

**GREATER NEW BEDFORD REGIONAL REFUSE MANAGEMENT DISTRICT
DISTRICT MEETING – October 29, 2015**

Final Minutes

The Greater New Bedford Regional Refuse Management District Committee held a publicly posted meeting on Thursday, October 29, 2015 at 8:00 AM at the Dartmouth Town Hall, Room 305, 400 Slocum Road, Dartmouth, MA.

District Committee Members in attendance: Roll Call: Rosemary Tierney, Chairperson; Nathalie Dias, Vice Chairperson; John Beauregard, Lawrence D. Worden, Daniel Patten and Christine LeBlanc.

Also present: Scott Alfonse, Executive Director; Cynthia Cammarata, Secretary; Matt Thomas, District Counsel; Mary Sahady and Andrew Lima, District Auditors.

1. Call to Order

Chairperson Tierney called the meeting to order at 8:05 AM.

2. Salute to the Flag

All in attendance stood to salute the Flag.

3. Legal Notices

Legal Notices were posted timely in both New Bedford and Dartmouth.

4. Approval of Warrants Dated August 17 and September 24, 2015

Chairperson Tierney asked for a motion to approve the Warrants Dated October 6, 2015 and October 29, 2015. Motion made by Mr. Beauregard, seconded by Mr. Worden; voted 6-0.

Chairperson Tierney read the Open Meeting Law advising the Board that the meeting may be recorded by audio and/or video.

5. Approval of Minutes

- a. Approve September 24, 2015 open session minutes
- b. Approve September 24, 2015 executive session minutes

Chairperson Tierney asked for a motion to approve the September 24, 2015 open session minutes and the September 24, 2015 executive session minutes. Motion made by Mrs. Dias, seconded by Mr. Beauregard. Voted 6-0.

6. New Business

- a. FY 2015 Financial Statements

Chairperson Tierney asked for a motion to hear from Hague, Sahady & Co. regarding fiscal year 2015 financial statements. Motion made by Mr. Beauregard, seconded by Mr. Patten.

Chairperson Tierney recognized Mrs. Sahady, who explained that this year two new standards, GASB 67 and GASB 68, dealing with pensions were implemented. The District's share of the New Bedford Retirement's pension liability (based on payroll) is \$3,000,885. According to the

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2015 OCT 29 PM 11 52

amortization schedules, the liability is expected to be fully funded by 2028. This information is calculated by the actuarial of the Retirement Board. The auditors tested the payroll and census information that the Retirement Board used to determine the District's share of the liability. Mrs. Sahady pointed out that the pension expense for GAAP purposes and the budgeted pension expense are two different numbers since the net pension liability is calculated at a time different than the District's year end.

There was a discussion regarding what may happen when the Landfill is no longer active. Retirement contributions are based on payroll; therefore if payroll is reduced or nonexistent contributions would also be reduced. Mrs. Sahady told the Board that the Retirement Board may vote to remove a group from calculating their share from the total, as was the case with the Fall River Housing Authority (FRHA). The District, like the FRHA, does not have employees in groups where employees may retire earlier (such as with Fire or Police departments). Mr. Patten reported that the New Bedford Housing Authority requested separate treatment from the New Bedford Retirement Board, but the change was not allowed. Attorney Thomas asked if Mr. Alfonse would explore this matter.

Mrs. Sahady referred to the budget and actual schedule on page 46 in the Financial Statements. In FY15, the District had a \$1.6 million turn back. The majority of the turn back was attributed to an increase in commercial hauler revenue and recycling revenue. There were some savings on the expense side as well – in equipment there was a \$128,000 turn back, and in building and site maintenance there was a \$200,000 turn back. This \$1.6 million will be allocated in the 2015 reconciliation. Mrs. Sahady referred to the next few pages which identify the reserves and discloses activity in the reserve such as transfers from the 2014 reconciliation turn back and budgeted transfers. The District's goal is to establish reasonable reserves in order to avoid the need to borrow money.

There is no management letter, as there were no findings to report. Mrs. Sahady commended the District's accountant on the thorough job done each year to prepare for the audit.

Chairperson Tierney asked for a motion to receive the Auditor's report and place it on file. Motion made by Mrs. Dias, seconded by Ms. LeBlanc, voted 6-0.

b. FY 2015 reconciliation/ Reserve Accounts update

Chairperson Tierney asked for a motion to discuss the fiscal year 2015 reconciliation recommendation and reserve accounts. Motion made by Mr. Beauregard, seconded by Mr. Patten.

Mr. Alfonse pointed out that New Bedford changed their collection program to an automated pick up and single stream recycling, which significantly reduced their tonnage in FY15. As a result, New Bedford overpaid their assessment by \$32,736 and Dartmouth underpaid their assessment by \$32,736.

Mr. Alfonse referred to note five of the Reconciliation. He recommends \$700,000 of the turn back be deposited into the Phase 2 Construction Reserve, and \$919,288 be deposited into the Closure Reserve. The last page illustrates the District Reserve Balances and Goals. The recommendations were made due to the fact that the District is currently expending funds from Phase 2 Construction for cell 5, and within 3 years the District will begin with cell 6. The Closure goal is calculated by Brown and Caldwell, and has increased as a result of additional Post Closure costs due to the new cell 5. This will bring the District to about 90% of the goal in both categories. Having sufficient reserves reduces the likelihood that capital projects will require borrowing.

