

GREATER NEW BEDFORD REGIONAL REFUSE MANAGEMENT DISTRICT

Minutes July 31, 2018

The Greater New Bedford Regional Refuse Management District Committee held a publicly posted meeting on **Tuesday, July 31, 2018 at 8:00 AM** at the Dartmouth Town Hall, Room 305, 400 Slocum Road, Dartmouth, MA.

District Committee Members in attendance: Nathalie Dias, Vice-Chairperson; Christine LeBlanc, Ken Blanchard, John Beauregard, Daniel Patten.

Also present: Scott Alfonse, Executive Director; Leonor Ferreira, Secretary; Attorney Matthew J. Thomas, District Counsel.

1. Call to order

The meeting was called to order at 8:00 AM.

2. Salute to the Flag

All in attendance stood to salute the flag.

Mr. Alfonse read the notice advising the Board that the meeting may be recorded by audio and/or video.

3. Legal notices

Legal notices have been posted in New Bedford and Dartmouth.

4. Warrant Reports and Ratification (June 1, 2018, June 15, 2018, June 29, 2018, and July 24, 2018)

Motion to ratify the June 1, 2018, June 29, 2018, and July 24, 2018 warrants made by Mr. Patten, seconded by Ms. LeBlanc. Vote 5-0.

5. Approval of Minutes (May 24, 2018 – Open session and Executive Session)

Motion to approve the May 24, 2018 regular session and executive session minutes made by Mr. Patten, seconded by Ms. LeBlanc. Vote 5-0.

6. New Business

a. Committee status and changes

Motion to discuss electing a new chairperson. Motion made by Ms. LeBlanc, seconded by Mr. Beauregard.

Mr. Alfonse said that the agreement forming the District requires that the Chairperson be elected

annually. Rosemary Tierney who was the District's Chairperson no longer serves on the District Committee. Ken Blanchard has been appointed to the District Committee to fill the vacancy created by Mr. Worden's resignation.

Motion to nominate Mr. Beauregard as the new Chairperson made by Ms. LeBlanc, seconded by Mr. Patten. Vote 5-0.

Mr. Alfonse noted that the District Agreement and state laws governing regional refuse districts do not include requirements for Vice Chairperson (currently Nathalie Dias), and Treasurer / Secretary (currently Daniel Patten), to be appointed annually.

b. Revision of FY 2019 Budget.

Mr. Alfonse said that the FY 2019 budget approved on January 3, 2018, included an error on the "Salaries and Wages Total". The "Salary and Wages Total" was \$57,304 more than the actual total of all salaries and wages. Mr. Alfonse noted the excel spreadsheet with the highlighted revisions.

Motion to revise the FY 2019 budget to:

Reduce "Salary and Wages Total" by \$57,304 from \$978,985 to \$921,681;

Increase "Deposit to Reserve budgeted" "Phase 2 Design Construction" by \$57,304 from \$587,330 to \$644,634;

Increase "Deposits to Reserves budgeted total" by \$57,304 from \$1,187,330 to \$1,244,634.

Motion made by Ms. LeBlanc, seconded by Mr. Beauregard. Vote 5-0.

c. Establishing a new account with the Massachusetts Municipal Depository Trust

Mr. Alfonse said that a Mechanic's bank CD matured. Mr. Patten, Treasurer recommended establishing a new account at the Massachusetts Municipal Depository Trust (MMDT) and depositing the funds into that account.

Mr. Alfonse said that MMDT was a collection of funds of municipalities and public entities in Massachusetts that are managed by Federated, under contract to the state. They are general savings accounts, not risk investments. Mr. Patten agreed with Mr. Alfonse's assessment, and said that MMDT is collateralized. Mr. Patten stated that MMDT interest rates climb faster when interest rates rise, and fall faster when interest rates fall. It is in the District's best interest to stay with MMDT.

Ms. LeBlanc asked if the funds were restricted like a CD or could the funds be withdrawn by the District at any time. Mr. Patten said that funds could be withdrawn at any time. MMDT's current interest rates are at 2.3% to 2.5%. It is not required to retain the funds in the account.

Mr. Beauregard asked the value of the CD that was with Mechanic's Bank. Mr. Alfonse said the value of the CD was approximately \$640,000, and it is a post closure account which will not be used until 15 to 20 years in the future.

