

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## AUGUST 16, 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.

- 1. Regular Session** – Chairman W. Nussbickel called the meeting to order at 5:02 pm.
- 2. Minutes** – Chairman W. Nussbickel presented the minutes of the July 19, 2018 board meeting. A motion to approve the July 19, 2018 board meeting minutes was made by J. Small, seconded by J. Senft and unanimously approved. Chairman W. Nussbickel presented the July 19, 2018 executive session meeting minutes. A motion to approve the July 19, 2018 executive session meeting minutes was made by J. Senft, seconded by J. Small and unanimously approved.
- 3. Balanced Scorecard Report** – The Facility outage did run as scheduled. July 2018 was a poor performance month. It became necessary to divert over 8,000 tons of waste and to also bypass 1,900 tons of waste out to other locations in order to keep within the storage limitations of the Facility's NYSDEC permit. Extensive maintenance work was performed on the boilers in addition to numerous other repairs. The Net Agency Tons (NAT) for the month in which the Agency received credit for was 16,345 but the amount that actually came across the scales and stayed at the Facility was 4,395 tons. The net energy conversion performance rate in July was 434 kWh/NAT. The ferrous recovery in July was calculated to be 7.9%. The official wet ash residue exceeded the 32.0 percent guarantee and resulted in a penalty of \$138,866. There was an additional reduction to the service invoice of \$234,106.93 for the waste diversion. The value of the submitted invoice calculates this month to a credit back to the Agency for (\$71,984.47). This credit will be deducted from Wheelabrator's August invoice.

L. Carille stated that since the outage is now complete and with the pit level down under 2,000 tons, the dewatering process of the ash can begin back again. NYSDEC granted a conditional approval based on upgrades to the Facility in which Wheelabrator plans to reach out to the Agency for assistance in the funding. J. Senft asked if there was an estimation of the costs for such upgrades. L. Carille replied that total estimation would be in the range of approximately \$110,000 - \$120,000.

The annual stack testing was performed in August and everything went well.

- 4. Agency Financial Report** – The payables were presented in the amount of \$252,148.74. J. Small asked about the \$2,500 bill from Capital Market Advisors. L. Carille replied that it is a mandatory requirement under the bonds for the preparation of the 2018 annual filing statement pursuant to Rule 15c2-12 of the Securities Exchange Act. S. Tinkelman asked about the \$1,129 bill from Ulster County Boces. L. Carille replied that is the annual bill for the Agency's

payroll service. Also the D. Abrams, PLLC bill listed of \$532.01 completes the final billing for the legal professional services.

J. Senft asked about the status regarding the contract with Central Hudson. L. Carille replied that A. Page, the consultant for the County that has been meeting with the electric company's staff on behalf of the Agency, has reported back that nothing will change, the contract stands as is until January 2020. Future negotiations may begin back up next July for a formal agreement.

J. Small inquired about the net service fee balance of (-\$332,422) under the Profit and Loss statement and asked where that cash is shown on the balance sheet. L. Carille replied that it is disbursed amongst the Agency's checking and savings accounts. Even though the net service fee it is under budget this month, the profit and loss statement is based on the yearly budget which is a month to month estimation. In July, the new ash contract went into effect which will increase the expenses significantly in the months to follow. This additional increase to the Agency's expenses was not anticipated back in October when the budget was devised.

With no further discussion, a motion to approve the payables for \$252,148.74 was made by S. Tinkelman, seconded by J. Small and unanimously approved.

#### **5. Other Business – Resolution No. 847 – Authorization to Execute Settlement Agreement**

The Agency is engaged in a litigation with Henningson, Durham & Richardson , P.C. ("HDR") in which the Agency and HDR have each asserted claims and counterclaims. The parties desire to resolve their differences and settle all claims, counterclaims which have been or could have been asserted in the action as well as any defenses thereto, without the uncertainty, expense and distraction of further litigation and without admission of liability.

The Agency does hereby approve the Settlement Agreement Release of All Claims, annexed as "Exhibit A" attached to this resolution.

The Executive Director of the Agency is hereby authorized on behalf of the Agency to execute this Settlement Agreement Release of All Claims.

A motion to approve Resolution No. 847 - Authorization to Execute Settlement Agreement was made by J. Small, seconded by S. Tinkelman and unanimously approved.

#### **Resolution No. 848 – Authorization for Ferrous Scrap Metal Removal Services**

The Agency is seeking to contract with a metal recycler for ferrous scrap metal residue removal and recycling from the waste-to-energy facility. The Agency had to quickly obtain the services of a local metal recycler, Baroni Recycling, when the contracted metal recycler, Weitsman Recycling (d/b/a Upstate Shredding) defaulted on their contract.

After seeking metal recyclers that could handle the volume, type and timely removal of material the Facility generates and whereas Baroni Recycling has provided excellent services and on-time payments for over one year, the Agency desires to formalize the agreement with Baroni Recycling. It is in the best interest of the Agency to have a local firm with the necessary specialized and specific qualifications to provide all required metal recycling services to the Facility.

The Executive Director is authorized to contract with Baroni Recycling for the recycling ferrous metals residue under the attached agreement, pricing and payment terms.

A motion to approve Resolution No. 848 – Authorization for Ferrous Scrap Metal Removal Services was made by J. Senft, seconded by J. Small and unanimously approved.

There were no violations reported from NYSDEC.

There was no public comment.

With no further business to discuss, at 5:40 pm a motion to adjourn the meeting was made by J. Senft, seconded by J. Small and unanimously carried.