

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

JANUARY 22, 2015 – 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; K. Williams, Secretary; and T. LeGrand, Board Member; Agency Staff, W. J. Calogero, D. Walsh and C. Tamney; Agency Counsel, J. Nelson; D. Leibnitz, HDR, and L. Carille, Dutchess County Deputy Commissioner, Division of Solid Waste Management.

- 1. Regular Session** – Chairman J. Small called the meeting to order at 5:07 pm.
- 2. Minutes** – Chairman J. Small presented the minutes of the December 18, 2014 board meeting. A motion to approve the December 18, 2014 board meeting minutes was made by K. Williams, seconded by W. Nussbickel and unanimously approved.
- 3. Operating Report** – D. Walsh reported that the Facility received 13,085 tons of waste in December. The overall incoming tonnage for the year ended up being 153,700 tons, exceeding the budget by 12,700 tons. The 2014 budget was set at receiving 141,000 tons of waste. The pit is currently low, typical for this time of year. Boiler #1 did have to be taken offline for 24 hours this week to help build the pit inventory in order to be able to get through the weekend without having to take a unit down due to low pit inventory. Further discussed was the moisture content in the ash. Chairman J. Small asked that for accounting purposes if bookkeeping could show separately the ash penalty calculation dollars Wheelabrator pays for exceeding the ash residue limit (over 32%) each month. He recommended the full ash expense shown with an offset of the penalty costs shown. Agency staff will check with Sedore, the Agency's accountants on this recommendation.
- 4. Engineer Report** – D. Leibnitz reported that in December the total net Agency tons was 13,081 tons of MSW received. The official performance of the Facility in December was 287.33 net kWh/NAT electrical generation, 4.17% ferrous recovery and 38.86% wet ash generation.

The end of half-year reconciliation was completed on January 7, 2015. The final performance numbers for the second half of 2014 were 308.56 net kWh/ton electrical generation, 4.47% ferrous recovery; and 36.51% wet ash generation. A total of \$29,050.06 was not billed by Wheelabrator on their December invoice for exceeding this ash residue limit.

For the first 21 days of 2015 the availability of the Unit #1 was 94.8% primarily due to being shut down by Wheelabrator for lack of waste. Unit #2 had an availability of 100% and the turbine generator had an availability of 99.5% - a single trip at the utility breaker caused the utilization to be under 100%. The electrical generating rate in the first 21 days was 325

kWh/NAT per contract calculations. Actual electrical generation was approximately 310 to 320 kWh/ton.

Both units are presently running in the range of 85,000 to 95,000 pph total steam production. The pit presently contains approximately 1000 tons of MSW.

Wheelabrator provided HDR with a detailed list of repair activity performed in December. On January 19th the work of removing the old ash system and installing its replacement commenced. This work is still in progress. The spring outage is presently scheduled for April 6th through 17th.

The 2014 Annual Facility inspection per the Part 360 Permit was performed on December 29, 2014 and submitted to the NYSDEC.

HDR reviewed the first drafts of the Title V Audit Reports and the quarterly, semi-annual and annual compliance certification reports due to the NYSDEC at the end of January.

HDR continues to seek the return of several missing documents taken by Covanta that are required by the solid waste and air permits. In addition, there are many more documents that need to be returned to allow the Facility to have proper historical maintenance records.

HDR continues to perform litigation assistance activities only at the direction of the Agency and their legal counsel.

- 5. Agency Financial Report** – C. Tamney presented the payables in the amount of \$933,480.70. K. Williams inquired about the Selective Insurance bill for \$11,016.56. C. Tamney replied that the bill applies to the commercial and auto policies. A motion to approve the bills as presented in the amount of \$933,480.70 was made by K. Williams, seconded by T. LeGrand and unanimously approved.

The Accounts Receivable Aging Report was reviewed. The City of Poughkeepsie account still remains delinquent. East Coast Services has made a payment on their account. Chairman J. Small asked if East Coast Services is allowed to continue business in Dutchess County. L. Carille replied that they are since they are currently licensed; however, their licensing renewal is due at the end of January 2015 and she has not heard anything back. The County's procedure is that as long as all their renewal license fees are paid in full they may continue to conduct business in Dutchess County.

- 6. Public Comment** – There was no public comment.
- 7. Executive Session** – At 5:28 pm a motion to move into Executive Session was made from W. Nussbickel, seconded by K. Williams and unanimously approved for attorney/client discussions relating to Covanta's litigation.

8. **Regular Session** – The meeting resumed back into public session at 6:35pm, motioned by K. Williams, seconded by T. LeGrand and unanimously approved.

Resolution No. 796 Retention of Mediator and Engineering Advisor

This Resolution authorizes the Executive Director to contract with Covanta to equally share the cost of jointly retaining retired Court of Appeals Judge Howard Levine to act as mediator at \$400/hour for preparation, \$4,000/day of mediation, and to jointly retain Gary Forster, P.E. to act as the engineering advisor to Judge Levine at a cost of not more than \$150/hour, both plus reasonable expenses. A motion to approve Resolution No. 796 was made by T. LeGrand, seconded by K. Williams and unanimously approved.

Resolution No. 797 Approval of 2015 Put or Pay Solid Waste Disposal Service Agreement

This Resolution authorizes the Executive Director to execute a two-year 2015 Solid Waste Disposal Agreement with Royal Carting, with two (2) two-year extensions if mutually agreed, pursuant to which Royal Carting will supply the Agency with 142,000 tons of solid waste during 2015 at tiered prices of \$74 and \$55 per ton, and \$50 per ton for additional waste, with these prices to be cost of living adjusted beginning 2016. A motion to approve Resolution No. 797 was made by T. LeGrand, seconded by W. Nussbickel and unanimously approved.

Further discussion on the metals market industry resulted in a motion made by T. LeGrand, seconded by K. Williams and unanimously approved to authorize the Executive Director to execute a 5 year metals contract with Upstate Shredding with the terms to continue under the existing agreement except for a \$10 increase per long ton in the base payment which the \$10 increase would be rescinded when the metals market returns to their historical five year averages.

A motion to adopt an Agency Budget indicating a zero deficit approved by the Board with an annotation that was previously discussed that relates to revenue reductions in the metal market, outstanding litigation, cost of Household Hazardous Waste as well as unforeseen circumstances, was made by K. Williams, seconded by T. LeGrand and unanimously approved.

With no further business to discuss at 6:45 pm a motion to adjourn the meeting was made by W. Nussbickel, seconded by T. LeGrand and unanimously approved.

Respectfully submitted,

William J. Calogero
Executive Director