

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

FEBRUARY 17TH, 2011 – 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 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 Vassar College Students.

- 1. Regular Session** – Vice Chairman E. Mills called the meeting to order at 5:03 pm.
- 2. Minutes** – Vice Chairman E. Mills presented the minutes of the January 20th, 2011 Board Meeting. On Page 3, the date of the Covanta Supplemental Waste letter of agreement was changed to January 6, 2011. A motion to approve the January 20th, 2011 minutes as amended was made by T. E. LeGrand, seconded by E. Kinkade and unanimously approved.
- 3. Operating Report** – D. Walsh informed the Board that the budget set on incoming waste for the month of January 2011 was 10,631 tons. This figure is based on 141,000 tons for the year. The Facility received a total of 13,335 tons that consisted of 10,983 tons of MSW from haulers and 2,352 tons of supplemental and specialty waste, making the Facility 2,700 tons over budget for January.

The volume for the MRF remained unchanged. The Facility received 643 tons of recyclable material in January. Marketing sales continued to hold strong in January, ending with a total revenue of \$34,097.00.

- 4. 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 92.2% and 91.7% respectively. Turbine generator availability was 99.8%. The downtime on Unit No. 1 was caused by an unscheduled repair to the combustor thrust roller which took 27 hours and a failed FD fan motor which took 23 hours to replace. The downtime on Unit No. 2 was caused by a scheduled boiler wash which took the unit down for 20 hours, an economizer tube leak which caused 17 hours of downtime, and a waterwall tube leak which caused 20 hours of downtime. A short duration outage of the turbine/generator was caused by a problem with the governor. There was a trip of the main breaker between the plant and Central Hudson this Thursday morning that caused 6 hours of turbine downtime. At 2:00 pm today Unit Nos. 1 and 2 were back running at maximum capacity and set points. HDR observed the Facility producing 114,000 pph of steam and generating 11.2 MW of power. The pit is slightly more than half full and contained approximately 2500 tons of MSW.

The monthly summary table of various performance characteristics was completed for 2010. The annual reconciliation is not yet finalized but the final annual performance has been calculated to be 317.9 net kWh/ton in 2010. A new summary sheet has been started for 2011. In January, the Facility ran very well processing a high quantity of waste. The efficiency of the

plant was less than expected at only 289 net kWh/ton. There are several reasons that this may have happened. Covanta has stated that they believe that the high volumes of snow in January lowered the energy content of the waste (HHV) to below 4000 BTU per pound. HDR conducted a performance analysis based on an HHV reduction from 5000 BTU/lb to 4500 BTU/lb. The resulting performance of the lower HHV raised the capacity utilization of the Facility to 99.2% which is a reasonable number considering the amount of waste that was processed.

Covanta has scheduled the Spring 2011 outage to start on March 15th and end on March 28th. The main activities of the outage will be economizer, generating bank, rotary combustor and waterwall tube testing replacement and repair as needed. Additional inconel overlay will be applied as necessary. The old Tri-Sen turbine governor is being replaced with a new Woodward governor.

The Title V Permit renewal application was submitted to the NYS Department of Environmental Conservation three days before the January deadline and the Part 360 permit renewal application is due March 17, 2011. HDR has started to get the information assembled for that task.

5. **Agency Financial Report** – C. Tamney presented the payables in the amount of \$1,192,973.41. T. E. LeGrand asked about a few items listed on the Covanta pass-thru charges invoice. There was a Rosemont fee of \$5,378.00 and D. Liebnitz responded that it is for equipment repair. The letter of credit fee for \$14,842.37 was discussed and T. E. LeGrand stated that the Agency should not be paying for the operator's guarantee, it should be their responsibility and how it is one of the items that need to be addressed when negotiations begin for the new contract. He also commented on the electricity demand charge of \$16,043.33. In the past, he had negotiated with Westinghouse when they were the operator of the Facility and they capped this and made it into an annual fee. If the Agency continues to pay the entire fee there is no incentive for the operator to minimize that. It was concluded that this too is another item that will need to be addressed.

A motion to approve the bills submitted for \$1,192,973.41 was made by T. E. LeGrand, seconded by R. Mosca. Roll Call Vote: T. E. LeGrand, R. Mosca, D. Nestler, and E. Mills all in favor. R. Stephen Lynch and E. Kindade opposed. Motion passed.

