

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## FEBRUARY 23<sup>rd</sup>, 2012 – 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, Chairman; R. Mosca, Vice-Chairman; D. Nestler, Treasurer; and J. Small, Secretary; Agency Staff, W. J. Calogero, D. Walsh, and C. Tamney; Agency Counsel, J. Nelson; D. Leibnitz, HDR; J. McCarthy and M. Cavaliere, Covanta Hudson Valley Renewable Energy LLC; L. Carille, Dutchess County Solid Waste Coordinator, and S. Gaba, Drake, Loeb Heller Kennedy Gogerty Gaba & Rodd PLLC (Special Counsel).

1. **Regular Session** – Chairman E. Mills called the meeting to order at 5:02 pm.
2. **Executive Session** – At 5:03 pm a motion was made by D. Nestler, seconded by R. Mosca and unanimously approved to move into Attorney/Client Session with Special Counsel Steve Gaba.

Resumed back to public session at 5:28 pm.

A motion was made by R. Mosca, seconded by D. Nestler and unanimously approved that the Agency Board resolved to approve the draft, as corrected, of the Sewage Disposal Settlement Agreement with the Town of Poughkeepsie as prepared by the Agency's Special Counsel; and further resolved that the Agency's Chairman is authorized to execute the Agreement upon its approval by the Town of Poughkeepsie Town Board and upon receipt by the Agency of a certified copy of the Town Board's resolution approving said Agreement.

3. **Minutes** – Chairman E. Mills presented the minutes of the January 19, 2012 board meeting. A motion to approve the January 19, 2012 board meeting minutes was made by D. Nestler, seconded by R. Mosca and unanimously approved.

Chairman E. Mills announced that the Agency's website now has a link available under "Meeting Dates", and from there click, "Monthly Agenda", which then provides access to the appropriate pre-meeting documents that are available to the public to view prior to each Board meeting. This is a new requirement of the New York State Open Meetings Law.

The established dates for the Household Hazardous Waste events are now posted on the Agency's website.

4. **Operating Report** – D. Walsh reported that the 2012 Budget is based on the Facility receiving 141,000 tons of MSW for the year. The budget set for the month of January was 10,631 tons and the Facility received a total of 13,800 tons, making it more than 3,100 tons over budget for the first month of the year.

The MRF received 394 tons of recyclables for the month of January and generated a revenue of \$11,183.00.

- 5. Engineer Report** – D. Leibnitz informed the Board that since the date of the last board meeting until today, the Facility has been running very well. The availabilities of Unit Nos. 1 and 2 were 95.7% and 96.8%, respectively. Both units were off line for short periods for non-emergency water wall tube repairs. Turbine/Generator availability was 98.4%. The only turbine downtime was due to a CHG&E trip on January 21<sup>st</sup>. CHG&E has so far denied responsibility for the trip.

During a brief control room inspection at noon, the Facility was running at normal capacity. Unit Nos. 1 and 2 were producing 85,000 pph of steam and generating approximately 7.7 MW of power. The pit presently is very low containing approximately 1200 tons of MSW. The Facility is undergoing its Relative Accuracy Test Audit (RATA) for the Continuous Emission Monitoring System (CEMS) accuracy today. The full emissions compliance test is presently scheduled for April.

The updated Performance summary sheet was presented for 2012. In January, the Facility processed MSW at close to perfect design conditions. Capacity utilization was 99.6%. The overall availability was 95%. The Facility processed waste at an average daily throughput of approximately 459 tons per day and produced 68,037 kilo-pounds of steam. The steam permit established 456 tons per day and 68,277 kilo-pounds of steam. The waste higher heating value of 4500 BTU/lb. Therefore, the waste quality is estimated to be very close to 4500 BTU/lb. It was not expected that the approximate efficiency of the Facility would be less than 307 net kWh/ton.

HDR completed the draft annual reconciliation for 2011. This document will be forwarded to Covanta for their review. HDR allowed for a nominal number of uncontrollable circumstances that were caused by utility disconnections. HDR acknowledged that Hurricane Irene caused 7.14 inches of rain to fall in Poughkeepsie on August 27<sup>th</sup> and 28<sup>th</sup>. This event caused waste delivered to the Facility in September to be extremely wet. The Facility's efficiency in September was approximately 207 net kWh/ton which is exceptionally low. Therefore, the performance data for the entire month of September was removed from the calculation for the performance guarantee. The resulting efficiency, as recalculated, was 296.49 net kWh/ton which is less than the 307 kWh/ton limit of Change Order 19.

The Spring outage is scheduled to occur from February 26<sup>th</sup> until March 10<sup>th</sup>. The primary activity will be tube repair and replacement. In addition, the ring dam that was installed on Unit No. 1 will also be installed on Unit No. 2. HDR will conduct a boiler internal inspection.

HDR, the Agency, and Covanta continued with weekly meetings for the annual reconciliation documents of 2008, 2009, 2010, and 2011. Language to resolve the electrical demand charges and the natural gas use continues to be discussed. Chairman E. Mills asked that the working group focus on resolving the electrical demand charges and the natural gas use issues before continuing on with anything else.

