

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

APRIL 15th, 2010 – MEETING MINUTES

(amended 6/17/10)

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; 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 and D. Walsh; Agency Counsel, J. Nelson; D. Leibnitz, HDR; R. Chance, Covanta Hudson Valley Renewable Energy LLC; D. Kuffner and S. White, Dutchess County Legislators; and J. Lee-Adrian, Poughkeepsie Journal.

- 1. Regular Session – W. Conners** called the meeting to order at 5:05 pm.
- 2. Minutes – W. Conners** presented the minutes of the March 18, 2010 Board Meeting. A motion to approve the minutes was made by E. Mills, seconded by R. Mosca, and unanimously approved.
- 3. Operating Report – D. Walsh**

D. Walsh informed the Board that the monthly budget set for March was 12,012 tons. The Facility received a total of 13,690 tons. The operator was able to manage the trash flow well throughout the scheduled outage. The Facility continues to run ahead of budget. The year-to-date tonnage is running over budget by 6,825 tons. The total electricity generated for this month was lower as expected due to the downtime during the outage. A total of 2,718,990 kwh was generated for a total revenue amount of \$163,139.40.

Recycling activity at the MRF Facility improved for March; however, it is still not up to where the volume should be. Of the 884 total tons of materials 335 tons of it was commingled and brought in directly from Hudson Baylor. The selling market was stronger for March. Our sharing market with Hudson Baylor resulted in close to \$9,000.00 for commingled and \$12,000.00 for fiber sales.

4. Clean Air Update – D. Leibnitz

The Facility came out of its Spring outage on March 28th. Since coming out of the outage the availability on Unit Nos. 1 and 2 have been 100 percent and 82.2 percent. The lower availability on Unit No. 2 was caused by a mechanical seal failure on the forced circulation pump. These types of seal leaks often happen due to the hot and cold expansion effects of an outage. Covanta replaced all the baghouse filter bags as well as the tube sheets for the bags and the access doors, doorframes and surrounding walls. All corroded steel components were replaced with new stainless steel components. Covanta performed ultrasonic thickness testing of the waterwalls and replaced worn tubes as they were found. Some new equipment such as the rotary combustor drive motor and the Unit No. 1 superheater attemperator was also installed.

The pit is full and both units are running at full capacity. During a spot check at noon today the Facility was producing a combined 106,000 pph of steam to the turbine and generating 9.9 MW of electricity.

The Annual Emissions Statement for the NYSDEC and the Department of Energy EIA Form 923 has been submitted by HDR. The Agency has submitted the Annual Recyclables Handling and Recovery Facility Report plus the Annual Planning Unit Recycling Report to the NYSDEC. All reports are ahead of schedule.

The annual emissions compliance test is scheduled for May 4th, 5th, and 6th. HDR is working with Covanta to add a supplemental stack test for Volatile Organic Compounds (VOCs). It is believed that the level of VOC emissions has been significantly reduced since the last evaluation several years ago. A lower VOC emission result will help reduce the annual fees the Facility is required to pay the NYSDEC for its baseline emissions levels.

Covanta's stack testing firm obtained the first quarterly grab samples and has reported fairly good results of 64 percent biogenic carbon dioxide (from biomass, considered carbon neutral) and 36 percent anthropogenic carbon dioxide (from fossil fuel and man-made materials). The next quarterly test is scheduled for May.

A question was asked as to what an attemperator does. D. Leibnitz replied that it is a temperature control device that takes the steam that is produced by the superheater and runs with other sections of the superheater to try to feed a consistent temperature and pressure to the turbine so that the turbine does not receive any variations.

5. Agency Financial Report – W. Calogero

W. Calogero presented the payables in the amount of \$1,230,559.39. E. Mills asked about the two charges at the MRF from Valley Scale. The difference between both is one charge is for the annual calibration of the scale and the second charge was for a problem encountered that resulted in the replacement of a faulty circuit board on the weight indicator monitor. The MTA tax payment was noted. Most payroll services pay that fee directly and E. Mills recommended that the Agency check with BOCES to see if they can automatically do that payment. E. Mills also inquired about the payment to the Commissioner of Finance for workers' compensation. He would like to find what the Agency's rate structure is. The Travelers insurance bill was questioned and that is for payment on the commercial truck insurance. A motion to approve the payables in the amount of \$1,230,559.39 was made by T. E. LeGrand, seconded by E. Mills and unanimously approved.

