

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

MARCH 18th, 2010 – 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 W. Conners, Chairman; R. Mosca, Secretary; Board Members, E. Mills, T. E. LeGrand, R. Stephen Lynch and E. Kinkade; Agency Staff, W. J. Calogero and D. Walsh; Agency Counsel, J. Nelson; D. Leibnitz, HDR; R. Chance, Covanta Hudson Valley Renewable Energy LLC; A. Surman, S. Goldberg, and S. White, Dutchess County Legislators; J. Lee-Adrian, Poughkeepsie Journal and O. Plokhii, Millbrook Independent.

- 1. Regular Session** – W. Conners called the meeting to order at 5:09 pm.
- 2. Minutes** – W. Conners presented the minutes of the February 18, 2010 Board Meeting. A motion to approve the minutes was made by T. E. LeGrand, seconded by E. Mills, and unanimously approved.
- 3. Operating Report – D. Walsh**

D. Walsh informed the Board that the Facility received a total of 12,780 tons of incoming waste for February which exceeded the monthly budget by 2,843 tons. The year-to-date tonnage is running over budget by 5,100 tons. The Facility is in good standing on incoming waste volume. The total electricity generated for the month was 3,702,970 kwh for a total revenue amount of \$222,178.20.

Recycling tonnage into the MRF Facility was low. A total of 471 tons of incoming recyclables resulted in only \$3,430.00 for tipping fees revenue. The recycling market continues to increase and the carters continue to market the material themselves. T. E. LeGrand remarked about a recent article in Waste News and how the large retail companies like Target and Wal-Mart are purchasing their own balers and going direct to market with their cardboard and how this can only add to making it even more difficult to recover material. The revenue sharing with Hudson Baylor resulted in \$7,211.56 for February.

4. Clean Air Update – D. Leibnitz

Facility operations have been very good. The entire Facility was taken down at 2:00 am Friday, February 26, 2010, by a Central Hudson utility breaker trip at the switchyard that occurred during the snowstorm. All fail-safe emergency shutdown features at the Facility operated properly and no damage was sustained to any Facility equipment. The utility connection was restored at 8 pm that evening. Covanta went through their standard system inspection and equipment testing/check-out procedures to get Unit No. 1 and the turbine back online by mid day Saturday, February 27, 2010. Unit No. 2 followed. Covanta will be filing a claim for relief of the lost production obligation due to an uncontrollable circumstance.

The scheduled Spring outage started on Unit No. 1, Sunday, March 14, 2010. As a result of the Central Hudson event the availability of Unit No. 1 from the date of the last Board Meeting until the start of the Spring outage was 90.4 percent. The availability on Unit No. 2 was 86.0 percent. Unit No. 2 is presently online running at maximum capacity. The waste feed is very wet due to the recent rains resulting in the throughput averaging around 45,000 pph of steam and electrical production is around 5.5 mw. Volume in the pit is satisfactory to accommodate the boiler needs as well as the receipt of daily deliveries during the outage. During this outage, Covanta will be replacing all the baghouse compartment door frames; performing ultrasonic thickness testing of all the waterwalls and replacing worn tubes as they are found. Inconel overlay material is also being applied in the lower sections of the boiler waterwalls. The 20-year old hydraulic drive unit of the rotary combustor is being replaced with a high torque electro-mechanical drive unit. The flue base repair work inside the stack has been postponed until the September outage.

HDR and Covanta completed the Annual Part 360 Compliance Certification Report and the revision to the Operations and Maintenance Manual for the Part 360 permit renewal. Both were submitted to the NYSDEC. HDR is presently preparing the Annual Emissions Statement and the Dept. of Energy EIA Form 923.

Covanta's stack testing firm has taken the required first quarter grab samples as required by the new Regulation 40 CFR 98. These samples will be forwarded for laboratory analyses this week. HDR drafted a letter to the USEPA stating the Facility will comply with the USEPA's tier two calculation methodology. It is an estimating method and will not require the purchase of supplemental stack monitoring equipment.

5. Agency Financial Report – W. Calogero

W. Calogero presented the payables in the amount of \$946,065.30. Two bills were not included in the submitted summary. The Town of Poughkeepsie sewage discharge bill for \$32,027.00 that is under litigation and the Covanta letter of credit fee as previously discussed for \$15,833.34 that remains on hold. A motion to approve the payables in the amount of \$946,065.30 was made by E. Mills, seconded by T. E. LeGrand and unanimously approved.

6. Committee Reports

W. Conners presented his modifications to the Code of Ethics Policy. R. Stephen Lynch raised a question about what happens if the Code of Ethics is passed and there is a board member that is in violation. Who would make that determination? J. Nelson responded that when applied these policies are intensely factually driven and to know if there is a problem it would entail someone engaging in a fact finding mission. R. Stephen Lynch responded that he personally does not have a conflict of interest, is happy to speak about the facts in great length, and in summary by having this Ethics Policy and having at least one board member that may be in violation would not be the end of the process. The process involves examination of the facts relative to the policy, perhaps also relative to the Authority law by an independent attorney that would not be the Agency's counsel. T. E. LeGrand added that the County has an appointed volunteer Ethics Board. E. Mills concluded that it does not matter

because under this policy, the Ethics Officer is a member of this Board, and the Ethics Officer would be the Chairman of the Agency's Audit Committee. There is no counsel involved and no outside counsel involved with the implementation of this Code of Ethics.

It was decided to adopt the original policy and to later discuss the presented changes at the next Board Meeting as an amendment.

