

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## AUGUST 18, 2016 – 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; Board Members; T. LeGrand, D. Petrovits, R. Frost, S. Tinkelman, and D. Lois; Agency Staff, L. Carille and D. Walsh; and J. Metzger, Dutchess County Legislator.

- 1. Regular Session** – Chairman J. Small called the meeting to order at 5:05 pm.
- 2. Operating Report** – The budget for July was set at receiving 13,753 tons of waste. The Facility received 13,320 tons, making it 430 tons short of the budget. The Facility is running approximately 2,500 tons under the yearly budget. The pit level as of the morning was at 2,340 tons. There was 7,000 tons of waste in for the first half of August.
- 3. Minutes** - Chairman J. Small presented the minutes of the February 18, 2016 board meeting. A motion to approve the February 18, 2016 board meeting minutes was made by D. Petrovits, seconded by T. LeGrand and unanimously approved with R. Frost abstaining. Chairman J. Small presented the minutes of the July 21, 2016 board meeting. A motion to approve the July 21, 2016 board meeting minutes was made by R. Frost, seconded by T. LeGrand and unanimously approved.
- 4. Facility Report** – The Facility sold 3,764.78 MW to Central Hudson. The net energy conversion performance rate in July was 283.95 kWh/ton, under the performance guarantee of 307/ton. This was due to unplanned outages. Boiler No. 1 availability was 94.3% due to breakage of the siftings chain (ash/metal conveyor) and a combustor tube leak. Siftings chains were repaired and leak repaired. Boiler No. 2 availability was 92.05% due to a combustor leak requiring repair. The turbine availability was 97.39% due to six trips of the turbine caused by the mentioned repairs and two erratic vibration trips on July 31. To prevent further breakdowns with the siftings chain, WTI had a planned maintenance scheduled between August 1 and 8. Welders were brought in to repair and replace any needed chains and equipment. Elliott Group, the makers of the turbine, were contacted to determine the cause of the erratic vibrations. An electrical contact was determined to be a possible cause and the contact was cleaned. There have been no further issues. The Fall outage is planned for the week of 8/22/16 for Boiler No. 1 and the week of 9/12/16 for Boiler No. 2. The ferrous metal recovery in July was calculated to be 5.1 percent. The wet ash residue was 36.23 percent of NAT which exceeded the 32.0 percent guarantee. Wheelabrator has absorbed the additional fee for not meeting the 32.0 percent residue guarantee and has reduced their July invoice by \$21,825.42.

The Agency submitted the 2<sup>nd</sup> Quarter Part 360 Permit Compliance Report and the Semi-Annual Title V Compliance Report on time.

The Agency's application for a DEC Title V Permit renewal is complete and the required notice of publication 30-day public comment period has passed without receiving any comments. The DEC has up until September 28<sup>th</sup> to issue the approval of the Permit.

5. **Agency Financial Report** – The payables were presented in the amount of \$1,181,816.50. R. Frost asked about Van DeWater's bill for \$6,256.28. L. Carille replied that the bill does include two months of service. There has been less time spent with telephone calls, e-mails, conferencing and the Agency is now writing its own resolutions. T. LeGrand asked about Greenhill Communications fees of \$3,230.00. L. Carille replied that it is for the upgrade to the Agency's telephone system and for the new telephone equipment purchased to handle the voice mail system. By switching from Verizon to Optimum there will be a savings of \$3,000 a year. There is a Verizon data line for metering that connects from the Facility to the substation that remains active. This costs \$165.00 per month and she is still working on ways to reduce that bill. J. Metzger suggested that the Agency may benefit from the state bid on phone lines when Verizon bids on the state contracts. L. Carille replied that she will look into it further.

The Central Hudson hook up charges increased in July by \$210.54 and will increase again next July. WTI is responsible for these fees and are paid by a pass through on their monthly bill to the Agency.

A motion to pay the bills for \$1,181,816.50 was made by D. Lois, seconded by R. Frost and unanimously approved.

