the considerations check signing policy, can you tell me about that please.

Goetz: Being that this was our first year auditing the Authority, we are required to walk through transactions and one of the basic transactions is approval of invoices and check signing. What you have here is unique in that you have a treasurer that is outside of the organization that is required to sign all the checks.

Schoenberger: What do you mean outside of the organization?

Goetz: Not housed within the four corners of the administrative building. That process sometimes gets cumbersome and it is not on a daily basis it could take upwards of four days to get an invoice signed or a check signed. We do not think it is a bad policy if you have a treasurer sign your checks we just thought you could reconsider that or find a way to make it a more timely process.

Schoenberger: Any specific recommendation like a signature stamp or something else.

Goetz: I would not go to a signature stamp.

Schoenberger: I am glad to hear that because a stamp is a stamp and anybody can stamp.

Goetz: We really do applaud you for signing the checks.

Schoenberger: Thank you. Our Treasurer Phil does put a lot of time and effort in reviewing every voucher before he signs them. Sometimes I do believe the unhappiness at the Authority with some of the staff because it takes a long time. He asks questions and makes sure he is comfortable before signing the checks. If there were a signature stamp, that kind of review would not be done.

Moroney: Can you tell us a little bit about your concern with all the accounts we have or is there a recommendation.

Goetz: We did not make a recommendation on the bond accounts. Every time you issue debt, the trustee requires you to open up four to five different accounts. When we looked at it, you just have so many accounts that is there a possibility to consolidate some of those. Because each and every one of those accounts needs to be reconciled and accounted for on a monthly basis and a lot of them do not have much money in them. I think the purpose of those accounts, may have run its course.

Phillips: I believe we are working on that right now. Do any of the other Authority members like to speak? Since there are no other comments, let's move to adopt the financial statements.

Introduced by: Hoehmann/Moroney Unan.

March 23, 2017

**RESOLUTION No. 21 of 2017
ADOPTING RECOMMENDATION OF AUDIT COMMITTEE AND APPROVING
2016 FINANCIAL STATEMENT**

WHEREAS, Section 2800(3) of the New York Public Authorities Law requires that the annual financial statement be approved by the Authority Board; and

WHEREAS, the attached audited financial statement was prepared by BST & Co. CPAs, LLP for the period ended December 31, 2016; and

WHEREAS, the Authority's Audit Committee has met on March 9, 2017, reviewed and accepted the attached 2016 Financial Statement, and has recommended to the Authority Board that it be approved; now therefore be it

RESOLVED, that the Authority Board hereby adopts the recommendation of the Audit Committee and approves the attached audited financial statement prepared by BST & Co. CPSs, LLP, for the period ended December 31, 2016.

Introduced by: Moroney/Kohut

Unan.

March 23, 2017

**Resolution No.22 of 2017
RETAINING THE FIRM OF GREENWALD DOHERTY LLP,
TO REVIEW AND UPDATE THE EMPLOYEE HANDBOOK FOR THE AUTHORITY**

WHEREAS, The Authority's current Employee Handbook was adopted by the Authority Board Resolution No. 54 of 2004 on November 18, 2004; and

WHEREAS, The Authority Board has amended the handbook by adopting various policies; and

WHEREAS, The Authority desires to have a comprehensive Employee Handbook; and

WHEREAS, Greenwald Doherty LLP represents companies, organizations and government entities with regard to employment law; and

WHEREAS, Greenwald Doherty LLP submitted a response to our request for proposal to review and update the RCSWMA Employee Handbook;

WHEREAS, Greenwald Doherty LLP will study all personnel matters at the Authority and work in conjunction with our Authority Counsel, Mr. Braunfotel; now therefore be it;

RESOLVED, that the Board authorizes the engagement of Greenwald Doherty LLP to review and update the Authority Employee Handbook for a fee not to exceed \$8,500.

Phillips: I think it is a good idea to update all the items within the typical handbook from vacation, sick to maternity leave, which this will do.

Schoenberger: What kind of updates, may I ask?

Phillips: We are going to look to see what we do not have in the handbook, which is pretty much commonplace to most civil service organizations. We have run into a couple of questions and I think it is proper that we update it.

Schoenberger: I just want to know if there are going to be changes being made in the handbook will those changes be brought to the Board before they are approved and have the handbook as it is now and have the changes.

Phillips: Absolutely.

Braunfotel: We are going to have a fresh set of eyes on it. I believe it will be a fuller explanation on everyone's rights and responsibilities.

Schoenberger: I just want to make sure that our employees who have been working here for years, and their rights and benefits were determined by the handbook because they are not unionized and if there are any changes they should be discussed in a way that it will not diminish or mitigate any rights or benefits.

Phillips: I think if anything we are talking about embellishing upon some of them.

