

**GREATER NEW BEDFORD REGIONAL REFUSE MANAGEMENT DISTRICT
DISTRICT MEETING – October 22, 2019**

Minutes

The Greater New Bedford Regional Refuse Management District Committee held a publicly posted meeting on **Tuesday, October 22, 2019 at 8:00 AM** at the Dartmouth Town Hall, Room 305, 400 Slocum Road, Dartmouth, MA.

District Committee Members in attendance: John Beauregard, Chairperson; Daniel Patten, Christine LeBlanc, Kathleen Towers. Ken Blanchard.

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

1. Call to order / Salute the Flag

The meeting was called to order at 8:00 AM. All in attendance stood to salute the flag.

2. Roll call of members

3. Legal notices

Mr. Beauregard read the notice advising the Board that the meeting may be recorded by audio and/or video, and noted that the legal notices of the meeting were posted more than 48 hours prior to the meeting.

4. Warrants Reports and Ratification - September 13, 2019 and October 1, 2019

Chairperson Beauregard asked for a motion to receive reports and ratify warrants dated September 13, 2019 and October 1, 2019. Motion made by Mr. Patten, seconded by Ms. LeBlanc. Vote 5-0.

5. Approval of Minutes September 17, 2019

Chairperson Beauregard asked for a motion to approve minutes of September 17, 2019. Motion made by Mr. Patten, seconded by Mr. Blanchard. Vote 5-0.

6. Old Business

a. Customer update

Chairperson Beauregard asked for a motion to receive a Customer Update. Motion made by Ms. LeBlanc, seconded by Mr. Blanchard.

Mr. Alfonse reviewed the memo and noted that payment was received from Bruno's Roll off for the invoice in the amount of \$18,523.84 sent to the town of Oak Bluffs and Tisbury. The board was pleased with the status of the District's receivable status.

7. New Business

a. Director's report

Chairperson Beauregard asked for a motion to receive the Executive Director's report. Motion made by Mr. Patten, seconded by Mr. Blanchard.

Mr. Alfonse reviewed the Director's Report memo. He referred to the "Budget to Actual" report attached to the memo and noted the overage in the "Cover Material" line item. He then reviewed the purpose and operational arrangement of the hydrogen sulfide (H₂S) treatment system. The group also discussed the Cell 5 pump malfunction and potential costs associated with the repair.

Mr. Patten questioned if the Worker's Compensation insurance was paid at the beginning of the year. Mr. Alfonse said that a discount is offered if payment is made in full, therefore the District pays the entire amount at the beginning of the year. Mr. Patten noted that cranberry income was received this year, and Mr. Blanchard questioned who operated the cranberry bog. Mr. Alfonse said that the income was from the organic cranberry bog that is managed by Mike Wainio, SK Wainio in Carver, MA. The District owns two (2) cranberry bogs. One organic cranberry bog is located on High Hill Road and the other cranberry bog is located on Quanapoag Rd.

Mr. Beauregard questioned how critical cell 5 pump malfunction was. Mr. Alfonse noted that Mr. Peckham has been working diligently to fix the electrical problem which could be due to a faulty ground.

Motion to receive and place on file made by Mr. Patten, seconded by Mr. Blanchard. Vote 5-0.

b. FY 2020 Budget – Building / Site Maintenance Budget Category

Chairperson Beauregard asked for a motion to discuss the FY 2020 Budget – Building / Site Maintenance Category and consider a revision to the budget. Motion made by Ms. LeBlanc, seconded by Mr. Patten.

Mr. Alfonse reviewed the memo, including the excerpt from the April 12, 2019 Director's Report memo and explained the reason the item is over budget. He referred to "Budget to Actual" report attached to the Director's Report memo and noted the status of "Cover material" line item.

Mr. Beauregard questioned where cover material was purchased from, and Mr. Alfonse noted that it was purchased from G. Lopes Construction who was under agreement to provide intermediate cover material.

Mr. Alfonse recommended re-allocating \$81,677 budgeted for deposit to Future Solid Waste Management Reserve to the Cover Material Line item. Mr. Beauregard asked Mr. Alfonse if this amount was sufficient. Mr. Alfonse referred to the "Building and Site Maintenance" Budget Category which includes the "Cover Material" line item. He noted the "Hydrogen Sulfide" line item may be significantly under-expended if the District's portion of operation and maintenance costs are low. Mr. Alfonse suggested monitoring the budget category closely to see if another transfer is warranted. The group discussed the status of other line items in the budget category.

