

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

JANUARY 19, 2017 – MEETING MINUTES

A meeting of the Dutchess County Resource Recovery Agency convened at 5:00 p.m. at the offices of the Agency located at 96 Sand Dock Road, Poughkeepsie, New York. Those present included J. Small, Chairman; W. Nussbickel, Treasurer/Secretary; Board Members; R. Frost, and D. Lois; Agency Staff, L. Carille and D. Walsh; and J. Metzger, Dutchess County Legislator.

- 1. Regular Session** – Chairman J. Small called the meeting to order at 5:07 pm.
- 2. Operating Report** - The budget for the month of December was set at receiving 14,665 tons of waste and the Facility accepted 10,391 tons with 3,031 tons of waste being diverted. The 2016 yearly budget of 154,000 tons was not met due to the unplanned turbine overhaul outage that lasted through December 18th. There was a total 4,432 tons of waste that had to be diverted in the months of November and December. The final yearly incoming tonnage total was 150,500 tons.
- 3. Facility Report** – The Facility sold 1,667.64 MW to Central Hudson. The turbine/generator went back online December 18th. The 32-day grace period for no electrical generation penalties ended November 23rd. The quarterly reconciliation was done which resulted in an electrical penalty of \$132,095.22.

While the turbine was in the process of reinstallation in December, both boilers had to be capped (not burning waste) during this process. The pit was near capacity during this time; therefore, 3,031.91 tons of waste was diverted in December. The Wheelabrator invoice reflects the Agency's lost tipping fees, lost electricity and lost metal revenues, for a net penalty decrease in the invoice of \$67,834.37.

The metal recovery exceeded the guarantee of 4% at 515.61 tons (4.96%). The ash residue, at 39.57%, did not meet the guarantee of 32%. Wheelabrator absorbed the additional fee in the amount of \$31,279.09. Boiler No. 1 availability was 90.5% due to downtime for the turbine installation and installation of the turbine inlet valve rack. Boiler No. 2 availability was 90.9% due to downtime for the turbine installation and to install the turbine inlet valve rack. The turbine availability was at 41.3%.

The NYSDEC performed one spot inspection with no violations noted and no negative comments. The annual inspection was performed by an independent engineer on December 5th and 6th. The report will be forwarded to the NYSDEC. A meeting has been sent up next week with the NYSDEC regarding the permit renewal.

- 4. Agency Financial Report** – The payables were presented in the amount of \$707,704.90. Chairman J. Small reviewed the Wheelabrator December tonnage invoice and inquired about the lost tipping fees. L. Carille replied that in the Operator agreement there is a formula to

follow and when there is any diverted/wrongfully refused waste both the Agency and Operator financially shares in that loss.

A motion to approve the payables for \$707,704.90 was made by W. Nussbickel, seconded by R. Frost and unanimously approved.

Chairman J. Small asked about the status of the bond refunding. L. Carille stated that the Agency is in the middle of reviewing the draft official statement and that GBB, the new engineering firm, should have a draft engineer's report for the official statement completed by next week.

The Profit and Loss Statement was reviewed along with the Agency's actual expenses compared to the budget. Chairman J. Small noted that the net service fee required from Dutchess County in December is \$80,691.00 and for the year it is \$727,688.00. L. Carille replied that unrestricted funds are currently being used in lieu of a net service fee; however, these funds are needed for the Agency's 2007 bonds payments that occur twice a year in addition to any settlement that may occur regarding the Covanta litigation.

- 5. Executive Session** – A motion at 5:35 pm to move into Executive Session was made by R. Frost, seconded by W. Nussbickel and unanimously approved for purposes of discussing the hiring/firing of a particular person, firm or corporation.

The meeting resumed back to public session at 5:55 pm.

Resolution No. 827 – Retention of Professional Legal Services

The Agency issued a Request for Proposals for Professional Legal Services and responses were received on the October 28, 2016 deadline. Responses were reviewed by the Agency Board in conjunction with the Agency's Interim Director and the Interim Director is authorized to contract with Mackey, Butts & Wise LLP. A motion to approve **Resolution No. 827 – Retention of Professional Legal Services** was made by R. Frost, seconded by D. Lois and unanimously approved.

Resolution No. 828 – Authorization of Professional Engineering Consulting Services

The Agency is required to produce an annual general Facility inspection report under the Series 2007 bond refunding process from a NY State licensed professional engineer. The Agency's current engineering firm of GBB completed a general Facility inspection report, but is not a NY State based licensing firm and has requested Steven Vrchota dba Nowthen Engineering to engage in such engineering practices. The Interim Executive Director is authorized to hire Steve Vrchota dba Nowthen Engineering for the required annual general Facility inspection report for a lump sum fee of \$750.00. A motion to approve **Resolution No.**

828 – Authorization of Professional Engineering Consulting Services was made by W. Nussbickel, seconded by R. Frost and unanimously approved.

Resolution No. 829 – Authorization to Temporarily Extend HDR Contract

The Agency has matters relating to the Service Agreement with Wheelabrator, the annual reconciliation, and reporting requirements to the DOE and NYSDEC which the newly hired professional engineering consultant firm, GBB is not yet familiar. The Interim Director is authorized to request HDR staff perform requested tasks during the transition with the new professional engineering consultants at a hourly rate as set in the 2016 agreement with HDR. A motion to approve **Resolution No. 829 – Authorization to Temporarily Extend HDR Contract** was made by R. Frost, seconded by W. Nussbickel, and unanimously approved.

With no further business to discuss at 6:00 pm a motion to adjourn the meeting was made by R. Frost, seconded by W. Nussbickel and unanimously approved.