

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## AUGUST 20<sup>TH</sup>, 2009 – 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. Conners, Chairman, C. Chale, Vice Chairman, D. Nestler, Treasurer, R. Mosca, Secretary, Board Members, T. E. LeGrand, E. Mills and R. Stephen Lynch; Agency Staff, W. J. Calogero, D. Walsh; J. Nelson, Agency Counsel; D. Leibnitz, HDR; and J. Loeb, Drake Loeb Heller Kennedy Gogerty Gaba & Rodd.

1. **Regular Session** – W. Conners called the meeting to order at 5:12 pm.
2. **Minutes** – W. Conners presented the minutes of the June 18<sup>th</sup>, 2009 Board Meeting. A motion to approve the minutes was made by C. Chale, seconded by D. Nestler and unanimously approved. E. Mills and R. Mosca abstained.

W. Conners presented the minutes of the July 16<sup>th</sup>, 2009 Board Meeting. E. Mills requested for the record to include that he left the meeting at 6:05 pm. Also, since C. Chale was not present at the meeting she would like to add the word “participated” via telephone to the introductory paragraph of attendees. A motion to approve the minutes as amended was made by C. Chale, seconded by R. Mosca and unanimously approved. R. Stephen Lynch abstained.

W. Conners presented the minutes of the August 4<sup>th</sup>, 2009 Special Meeting. R. Stephen Lynch requested the specific names from the roll call vote of the Resolution be listed in the minutes. A motion to approve the minutes as amended was made by E. Mills and unanimously approved.

W. Conners presented the minutes of the August 13<sup>th</sup>, 2009 Special Meeting. E. Mills requested that the following statement be added: “E. Mills commented that at the December 2008 Board Meeting, a motion had been made to negotiate a proposal with Hudson Baylor to provide services starting in January 2009 on a month-to-month basis until the Agency awarded a new RFP for operation of the MRF. He said that it was his further recollection that this motion has been passed at the December meeting in contemplation that such an RFP would then be prepared and issued by the beginning of this summer. E. Mills noted his concern that this had not yet taken place. Further discussion then ensued on the RFP process and the MRF.” W. Calogero and J. Bibko listened to the tape recording of the December 2008 Board Meeting and did not hear such a comment. W. Conners said that he does not recall discussing the summer or any specific time for an RFP in that meeting. He also listened to the tape and did not hear such a statement. He is not opposed of E. Mills having his recollection listed in the minutes. A motion was made to approve the minutes as amended by R. Mosca, seconded by D. Nestler and unanimously approved.

A motion to move to Attorney-Client session at 5:22 pm was made by E. Mills and unanimously approved. The meeting moved into regular session at 6:15 pm.

### **3. Operating Report – D. Walsh**

D. Walsh informed the Board that the month of July brought in 12,994 tons of waste. The budget for the month was 13,885 tons. We are under budget for the month by 890 tons and the year-to-date total figure increases to 2,300 tons under budget. We do remain 5,300 tons ahead of last year. W. Calogero noted that he does not foresee the waste volume to pick up, as most companies he spoke with have not seen any significant increases to their own volumes. The electricity generated to Central Hudson was 4,102,070 kwh that resulted in revenue dollars of \$246,124.20.

D. Walsh presented the MRF Tonnage and Revenues worksheet. Besides including the tipping fee charges per month on the worksheet she also added the revenues generated from those tipping fees. The revenue sharing totals with Hudson Baylor sales are included as well. She noted that the fiber market is recovering faster than the commingled market and that business is reviving nowhere near the peak levels of last summer but getting back to a steady business.

### **4. Clean Air Update – D. Leibnitz**

D. Leibnitz reported that the official name of the operator of this facility is Covanta Hudson Valley Renewable Energy LLC. It will be managed under their New York/New Jersey regional office that is located at their corporate headquarters in Fairfield, New Jersey. The facility's operations manager, Dave Blackmore, has accepted a permanent position at the Pinellas County Facility in Florida. A replacement is currently being sought and interviews have been initiated.

The siding repair by J.M. Groom of New Jersey began two weeks ago. Several corroded steel members will be replaced and a rust inhibitor has been applied to all steel components. The south wall siding is presently being removed along with the original insulation. Siding fasteners will be replaced and added at additional locations. Subgirts will be added in staggered locations for additional stability. C. Chale asked who is inspecting this structural work that is being done. D. Leibnitz stated that it is Montenay's responsibility to make sure someone is watching over the work on a daily basis. It was further discussed and was decided that a request in writing be sent to Covanta on how the work is advancing, who is determining what work is necessary, who is signing off, etc.

Waste delivery has slowed down over the last month. Facility operations have been good. Due to the combination of high availability of the boilers and the reduction in msw deliveries, the facility has started on July 10, 2009, operating at a reduced targeted average steam production rate of 45,000 pounds per hour per unit. The waste pit management goal is to have enough waste to keep both units on line until the September 16, 2009 outage. It is also being planned to enter in the fall outage with a near-empty pit to minimize any bypass operations.