R. Stephen Lynch expressed his concern over the Procurement Policy and not doing RFPs for professional services. E. Kindade asked about the legal fees spent last year for \$139,000.00 and if the Agency staff could compile a detail description of the topics and areas the money was spent on. J. Nelson responded that his firm bills monthly and gives a detail description of date, time and services provided along with the particular charge. It was noted that there is more than one legal firm involved in this overall expense total of \$139,000.00. E. Kindade wanted to know the discrepancy between the January 2011 tipping fees and tipping fee expenses. The tipping fees are down quite a bit but the tipping expenses, percentage wise, were not off nearly as much. W. Calogero responded that the additional waste that came into the Facility was not subject to the same service fee and has a smaller fee attached to it than other incoming waste.

Vice Chairman E. Mills requested W. Calogero to submit the various monthly financial statements given at the regular board meetings to Comptroller J. Coughlan in order to keep him up-to-date on the Resource Recovery Agency. There were no objections from other board members in doing so.

T. E. LeGrand asked for a one-page format summary sheet listing the State Authority Budget Office compliance issues and what the Agency has accomplished to date.

6. Committee Reports

Audit Committee: R. Mosca of the Audit Committee spoke of last week's Audit Committee meeting. The entire committee met along with the County Comptroller, J. Coughlan. They discussed the procedure that was done to develop the RFP and learned of different approaches from different municipalities with both similar and dissimilar operations. An outline was constructed as to what they would like to see in the RFPs which will follow government auditing standards. The Committee estimates to have the rough draft done in approximately 45 days and are looking to have the RFP awarded in the timeframe of June/July as well as having someone in place by then. E. Kinkade added that they will actually send out two requests, one is for the audit of the financial statements and another one for an internal control audit. R. Mosca replied that in addition they also added two certifications that were done twice a year since the mid 1990's, although the Comptroller said they were of no interest to him.

Nominating Committee: T. E. LeGrand stated that there will be no reorganization of the Board at this time, Board members will continue in their positions as is and the Committee assignments will be reviewed at the March regularly scheduled board meeting.

Governance Committee: The Governance Committee established the Vehicle Use and Mileage Reimbursement Policy and circulated the information to all board members before the meeting. After a discussion about the policy, it was decided to specify board members and staff as the only personnel allowed in and to operate Agency vehicles.

A motion was made by T. E. LeGrand, seconded by R. Mosca and unanimously approved to accept the Vehicle Use and Mileage Reimbursement Policy as amended. It will become effective March 1, 2011 and is adopted under **Resolution No. 707 – Vehicle Use and Mileage Policy.**

7. **Other Business** – Vice Chairman E. Mills spoke about the MRF Property Boundary Survey and Lot Line Realignment RFP that has recently been posted on the Agency website. The purpose of the RFP is to hire a surveyor to do the boundary survey and lot line realignment of the parceled land in the Town of Poughkeepsie where the MRF site is presently located. J. Nelson explained the details of the project along with the requirements of the surveying

services. The Agency is working together with the County Attorney's Office on this project. The response deadline is March 4, 2011.

W. Calogero announced the following Saturdays for the Household Hazardous Waste and Household Pharmaceutical Waste Collection days in 2011: April 2, May 7, June 4, July 9, August 6, September 10, October 1 and November 5, 2011. Vice Chairman E. Mills asked to clarify what type of medications will be collected. W. Calogero responded that it is any prescription or over-the-counter pills, ointments, lotions, liquids and pet medications. Items that are not accepted are such things as sharps, medical waste, and medical device equipment. T. E. LeGrand recognized the importance of such a program and how the elimination of substances being released into the waterways has been a nationwide concern. He commended the Agency for its involvement. W. Calogero added that the Resource Recovery Agency has been the leading edge for the program with many surrounding areas in New York using the RRF as their final disposal destination for household medications. Last year the Agency collected over three thousand pounds of unused medications.

Resolution No. 708 – Municipal Recycling State Assistance Program

The purpose of this Resolution is to authorize the filing of an application for state assistance from the Household Hazardous Waste State Assistance Program and to sign the associated state contract under the appropriate laws of New York State. There will no charge for electronic waste this year, due to a new law passed on e-waste. A motion was made by T. E. LeGrand, seconded by R. Mosca and unanimously approved to adopt Resolution No. 708. Roll Call Vote: T. E. LeGrand, R. Stephen Lynch, R. Mosca, D. Nestler, E. Kinkade and E. Mills all in favor. Motion passed.

Enclosed in the Board members folders contained an obituary notice about J. Rose. T. E. LeGrand spoke about J. Rose since many of the present Board members did not know of him. J. Rose was an interesting and innovative person, an engineer that represented the Agency from the beginning and provided good service to the Agency. At the end of his service he maintained a different point of view in dealing with the Clean Air Compliance; nevertheless, he was a nice man to work with and it was sad learn of his passing.