Ms. LeBlanc asked if the funds would be better off in a long term account since the funds will not be currently used. Mr. Alfonse said that the District has long term investments for post closure. During discussion with Bartholomew, the District's investment advisor, the performance in long term investments is better than 2.1%.

Mr. Alfonse noted to the Board the form to adopt the resolution. He noted the authorized signers

on the MMDT form. Daniel Patten, Treasurer (signer & Trader); Lee Ferreira, Assistant Treasurer (signer & trader); and Scott Alfonse, (Inquiry Only).

Motion to adopt the MMDT “Designating Authorized Representatives Resolution Form” dated July 2018. Motion made by Ms. LeBlanc, seconded by Mr. Beauregard. Vote 5-0.

d. District contribution to employee health insurance

Motion to discuss the employee health insurance made by Mr. Beauregard, seconded by Ms. LeBlanc.

Mr. Alfonse noted a summary of votes that were taken regarding District contributions toward health insurance. Employees hired prior to January 1, 2012 (or in accordance with the Terms of Hire for the Executive Director), the District pays 75% of the cost of employee health insurance. The District pays 60% of employee health insurance premiums for employees hired after January 2012.

The District recently filled the position of Scale Operator, and the person that was hired was formerly employed by the District prior to 2012. Mr. Alfonse asked the Board to clarify the issue of “new employee”. Does the Board consider an employee whose initial hire date pre-dates the date of the policy, but who has had a break in service, considered “new employee” and as such, receives a 60% contribution from the District towards their health insurance premium? Or does the term “new employee” apply to those employees whose initial date of hire is after January 1, 2012?

The Board discussed the issue, and concluded that the term “new employee” applies to new hire regardless of their past employment.

Motion to clarify the District’s policy regarding District’s contributions to health insurance contributions. The District shall contribute 75% of the cost of HMO health insurance premiums and 50% of the cost of PPO health insurance premiums for employees hired prior to January 1, 2012 or in accordance with the Executive Director “Terms of Hire” Letter. The District shall contribute 60% of the cost of HMO health insurance premiums and 50% of the cost of PPO health insurance premiums for employees hired or rehired on or after January 1, 2012. Motion made by Ms. LeBlanc, seconded by Mr. Patten. Vote 5-0.

e. Pollution liability insurance update

Mr. Alfonse said MIIA provided quotes from four carriers. Chubb offered the best quote of \$32,551.92. The retro date went back to June 30, 2000.

Mr. Beauregard said that the policy excluded odor coverage. None of the carriers offered odor coverage. Mr. Alfonse said that Crum & Forster offered odor coverage but it was for sudden and accidental release coverage only. It does not cover gradual release.

Motion to approve the decision of the Executive Director, and John Beauregard to obtain Pollution Liability from Chubb Insurance. Motion made by Mr. Patten, seconded by Ms. LeBlanc. Vote 5-0.

f. Inquiry from the Town of Lakeville for solid waste disposal

Motion to discuss inquiry from Town of Lakeville for solid waste disposal. Motion made by Mr. Beauregard, seconded by Mr. Blanchard.

Mr. Alfonse said that the District received an inquiry from Rita Garbitt, Town Manager for the Town of Lakeville. They generate approximately 1,000 tons of solid waste per year. The Town hauls solid waste roll-offs to New Bedford Waste Services, which accepts material under contract to the town for \$80 per ton. The contract expires on June 30, 2019. Lakeville is looking to make a decision by the end of calendar year 2018. Lakeville is interested in delivering solid waste beginning July 1, 2019. As discussed at the last meeting, three commercial solid waste contracts (Frade's, Cleanway and ABC Disposal) expire on December 31, 2018. All three parties may be interested in entering into a new contract.

Mr. Alfonse suggested that projections be developed for long term capital expenses through the end of the life of the landfill to project the District's revenue needs. Mr. Alfonse said the District must acquire a balance of how much waste it will need to bring in on an annual basis from commercial entities to meet the District's capital needs over the next ten to fifteen years without generating excess revenue.

Mr. Beauregard stated that the landfill was created for the purpose of accepting New Bedford and Dartmouth solid waste. The District shouldn't get into a position where 15 years into the future, it will be required to inform those communities to reduce tonnage into the landfill. Mr. Alfonse said that there will be a need for customers other than the City of New Bedford and the Town of Dartmouth, unless those communities want to pay the true cost of solid waste disposal. Municipal customers represent a more solid customer base.

