

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

MAY 19TH, 2011 – 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, Vice Chairman; R. Mosca, Secretary; D. Nestler, Treasurer; Board Members, R. Stephen Lynch and E. Kinkade; Agency Staff, W. J. Calogero, D. Walsh and C. Tamney; Agency Counsel, J. Nelson; D. Leibnitz, HDR; and R. Chance, Covanta Hudson Valley Renewable Energy LLC.

- 1. Regular Session** – Vice Chairman E. Mills called the meeting to order at 5:03 pm.
- 2. Minutes** – Vice Chairman E. Mills presented the minutes of the April 21st, 2011 Board Meeting. E. Mills requested to add to section 9, 2nd paragraph, “pursuant to the advice and recommendation of the Agency’s engineer, D. Leibnitz.” A motion to approve the April 21st, 2011 board meeting minutes as amended was made by E. Kinkade, seconded by R. Mosca and majority approved. R. Stephen Lynch abstained from voting since he was absent from the meeting.
- 3. Operating Report** – D. Walsh informed the Board that April’s monthly tonnage budget was set for 13,016 tons. The Facility received 12,261 tons, making it 755 tons short of the budget. The year-to-date tonnage remains in good standing, 8,943 tons over budget. Electricity generated to Central Hudson for April was 4,342,820 kwh for a total revenue of \$260,569.20.

Incoming tonnage to the MRF was low for April, 455 tons. The single-stream recycling program has seriously begun to impact the volume at the MRF. The revenue numbers were down in April as well. A total revenue of \$26,197.00 was made as opposed to \$31,375.00 last month.

The most recent Household Hazardous Waste day was held on May 7th in Pawling. A total of 50 people registered and a total of 47 people attended. There were more chemicals collected than in the past. E. Kinkade suggested eliminating the \$5 registration fee and having the residents sign up for a time only. Vice Chairman E. Mills noted that many people seem to respect their commitment when they put dollars down even if it is only a nominal fee of \$5 and how the pre-registration process really does influence what the vendors’ resources are going to be for that day.

A total of 104 pounds of medications were collected from Dutchess County residents on May 7th at the Agency Facility on the “Safe Medications Disposal Day.” The Dutchess County Sheriff’s Office has a collection, separate from the Agency’s, at several Fire Departments throughout the County from April through June. Their collected pharmaceuticals will be transported to and disposed at the Resource Recovery Facility.

- 4. Engineer Report** – D. Leibnitz informed the Board that since the date of the last board meeting until today the availabilities Unit Nos. 1 and 2 were 96.6% and 100% respectively. The only downtime on Unit No. 2 occurred when the unit underwent a boiler wash in late April and during that time a leak at the rotary joint was repaired. Turbine-Generator availability was

99.1%. The turbine had been taken down a few brief times by Central Hudson. Covanta has installed a first-order relay stack to help determine the cause of these trips that have been recurring. The device reacts quickly during a trip event to identify the particular cause of the trip. Once sufficient data has been recorded, discussions with Central Hudson could be initiated, if appropriate.

During a brief control room inspection, both units were running and producing 96,000 pph of steam and generating 8.9 MW of power. The pit is presently low containing approximately 2200 tons of MSW.

The updated Facility performance summary sheet was presented which indicated that the Facility ran very well coming out of the Spring outage. The boiler capacity utilization based on a waste HHV of 4500 BTU/lb exceeded 100%.

The 2011 annual stack test was completed in April. Unofficial preliminary results were forwarded by the stack testing firm and the data presented indicated that all tests have passed.

HDR reviewed the second version of the working draft of the Title V Permit renewal received from the NYSDEC. HDR also submitted the first quarter Title V compliance certification report. The working draft of the Facility's Part 360 permit is expected from the NYSDEC shortly.

- 5. Agency Financial Report** – C. Tamney presented the payables in the amount of \$1,190,762.58. E. Kindake asked about the bill from Regional Waste Solutions for \$33,596.22. It was further clarified that the charges are for both the municipal landfill ash disposal fees and the broker's fee. Vice Chairman E. Mills asked about the \$11,360.44 to the Dutchess County Commissioner of Finance and C. Tamney replied it is the fee for the employee's health benefits, which has increased recently because the County has now imposed a two percent mandatory monthly charge for administrative services. This includes such tasks as invoicing the Agency and answering any questions related to the health plan services. D. Nestler asked about how much ash is taken out of the Facility and W. Calogero responded that it is less than 50,000 tons a year. A motion was made by E. Kinkade, seconded by R. Stephen Lynch to approve the payables minus the bills from Sedore and VanDeWater for an amended amount of \$1,173,914.92. A discussion developed over the motion. Vice Chairman E. Mills asked E. Kinkade why he is opposed to paying these two companies. E. Kinkade replied that it is the same as always, there is no contract in place and there has not been an RFP done. Vice Chairman E. Mills replied that this authorization is for payment on services that have been performed and how there is indeed a contract with Sedore. E. Kinkade answered that there has not been an RFP done for so many years, it is outdated. Roll Call Vote: R Stephen Lynch, E. Kinkade, E. Mills in favor. R. Mosca and D. Nestler opposed. Motion failed.