Motion to reallocate \$81,677 from Deposits to Reserves Future Solid Waste Management to Cover Material made by Mr. Patten, seconded by Ms. Towers. Vote 5-0.

c. Investment Policy Statement – status of trust funds

Chairperson Beauregard asked for a motion to discuss the status of trust funds. Motion made by Mr. Patten, seconded by Mr. Blanchard.

Mr. Alfonse noted that currently there's a "Resolution", not a "trust fund" established for the landfill Closure and Post-Closure reserves. MassDEP requires a financial institution to serve as the trustee. Attorney Thomas noted that he will be in contact with the General Counsel's office at MassDEP to propose Mr. Patten be the trustee of the trust funds.

Mr. Alfonse noted that he has been in discussions with Mr. Patten and Attorney Thomas regarding the OPEB trust fund, specifically the Investment Policy Statement. He noted that an issue was raised by Mrs. Cammarata, District's Accountant, regarding the OPEB trust. During the annual audit, the auditors typically ask for the rate of return on the OPEB trust and Mrs. Cammarata contacted Bartholomew and Company to obtain that information. Bartholomew could not provide a projection because they stated that the District's investment policy is limited to the legal list. This is different than other municipalities they manage.

Mr. Blanchard questioned why OPEB investments do not need to be on the legal list. Attorney Thomas stated that legal list investments are conservative, and he noted that under 32B there is an exemption that allows municipalities to be more aggressive with their investments and follow the prudent investor rule.

Mr. Patten reviewed the handout of listing stocks on the legal list of investments. He noted the differences between legal list stocks and open market stocks. He reviewed costs and dividends of stocks between 5 year and 1year returns. This confirmed whether the District should be on the legal list or the open market. He stated that previously the District had 60% invested in stocks and then it was dropped to 40%. By investing in the legal list which was established by the state, it demonstrates a safe and conservative practice.

Mr. Blanchard asked about the use of bonds and other investments. Mr. Alfonse noted that the other 60% is invested in fixed income money markets.

Motion to receive and place the handout on file made by Mr. Patten, seconded by Ms. LeBlanc. Vote 5-0.

Mr. Alfonse reviewed "Other Trusts in the Investment Policy statement" names and noted that Attorney Thomas intended to use the prepared template to create the remaining trusts.

Attorney Thomas noted that the "Declaration of Trust" presented to the board was the same model used with MassDEP but with some revisions. He noted that Daniel Patten is the listed the acting ex officio in all the trust funds. By Mr. Patten being the District's Treasurer he would become the custodian, the trustee, of the trust funds as per Massachusetts case law. He provided descriptions and purpose of each of the four (4) trust funds. The "Declaration of Trust" will be adopted to comply with the District's Investment Policy. Mr. Patten provided minor changes to the "Declaration of Trust".

After discussion, it was decided that the "Declaration of Trust" will be provided to the board for review and comments prior to the next meeting. Attorney Thomas will amend the trust as per board's recommendations at the November 19, 2019 meeting and present it to the chairperson for signature.

d. Review of Executive Session minutes

Chairperson Beauregard asked for a motion to disclose the Executive Session minutes for Executive Sessions held on May 24, 2017, May 24, 2018, September 5, 2018 and October 18, 2018 since disclosure would no longer defeat the purposes of the executive session. Motion made by Ms. Towers, seconded by Ms. LeBlanc.

Mr. Alfonse noted the executive session minutes on the memo and noted the excerpt of the Attorney General's guidance regarding executive session minutes.

Mr. Patten questioned what the topic of discussion was on the May 24, 2019 executive session meeting. Mr. Alfonse replied by stating that it was regarding an employee's employment termination and there was potential litigation on the termination.

Motion to disclose made by Mr. Patten, seconded by Ms. Towers. Vote 5-0.

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

8. Set Date for Next Meeting

Net meeting is scheduled for Tuesday, November 19, 2019.

9. Adjourn

Chairperson Beauregard asked for a motion to adjourn. Motion made Mr. Patten, seconded by Mr. Blanchard. Vote 5-0.

Meeting adjourned at 8:53 a.m.

Approved by vote of District Committee on Tuesday, November 19, 2019.

Scott Alfonse, Executive Director

MEMOS

- 6 a. Customer Update dated 10/17/2019
- 7 a. Director's report dated 10/17/2019
- 7 b. FY 2020 Budget – Building / Site Maintenance Budget Category dated 10/17/19
- 7 c. Investment Policy Statement – Status of Trust Funds dated 10/17/19
Handout provided by Daniel Patten, Treasurer, received 10/22/19
- 7 d. Executive Session minutes dated 10/17/19