

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

JULY 19TH, 2012 – 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, Chairman; J. Small, Vice-Chairman, E. Kinkade, Treasurer; and R. Mosca, Secretary; Agency Staff, W. J. Calogero, D. Walsh and C. Tamney; Agency Counsel, J. Nelson; D. Leibnitz, HDR; L. Carille, Dutchess County Solid Waste Coordinator; and A. Surman, Dutchess County Legislator.

1. **Regular Session** – Chairman E. Mills called the meeting to order at 5:03 pm.
2. **Minutes** – Chairman E. Mills presented the minutes of the May 17, 2012 board meeting. A motion to approve the May 17, 2012 board meeting minutes was made by E. Kinkade, seconded by R. Mosca and unanimously approved.

Chairman E. Mills presented the minutes of the June 27, 2012 board meeting. A motion to approve the June 27, 2012 board meeting minutes was made by E. Kinkade, seconded by J. Small and unanimously approved.

3. **Agency Financial Report** – C. Tamney presented the payables in the amount of \$2,167,255.02. Chairman E. Mills inquired about the Repair and Replacement fees under the wire transfers totaling \$975,228.04. W. Calogero replied that it is the maintenance that is performed primarily under the Facility's planned outages. J. Nelson added that it is the repair and replacement bill of the major components of the Waste-To-Energy Facility, which is a specific part of the operating contract, and that those fees also include escalation. The Agency has requested from the Facility Operator, Covanta, an itemized description and cost breakdown of the major components repair and replacement work performed at the Facility in 2011 along with the equipment and materials purchased for that work during the same period. To date, this information has not been provided. It was recommended to withhold that payment to the Operator and further agreed to reduce the total wire transfer payment to the Operator to \$819,838.20. A motion to pay the bills in the amended amount of \$1,192,026.98 was made by R. Mosca, seconded by J. Small and unanimously approved.

Under the Pass Through Costs, E. Kinkade asked about the emission testing fees. D Leibnitz replied that these costs are for the mandatory air compliance tests that are very much involved and consume an entire week. Also mentioned were the CEMS gas fees and how it is still running over budget. C. Tamney replied that there was a misposted amount of \$48,000 from last month that since has been corrected, but there still remains a CEMS balance of \$54,913. Another question was why the host community benefit is being charged more than what was budgeted. W. Calogero replied that the Facility processed more waste than what was budgeted. E. Kinkade stated that there could potentially be a cash flow problem and that he would like to see the cash flow worksheet that was done at the end of last year be updated.

On the Aging Summary, Chairman E. Mills questioned the account of Robison's Refuse. J. Nelson replied that since the last board meeting he has sent a letter to Robison's requesting payment to be made by the next board meeting, July 19th, and if there has not been any response by then, notification would be made to the Board of how this account continues to be in default and that further action will need to be taken. Chairman E. Mills asked L. Carille if there are any provisions when renewing a solid waste disposal license if an account is in arrears with the Resource Recovery Agency. L. Carille replied that presently there is not anything in the County rules and regulations to deny any license renewals if an account is in arrears with the Agency; however, it is something that has been discussed and is under consideration when updating the County rules and regulations for licensing. J. Nelson will keep the Board informed on the next course of action that will be taken for Robison's Refuse.

- 4. Operating Report** – D. Walsh reported that the budget set for incoming waste tonnage for the month of June was 13,016 tons and the Facility received 13,323 tons, 307 tons over budget. The year-to-date tonnage is running 11,371 tons over budget.

The MRF received 371 tons of recyclables for June and had \$9,049 worth of revenue from the recyclables and market sharing rebate.

The Household Hazardous Waste Day event was held on July 7th at the Agency and had 83 attendees. W. Calogero stated that there is a decrease in the volume of electronics being turned in than in the past since more areas in the County have started their own collections for electronics.

There was a total of 96 pounds of medications collected on the same day under the Household Pharmaceutical Collection Day event.

- 5. Engineer Report** – D. Leibnitz informed the Board that from June 27, 2012 until July 18, 2012 the Facility had operated with an average availability of 100.0%, 100.0% and 99.0% on Unit Nos. 1, 2 and the Turbine-generator, respectively. There was only a single 5 hour scheduled turbine outage to accommodate a request by Central Hudson Gas & Electric related to work being performed at the Spackenkill Substation.

During a brief control room inspection at 11:00 a.m., the Facility was running at an average/medium rate. Unit Nos. 1 and 2 were producing 97,000 pph of steam and generating approximately 7.0 MW of power. The pit is very low and presently contains approximately 800 to 1000 tons of MSW.

The updated Performance summary sheet was presented. In June, the Facility processed MSW at a Capacity Utilization of 107.6%. The high capacity utilization is most likely due to the dry weather of June causing the HHV of the waste to be higher than 4500 BTU per pound. The average processing rate during the month was 454 tons per day which is consistent with the 456 ton per day average stated in the permit. The overall availability was 100.0%. The Facility produced 71,099 kilo-pounds of steam. Energy efficiency was estimated to be 329 net kWh/ton which is comfortably above the 307 net kWh/ton target efficiency.

Covanta, the Agency and HDR met to discuss the high rate of lime use as well as large increases in lime usage in the last two months. June lime use averaged approximately 42 pounds of lime per ton of MSW. May lime use averaged approximately 32 pounds of lime per ton of MSW. Over the last several years, lime use by Covanta averaged approximately 28 pounds of lime per ton of MSW. Prior operation by Montenay averaged 24.5 pounds of lime per ton of MSW. Covanta investigated the situation and noted that human error was the cause for the May and June events. Improper lime concentration testing, which is done manually, was blamed for increasing the concentration of the lime slurry by a significant amount. This significantly increased the rate of lime consumption when running at the low end set point of the SDA equipment. Covanta has stated since this error has been identified that they will now take steps to reduce the lime use. HDR will continue to closely monitor the lime use.

HDR reviewed and commented on the draft Annual Stack Test Report and final submission of the same to the NYSDEC. HDR also reviewed and commented on the Title V Quarterly Opacity Audit Report, the CGA Report, the 1st Semi-Annual Title V Compliance Certification Report, and the 2nd Quarter Compliance Certification Report.

- 6. Committee Reports** – There were no Committee Reports.
- 7. Public Comment** – L. Carille spoke about a few minor adjustments the County has made to the Solid Waste Disposal licensing requirements. The auto liability insurance minimum combined single limit of liability per occurrence for bodily injury and property damage and including the MCS-90 endorsement, which was \$1,000,000, is now \$750,000 and the excess/umbrella liability of \$3,000,000 limit over auto and general liability coverages has been eliminated. Also, the County will help promote the Household Hazardous Waste Day events through its own website and press releases will be submitted one week in advance with the dates, times and locations.
- 8. Executive Session** – At 5:30 pm, a motion to move into Executive Session for matters involving attorney/client discussions as well as the hiring/firing of a particular contractor was made by E. Kinkade, seconded by R. Mosca and unanimously approved.

The meeting resumed back to public session at 6:30 pm.

With no further business to discuss, the meeting was adjourned at 6:32 pm.

Respectfully submitted,

William J. Calogero
Executive Director