

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

MARCH 29TH, 2011 – MEETING MINUTES

(amended 4/21/11)

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; J. Tyner and S. Goldberg, Dutchess County Legislators; L. Hannigan and J. Brown, Sedore Hudson Valley CPAs.

- 1. Regular Session** – Vice Chairman E. Mills called the meeting to order at 5:02 pm.
- 2. Minutes** – Vice Chairman E. Mills presented the minutes of the February 17th, 2011 Board Meeting. A motion to approve the February 17th, 2011 minutes was made by E. Kinkade, seconded by R. Mosca and unanimously approved.
- 3. 2010 Audit** – L. Hannigan of Sedore presented a report and gave a brief overview of the financial statements. Vice Chairman E. Mills asked which part of the financials is uploaded by the State Authority Budget Office and L. Hannigan replied that it is the audited financial statements that are provided by Sedore in a PDF format. R. Stephen Lynch asked if any of the disbursements reviewed were from professional services since he has been concerned that the Agency is not following the procurement policy for professional services. J. Brown replied that the audit tests certain disbursements; he did not recall if any were from professional services, two were related to vehicle repairs and one was related to a contract with Ulster County Resource Recovery Agency. R. Mosca of the Audit Committee spoke of the extensive time spent with Sedore reviewing the audit. The Audit Committee found everything appropriate and recommended the Board to approve the 2010 Audit. A motion was made by R. Mosca, seconded by D. Nestler and unanimously approved to adopt the 2010 Audit conducted by Sedore Hudson Valley CPAs.
- 4. Operating Report** – D. Walsh informed the Board that the February 2011 budget set on incoming waste was 9,710 tons. The Facility received a total of 13,584 tons, making it 3,874 tons over budget. The year-to-date amount is running 6,577 tons over budget. Electricity generated to Central Hudson in February was 3,642,270 kwh for a total revenue of \$218,536.20.

Incoming volume of recyclables at the MRF continues to be low. The Facility received only 512 tons of recyclables in February which brought in a revenue sharing amount of \$24,872.89. Many of the haulers have started to switch over to single-stream recycling and it appears that the MRF volume will continue to decrease as more businesses initiate the new program. W. Calogero began to discuss more about the decreasing volume at the MRF and how Hudson Baylor has asked the Agency to accept single-stream recycling at the MRF on a trial basis. Royal Carting would haul the material in from the northern part of the County on two separate Mondays where it would then be transferred by Hudson Baylor over to their Newburgh Facility

for processing. R. Stephen Lynch was not in favor to do this since it would involve procurement, competition, and legal issues. T. E. LeGrand agreed to approach this issue with an RFP in order to see what options are out there. In conclusion, the Facilities/Recycling Committee suggested a request for a proposal for recycling operations at the MRF.

A schedule of the upcoming Household Hazardous Waste days and Pharmaceutical Collection days was given to all Board members and Vice Chairman E. Mills asked that this information be provided to the Chairman of the County Legislature along with his colleagues so they may also assist in promoting these programs to residents.

5. **Engineer Report** – D. Leibnitz informed the Board that since the date of the last board meeting until today the availabilities are low because of the scheduled spring outage which started on March 15th and ended on March 28th. Availability on Unit Nos. 1 and 2 were 76% and 77% respectively. Turbine generator availability was 87%. Downtime on Unit No. 1 was extended an additional 19 hours due to an external waterwall leak in an area unrelated to the maintenance activity performed during the outage. Unit No. 2 went down today because of a similar waterwall leak that is still in the process of being located. At 2 pm today Unit No. 1 was running and producing 48,000 pph of steam and generating 4.8 MW of power. The pit is full and at the time of inspection today contained approximately 3500 tons of MSW.

The new summary sheet for 2011 was presented. In February, the Facility ran well and processed a good amount of waste at a measured pace in preparation for the outage. The efficiency of the plant was estimated to be 331net kwh/ton. HDR has evaluated recent performance and has made an engineering judgment that the recent HHV of the waste has been approximately 4500 BTU per pound. HDR will continue to monitor the performance and will further adjust the estimated HHV as necessary. An official HHV determination requires the performance of a boiler as a calorimeter analysis.

Covanta conducted the scheduled spring 2011 outage without incident. An extensive work list was completed and no waste was bypassed or diverted. The main activities conducted included large areas of tube replacement and repairs in the economizers, the generating banks, the rotary combustors and its seals. The original Tri-Sen turbine governor was replaced with a new Woodward governor and in response to a weld crack observed at the Islip Facility, at the hopper connection of the spray dry absorber, a special inspection of this area was conducted during the outage. No weld cracks were observed but a reinforcement plate was installed at this location as an extra safety measure.

The Part 360 Permit renewal application was submitted a week ahead of schedule. The 2010 Greenhouse Gas reporting due date has been extended by the NYSDEC to September 30, 2011.

The 2011 Annual Stack Test is presently scheduled for the week of April 18th, 2011.

