

DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

AUGUST 21, 2014 – 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 R. Mosca, Vice-Chairman; K. Williams, Secretary; Board Members; T. LeGrand and D. Petrovits; Agency Staff, W. J. Calogero, D. Walsh and C. Tamney; Agency Counsel, A. Odierna; D. Leibnitz and R. Scott Mills, HDR, L. Carille, Dutchess County Deputy Commissioner, Division of Solid Waste Management; and V. Langone, Wheelabrator Dutchess County LLC.

1. **Regular Session** – Vice-Chairman R. Mosca called the meeting to order at 5:10 pm.
2. **Operating Report** – D. Walsh reported that the Facility received 12,730 tons of waste in July which was close to the budget estimated amount of 12,670 tons. The year-to-date incoming tonnage is currently 7,500 tons over budget.

W. Calogero reported that there were 163 people that attended the August 2, 2014 Household Hazardous Waste Collection event in Poughkeepsie. There was also 102 pounds of household pharmaceuticals collected that day. To date, the Resource Recovery Facility has disposed 2,450 pounds of medications.

3. **Engineer Report** – D. Leibnitz reported that starting on July 1, 2014 the Facility has been operated by Wheelabrator Dutchess County, LLC (Wheelabrator). The Facility is being operated at approximately 89.5% of the permit limit as various mechanical and electrical systems in the Facility are inspected. In July, the Facility processed approximately 12,720 tons of MSW. Full Facility outages for more detailed inspections and repair activity on Units 2 and 1 are scheduled starting September 15 and September 22, respectively. Presently the pit contains approximately 1000 tons of MSW.

The Facility performance in July, pursuant to the calculation methods of the new Service Agreement, has been as follows:

- Electrical Generation Efficiency – 263.6 net kWh/ton versus the guarantee of 307 net kWh/ton. Covanta's performance in the first 6 months of 2014 was 275 net kWh/ton
- Ferrous Recovery – 4.24% recovery versus the guarantee of 4.0% Covanta's performance in the first 6 months of 2014 was 4.03%
- Wet Ash Residue - 32/86% versus the guarantee pf 32%/ Covanta's performance in the first 6 months of 2014 was 34.28%

This initial disrupted operational mode was anticipated and incorporated into section 2.3 c of the new Service Agreement, which forgives any performance penalties for the first 90 days of operations. Major work activities in July included repairs to one failed ACC fan gearbox and coupling; motor, gearbox and belt replacements for fly ash conveyors; boiler tube leak repairs; replacement of the bottom ash belt drive roller; fly ash conditioner refurbishment; the west refuse crane brake assembly replacement; RO pump rebuild; Unit 2 gas burner rebuild; replacement of ram feeder controls; reprogram Moore controllers (caused black plant); replacement of ACC rupture disc (caused black plant); repair/replacement of main vibratory conveyor structural clips; springs and rockers, etc. amongst other items.

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The Agency continued the process of submitting formal documents to the NYSDEC to identify Wheelabrator as the new operator starting July 1, 2014. Documents included the Wheelabrator three-year record of compliance for their New York facilities and the Agency's financial assurance to accommodate Facility closure if necessary.

The Agency submitted the interim Operations & Maintenance Manual updates to the NYSDEC and first responders. HDR is also in the process of discussing manual updates that Wheelabrator wants to incorporate into the document.

The draft report for annual emissions compliance test (stack test) is presently being reviewed with the NYSDEC. HDR has had several discussions with the NYSDEC for invalidating the May test results from Unit 2. It is the opinion of HDR that the Facility was having operational problems at the start of the testing program and that Unit 2 did not run in the range of normal operating conditions for the majority of the test program. Based on HDR's request and data recorded from the testing program, the NYSDEC has agreed to allow the testing on Unit 2 to be repeated and to invalidate the test runs from May. The rescheduled test program is presently being coordinated between Wheelabrator, the Agency, HDR and the NYSDEC.

HDR is in the process of preparing the US Department of Energy reports for 2013 which are due in August. The US Department of Energy has made significant changes to these reports for 2013. HDR is also in the process of reviewing several draft environmental compliance reports for the first half of 2014 that were prepared by Covanta.