W. Calogero informed the Board at the last board meeting the details of the January 13, 2011 meeting that was requested by the NYS Department of Environmental Conservation regarding the submittal of the Local Solid Waste Management Plan. This week a letter was received from the NYS Department of Environmental Conservation asking for the formal response that had been agreed upon. A response was to be done within two weeks after the Agency's January 20th, 2011 Board meeting. There were questions pertaining to the roles and responsibilities of both the Agency and the County and information relating to the support of the Plan and of the Plan implementation. W. Calogero communicated with the Legislators that participated in this January 13th meeting and they currently have no response to send back to the NYS Department of Conservation at this time. W. Calogero expressed the necessity to report back to the NYS Department of Conservation what tasks the Agency is undertaking and so composed a proposed list of the tasks that the Agency is responsible for and those assuming that the County will be responsible for. Vice Chairman E. Mills recalled at the

January 13th meeting how the NYS Department of Environmental Conservation provided an Agenda of twelve to thirteen items to address and how one of the items asked about was on the functions of various committees, one particular committee that was developed back in 1988 with respect to recycling. The Agency informed them at the meeting that this was an advisory group that is no longer active. These are the types of items the NYS Department of Conservation is looking for the Agency to address, a reply letter stipulating that under enabling legislation this committee is no longer a functioning committee of the County. Discussion ensued. It was concluded that the NYS Department of Environmental Conservation Agenda list of items will be sent to all board members. W. Calogero will advise the NYS Department of Conservation that a response is in preparation. W. Calogero will draft a detail response and circulate this information to all Board members. After all Board members have had an opportunity to comment on the draft, W. Calogero will finalize the letter and at that time be directed to submit the document to the NYS Department of Conservation.

- 8. Public Comment** – B. Connolly, Business Manager of Covanta Hudson Valley spoke about two national programs that have been instituted locally, the prescription drug take back initiative and a \$5.00 bounty core mercury collection for the Household Hazardous Waste events. Covanta has offered to sponsor the events together with the Agency as well as help out with funding for local advertising in 2011.

E. Buckner representing Vassar College Repower and also the Bard College of Environmental Coalition attended this meeting to voice concerns for Dutchess County's environmental integrity and fiscal responsibility. They have been well informed of the issues relating to the Local Solid Waste Management Plan. "Vassar Repower has followed the RRA's LSWMP process closely for the past six months and has become increasingly agitated by the lack of transparency exhibited by the RRA. They are aware that the LSWMP has not been submitted and has not been made public and that municipalities nationwide have proven that it is not only possible to pursue principles of zero waste but that developing reuse centers, composting facilities and boosting recycling can revitalize communities and create clean, green, and well paying jobs for residents. In echoing some of the RRA's own Board Members, as R. Stephen Lynch, they are here today to demand accountability from RRA, to bring an end to unsustainable and extraordinary costly waste management practices and lead Dutchess County towards a more fiscally responsible and environmentally sustainable future."

L. Leavitt also representing Vassar Repower attended the Agency's Board meeting back in November and requested a copy of the LSWMP and was informed at that time that it would be made public on the website. He could not locate it on the website. He disagrees with the RRA on being the planning unit for solid waste as it is in his opinion that the current system lacks checks and balances. He agrees that the Legislature should take responsibility but should not be their effort alone. E. Hernandez of Vassar Repower also repeated how the LSWMP has not been made public and if there is not a plan in place "these facilities" cannot receive waste legally. She concluded that she wants to assure that the public voice is heard and how the renewal of the LSWMP is a great opportunity to make Dutchess County's waste management policy as sustainable as possible and was asking the RRA to take it seriously and give it the attention that it deserves.

Vice Chairman E. Mills thanked the students for attending the Board meeting and informed them that there is indeed a Solid Waste Management Plan Draft. It was submitted to the NYS Department of Environmental Conservation in December and the Plan has been posted on the Agency's website since November. R. Mosca expressed his concern with the environment and the way the trash is handled and asked the students to understand that this Board is operating within the confines of rules, regulations, County Executives, County Legislators, Republicans and Democrats. Those things that tug at this Committee are sometimes roadblocks to what can be done. He assured the students that this Board is very much concerned about the public. It may take a little more time, but this Board wants to get it right the first time and he encouraged the students to work together with the Board for the Plan.

The meeting moved into Executive Session at 6:45 pm for an attorney/client discussion on the hiring of a potentially specific firm or corporation. The motion was made by R. Stephen Lynch, seconded by E. Kinkade and unanimously approved.

Resumed regular session at 7:37 pm. With no further business to discuss the meeting was adjourned at 7:38 pm.

Respectfully submitted,

William J. Calogero
Executive Director