Resolution 696 – Ethics Policy

A motion to adopt Resolution 696, the original Code of Ethics Policy written by the Governance Committee, was made by R. Mosca, seconded by R. Stephen Lynch and unanimously approved.

A second policy, the Sexual and Other Unlawful Harassment Policy was presented by the Governance Committee. There were no further comments regarding this policy.

Resolution 697 - Harassment Policy

A motion to adopt Resolution 697, Sexual and Other Unlawful Harassment Policy, was made by T. E. LeGrand, seconded by R. Stephen Lynch and unanimously approved.

T. E. LeGrand commended E. Mills for all his efforts in pushing these policies forward and congratulated him on his reappointment to this Board.

W. Conners officially welcomed E. Kinkade to the Board. Ed was appointed by the Dutchess County Legislature. He was a former President of the Poughkeepsie Savings Bank.

MRF Operations

W. Conners spoke about one of the issues raised by the State Authority Budget Office. The Agency does not have direct control over the scale operations at the MRF. There have been several discussions over the years regarding this matter because at one time the Agency had one of their employees there. Both he and W. Calogero had a discussion with Z. Riel, the Agency's Recycling Coordinator, about being placed up at the MRF in order to operate the scale and to have some oversight on the trucks and general operations. By moving her to that location it would not interfere with her involvement in the Household Hazardous Waste Day Program. It was agreed that it is a good idea and makes sense to move forward with the idea. W. Calogero will inform Hudson Baylor of the change.

Election of Officers

R. Mosca spoke about the Slate of Officers. There have been some changes on the Board that would require some additional thought. He recommends that the Board continue with the existing officers at this point of time until there can be more discussions on the positions and suggested possibly having a Nominating Committee. It was further discussed and decided to continue with W. Conners as Chairman, have E. Mills serve as Vice Chairman and E. Kinkade

to serve in both the Finance Committee and Governance Committee. A motion was made by T. E. LeGrand, seconded by R. Mosca and unanimously approved.

A motion was made by R. Mosca to establish a Nominating Committee that would consider the options, talk with the appropriate candidates and come up with the final Slate of Officers and Committees. The motion was seconded by R. Stephen Lynch and unanimously approved. W. Conners, as Chairman, suggested that R. Mosca, E. Mills, and T. E. LeGrand be on this committee. A motion was made by T. E. LeGrand, seconded by E. Mills and unanimously approved to have R. Mosca, E. Mills and T. E. LeGrand be members of the Nominating Committee.

7. Public Comment

R. Chance stated that the outage is going well and there are no significant unexpected findings.

S. Goldberg asked if it was possible to get a copy of the Code of Ethics Policy and Sexual and Other Unlawful Harassment Policy. W. Calogero responded that both policies will be available on the Agency's website in a few days.

8. Other Business

W. Calogero spoke about the Hudson Valley Earth Day celebration at the Dutchess County Fairgrounds on April 24-25, 2010. This celebration is being promoted and recognized as a "Zero Landfill" event and the term is being used in the marketing materials. R. Stephen Lynch asked more about the name "Zero Landfill". W. Calogero responded that it is a new term and was devised by the organizers setting up the event. R. Stephen Lynch disagreed with the term. W. Calogero would like the Agency to participate along with Covanta and Hudson Baylor. The cost for a booth would be \$200.00. A motion was made by T. E. LeGrand, seconded by E. Mills and majority approved to participate and have a booth at the event. R. Stephen Lynch opposed.

W. Calogero spoke about the Medications collection days the Agency is having for residents in 2010. There are eight scheduled days separate from the Household Hazardous Waste days and they are posted on the Agency's website. A brochure has been made and the information will be listed in a few newspaper articles. T. E. LeGrand asked if all of the members of the Legislature can be informed as well.

The first Household Hazardous Waste Day for 2010 will be April 10, 2010. There was a delay in the approval process because there was a question on the state awarded bid with one of the vendors but since has been resolved.

W. Calogero informed the Board that the NYSDEC has assigned a new person responsible for this region. His main purpose is to deal with the Solid Waste Management Plan. The Agency initially started with R. Akeley, the Acting Commissioner of Solid Waste, but since his

retirement everything has been put on hold. W. Calogero has mentioned this issue to the Legislature several times. There still has been no commitment to move forward with the County Planning Unit. The NYSDEC will be visiting within the next month or two to see how the Plan is developing and there will be no extensions granted. R. Stephen Lynch stated that the Plan has to be approved by the Legislature in draft form before it is submitted to the NYSDEC and that it is not prescribed in law on who creates the Plan. This Plan is very important, involved and takes time to develop. W. Calogero asked A. Surman to relay this crucial message back to the Legislature.

9. Public Comment

S. Goldberg mentioned about the two studies done last year by the Agency and the Legislature and how it could be a starting point for the Agency's Planning Committee on the Solid Waste Management Plan. She is very involved with the Dutchess County Airport and they recently had to update their rules and regulations required by the FAA and the State. They had a committee that they formed because they were the expertise in the field, worked on it for several months, and then presented it to the Legislature for approval. T. E. LeGrand emphasized that this is the County's Plan, not the Agency's Plan. The Agency will certainly participate and assist but the Agency cannot not initiate the Solid Waste Management Plan.

A motion to move into Attorney/Client session at 6:25 pm was made by E. Mills, seconded by R. Mosca and unanimously approved.

Resumed regular session at 6:40 pm.

With no further business to discuss, the meeting was adjourned at 6:42 pm.

Respectfully submitted,

William J. Calogero
Executive Director