A design for opening up larger access panels at the base of the stack has been prepared by Downington Engineering Consultants. The purpose of the openings is to reduce the cost of the flue repairs that will be performed during the Spring 2010 outage. HDR has reviewed the design furnished by Downington and have provided comments to Covanta.

HDR has been working with Covanta to complete the modifications to the Maintenance and Operations Manual of the facility. Remaining work includes the modifications to the ash residue management plan. HDR has resubmitted the DOE EIA-923 Report in response to the DOE comments and the EIA-860 has been submitted on schedule. All reports are up-to-date.

## **5. Agency Financial Report – W. Calogero**

W. Calogero presented the payables in the amount of \$1,073,450.73. There were three changes to the Report. American Steel Processing August 1-15, 2009 balance should be \$5,137.80 changing the total amount due to \$9,764.00. Royal Carting bill is changed to \$89,824.09 and VanDeWater bill for \$8,000.00 is eliminated. E. Mills asked about the Geoff Patterson bill to confirm that it was for water usage and T. E. LeGrand asked what was “Life Science” on the pass through charges. W. Calogero responded that it pertains to ash testing. A motion was made to approve the payables for payment in the amount of \$1,056,796.31 by D. Nestler, seconded by E. Mills and unanimously approved.

## **6. Other Committee Reports**

E. Mills reported that the Governance Committee met last week to discuss certain policies that the Charter requires them to work on. One of the policies that the Committee is developing and will have a draft for the Board is a Whistle Blower Policy. It is a requirement under the Public Authorities Accountability Act. This draft is expected to be completed by the September Board Meeting. It will be circulated to the Board for comments and to J. Nelson for his legal counsel. Another requirement under the Governance Committee is the training of board members. Everyone except two members have already participated in this special training which has in the past been held in Albany or New York City. The County Water and Wastewater Authority is looking to bring in a special contractor, an attorney’s group that is authorized and certified by the State ABO to provide this training on a local basis. The County Water & Wastewater Authority would be the host. They are currently contacting five different Agencies subject to the Pubic Authorities Accountability Act in Dutchess County to see if there is any interest. It will most likely happen in the fall and be held locally in the City of Poughkeepsie. There will be some cost involved, estimated to be \$100 per person. More details will follow in September.

E. Mills asked about recycling and the grant status with the DEC. W. Calogero responded that the most recent grant submitted was returned for the third time yesterday. There was nothing done differently than in the past. The DEC is just requiring more detailed information. We do not lose our position from the initial date as to when the paperwork was originally submitted.

Amenia Household Hazardous Waste Day on August 1<sup>st</sup> had 43 attendees.

E. Mills also inquired about the City of Poughkeepsie parking ticket incurred from a former employee. He wanted to know if the office had followed up and tried to recover that money. W. Calogero stated the office did exactly as requested and sent out a notice to the individual. The former employee has not responded to the request.

C. Chale reported that the Finance Committee met in July. They continued working on issues relating to compliance with investment criteria; verifying required debt service and reserve and contingency account balances; and reviewed the updated letter of credit from Montenay. She will be scheduling another meeting before the end of the day.

W. Calogero reported that the closing of the transaction between Veolia ES North America Corporation and Covanta Holding Corporation took place on Tuesday morning, August 16, 2009. He received a call from the President of Covanta.

E. Mills mentioned the recent article in the Poughkeepsie Journal regarding the Covanta transaction. W. Conners talked of the article and its inaccuracy about the statement that the Board has to approve the Veolia/Covanta transaction. He doesn't know where the reporter would of received such a false statement. Such a statement was not conveyed from him nor was it conveyed from the Executive Director.

A preliminary report from R. Huffman on the Covanta transaction was handed out for the Board to review. C. Chale disagreed that the Agency should consult its financial advisor with regard to the appropriate notices it should provide to the Trustee. It is a legal document and a lawyer's responsibility. R. Huffman should draft the disclosure. C. Chale also wanted to make sure that someone would be following up with a formal notice and acknowledgment of the completion of this transaction. It will be either J. Nelson and/or W. Calogero. A copy of the final report will be sent electronically for the Board members to review.

## **7. Public Comment**

There was no public comment.

A motion was made to move into Executive Session at 7:10 p.m. for the purpose of discussing the contract of a particular entity was made by E. Mills and unanimously approved. Resumed regular session at 7:20 p.m.

### **Resolution No. 687 – Month-To-Month MRF Operation**

It was concluded that that the Resolution will be amended to read that the monthly service charge will not exceed \$25,000.00 and the revenue sharing that is currently based on 5,000 tons per commodity per year is to be pro-rated on a monthly basis rather than an annual basis. A motion to approve this amendment was made by R. Stephen Lynch, seconded by E. Mills and unanimously approved.

A motion to approve Resolution No. 687 as amended was made by E. Mills, seconded by R. Stephen Lynch and unanimously approved. One absent (T. E. LeGrand)

With no further business to discuss a motion to adjourn the meeting at 7:28 p.m. was made by D. Nestler, seconded by E. Mills and unanimously approved.

Respectfully submitted,

William J. Calogero  
Executive Director