HDR is reviewing and, where necessary, assisting Wheelabrator with a broad range of environmental compliance scoping and documentation activities. HDR is also coordinating with Wheelabrator on tasks related to detailed inspections of the Facility equipment and the planning for several Facility site improvements.

4. **Minutes** – Chairman J. Small presented the minutes of the March 6, 2014 special board meeting. A motion to approve the March 6, 2014 special board meeting minutes was made by T. LeGrand, seconded by W. Nussbickel and unanimously approved.

Chairman J. Small presented the minutes of the April 10, 2014 special board meeting. A motion to approve the April 10, 2014 special board meeting minutes was made by T. LeGrand, seconded by K. Williams and unanimously approved.

Chairman J. Small presented the minutes of the April 17, 2014 board meeting. A motion to approve the April 17, 2014 board meeting minutes was made by W. Nussbickel, seconded by T. LeGrand and unanimously approved.

Chairman J. Small presented the minutes of the May 22, 2014 board meeting. A motion to approve the May 22, 2014 board meeting minutes was made by R. Mosca, seconded by K. Williams and unanimously approved with T. LeGrand abstaining from the vote.

5. **Agency Financial Report** – W. Calogero presented the payables in the amount of \$1,201,583.71. Chairman J. Small asked when will the HDR bill of \$53,170.10 begin to go down to where it use to be. D. Leibnitz replied that the difficulties of the transition with the Operator has not been an easy task and has caused more work and time than anticipated. There will be more work to do in August with the repeat of the emissions testing, so in September the HDR fees should come down. W. Calogero added that HDR fees are still within the budget. K. Williams asked about the Verizon operating phone bill for \$331.42. W. Calogero replied that this is a normal monthly bill but can advise her of the details next month. Chairman J. Small remarked on the Air Compliance Group fees of \$48,863.58. W. Calogero replied that it is the charges for the air emissions testing done on both Units. A motion to approve the bills submitted for \$1,201,583.71 was made by R. Mosca, seconded by T. LeGrand and unanimously approved.

The Accounts Receivable Aging Summary was reviewed and noted that East Coast Services has been banned from using the Resource Recovery Facility until their account has been paid.

6. **Committee Reports – Resolution No. 790 – Annual Meeting**

The current Slate of Officers and Committee appointments were reviewed along with a suggested listing of possible new officer and committee appointments. A motion to accept the proposed listing as presented was made by T. LeGrand, seconded by R. Mosca and unanimously carried under Resolution No. 790 – Annual Meeting.

7. **Public Comment** – M. Holcomb, Acting Plant Manager for Wheelabrator Dutchess County, gave a brief synopsis of the company transition. It has been twenty four days since they began operating the plant. Staff wise, Wheelabrator Dutchess County offered 39 jobs to Covanta employees and 35 employees accepted. There are two critical positions that need to be filled, a Shift Supervisor and a Plant Operator position. Most likely those positions will be filled internally. There are some challenges at the plant that were left from their predecessor. The plant is in tough shape but they have been systematically going over a priority list of what

needs to be done. There have been some outages since their transition which they have been able to repair. Overall, they are excited over the opportunity and are optimistic that Dutchess will be a great plant as things get straightened out.

8. **Executive Session** – At 5:45 pm a motion to move into Executive Session was made by T. LeGrand, seconded by W. Nussbickel and unanimously approved for the hiring or firing of particular companies, litigation, the credit and employment history of a particular entity and general attorney/client discussions.

9. **Regular Session** – The meeting resumed back into public session at 6:20 pm. A motion was made by R. Mosca, seconded by W. Nussbickel and unanimously approved, based on the information received from the County of Dutchess, that the Advisory Panel of the Resource Recovery Agency has no objection with the County of Dutchess to grant a hauler license to AAA Carting.

With no further business to discuss, a motion at 6:22 pm to adjourn the meeting was made by K. Williams, seconded by W. Nussbickel and unanimously approved.

Respectfully submitted,

William J. Calogero
Executive Director