Schoenberger: If that is appropriate, that will be fine too. I just want to make sure that the thought line is in the same direction.

Braunfotel: The goal is there are couple of contradictory paragraphs and our goal is to reconcile and get them straightened out.

Introduced by: **Moroney/Kohut**

Unan.

March 23, 2017

**Resolution No.22 of 2017
RETAINING THE FIRM OF GREENWALD DOHERTY LLP,
TO REVIEW AND UPDATE THE EMPLOYEE HANDBOOK FOR THE AUTHORITY**

WHEREAS, The Authority's current Employee Handbook was adopted by the Authority Board Resolution No. 54 of 2004 on November 18, 2004; and

WHEREAS, The Authority Board has amended the handbook by adopting various policies; and

WHEREAS, The Authority desires to have a comprehensive Employee Handbook; and

WHEREAS, Greenwald Doherty LLP represents companies, organizations and government entities with regard to employment law; and

WHEREAS, Greenwald Doherty LLP submitted a response to our request for proposal to review and update the RCSWMA Employee Handbook;

WHEREAS, Greenwald Doherty LLP will study all personnel matters at the Authority and work in conjunction with our Authority Counsel, Mr. Braunfotel; now therefore be it;

RESOLVED, that the Board authorizes the engagement of Greenwald Doherty LLP to review and update the Authority Employee Handbook for a fee not to exceed \$8,500.

Braunfotel: There is some paving work that needs to be done and since we are going to piggyback contracts on a bid that the County already went out for that we thought was appropriate and analogist.

Grant: Regarding piggybacking, does that require us to have a best value procurement policy?

Braunfotel: We recently updated our procurement policy about a year ago; we amended our procurement policy to allow piggybacking with all municipalities.

Introduced by: Sherwood/Jobson

Unan.

March 23, 2017

**Resolution No. 23 of 2017
AUTHORIZE AN AGREEMENT WITH TILCON NEW YORK
FOR PAVING HILLBURN CAMPUS**

WHEREAS, the Authority is in need of resurfacing numerous pavement areas at the Hillburn Campus; and

WHEREAS, the Authority Procurement Policy allows the Authority to make purchases of material, equipment or supplies utilizing the County’s existing current competitive procurement list; and

WHEREAS, Authority staff has determined that utilizing County Contract RFB –RC-2016-104 for Subbase Material and Crushed Stone and County Contract RFB-RC-2015-017 for Concrete and Bituminous meets the requirements for supplies; and

WHEREAS, the Rockland County Highway Department’s contract with Tilcon New York provides that all work will be performed as required; and

WHEREAS, the Authority wishes to enter into an agreement with Tilcon New York to furnish all materials, labor, transportation and equipment to perform all work required; now therefore be it

RESOLVED, that Authority is hereby authorized to enter into an agreement with Tilcon New York for an amount not to exceed \$120,000.00.

Funding: System Improvement Fund

Roppolo: The Authority has had an agreement with Cornell for several years and it has been helpful. Cornell goes out to farmer’s markets and they have adult education classes about backyard composting. This is an extension to our education outreach efforts.

Introduced by: Schoenberger/Soskin

Unan.

March 23, 2017

**RESOLUTION No. 24 of 2017
COLLABORATIVE AGREEMENT WITH CORNELL COOPERATIVE EXTENSION
BACKYARD COMPOSTING INITIATIVES**

WHEREAS, the Rockland County Solid Waste Management Authority ("RCSWMA") operates a successful recycling program for Rockland County residents and businesses with a goal to reduce, reuse and recycle components of the waste stream in order to benefit the environment; and

WHEREAS, the RCSWMA is supportive of expanding efforts in New York State to capture and reuse waste items that would otherwise be disposed of as solid waste.; and

WHEREAS, the goal of a collaborative with Cornell Cooperative Extension is to increase food scraps diversion from the waste stream; thereby reducing the transportation and disposal of waste in landfills; and

WHEREAS, Cornell Cooperative Extension agrees to conduct backyard composting education workshops through the School Garden Network, Speakers Bureau, Farmer's Markets & other outreach events; and

WHEREAS, Cornell will administer the sale of compost bins, rain barrels and other composting tools; and

WHEREAS, Cornell will provide costs to the Authority for each of the outreach components, with a total do not exceed amount of \$7,000; now therefore be it

RESOLVED, that the Executive Director is hereby authorized to execute a collaborative agreement with the Cornell Cooperative Extension, a copy of which is attached hereto, at a not-to-exceed amount of \$7,000.

New Business

Braunfotel: WeCare is our Cocomposting Facility operator and they merged with Denali. Our contract with WeCare is up at the end of this year and we felt it was prudent to accept the new company to complete the contract. Mr. West did the due diligence on the contract.

