

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## JULY 25, 2013 – 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 J. Small, Chairman; R. Mosca, Vice-Chairman; J. Mackey, Treasurer; T. E. LeGrand and W. Nussbickel Board Members; Agency Staff, W. J. Calogero, D. Walsh and C. Tamney; Agency Counsel, J. Nelson; D. Leibnitz, HDR; A. Surman, Dutchess County Legislator, and J. Loeb, Drake, Loeb Heller Kennedy Gogerty Gaba & Rodd PLLC (Special Counsel).

1. **Regular Session** – Chairman J. Small called the meeting to order at 5:03 pm.
2. **Executive Session** – At 5:04 pm a motion was made by J. Small , seconded by R. Mosca and unanimously approved to move into Attorney/Client Session with Special Counsel.

The meeting resumed back to public session at 5:10 pm.

**Resolution No. 768 – Adoption by the Agency of the Negative Declaration Declared by the Town of Poughkeepsie Planning Board (the “Planning Board”) as Lead Agency for the SEQR Review of the Application for Site Plan Approval Made by Central Hudson Gas & Electric Corporation (“Central Hudson”)**

The Agency does hereby adopt the Negative Declaration issued by the Town of Poughkeepsie Planning Board and as such does hereby conclude the Agency’s SEQRA Review of the Central Hudson project. A motion to approve Resolution No. 768 was made by J. Small, seconded by R. Mosca and unanimously approved.

**Resolution No. 769 – Authorization for the Executive Director of the Agency to Execute the Easement from the Agency to Central Hudson Gas & Electric Corporation (“Central Hudson”)**

The Executive Director of the Agency is hereby authorized to execute the 50’ wide easement from the Agency to Central Hudson together with such other documents as may be necessary in order to record the easement in the Dutchess County Clerk’s Office, and the Agency further authorizes the delivery of the executed easement upon receipt of the agreed upon consideration from Central Hudson to the Agency. A motion to approve Resolution No. 769 was made by J. Small, seconded by R. Mosca and unanimously approved.

3. **Operating Report** – D. Walsh reported that the Facility received a total of 11,762 tons of waste in June, under budget by 1200 tons. The decrease in tonnage was due to receiving less specialty waste. The year-to-date tonnage total remains close to 8,000 tons over budget.

**4. Engineer Report –** D. Leibnitz previously reported on June 5<sup>th</sup> at 8:20 am the Turbine/Generator experienced a catastrophic failure of its reduction gear. The turbine and the generator themselves appear to be unaffected but the connection between the two is now disabled. Covanta has provided a preliminary schedule to accomplish the Turbine/Generator preventive maintenance outage while the reduction gear is being fabricated. Covanta has also scheduled the Fall Boiler outages to occur in August and September before the Turbine/Generator returns to full service. The completion date for restarting the Turbine/Generator is presently September 10<sup>th</sup> on the preliminary schedule.

While the Facility cannot produce electricity for sale or for its own in-house needs, the Facility can still process MSW. Processing MSW without the turbine requires that the energy in the steam be dissipated using facility equipment that condenses the steam without extracting any useful energy from it. The operation of this equipment is significantly noisier than normal operation with the turbine, however, no noise complaints have been received to date.

The Agency and HDR are in discussions with Covanta related to the business interruption insurance coverage related to this event. The results of these discussions and the findings of the insurance adjuster are pending.

In June, the Facility processed 11,762 tons of MSW with an average availability of 93.7% on the boiler. The pit contains approximately 1600 tons of MSW.

The annual Emissions Compliance Test was completed on May 24. The draft test results were reported by the Air Compliance Group on June 20<sup>th</sup> and indicated that all tests had passed.

Last week, the Agency received the draft Part 360 Solid Waste Management Permit conditions from the NYSDEC. There are numerous statements made by the NYSDEC in the document that will need to be addressed. HDR along with the Agency and Covanta are presently formulating a detailed response letter.

**5. Agency Financial Report –** C. Tamney presented the payables in the revised amount of \$887,217.56. A motion to approve the bills as presented in the amount of \$887,217.56 was made by T. E. LeGrand, seconded by R. Mosca and unanimously approved.

It was noted that the shortfall payment and accrued finance charges previously discussed and due from Recycle Depot has been paid.

**6. Other Business – Resolution No. 770 – Directors and Officers and Household Hazardous Waste Insurance Coverage**

The Agency Board authorizes Brinkerhoff & Neuville to procure for the Agency an extension of the Directors and Officers liability insurance coverage for the 2013-2014 coverage year at a cost not to exceed \$19,882.00, to be provided by RSUI Insurance Company, and that the Executive Director is authorized to sign any necessary contracts, agreements or other documents as directed by the Agency Board to effectuate such an insurance policy.

The Agency conducts off-site Household Hazardous Waste collection days, for which it has maintained a separate liability insurance coverage from the Essex Insurance Company. The Executive Director is authorized to extend this coverage, to include the optional additional premium for terrorism coverage, for the year beginning July 29, 2013 at a cost of \$1,300.00 annually. A motion to approve Resolution No. 770 was made by T. E. LeGrand, seconded by R. Mosca and unanimously approved.

**Resolution No. 771 – State as Agent for Process Service Counsel to Receive Notices**

The Agency hereby designates Van DeWater and Van DeWater, LLP, attorneys for the Agency, to receive notices of claims against the Agency served upon the Secretary of State by mail and by e-mail. The Agency Board directs the Executive Director to file or cause to be filed the required certificate and all other documents with the Secretary of State informing them of the Agency's designation, the applicable time limitation for filing a notice of claim with the Agency, and the Agency's designation of Van DeWater & Van DeWater to receive notices of claim from the Department of State. A motion to approve Resolution No. 771 was made by T. E. LeGrand, seconded by W. Nussbickel and unanimously approved.

7. **Public Comment** – There was no public comment.
8. **Executive Session** – At 5:48 pm a motion was made by J. Small, seconded by T. E. LeGrand and unanimously approved to move into an Attorney/Client session for matters relating to contracts with specific people.

The meeting resumed back to public session at 6:22 pm.

**Resolution No. 772 – Authorization for Amendments to Final Operator RFP**

The Agency Board has considered two suggested changes to the final Operator RFP; to change the RFP and proposed Service Agreement term from thirteen years plus two six-year Agency options to either thirteen years plus two six year options to extend or a single twenty-five year term and extending the date for the submission of proposals from August 21, 2013 to September 4, 2013. After due consideration, the Agency Board finds that having a potential twenty-five year term will allow the Facility Operator to more fully depreciate its capital expenditures, which in turn will likely reduce the proposed service fee and other changes to the Agency, and that given that amendment, it would be beneficial to the Agency and the proposers to extend the time to submit proposals until September 4, 2013. The Executive Director is authorized to release, file and publish notice of the foregoing amendments to the final RFP for a Facility Operator, as directed by the Agency Board on July 25, 2013, subject to the advice and opinion of the County of Dutchess. A motion to approve Resolution No. 772 was made by T. E. LeGrand, seconded by J. Mackey and unanimously approved.

The meeting resumed back to public session at 6:50 pm.

With no further business to discuss, a motion at 6:53 pm to adjourn the meeting was made by T. E. LeGrand, seconded by J. Mackey and unanimously approved.

Respectfully submitted,

William J. Calogero  
Executive Director