Attorney Thomas said that the Board would have to decide, at some point, if it would want to continue with other private haulers, or move toward other municipalities to make up that difference.

Ms. LeBlanc asked if the Town of Lakeville was looking for a tipping fee less than \$80 per ton, which is what they are currently paying their current hauler. Mr. Alfonse said that the Town is looking for a tipping fee less than \$80 per ton, and said that the Town also obtained a quote from SEMASS but it was higher than the \$80 per ton.

Mr. Alfonse and Ms. LeBlanc said that the market rate after December 31, 2018 would be increasing.

Mr. Beauregard asked if the Rochester plant were to become operational, would ABC Disposal, New Bedford Waste Services, and the other customers stop hauling to the landfill. Mr. Alfonse said that it would depend on the tipping fee, and the wear and tear on the equipment. SEMASS has concrete roads, whereas the landfill has dirt roads. Dirt roads adds to the vehicle equipment wear and tear.

Mr. Alfonse said that 5 years ago, the District was actively looking for customers because it was barely meeting its operating needs and setting aside enough money in reserves for future capital needs. Currently, customers are hauling excess solid waste, and the future contracts must include caps on tonnage. Caps have been implemented in newer contracts. The older contracts (Frade's, Tisbury / Oak Bluffs) do not have enough strong language to prevent them from bringing too much solid waste into the landfill. Mr. Alfonse said that a decision was not necessary at this time.

Mr. Beauregard asked what the time frame was on this. He questioned whether Lakeville was aware that the many of the District's contracts expire at the end of 2018. Mr. Alfonse said that the Town is looking for an answer by July 1, 2019, and they would like to make a decision by the end of 2018. Mr. Alfonse has not provided any other information to the Town.

Mr. Alfonse stated that Frade's is still not current. The Board will not renegotiate contracts which expire on December 31, 2018, unless the customer is current. Ms. LeBlanc said that September 1, 2018 should be the date for customers to get current. The Committee, Mr. Thomas, and Mr. Alfonse discussed the efforts made with Frade's Disposal. Mr. Blanchard asked if there wasn't a mutual need between the District and Frade's. Mr. Alfonse noted that the District needs the tonnage. Ms. LeBlanc said that the District should contract with Tisbury / Oak Bluffs at the volume that is being hauled in, and bypass Frade's Disposal. Mr. Blanchard asked what Frade's yearly tonnage is. Mr. Alfonse said that the contract states a 27,000 tons per year minimum, not maximum. The average over the last four calendar years has increased to 33,676 per year. As the economy improves, the tonnage increases.

Mr. Alfonse said that this information will help inform the District as to how much commercial (or municipally contracted) solid waste the District needs to accept to meet its operating and long term capital expenses.

Attorney Thomas stated that future contracts will be no more than a 3 year contract with haulers.

Mr. Alfonse asked Committee members to provide input as to what information might be useful as we move towards negotiating hauler contracts.

Ms. LeBlanc asked if the Town of Westport also approached the District for solid waste disposal. Mr. Alfonse said that they approached the District a couple of years ago, but ended up staying with ABC Disposal.

g. Director's report

Motion to discuss the Director's report made by Ms. LeBlanc, seconded by Mr. Beauregard.

Towns of Oak Bluffs / Tisbury tonnage

Mr. Alfonse noted that the tonnage received from Oak Bluffs and Tisbury has increased since the contract was signed in 2012. Last fall, the District notified Oak Bluffs and Tisbury that only solid waste collected from either communities' residents by the respective town is acceptable at Crapo Hill under the contract. He noted the problem is that all of that solid waste is delivered to the Oak Bluffs transfer station. The Oak Bluffs transfer station is operated by Bruno's Rolloff under the contract to the Town of Oak Bluffs. Bruno's Rolloff also accepts solid waste and other materials from other haulers, and residents of other towns. Mr. Alfonse noted that the waste is commingled, and delivered to Crapo Hill.

In June, Mr. Alfonse requested data from each town as to the tonnage collected by the town from its residents. The information was provided in July, and Mr. Alfonse noted the table summarizing the data. Based on the data, Bruno's Rolloff is delivering more solid waste to the landfill than what is covered by the Towns' contracts with the District.

Mr. Alfonse noted the letter sent to both communities (with a copy to Bruno's Rolloff) informing

them that the District may reject loads that it was not obligated to accept under the contract.

