

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## JANUARY 20<sup>TH</sup>, 2011 – MEETING MINUTES

(amended 2/17/11)

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 E. Mills, Vice Chairman; R. Mosca, Secretary; D. Nestler, Treasurer; Board Members, T. E. LeGrand, R. Stephen Lynch and E. Kinkade; Agency Staff, W. J. Calogero, D. Walsh and C. Tamney; Agency Counsel, J. Nelson; D. Leibnitz, HDR; R. Chance and B. Connolly, Covanta Hudson Valley Renewable Energy LLC; and A. Surman, Dutchess County Legislator.

- 1. Regular Session** – Vice Chairman E. Mills called the meeting to order at 5:07 pm.
- 2. Minutes** – Vice Chairman E. Mills presented the minutes of the December 16<sup>th</sup>, 2010 Board Meeting. On Page 6, E. Kinkade requested a word change to “variable” and on Page 7, it was noted to insert the words “meals and gifts” that describes the expenditures. A motion to approve the December 16<sup>th</sup>, 2010 minutes as amended was made by D. Nestler, seconded by R. Mosca and unanimously approved.

Vice Chairman E. Mills presented the minutes of the January 6<sup>th</sup>, 2011 Special Board Meeting. A motion to approve the January 6<sup>th</sup>, 2011 Special Board Meeting Minutes was made by R. Mosca, seconded by D. Nestler and unanimously approved.

- 3. Agency Financial Report** – C. Tamney presented the payables in the amended amount of \$631,224.02. A question was asked about the Selective Insurance bill for \$5,872.93 and C. Tamney responded that it is a policy through Brinckerhoff that is for the commercial insurance package on the Agency’s building. It covers items such as fire and theft. Vice Chairman E. Mills asked to find out what the commission fee is on this policy from Brinckerhoff. E. Kinkade asked about the remaining December financials and C. Tamney responded that they are not prepared until the year-end audit has been finalized and that it has been the procedure followed in the past. E. Kinkade requested the December monthly unaudited financials regardless if the figures are not yet finalized. A motion was made by D. Nestler, seconded by R. Mosca to approve the payables in the amended amount of \$631,224.02. Roll call vote. R. Mosca, D. Nestler, E. Mills all in favor. R. Stephen Lynch, E. Kinkade opposed. Motion failed.
- 4. Operating Report** - D. Walsh informed the Board that December’s monthly budget was set for 12,353 tons and Facility received 13,780 tons, 1,428 tons more than budgeted. The year ended positive for incoming waste. The grand total of waste for 2010 was 155,696 tons. It was noted that Covanta’s budget for incoming waste for the year should be consistent with the Agency’s overall financial budget. The total electricity generated by the Facility in December was 4,316,960 kwh for total revenue of \$259,017.60.

The MRF received more recyclables in December, 861 tons. The total yearly volume for recycling brought into the MRF Facility was 8,086 tons. The carters continued to market the material directly themselves throughout the year. The yearly revenue total for the MRF was

\$239,156.09 which does not cover the service fee expense from the Operator running the Facility.

- 5. Engineer Report -** D. Leibnitz informed the Board that since the date of the last board meeting until today, the availabilities on Unit Nos. 1 and 2 were 95.3% percent respectively. Turbine generator availability was 98.7% percent. The downtime on Unit No. 1 was caused by 27 hours of scheduled boiler cleaning and 5 hours caused by a Central Hudson utility trip during the snowstorm on December 26, 2010. The downtime on Unit No. 2 was caused by 12 hours to clear a plugged drop-off chute and 3 hours caused by the utility trip. At noon today Unit No. 1 was running at a maximum capacity and set points. Unit No. 2 was completing a scheduled boiler wash. HDR observed the Facility producing 60,000 pph of steam and generating 4.6 MW of power. The pit is approximately half full and at the present time of inspection contained about 2,000 tons of MSW.

HDR updated the monthly summary table of various performance characteristics. The data presented in the table for 2010 is unofficial. HDR has started the annual reconciliation for the determination of the official 2010 performance summary of the Facility in preparation for the audit.

HDR has been working with the NYS Department of Environmental Conservation on their December 2010 Emergency Rule Implementation of the US EPA tailoring rule (Title V permitting requirements for greenhouse gases) concerning the Facility's Title V permit renewal inclusion of greenhouse gas emissions. HDR has also assisted the Agency in registering the Facility and its designated user registration and roles for the pending 2010 greenhouse gas emissions reports that are due March 30, 2011. The Title V Permit renewal application is being prepared by HDR. The application must be submitted by January 28, 2011 and the Part 360 Permit renewal application is due the end of March 2011.