6. **Agency Financial Report** – C. Tamney presented the payables in the amount of \$1,114,040.16. T. E. LeGrand asked about the Robertson, Overbey, Wilson & Beeler bills for \$18,122.20. R. Stephen Lynch recalled how a former bill from the same company was

submitted six months or so ago, also excessive, and nothing could be done then because there was no scope of services. It had been discussed that there would be a budget set and a scope of services done when this company was used again. C. Tamney replied that these bills are from last year and were never received at the Agency. One bill pertains to issues regarding the bonds and for questions about the net service fee calculation that surfaced from County Comptroller Coughlan's request. The other bill was for issues pertaining to Covanta's letter of credit. It was mutually agreed that in the future, the Board needs to authorize any work done by Robertson, Overbey, Wilson & Beeler and have a scope of service along with a not-to-exceed amount.

A discussion developed over the letter of credit and how the Agency should not be paying for it. It was noted how important it is that this item be addressed when developing the RFP for a new operating contract.

E. Kinkade asked about the connection in tipping fees and expenses on the Profit and Loss statement. C. Tamney replied that they are not in the same time period, all the bills on the expense side are not necessarily the same for the tonnage that comes in on the income side. E. Kinkade remarked that basic accounting principles require you to have timing issues and that income and expense should be in the same time period.

Vice Chairman E. Mills asked that the City of Poughkeepsie be contacted to see if they could become more current on payments for their bills.

A motion to approve the bills submitted for \$1,114,040.16 was made by T. E. LeGrand, seconded by D. Nestler. 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.

7. Other Business

Vice Chairman E. Mills was asked by C. Bogle of the County Attorney's Office and who is a Board Member of the Dutchess County SPCA to announce the "Campaign for Hope." This event raises funds for the design construction and outfitting of the adoption and education center at the current Dutchess County SPCA campus. The Agency cannot make a donation but members may support this organization on an individual basis. W. Calogero was given the information if anyone is interested in donating.

8. Committee Reports

W. Calogero presented an update to the State Authority Budget Office list of recommendations. After reviewing the items, it was decided to submit a letter to the State Authority Budget Office and fully answer all their recommendations, including any items that cannot be changed, and have that letter listed in the same number format as in their report.

W. Calogero informed the Board that the NYSDEC is still in the process of reviewing the entire LSWMP but is close to completion and will be sending out another letter about it. He was asked to submit the LSWMP electronically to the NYSDEC in a word format that would be available for editing purposes. To date, no formal letter has arrived from the NYSDEC.

Resolution No. 709 – Assignment of Vehicle

This Resolution assigns the Executive Director the use of the Agency's Ford Sedan or equivalent, subject to the terms of the Vehicle Use & Mileage Reimbursement Policy. T. E. LeGrand suggested that the bookkeeper keep the vehicle log book. A motion was made by R. Mosca, seconded by D. Nestler and unanimously approved to adopt Resolution No. 709.

W. Calogero spoke about the responses received from the MRF Property Boundary Survey and Lot Line Realignment RFP. Some new information has developed over the matter. A letter was transmitted on March 29, 2011 from the County Attorney's office to this Agency's counsel informing the Agency that the County will be taking the lead from this point forward on the lot line and easement adjustment for the MRF. During the County Attorney's conference call with the attorney for the purchaser of the property, certain new information was made known namely that there is \$10,000.00 being held in escrow from the sale of the property behind the MRF which is to be used to pay for the survey and related work. J. Nelson informed the Board that he received an e-mail today about the description of the property; therefore, it would be best to hold off notifying the ten firms that made the proposals until he could contact the County Attorney's office about the property description issue.

9. Public Comment

Legislator J. Tyner suggested conducting a recycling contest as to which Town, City, or Village has the highest recycling rate. Not all establishments have separate recycling containers and the streets in the Village of Millbrook are the only ones that have recycling containers next to their trash containers. He further suggested to perhaps list those institutions that are recycling on the County website rather than those that are not.

He also asked to encourage waste haulers to do food waste collection and mentioned how Clearwater, Sierra Club, the New York Public Interest Research Group and other groups say recycling saves four to five times the energy that incineration does.

Legislator S. Goldberg is in the process of sending out newsletters with respect to the Household Hazardous Waste days in her district and verified that the collection dates on the website were accurate. W. Calogero informed her that in addition there are brochures available for circulation at the Agency offices.

A motion was made at 6:28 pm by E. Kinkade, seconded by R. Mosca and unanimously approved to move into Executive Session to discuss the hiring and/or firing of two different corporations.

Resumed regular session at 7:07 pm. The meeting moved back into Executive Session at 7:09 pm to discuss personnel matters.

Resumed regular session at 8:05 pm. The Board unanimously approved the hiring of Roemer, Wallens, Gold and Mineaux LLP with respect to a personnel matter.

With no further business to discuss the meeting was adjourned at 8:07 pm.

Respectfully submitted,

William J. Calogero
Executive Director