West: The agreement was a five-year contract and it was preposterous for us to go through the due diligence process. We worked with Denali and WeCare and they provided us with all the backup we needed. We feel comfortable for the Authority to approve and sign this contract.

Introduced by: Lynn/Moroney

Unan.

March 23, 2017

Resolution No. 25 of 2017

**AUTHORIZING ASSIGNMENT OF
THE AMENDED AND RESTATED COCOMPOSTING FACILITY OPERATION, MAINTENANCE AND
CAPITAL IMPROVEMENTS SERVICE AGREEMENT
WITH WECARE ORGANICS, LLC TO WECARE DENALI LLC
AND
THE ASSIGNMENT OF
THE GUARANTY AGREEMENT
WITH WECARE HOLDINGS LLC TO DENALI WATER SOLUTIONS, LLC**

WHEREAS, the Authority owns the Cocomposting Facility (the "Facility") located at 410 Torne Valley Road, Hillburn; and

WHEREAS, the Authority entered into a Service Agreement, dated April 1, 2006, with WeCare Organics, LLC (the "Contractor") for Operation, Maintenance and Capital Improvements to the Cocomposting Facility (the "Service Agreement"); and

WHEREAS, the Authority entered into an amended and restated version of the Service Agreement (the "Amended and Restated Service Agreement") to amend certain terms of the Service Agreement during the renewal term; and

WHEREAS, the Authority further amended the Amended and Restated Service Agreement pursuant to an amendment letter dated June 9, 2014, (the "Further Amended and Restated Service Agreement"); and

WHEREAS, the Authority modified the Further Amended and Restated Service Agreement pursuant to a modification letter dated November 3, 2015 (the "Cocomposting Service Agreement") to extend the term to December 31, 2017; and

WHEREAS, on March 31, 2006 WeCare Holdings LLC entered into a Guaranty Agreement for the benefit of the Authority (the "Guaranty Agreement") as inducement for the Authority's execution of the Cocomposting Service Agreement; and

WHEREAS, the Cocomposting Service Agreement provides that the Contractor must notify the Authority of any change in the ownership structure of the Company; and

WHEREAS, the Cocomposting Service Agreement further provides that the Cocomposting Service Agreement may not be assigned by the Contractor without the prior written consent of the Authority; and

WHEREAS, the Guaranty Agreement provides that the Guaranty Agreement may not be assigned without the prior written consent of the Authority; and

WHEREAS, WeCare Organics, LLC notified the Authority that it was purchased by Denali Water Solutions, LLC and has requested that the Cocomposting Service Agreement be assigned to the new entity WeCare Denali, LLC; and

WHEREAS, any assignment of the Guaranty Agreement would be commensurate with an assignment of the Cocomposting Service Agreement; now therefore be it

RESOLVED, that the Authority hereby authorizes the assignment of the Cocomposting Service Agreement to WeCare Denali LLC, and the assignment of the Guaranty Agreement to Denali Water Solutions, LLC; and be it further

RESOLVED, that the Executive Director of the Authority is hereby authorized to execute (i) the Assignment, Assumption and Consent Agreement for the Cocomposting Service Agreement with WeCare Organics, LLC and WeCare Denali, LLC, and (ii) the Assignment, Assumption and Consent Agreement for the Guaranty Agreement with WeCare Holdings LLC and Denali Water Solutions, LLC as in the best interests of the Authority and not inconsistent with the terms of this resolution; and be it further

RESOLVED, the Assignment, Assumption and Consent Agreement for the Cocomposting Service Agreement with WeCare Organics, LLC and WeCare Denali, LLC, and (ii) the Assignment, Assumption and Consent Agreement for the Guaranty Agreement with WeCare Holdings LLC and Denali Water Solutions, LLC shall be in substantially the form presented at this meeting, with such amendments, modifications, changes and omissions thereto as the Executive Director of the Authority may negotiate and approve as in the best interests of the Authority and not inconsistent with the terms of this resolution, and be if further

RESOLVED, the execution of such Assignment, Assumption and Consent Agreements shall constitute conclusive evidence of the valid authorization hereunder of any such amendment, modification, change or omission; and be it further

RESOLVED, that such Assignment, Assumption and Consent Agreements shall not be binding and valid until executed by the parties.

Phillips: Do we have any other new business?

Moroney: I noticed on the Flow Control violations there was an amount of fines levied but only a little more than half were collected. Is there an explanation for that or can we get a report from them?

Roppolo: Yes, I will invite them to come to a board meeting for an update.

Phillips: Is there anyone in the public that would like to comment, suggestions or recommendations? Since there is no other new business and no public comment being offered, do we have a motion to adjourn?

Jobson: Moved

Monaghan: Seconded

The meeting was adjourned at 6 p.m.

Respectfully submitted,
Suzanne Haggerty