

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

APRIL 19, 2018 – 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. Nussbickel, Chairman, S. Tinkelman, Treasurer; Board Members:, J. Small and J. Senft; Agency Staff, L. Carille and D. Walsh; Agency Counsel, J. Mackey; and K. Roman, Dutchess County Legislator.

- 1. Regular Session** – Chairman W. Nussbickel called the meeting to order at 5:05 pm.
- 2. Minutes** – Chairman W. Nussbickel presented the minutes of the February 15, 2018 board meeting. A motion to approve the February 15, 2018 board meeting minutes was made by S. Tinkelman, seconded by J. Small and unanimously approved.
- 3. Executive Session** - At 5:10 pm a motion to move into Executive Session was made from Chairman W. Nussbickel, seconded by S. Tinkelman and unanimously carried for discussions concerning proposed, pending or current litigation.

The meeting moved back into public session at 5:30 pm with no decisions being made during Executive Session.

- 4. Balanced Scorecard Report** – The Agency diverted 3,818.87 tons of waste throughout the scheduled Facility outage in March. The Net Agency Tons (NAT) for the month was 8,668.66. The net energy conversion performance rate in March was 142.3 kWh/NAT. The ferrous metal recovery was calculated to be 3.91%. The official wet ash residue was 36.56 percent of NAT, which exceeded the 32.0 percent guarantee to result in a \$16,000 penalty. The trash for the month has been very wet and the Operator has not been able to get the incineration process going as well as it should be. As a result, the Operator experienced a difficult month in financial deductions. The diversion of waste necessary for the scheduled outage resulted in a deduction of close to \$87,000 and the quarterly reconciliation resulted in a deduction of over \$226,000 for not meeting the guarantees for electricity and metals. The value of the submitted invoice for \$260,462.08 to Wheelabrator is considered complete and approved for payment to Wheelabrator.

L. Carille stated that the boilers are running well now and a lot of work was done in the scheduled outage in addition to more work to the turbine particularly repairing the rack valve assembly. The Operator continues to maintain the Facility and has recently revisited some of the Agency's original equipment manuals in an effort to get the boilers back to running how they did in the past. In the future, Wheelabrator would like to do some capital improvement projects on the boilers.

J. Small asked if the NYSDEC has allowed the Agency to place the ash on the tipping floor to dewater. L. Carille responded that the pilot program was completed and worked well. It proved

to save the Agency money in ash disposal and transportation costs. There were some questions from the trial period, which were answered and sent back to the NYSDEC. To date, she has not heard back nor has any permission been granted by the State to have the procedure in place on a regular basis.

5. **Agency Financial Report** – The payables were presented in the amount of \$458,600.77. J. Small asked about the Barclay Damon bill. L. Carille replied that their services have been completed. However, their last bill pertained to their answer to the Agency's yearly audit review, over what services they provided for the Agency in 2017. This month's charges relates to e-mails and conferences with J. Mackey and N. Wilson regarding the firm HDR. S. Tinkelman asked about RBT's bill and what they are doing. L. Carille replied that this invoice relates to the interim billing for the Agency's required audit. As you may recall, an RFP was done for professional auditing services and the Board voted for RBT CPAs firm to conduct the audit and supplemental services. J. Small added that it is approximately \$40,000 overall to complete all the necessary tasks which includes the audit and other required reports. S. Tinkelman asked about the process of receiving a net service fee check. L. Carille replied that in the past, when the Agency did request a net service fee, the process begins with the paperwork from the Agency's audit being sent to the County to add to their budget. Once approved, it is forwarded to the County's Finance Department where a check is issued. There was no net service fee request from the Agency in 2015 and in 2016. In 2017, the Agency actually came out in the black so there was no need for a net service fee.

With no further discussion, a motion to approve the payables for \$458,600.77 was made by J. Small, seconded by J. Senft and unanimously approved.

6. **Other Business – Resolution No. 842 - Financial Statement Acceptance**

L. Carille stated that last month the Audit Committee met to review the Agency's 2017 Financial Audit. Last month there was no board meeting for the Board acceptance to the 2017 financial statements as prepared by RBT CPAs or for its further consideration of a representation letter requested by RBT CPAs. A motion to accept Resolution No. 842 – Financial Statement Acceptance was made by S. Tinkelman, seconded by J. Small, and unanimously approved.

The installation for the new inbound scale is scheduled for Thursday, April 26, 2018.

The solid waste disposal agreement for next year with Royal Carting was signed. It is the same contract as in the past, 130,000 yearly tonnage commitment along with a CPI adjustment factor fee.

J. Small asked if there was any further discussions with Central Hudson regarding their power sales contract with the Agency. L. Carille replied that A. Page has been consulting with Central Hudson on behalf of the Agency; however, the company has been very active with negotiations on their proposed rate plan and just recently have reached a settlement. Discussions will be able to resume back up again with the Agency.

There has been no other avenues for ash beneficial uses.

The Town of Poughkeepsie host community benefit settlement agreement paperwork was finalized. The Town of Poughkeepsie will be able to bring up to 475 tons of MSW to the Resource Recovery Facility for 5 years at no charge.

L. Carille spoke about the annual reconciliation with the Operator. In the past the Engineering firm has always done it. In the Operator agreement it states that an independent auditor should do it. This task is more of an accounting function than an engineer's function. She spoke with RBT CPAs who would be willing to do it for approximately \$4,000 with a not to exceed fee of \$7,500 since they have never done it before. In 2016, HDR was paid \$15,000 to complete the annual reconciliation. In 2017, GBB did the annual reconciliation. All the charges are not in yet, but looks as it may be close to a fee of \$6,000. The Board unanimously agreed to have RBT CPAs take on the task.

L. Carille continued to speak about GBB Engineering firm. They have been a great firm to work with but just do not seem to suit the Agency well. They do not employ a New York State licensed engineer which has proposed a problem for the Agency. They have no experience with the required Dept. of Energy reports the Agency must submit. After a discussion, the Board unanimously authorized L. Carille to proceed with looking at firms with more experience specializing in waste-to-energy in New York State before deciding upon any changes in firms.

L. Carille announced that on May 10, 2018 she will be giving a presentation to the Dutchess County Legislature to talk about both her solid waste management job functions and Resource Recovery duties.

There were no violations reported from NYSDEC.

There was no public comment.

With no further business to discuss, at 6:00 pm a motion to adjourn the meeting was made by J. Small, seconded by J. Senft and unanimously carried.