Chairperson Tierney described how difficult it is for the District to borrow money. The process is lengthy, beginning with District Board needing a vote, then to Dartmouth Town Meeting, and to the City of New Bedford. Attorney Thomas indicated that it is actually a benefit to the City and Town as they will not have a potential contingent liability.

Mr. Beauregard made a motion to approve the Reconciliation and authorize the Treasurer to sign the Reconciliation, seconded by Ms. LeBlanc. Voted 6-0.

Mrs. Dias made a motion to transfer the \$700,000 into Phase 2 Construction Reserve, seconded by Mr. Worden. Voted 6-0.

Ms. LeBlanc made a motion to transfer \$919,288 into the Closure Reserve, seconded by Mr. Worden. Voted 6-0.

c. **Advertise bid for new front end loader**

Chairperson Tierney called for a motion to authorize the Chief Procurement Officer to advertise an Invitation for Bids for a new front end loader. Motion made by Mr. Worden, seconded by Mr. Patten.

Mr. Patten asked if the disposal of the used equipment will be traded in. Mr. Alfonse said that the IG's office recommends that the sale and purchase are handled separately.

Mr. Beauregard made a motion to authorize the Chief Procurement Officer to advertise an Invitation for Bids for a new front end loader, seconded by Mr. Patten. Chairperson Tierney called for a vote. Voted 6-0.

d. **Executive Director's report**

Chairperson Tierney asked for a motion to receive Executive Director's report and place it on file. Motion made by Mrs. Dias, seconded by Mr. Patten.

Mr. Alfonse pointed out that there have been more odor complaints than normal; staff has been working on installing gas collection pipes.

Mr. Beauregard asked about ABC – Mr. Alfonse said that New Bedford Waste has three overdue invoices. If payment isn't received by Friday the District will curtail what they are bringing in.

Mr. Worden observed that New Bedford's tonnage seems to be creeping up. One of the cranberry bogs is vacant, and one is being harvested. The market continues to be soft.

e. **Items which could not have been reasonably anticipated 48 hours in advance**

None.

7. **Set Date for Next Meeting**

The next District Meeting is scheduled for Tuesday, December 8, 2015 at 8:00 AM.

8. **Executive Session**

a. **Consider Value of Real Property**

Chairperson Tierney asked for a motion to go into executive session, pursuant to exception 6 of the open meeting law to discuss the value of Real Property; and then will reconvene in open session. Motion made by Mr. Patten, seconded by Mrs. Dias. Chairperson Tierney asked for a Roll Call Vote:

Chairperson Tierney - yes

Nathalie Dias - yes

John Beauregard - yes

Larry Worden - yes

Dan Patten - yes

Christine LeBlanc - yes

The meeting moved Executive Session at 8:56 AM.

The meeting reconvened from Executive Session at 9:27 AM.

9. Old Business

a. Cell 5 Construction Update

Chairperson Tierney asked to hear an update on cell five construction.

The Contractor is still behind schedule, therefore they have been put on notice for a second time. It is possible that the District will incur additional costs for engineers on the contract oversight, and those costs should be charged back to the contractor. The quality of work has been very good. Most of liner is down, which is a critical aspect of the project.

b. Stage 4 final cover engineering contract

Chairperson Tierney asked for a motion to discuss Brown & Caldwell proposal for Stage 4 Final Cover Engineering Services. Motion made by Mr. Patten, seconded by Mrs. Dias.

At the last District Committee meeting, the District authorized Brown & Caldwell to begin performing Task 1 of the Scope of Work and Cost estimate for the Stage 4 Final Cover. Mr. Alfonse and Ms. LeBlanc agree that the cost for bid documents under Task 3 seems high, especially after the last revision to the contract was made as part of the Cell 5 design. Ms. LeBlanc observed that the Bid Support (35 hours for Project Manager) under Task 4 is high, as it should be more like 20 hours. Additionally, the associated project charges at \$5 per hour seems high, and the District needs clarification on what the \$2,000 expense represents. Mr. Alfonse will negotiate with Brown and Caldwell.

Chairperson Tierney called for a vote for Mr. Alfonse to renegotiate the contract. Voted 6-0.

Ms. LeBlanc and Mr. Beauregard exited at 9:33 AM.

c. Milton Street soil

Chairperson Tierney asked for a motion to consider the request from Al Santos to dispose of soil from Milton Street in Dartmouth at \$20 per ton.

Mr. Alfonse explained that at the May 14, 2014 District meeting the Board had voted to accept soil from the Milton Street junkyard for no less than \$25 per ton. However, Mr. Santos is requesting to dispose of the material for \$20 per ton, and is unable to pay any more. The material will need to be tested again. In an effort to accommodate the Town of Dartmouth, the District would agree to take the soil.

Motion made by Mr. Patten, seconded by Mrs. Dias, that the District would accept to take the material for \$20 per ton if the material was further sampled to the satisfaction of the District, if the Town of Dartmouth determines that it is a health hazard or public nuisance at its' current state and if the Town requested that the District assist in remediating the contaminants. Voted 4-0.

10. Adjourn

Motion to adjourn made by Mr. Patten, seconded by Mrs. Dias. Voted 4-0.

The meeting was adjourned at 9:47 AM.