T. E. LeGrand joined the meeting at 5:30 pm.

- 6. Bills Submitted –** Discussion evolved over the total bills submitted. R. Stephen Lynch was opposed to approving any payments since he has repeatedly voiced that the Agency does not comply with its procurement rules for professional services. A motion was made by R. Mosca, seconded by D. Nestler to approve the amended payables in the amount of \$631,224.02. Roll call vote. T. E. LeGrand, R. Mosca, D. Nestler, E. Mills all in favor. R. Stephen Lynch, E. Kinkade opposed. Motion passed.
- 7. Procurement Policy -** Vice Chairman E. Mills discussed the possibility of raising the threshold limit on conducting RFPs for professional services under the Agency's current Procurement Policy. He suggested an increase from the \$5,000.00 limit to either \$20,000.00 as the County of Dutchess or \$35,000.00 as the County Water & Wastewater Authority. J. Nelson presented and explained the Resolution that would revise the Agency's Procurement Policy. Discussion ensued. It was concluded that J. Nelson will rewrite the language in the Resolution and present it back to the Board for further review.

**8. Supplemental Waste** - W. Calogero briefly spoke about the January 6, 2011 Special Board Meeting regarding the acceptance of additional waste from Covanta. The change in the agreement made by the Board was not accepted by Covanta and further discussion would be necessary. At 6:00 pm a motion was made by T. E. LeGrand, seconded by D. Nestler and unanimously approved to move into Executive Session to discuss contracting with a particular corporation.

T. E. LeGrand excused himself from the meeting at 6:20 pm.

Resumed regular session at 7:25 pm.

The 2011 Supplemental Waste Agreement from Covanta reached an agreement with one amendment. J. Nelson narrated the change to the proposal. It will authorize the Executive Director to execute the January 6, 2011 letter agreement presented at the January 6, 2011 Special Board meeting as proposed to the Agency provided that the financial terms article is modified to add Paragraph 2.5 that all spot market waste which has been delivered by Covanta between January 1, 2011 and the effective date of this agreement shall be treated as Supplemental Waste under this letter agreement. The rest of the terms remain as presented. A motion was made by D. Nestler, seconded by R. Mosca and unanimously approved to authorize the Executive Director to enter into this Supplemental Waste Agreement.

## **9. Committee Reports**

**Governance Committee:** Vice Chairman E. Mills of the Governance Committee asked for any additional completed performance evaluation forms from board members to be returned to him so that he may submit the information to the State Authority Budget Office.

Vice Chairman E. Mills announced that there will be an opportunity to attend a New York State training session on March 25, 2011 in Albany for any Board members that have not gone through their board member training this is required by the State Authority Budget Office. Information regarding the upcoming sessions was circulated.

A draft for a Vehicle Use Policy has been electronically circulated to all board members and comments are requested back to Vice Chairman E. Mills by February 7<sup>th</sup>. Also necessary is an update to the mileage reimbursement level.

The Governance Committee would need to review and possibly revise the Agency's Procurement Policy. R. Stephen Lynch expressed his position that the Board needs to proceed immediately with conducting RFPs for all those professional services that are presently being used since it is required under the current policy even if the Board may be considering changes to the policy that may be adopted in the future.

**Licensing Panel:** The County sent down an investigative report on Taylor Recycling and members of the licensing panel are expected to review the information and reply back to the

County with any comments from that information. The panel had no negative feedback to report back and in their opinion Taylor Recycling should be issued the Dutchess County solid waste disposal license. R. Mosca was asked to send this message back in writing via e-mail to the County Attorney's office.

**10. Other Business** – Vice Chairman E. Mills asked R. Stephen Lynch to participate in the negotiations for the 2011 Put or Pay Contract with Royal Carting.

W. Calogero circulated to the Board the comments made by the NYS Department of Environmental Conservation on the Solid Waste Management Plan from a meeting held on January 13, 2011 that included representatives from the Dutchess County Legislature. The DEC clarified that the Agency is the designated planning unit. The legislative representatives clarified that an alternative plan is not being done by the MSW Consultants. It is a report that will be an independent, limited evaluation of the financial issues of how to make the RRF and MRF profitable. MSW will not produce an alternative plan, but will make recommendations for internal County use and if their report deals with any issues in the plan, the County will make suggestions for modifications to the Agency.

The role of the Commissioner of the Department of Solid Waste was discussed at length. DEC was concerned that there is currently no one in the position and a staff of one may not be adequate. They recommended that if the position is not to be filled immediately, a strategy should be prepared for meeting the duties and responsibilities in the interim until someone is appointed.

The DEC was confused about recycling responsibilities. The legislature representatives said that they are looking at how to best accomplish recycling and education. The Agency's viewpoint is that recycling and education are Agency responsibilities which would continue to be undertaken and improved by the Agency, subject to available financial resources.

In summary, The DEC will continue to review the balance of the Plan and develop further comments.

Vice Chairman E. Mills spoke about a previous meeting with Comptroller Coughlan and his suggestions for reducing the Agency's net service fee. One of the items he asked the Agency to research was if there were any unspent funds left over from a \$12.7 million grant the Agency received from New York State in 1987. It was concluded that there are no more resources available from that earlier grant. Sedore followed up on the matter with an explanation letter that was handed out to all board members. W. Calogero was asked to convey this message back to Comptroller Coughlan.

A copy of the Agency's Mission Statement was handed out to all board members and will be reviewed and discussed at a later time.

**11. Public Comment** - There was no public comment.

With no further business to discuss a motion to adjourn the meeting at 7:54 pm was made by D. Nestler, seconded by R. Stephen Lynch and unanimously approved.

Respectfully submitted,

William J. Calogero  
Executive Director