6. **Other Business** - L. Carille spoke about the refunding process of the Series 2007 bonds. As previously discussed at last month's board meeting, the time period was very short in order to have the completion done by December 31, 2016, which meant there was no time to RFP for a financial advisor or for a general counsel. Since The Agency has been working with Capital Markets since 1998 and since they are very familiar with the Agency and last bond issuance and since Van DeWater had acted as general counsel to the Agency on several note and bond issues, including the 2007 bonds, it would be in the Agency's best interest to use both firms again.

B. Ferguson of Capital Markets drafted the RFP for both Bond Counsel Services and for the Bond Underwriter. Both drafts were reviewed and approved by L. Carille and Agency Counsel, J. Nelson. There were seven responses received from the bond counsel RFP. The range in cost was from \$17,500 - \$150,000. B. Ferguson, J. Nelson, and L. Carille reviewed the responses to both RFP's. The company chosen for bond counsel was Orrick, Herrington & Sutcliffe for \$25,000. They had experience with this type of Agency and in refunding. There were six responses received from the Underwriter RFP. The costs ranged from \$75,000 – 97,500. The company chosen to act as Underwriter was Piper Jaffray for \$75,000.

### **Resolution No. 820 – Retention of Professional Services for Refunding of the Series 2007 Bonds**

The Interim Executive Director is authorized to retain Orrick, Herrington & Sutcliffe, LLP to act as bond counsel on the refunding as proposed at a cost not to exceed \$25,000 inclusive of

expenses. The Interim Executive Director is authorized to contract with Piper Jaffray Co to act as Underwriter for the Agency proposed at a cost of \$5.84112 per thousand dollars of bond issued and an estimated cost of \$55,000. The Interim Executive Director is authorized to contract with Standard & Poor's for the rating of the Agency's Bonds at a not to exceed cost of \$18,000. The Agency Board found that it would not be in the best interest of the Agency to solicit alternative proposals or quotations for a Financial Advisor or General Counsel for the refunding and it authorizes the retention of Capital Markets Advisors at a cost not to exceed \$45,000 and Van DeWater & Van DeWater at a cost not to exceed \$20,000. A motion to approve Resolution No. 820 – Retention of Professional Services for Refunding of the Series 2007 Bonds was made by R Frost, seconded by D. Lois and unanimously approved.

### **Resolution No. 821 - Authorization to Retain Counsel**

Joseph Small, as Chairman of the Board of Directors of the Agency, is authorized and directed to retain special counsel to investigate the viability of certain claims relating to professional services rendered to the Agency on the terms discussed in executive session. A motion to approve Resolution No. 821 – Authorization to Retain Counsel was made by D. Petrovits, seconded by T. LeGrand and unanimously approved with R. Frost abstaining.

L. Carille informed the Board that the Agency did advertise through the Poughkeepsie Journal newspaper a part-time scale operator position and there was no response. The Board agreed to try to advertise through the internet.

The surplus of property has been completed with all items being sold with the exception of the truck. It was decided to not accept the bid of \$7,200. It can be put back up for sale on the auction website.

The RFP's for engineering services and legal services have been finished and reviewed by the County attorney. The Board asked that they receive a copy of both proposals for informational purposes.

7. **Executive Session** – A motion at 5:46 pm to move into Executive Session was made by T. LeGrand, seconded by D. Petrovits and unanimously approved for discussions involving the hiring, firing, promotion, demotion of a particular person or firm.
8. **Regular Session** – The meeting resumed back into public session at 6:35 pm.

### **Resolution No. 822 – Authorization to Retain Counsel**

The Interim Executive Director is authorized to execute an agreement with Drake Loeb, PLLC to represent the Agency concerning matters relating to the Town of Poughkeepsie at a hourly rate of \$175. A motion to approve Resolution No. 822 - Authorization to Retain Counsel was made by R. Frost, seconded by D. Petrovits and unanimously agreed.

With no further business to discuss at 6:36 pm a motion to adjourn the meeting was made by R. Frost, seconded by D. Petrovits and unanimously approved.