There are numerous mandatory reports due this time of year. The Title V Permit requires a 4<sup>th</sup> Quarter 2011 Cylinder Gas Audit Report, a 4<sup>th</sup> Quarter 2011 Opacity Audit Report, a 4<sup>th</sup> Quarter 2011 Title V Permit Compliance Certification, a 2<sup>nd</sup> Semi-Annual 2011 Title V Permit Compliance Certification, a 2011 Annual Title V Permit Compliance Certification, and a 1<sup>st</sup> Quarter 2012 Continuous Emissions Monitoring System Relative Accuracy Audit Protocol. The Part 360 Permit requires a 4<sup>th</sup> Quarter 2011 Part 360 Permit Compliance Certification; 2<sup>nd</sup> Semi-Annual 2011 Ash Sampling and Analysis Report and a 2011 Annual Part 360 Permit Compliance Certification Report. The Department of Energy has an annual Electric Generator Report (EIA 860) and an Annual Power Plant Operations Report (EIA 923). HDR has worked with Covanta and the Agency to ensure that these reports are submitted on time.

6. **Agency Financial Report** – C. Tamney presented the payables in the amount of \$1,203,737.41. Chairman E. Mills inquired about the bill from Toski, Schaefer & Co. and asked about details to their charges of \$15,000.00. C. Tamney replied that their invoice simply lists, “progress billing for the audit,” there is no other detail, and now there is an additional invoice received today for \$10,000.00 which has the same statement listed for the charges, “progress billing for the audit.” Chairman E. Mills requested C. Tamney to contact Toski to obtain a more detailed explanation of their invoice and request that their future bills list their separate tasks as specified in their contract. Chairman E. Mills inquired about Hess Corporation and C. Tamney replied that they are the supplier of energy at the MRF Recycling Facility in addition to Central Hudson that delivers the electricity. Hess Corporation was the company chosen by Dutchess County to provide electricity to all County buildings. J. Small asked if the Agency can compare the kwh charges of Hess Corporation to other companies and if there is a valid savings perhaps negotiate for their supply use at the Resource Recovery Facility.

A motion was made by D. Nestler, seconded by R. Mosca and unanimously approved to pay the bills as presented in the amount of \$1,203,737.41.

The Accounts Receivable Aging Summary was reviewed and the delinquent account of Robisons Refuse was discussed and further agreed that if there is no payment on the account by April/May, then a more formalized collection effort will need to be done to collect this outstanding debt. The company has been denied gate access to the RRF. The account of Levine & Levine was reviewed. J. Small offered his assistance in the collection process for their outstanding debt of \$500.00 that related to the incineration of confidential documents brought to the RRF under the Agency’s certified destruction program.

## 7. **Committee Reports**

### **Personnel Committee**

A Policy to govern overtime compensation paid to employees was presented to the Board. A few changes were made from the draft version of the Policy. The Policy will go into effect April 2, 2012. Compensatory time has been eliminated for all employees and all employees will receive overtime pay for any hours worked outside of their regularly scheduled workday and/or

workweek. A motion was made by R. Mosca, seconded by D. Nestler and unanimously approved to adopt an Overtime Policy under Resolution No. 726.

A Policy to govern sick leave credited to employees was presented to the Board. There were a few minor changes from the draft version of the Policy. The Policy will go into effect April 2, 2012 and supersedes all prior sick time/sick leave policies of the Agency. A motion was made by D. Nestler, seconded by R. Mosca and unanimously approved to adopt the revised Sick Leave Policy under Resolution No. 727.

A Resolution was presented to the Board that would provide Agency employees the additional pension benefits already established of Section 41-j of the NYS Retirement and Social Security Law which allows credit for unused sick leave to be added to an employee's credited service for retirement purposes. J. Small was concerned over the overall cost to the Agency. Chairman E. Mills indicated that the only cost to the Agency would be \$626.00 for the year and this fee would cover all employees. After a lengthy discussion it was decided to allow more time to review the issue and give J. Small the opportunity to find out the answers to some additional questions, as to what the costs are for New York State to provide this benefit. The benefit will be discussed once again at the next regularly scheduled board meeting.

### **Audit Committee**

R. Mosca informed the Board that the Committee has read the preliminary issue of the internal controls audit that Toski, Schaefer & Co. performed. W. Calogero will send the response from the staff once again so that the Committee can further discuss the recommendations. The draft version of audit report is expected to be at the Committee before March 15<sup>th</sup>. Chairman E. Mills requested that Toski be reminded about their contract regarding the annual audit. They are required to make a presentation to the Committee and a presentation to the entire Board.

8. **Public Comment** – Chairman E. Mills introduced L. Carille, the new Solid Waste Coordinator for Dutchess County. The Agency looks forward to working with Lindsay in the months and years ahead as she gets more involved in the solid waste industry.
9. **Executive Session** – At 6:46 pm, a motion was made by R. Mosca, seconded by D. Nestler and unanimously approved to move into Executive Session for discussions relating to two contractual matters.

The meeting resumed back to public session at 8:15 pm.

A motion was made by D. Nestler, seconded by R. Mosca and unanimously approved that Resolution No. 729, the Steuben County Ash Re-Use Contract, may be extended for 2012.

With no further business to discuss, a motion at 8:17 pm to adjourn the meeting was made by D. Nestler, seconded by J. Small and unanimously approved.

Respectfully submitted,

William J. Calogero  
Executive Director