Ms. LeBlanc said that the District should charge gate rate for any excess tonnage from Bruno's Rolloff. Mr. Beauregard agreed. Mr. Alfonse questioned whether the Committee wanted to allow customers to bring in more waste than allowed under a contract.

Mr. Patten asked who pays the invoices. Mr. Alfonse said bills are sent to the Town of Tisbury, which pays the invoices. He suggested Tisbury likely then invoices Oak Bluffs and Bruno's based on the tonnages recorded by Bruno's at the transfer station.

Mr. Alfonse noted that prior letters have not been responded to. Mr. Alfonse noted that he believes there may be a difference of opinion between what the District believes it must accept and what the hauler believes may be delivered to Crapo Hill. Mr. Alfonse reiterated that he believes only solid waste collected from Oak Bluffs or Tisbury residents from the Town or the Town's collection contractor is acceptable.

Ms. LeBlanc asked when the Oak Bluffs / Tisbury's contracts expires. Mr. Alfonse said it expires in 2022.

Attorney Thomas asked how it would determine what solid waste was deliverable under the contract. Mr. Alfonse said the determination would be made after the fact. For example, at the end of July, the District would receive records from Oak Bluffs / Tisbury on what they were charged by the hauler. These records would indicate the excess tonnage hauled into the landfill. If the District opted to charge the gate rate for solid waste not covered by the contract, it would bill for the difference between the contract rate and gate rate for solid waste not covered by the contract. Attorney Thomas noted that collecting this difference could be challenging, since the District has no contract with the hauler from whom the District would try to collect. Attorney Thomas suggested that the District not allow the hauler to deliver waste not covered by the contract.

Attorney Thomas noted private haulers sign contracts confirming they will comply with the MassDEP. He noted that the District has no control over what the contractor, with whom it has no contract, accepts. He also noted that part of the contract is being ignored, and that the District has the right to be informed of what mechanisms they will put in place to assure that only acceptable municipal solid waste is being brought to the Crapo Hill landfill. If they claim that it is impossible to put mechanisms into place because of how the transfer station works, then the District may seek to renegotiate the contract and create a blended rate for them.

Ms. LeBlanc questioned if the District is dealing with 3 parties, and she asked if the District could contract with Bruno's Rolloff directly. Attorney Thomas suggested the District not contract with the private hauler.

The group discussed the amount of solid waste which is allowed under the contract. Attorney Thomas said that the contract does not have a tonnage limit.

Mr. Patten noted that there must have been some discussion regarding the tonnage during initial negotiations. Mr. Alfonse said that the initial contact and contract were developed prior to Mr. Alfonse's employment at the District. There was an estimated tonnage generation of around 8,000 tons per year, but they deliver around 14,000 tons per year. There's some material that does not belong in the loads such as construction and demo. The hauler claims that the construction material helps absorb some liquid. Ms. LeBlanc noted that they could use a liner to cover the trailer to stop the leakage.

Mr. Beauregard asked if customer could make the claim that the District didn't inform them that 14,000 tons could not be hauled in. Attorney Thomas said that customer was informed they could only haul curbside municipal solid waste collected from its community residents by the community.

Mr. Blanchard questioned whether it mattered if the material was collected by the community or by a private hauler. It would still be considered municipal solid waste. Mr. Thomas restated the contract language -- the community can only deliver solid waste collected *by the community* from its residents. Mr. Alfonse noted that Tisbury contracts with Bruno's Rolloff to collect its residential solid waste, and Oak Bluffs uses its town's trucks to collect its residential solid waste.

Ms. LeBlanc said that construction and demolition (C&D) material is not acceptable at the landfill, and trucks containing C&D mixture should not be allowed into the landfill.

Mr. Beauregard asked if the District could prove that some solid waste delivered is not from Oak Bluffs or Tisbury. Mr. Alfonse said that it would be hard to prove.

Ms. LeBlanc asked who the bill was sent to, and Mr. Alfonse said it was sent to Tisbury. Town of Tisbury would collect Oak Bluffs portion from Oak Bluffs, and Bruno's Rolloff portion from Bruno's Rolloff.

Ms. LeBlanc suggested billing the Town at \$81 per ton for solid waste in excess of that allowed by the contract. Attorney Thomas noted that the contract only allows waste as defined by the contract. Attorney Thomas said that the contract would have to be amended to allow them to bring in privately hauled solid waste.