A second motion was made by D. Nestler, seconded by R. Mosca to approve the payables for the entire amount of \$1,190,762.58. Roll Call Vote: R. Mosca, D. Nestler, E. Mills in favor. R. Stephen Lynch and E. Kinkade opposed. Motion failed.

A discussion was addressed to those members opposed to paying the two companies for services rendered. R. Mosca wanted to know at what point will these two bills be approved for

payment. The Audit Committee presently is composing an RFP for auditing services. R. Stephen Lynch responded that his view is that it has been over two years since a motion was passed to RFP all professional services, and it is clear the Board is not going to do it. Discussion ensued. In summary, Vice Chairman E. Mills suggested R. Stephen Lynch to begin to put together a draft RFP for legal services along with a scope of work since he seems to be knowledgeable and experienced in writing RFPs.

A third motion was made by E. Kindade, seconded by R. Stephen Lynch to pay the bills with the exception of the two professional services, Sedore and VanDeWater. R. Mosca expressed that he is embarrassed by the position of the Board, and he is upset about being backed into the corner on this issue. A lot of time has been wasted on this issue which shouldn't be occurring.

Attorney/Client Session - A motion was made at 5:35 pm by D. Nestler, seconded by R. Mosca and unanimously approved to move into Attorney/Client session to discuss the hiring of a particular person, firm or corporation.

Resumed regular session at 5:39 pm.

The motion was restated to pay the bills minus both the Sedore bill for \$8,666.00 and the VanDeWater bill for \$8,181.66 for an amended amount of \$1,173,914.92. R. Stephen Lynch, R. Mosca, D. Nestler, E. Kinkade, and E. Mills all in favor. Motion passed.

The Profit and Loss Analysis worksheet was reviewed and E. Kinkade asked about the tipping fees and processing expenses. C. Tamney explained the analysis of how the total tip fees listed are the actuals for the month and how the service pass through charges are not always going to apply to the same month. The pass through bills may have some items such as lime deliveries from the previous month. It wouldn't necessarily be all from the same month. E. Kinkade asked to clarify the recordings of the tonnage fees versus the tipping fees. Net tonnage fees are what the Agency gets charged for the processing of all incoming tonnage less ash removed during the actual month. The tipping fees (received by the Agency) are recorded based on gross tonnage received at the scale during the actual month as well. All items listed under the line Item 7500 on the worksheet are recorded on the month they occur and the Agency accrues the expense at that point.

There were no further questions regarding the financials.

- 6. Committee Reports** - Vice Chairman E. Mills of the Governance Committee reported that the Committee met earlier in the week to review the current Procurement Policy and to revise what is currently in place. This revised draft is currently in each board member's packet. Vice Chairman E. Mills asked the Board to review the draft and provide any comments back to him by June 5th, 2011. His intent is to take those comments and have the Policy in final format for the June 16, 2011 Board Meeting. At that time, he would like the Policy to be put forth for adoption.

All members should have electronically received a copy of the final follow-up letter sent by W. Calogero to the State Authority Budget Office and were asked to advise if they have not.

R. Mosca of the Audit Committee reported that they will meet an hour prior to the June 16th, 2011 Board Meeting to review the final draft for an RFP on accounting services.

7. **Executive Session** – A motion at 5:45 pm to move into Executive Session to discuss a particular contract was made by R. Mosca, seconded by D. Nestler and unanimously approved.

Resumed regular session at 7:35 pm.

A motion was made at 7:36 pm by D. Nestler, seconded by E. Kinkade and majority approved to approve a Put or Pay Solid Waste Disposal Agreement and was adopted under Resolution No. 711. E. Mills abstained from the vote.

8. **Public Comment** - There was no public comment.

9. **Executive Session** – The meeting moved back into Executive Session at 7:37 pm to discuss a personnel issue.

Resumed regular session at 7:55 pm.

With no further business to discuss the meeting was adjourned at 7:56 pm.

Respectfully submitted,

William J. Calogero
Executive Director