

**DRAFT  
MINUTES OF MEETING  
DELAWARE SOLID WASTE AUTHORITY  
BOARD OF DIRECTORS**

**DATE:** April 23, 2009  
**LOCATION:** 1128 S. Bradford St  
Dover, DE 19901  
**TIME:** 5:00 p.m.

**ATTENDEES:**

**DIRECTORS**

Richard V. Pryor  
Ronald G. McCabe  
Theodore W. Ryan  
Timothy P. Sheldon  
William J. DiMondi  
Gerard L. Esposito

**STAFF**

Pasquale S. Canzano  
Richard P. Watson  
Anne M. Germain  
Jack J. Lechner  
Logan V. Miller

**LEGAL COUNSEL**

F. Michael Parkowski

**GENERAL PUBLIC**

(See List Attached)

**REGULAR BOARD MEETING**

The Chairman, Richard V. Pryor called the three hundredth and twelfth regular meeting of the Delaware Solid Waste Authority Board of Directors to order on Thursday, April 23, 2009. He announced the meeting had been duly noticed and the Directors had received copies of the information to be considered.

**A. MINUTES**

Chairman Pryor called for additions or corrections to the draft of the Minutes of the last meeting of the Board of Directors.

**Motion A** – Moved by Mr. Ryan

“The Minutes of the March 26, 2009 Board of Directors’ meeting of the Delaware Solid Waste Authority be accepted as written.”

**Second** – Mr. McCabe

**Vote** – Unanimous  
(DiMondi, Esposito, Ryan,  
Sheldon, McCabe, Pryor)

**Motion Adopted**  
(unanimous)

**Report of Administrative Affairs Committee**

**B. TUITION ASSISTANCE**

**Motion B** – Moved by Mr. McCabe

“The Committee recommends the Board adopt the revised Tuition Assistance Policy.”

**Second** – Mr. Esposito

Mr. Watson commented that the staff has been looking at our current policy and is recommending it be revised to make it more streamlined. Our current system is a prepaid system, if an employee is approved, hisr tuition is paid by DSWA. We are recommending a change that will be more in line with standard business practice, an employee applies for tuition assistance, receives approval, takes the course, pays for it himself and if he successfully completes the course he applies for reimbursement. This should help streamline the approval process. We currently have about 20 employees in the program, and of those, 4 or 5 are completing their program this semester. That leaves about 14 employees who would stay in the prepaid system until July 1 of next year, at which point it reverts over to the new proposed system.

**Vote:**  
Mr. DiMondi - Yes  
Mr. Esposito - Yes  
Mr. Ryan - Yes  
Mr. Sheldon - Yes  
Mr. McCabe - Yes  
Mr. Pryor - Yes

**Motion Adopted**  
**(6 Yes 1 absent 0 No)**

**C. PERSONNEL**

**No discussion**

**Report of Technical/Facilities Management Committee**

**D. CHERRY ISLAND LANDFILL – CONTRACT O-08-607-NC**

**Motion D** – Moved by Mr. Ryan

“The Committee recommends awarding the contract for the Cherry Island Landfill operations to Cherry Island, LLC for a two year period with a one year renewal.”

**Second** – Mr. Sheldon

Mr. Canzano stated that the memo from Robin Roddy summarizes the process and we did get two bids from Cherry Island, Inc. and George & Lynch, Inc. We are pleased to report that we do have a responsive bid, which has been reviewed by legal counsel. This is a three year contract, initially two years with an option for a third year, which has been standard for us. It is now based on an estimate of 475,000 tons compared to almost 600,00 tons on the last bid. As you know, our tonnage has been coming down, due to the economic climate. We felt that this was a reasonable number to base the bid evaluation on. There is a ratchet after 400,000 tons up to 475,000 tons to see if we could get some decrease in pricing as a result of that ratchet in the bids. As you can see in the bid documents, we were successful in achieving that. The total responsive bid is \$15,476,250 for the three-year period submitted by Cherry Island, LLC. Staff recommends acceptance of the low bid by Cherry Island, LLC.

Mr. Pryor commented that he appreciated the work of staff in pulling this together.

**Vote:** Mr. DiMondi - Yes  
Mr. Esposito - Yes  
Mr. Ryan - Yes  
Mr. Sheldon - Yes  
Mr. McCabe - Yes  
Mr. Pryor - Yes

**Motion Adopted  
(6 Yes 1 absent 0 No)**

**E. CENTRAL SOLID WASTE MANAGEMENT CENTER  
SUPPLY OF COVER SOIL – CONTRACT F-09-608-CS**

**Motion E** – Moved by Mr. DiMondi

“The Committee recommends that the Board reject all bids and rebid the contract.”

**Second** – Mr. Sheldon

Mr. Canzano stated that under tab E there is a memo that summarizes the process and we did receive two bids. They were from Miller Brothers and Melvin Joseph Co.