W. Calogero spoke of the special insurance policy for the off-site Household Hazardous Waste days. The same three off-site locations and facilities in the Town of Pawling, Amenia and Millbrook are being used as last year and the same insurance fee and coverage from Brinckerhoff and Nueville will be used.

6. Committee Reports

E. Mills spoke of the Acknowledgement of Fiduciary Duty form that the Authorities Budget Office has issued which requires each board member to sign. A board member is now required to sign an acknowledgement document at the start of each new term to which the board member is appointed. J. Nelson was asked to review the document and advise the board members accordingly. An acknowledgement is required back to the Authorities Budget Office by May 1, 2010. J. Nelson did review the document and the details would be discussed in Attorney/Client session.

Slate of Officers

The Nominating Committee met to discuss the Slate of Officers and came up with the following Slate of Officers. W. Conners will remain Chairman. E. Mills will serve as Vice Chairman. R. Mosca remains Secretary and D. Nestler remains Treasurer. T. E. LeGrand acknowledged these men on how good a job they have done over the past few years in office and he is sure that E. Mills will do a great job as Vice Chairman as he has certainly been an asset to the Agency. There were no further nominations. R. Stephen Lynch remarked that he will be voting against the Chairman position not because of the individual but solely because of the fact that the New York State Authority Budget Office has found W. Conners service as a Board of Director to be in violation of New York state law. W. Conners agreed that it was an opinion by the New York State Authority Budget Office that was rendered. R. Stephen Lynch emphasized that he doesn't feel that it is right for a public agency to elect a Chairman that the Public Authority Office has determined to be in violation of state law. R. Mosca commented on the matter. The Nominating Committee certainly understood this issue and did check with legal counsel. However, given the situation and given the ability of W. Conners they felt that there was very little risk of anything going awry or to have anything reversed while he sits in that seat. T. E. LeGrand added that the Committee also feels correct with the County's position that W. Conners is a legal appointment. A motion to vote on the Slate of Officers was made by T. E. LeGrand, seconded by E. Mills and majority approved. R. Stephen Lynch opposed.

The Audit Committee met with the representatives from Sedore & Company to review the draft copy of the audit. R. Mosca reported that the good news is that the audit had a clean opinion which means the financial statements are ready to be published and the Agency complied with all the accounting standards and principles that are needed to be in compliance. The only question that came up was that E. Mills wanted to change some of the verbiage in some of the notes that were presented. The changes were reviewed by E. Mills and everything that was discussed was amended. Therefore, the Audit Committee recommended that the Board adopt the audit as proposed by Sedore & Company. E. Kinkade did not have an opportunity to review the report because he did not have the report. R. Stephen Lynch pointed out that many months ago in the Finance Committee meetings he had asked management to provide a list of the Agency's fund accounts. The process was very challenging because there are a large number of accounts. He believes that some of the fifteen or twenty accounts are not in compliance with state investment requirements and/or indenture requirements for bonds because there are so many and because they have been forgotten for so many years. R.

Stephen Lynch recommends that the Board follow through and take a closer look on the investment accounts. A discussion followed. A motion was made by D. Nestler, seconded by T. E. LeGrand and unanimously approved to accept the Audit Report. E. Kinkade abstained.

7. Other Business

W. Calogero spoke about the Household Hazardous Waste Day Event held on April 10, 2010. There were a total of 135 attendees. As previously mentioned, Care Environmental is on a state bid and some concerns came up about them by another organization. NYSDEC looked into the materials they collect. There was no negative feedback from the NYSDEC about Care Environmental. The bid was for three years and the Agency signed on for just one year, just in case any other information surfaces. It was noticed at Saturday's collection that Care Environmental seemed to make an improvement on how they were assessing the volumes that were collected and seemed to be packing the drums much tighter than in the past.

The first medications collection event for the year will be held on Saturday, April 17, 2010 at the Agency. There are more and more counties participating in this event; Rockland County, Ulster County, Delaware County, Columbia County, etc. The NYSDEC has the Resource Recovery Facility listed as the disposal site for medications. The Agency is trying to reach out to local nursing homes and assisted living homes as well. W. Conners contacted two local newspapers, the Northern and Southern Dutchess News and wrote an article on the medications safe disposal event in order for the newspapers to be able to publish the information for this Saturday.

8. Public Comment

There was no public comment.

A motion to move into Attorney/Client session at 5:55 pm was made by E. Mills, seconded by R. Mosca and unanimously approved.

Resumed regular session at 6:12 pm.

With no further business to discuss, the meeting was adjourned at 6:15 pm.

Respectfully submitted,

William J. Calogero
Executive Director