Mr. Alfonse questioned whether the Board wanted to allow extra tonnage into the Crapo Hill landfill from Bruno's Rolloff. Mr. Alfonse noted that it is not needed and he's been trying to reduce tonnage into the landfill.

Ms. LeBlanc questioned if Oak Bluffs and Tisbury contract should be renegotiated to limit their tonnage. Attorney Thomas said that the contract could be re-written, but the question was how to enforce it. How would the District determine municipal solid waste from privately hauled solid waste that is being hauled with the same truck? Mr. Patten noted that it could be done by the District relying on Oak Bluffs and Tisbury's data. Mr. Alfonse said that it wouldn't be known until the billing was sent by Bruno's to the towns. Attorney Thomas questioned how would billing work. Mr. Alfonse noted that the District would continue to bill them the same way but proof would be required to confirm tonnage.

Mr. Patten noted that if the District wanted to move towards more contracts with municipalities, this would be one way to do it. He noted that since the town collects from the hauler, and the contracts are with the towns, the District will be paid. The District could amend the contract to a tonnage amount at a certain price, and any excess will be at a different price. If they agree, then the District will get paid from a private hauler through a municipality, and a municipality is paying the District.

Mr. Blanchard noted that if Oak Bluffs and Tisbury are paying the District for more solid waste than they are taking in, that is their problem. Ms. LeBlanc noted again, that C&D should not be accepted.

Mr. Blanchard asked if Mr. Alfonse met with customers. Mr. Alfonse said that he met with Greg

Carroll from Bruno's / Carroll Trucking to discuss the issue with the tonnage. At the time the landfill permit limit was 425 tons per day. Mr. Alfonse noted that he informed Mr. Carroll that they were bringing in more tonnage than what it's being generated. Mr. Carroll said that Bruno's Roloff has a contract with the Town Oak Bluffs that stipulates that he deliver all waste from the transfer station to Crapo Hill landfill. Mr. Alfonse is unaware of the language in the contract. However, he noted that the towns cannot obligate the hauler to deliver all such waste to Crapo Hill since that conflicts with the language in the contracts between the towns and the District.

Ms. LeBlanc suggested a meeting with the Town of Tisbury and the Town of Oak Bluffs to discuss the tonnage limits.

Mr. Blanchard asked if there was a clause in the contract stating if they don't remedy an issue within a certain time, the District will reject material. Attorney Thomas said that the clause was used in the letter sent, and Mr. Alfonse noted the letters attached to the memo. Ms. LeBlanc asked if the District had started rejecting the loads. Mr. Alfonse said not yet. Mr. Alfonse said since he received the information on tonnage, he informed the towns that the tonnage is greater than what the District is obligated to accept. Mr. Blanchard noted that the letter which stated the District would decline the loads was mailed on July 5, 2018. Mr. Alfonse said that the District is still getting approximately 400 tons per week, 2,000 a month.

Ms. LeBlanc asked if they came in one or twice a week. Mr. Alfonse said they come in every day.

The Board agreed that a follow up conversation should take place first prior to taking any further actions.

Mr. Beauregard asked if Oak Bluffs and Tisbury were in violation of the contract other than the C&D. Attorney Thomas said that they were. They have been informed not to bring in non-residential solid waste. They need to let us know what mechanisms they have put into place to enforce that. If there aren't any mechanisms, then we will stop taking the solid waste. The District is unable to be enforceable off the tonnage limit. It is what is being hauled in to the landfill that the District can be enforceable.

The group discussed that a conversation should occur between the District and the towns.

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

None

7. Set Date for Next Meeting

The next meeting will be scheduled for September 5, 2018 at 8:00 am.

8. Executive Session –(pursuant to G.L. c30A Section 21(a)(6) since discussion in an open meeting may have a detrimental effect on the negotiating position of the District and to reconvene in open session).

Motion to go into Executive Session pursuant to G.L. c30A Section 21(a)(6) since discussion in an open meeting may have a detrimental effect on the negotiating position of the District and not return to open session. Motion made by Mr. Patten, seconded by Mr.

Beauregard.

Roll Call Vote:

Nathalie Dias – yes

Daniel Patten – yes

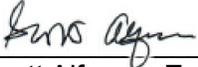
Christine LeBlanc – yes

John Beauregard – yes

Ken Blanchard – yes

The meeting moved to Executive session at 9:03 AM.

Approved by vote of District Committee September 5, 2018



Scott Alfonse, Executive Director