Mr. Parkowski stated that his firm conducted a review and both bids had some deficiencies that they thought were material and their recommendation is that the Board exercise its absolute discretion to reject all bids for any reason

**Vote:** Mr. DiMondi - Yes  
Mr. Esposito - Yes  
Mr. Ryan - Yes  
Mr. Sheldon - Yes  
Mr. McCabe - Yes  
Mr. Pryor - Yes

**Motion Adopted  
(6 Yes 1 absent 0 No)**

## **F. ENPOWER OPERATIONS CORP. CONTRACT**

**Motion F** – Moved by Mr. DiMondi

“The Committee recommends that the Board approve the Amendment and Termination Agreement to the Enpower Asset Management Agreement pursuant to final review and approval of legal counsel.”

**Second** – Mr. McCabe

Mr. Canzano commented that upon notification to Enpower by a written letter notifying them of the Board’s action from the last meeting, we followed the precise terms of the Asset Management Agreement. Pursuant to their accepting and receiving the letter, I got a call from Ed Tomeo, President, he approached me as to whether or not we would be interested in termination sooner than the 120 day provision in the Asset Management Agreement. I explained to him that we would be open to a proposal, in which case he did provide an outline of a proposal to in fact terminate in 60 days instead of 120 days. After reviewing this internally with staff and through the appropriate Board committees, we felt it would be beneficial for the Authority to proceed in this manner. In conversations with staff, we felt 90 days would be more appropriate for us to assure that we are comfortable and confident in terms of taking over the operation and moving ahead with this to save the \$500,000 each year. Pursuant to additional conversations with the Chairman of the Technical Committee and internally, we determined that it might also be advantageous since we’re giving the money sooner to them, that perhaps we can get a reduction in the principal amount, the \$1,000,000. I am pleased to report that the staff has successfully negotiated a 5% reduction, thanks to Anne’s efforts in discussions with Ed Tomeo. With a 90 day termination, we saved, compared to the original Asset Management Agreement conditions, about \$115,000 in fees as well as savings in shared revenues and of course the 5% on the million dollars which is \$50,000. We feel it’s a very effective termination amendment to the Asset Management Agreement and recommend that the Board approve the staff executing the agreement, subject to final review and approval of legal counsel.

Mr. Parkowski added that we have to be very careful and we need to make sure there are not any claims out there. Since we are holding the money for six months to wait and see if any of those claims materialize. Once we release the money, then there are no chances of chasing a claim.

Mr. Canzano added that he had expressed his concern about outstanding liens to legal counsel. Enpower will get 75% in the first 90 days and then in six months from the date of termination they get the other 25%. We are very confident that we know all of the business dealings, because the way the Asset Management Agreement worked, we paid for everything. Angela Marconi did a superb job working with them and putting this information together. She tracked all of the vendors and all of the contracts, we’re 99% confident that we know everybody they worked with.

**Vote:** Mr. DiMondi - Yes  
Mr. Esposito - Yes  
Mr. Ryan - Yes  
Mr. Sheldon - Yes  
Mr. McCabe - Yes  
Mr. Pryor - Yes

**Motion Adopted**  
**(6 Yes 1 absent 0 No)**

**NEW BUSINESS**

Mr. Ryan noted that one of DSWA's former Board member passed away, Mr. Wayne Ashbee. Mr. Pryor added that he did attend the services and his daughter expressed her appreciation for his association with DSWA. Wayne was certainly a stellar member of this Board and remained actively involved.

**PUBLIC COMMENT**

Mr. Kramer asked about waste to energy and asked when DSWA is going to do something. He has talked to some people and they are interested in moving ahead. He added that money shouldn't be the issue and DSWA needs to get moving.

Mr. Pryor commented that timing is very important and we need to wait for the appropriate time.

Mr. Canzano stated that there are some other folks that are pursuing some other energy type projects that may precipitate changing that law.

**Motion** – Mr. Sheldon

“The Board of Directors go into Executive Session.”

**Second** – Mr. Esposito

**Vote** – Unanimous  
(DiMondi, Esposito, Ryan,  
Sheldon, McCabe, Pryor)

**Motion Adopted**  
(unanimous)

**Moved** – Mr. Sheldon

“The Board of Directors return to regular session.”

**Second** – Mr. Esposito

**Vote** – Unanimous  
(DiMondi, Esposito, Ryan,  
Sheldon, McCabe, Pryor)

**Motion Adopted**  
(unanimous)

**Motion** – Mr. Ryan

“The Board Meeting is adjourned.”

**Second:** Mr. McCabe

**Vote** – Unanimous  
(DiMondi, Esposito, Ryan  
Sheldon, McCabe, Pryor)

**Motion Adopted**  
(unanimous)

Respectfully submitted,

Libby J. Kelley

Meeting Adjourned: 6:15