

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## OCTOBER 26<sup>TH</sup>, 2009 – MEETING MINUTES

A meeting of the Dutchess County Resource Recovery Agency convened at 5:04 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, E. Mills and R. Stephen Lynch; Agency Staff, W. J. Calogero, D. Walsh; J. Nelson, Agency Counsel; M. Farrar, A. Nightingale, and P. Tambwekar, Authority Budget Office

### 1. **Regular Session** – W. Conners called the meeting to order at 5:10 pm.

The first matter for discussion was the 2010 Budget. As requested by the Finance Committee, the Board was presented with three scenarios based upon anticipated tonnage for the coming year. After a lengthy discussion it was decided that the 2010 Budget would be based upon a safe and conservative volume of 141,000 tons. R. Stephen Lynch remarked about the current metals contract and how he feels a better contract will develop through an RFP process. W. Calogero responded that for the 2010 Budget the metals are still shown as an expense since no new contract has been put in place. Also asked was if the CO2 emissions testing is included in the budget. W. Calogero responded that the annual operations and maintenance of an estimated \$75,000.00 is included in line item 7610, pass thru repair and replacement, and it does not include the capital costs. J. Nelson spoke with R. Huffman, bond counsel, and reported back that he believes it can be capitalized; however, he will review the document again to verify that those capital expenditures are qualified to take out of the bond proceeds as a continuation of Clean Air. E. Mills asked about item 7847, Household Hazardous Waste, and W. Calogero explained that the amount does not assume any grant assistance. W. Calogero will rectify a few numbers and electronically forward to all members of the Board a revised preliminary budget. Along with the budget will be a separate letter to the County reflecting upon the current economic conditions and how there is no substantial electrical energy rebate payments expected from Central Hudson. Contrast to prior years, these rebates considerably helped reduce the net service fee due from the County. A motion to review and understand the revised version of the Budget was made by C. Chale, seconded by D. Nestler and unanimously approved.

W. Calogero spoke about the October 3, 2009 Household Hazardous Waste Day. It was another successful event with 156 participants.

W. Calogero was pleased to receive approval from the State to have the first collection of unused and/or expired medications on October 3<sup>rd</sup>. A second collection is scheduled for November 7<sup>th</sup>. He expects the program to expand next year as the Agency continues to promote the necessity of proper disposal of medications for Dutchess County residents. The DEC also had their first medications collection in New Paltz this month and transported the material along with their Enforcement Officers over to the Resource Recovery Facility for disposal by incineration.

The contract on ash for Steuben County landfill is up for renewal. R. Stephen Lynch suggested the Agency either do an RFP or check the market and obtain some current prices for ash disposal to other landfills.

## **2. Committee Reports**

E. Mills reported that the Governance Committee met again and there were some comments from J. Nelson in respect to the two proposed draft policies; the Whistleblower Policy and the Ethics Policy. Those suggestions from J. Nelson were incorporated into the drafts and he will review them once again before they are presented to the Board for final review. Also, the Governance Committee has begun to look at the development of a Harassment Policy. The initial draft has been put together and has been sent to J. Nelson for his comments.

## **3. New Business**

J. Nelson presented two RFPs to the Board along with some key points. The advertisements for both RFPs ran in Waste News today and will run in the Poughkeepsie, Albany, and Syracuse papers tomorrow indicating that RFPs are available. No content is listed in the advertisements.

### **To Receive, Process and Market Recyclable Material**

This RFP will be for a three-year term with the Agency having two one-year extensions. The vendor will supply a front-end loader that is needed at the facility. This is a standard form proposal which involves revenue sharing, minimum income, cap loss and service fees. There is no guarantee for tonnage; however, it does say that the vendor must accept all of Dutchess County recyclables. R. Stephen Lynch suggested changing the verbiage to read that the vendor must handle up to 26,000 tons of recyclables. The Agency will dispose of residue after everything is sorted and the operator has an obligation to inspect the loads that come in and ensure that ninety percent of what is received is recyclable. C. Chale questioned the equipment and suggested a notation to be made that all equipment will be accepted by the vendor in "as is condition" and that the vendor is responsible for investigating the condition of the equipment. C. Chale suggested a bond to secure maintenance. It was further discussed by the Board and decided to include a performance bond of \$100,000.00 for maintenance of the MRF facility and Agency equipment and a second bond of \$100,000.00 for assurance of the payment terms of the contract. R. Stephen Lynch also suggested an option of index based revenue formula to be included in the proposal as well as a sharing proposal. A motion to approve the revised RFP as presented by counsel and be posted to the Agency's website was made by C. Chale and seconded by R. Stephen Lynch and unanimously approved.

### **To Receive, Transport and Market Recovered Ferrous Metals**

This RFP will be for a three-year term. American Metal Market sheet is the standard pricing document in this industry and therefore is referenced in this proposal to be used as the formula pricing structure. A suggestion was further made to use the #1 heavy melt composite. R.

Stephen Lynch added that whatever the proposed formula is, it should be requested that the proposer include historical month-to-month values of the price from 2008 and 2009 to date. The RFP has flexibility on what index to use and flexibility to the source of that index. It is also set up for use of the Agency's containers or the proposer's containers. If the Agency were to transport the metals, it states that the drop and retrieve would be within a twenty-mile radius. As far as the returned roll-off boxes, C. Chale suggested it should also be stated that these roll-off boxes contain only Agency ash and Agency post combustion materials. The question regarding a bond arose and was decided that a performance bond of \$100,000.00 to assure there is no damage to the Agency's facility or the Agency equipment and that the vendor performs to the contract would be included. A motion to approve the revised Metals RFP as presented by counsel and be posted to the Agency's website was made by R. Stephen Lynch, seconded by C. Chale and unanimously approved.

J. Nelson commented on a question that was brought up at the last Board Meeting regarding the metals contract and if there was an obligation to do a 120-w procurement. In this specific circumstance, with the current metals RFP, his advice was that it is not necessary to do 120-w procurement.

#### **4. Public Comment**

M. Farrar of the Authority Budget Office asked the Board if they were familiar with the procurement guidelines. R. Stephen Lynch responded that the current policy states that the Agency will issue a RFP for all goods and services. R. Mosca asked for a brief overview of the ABO audit. M. Farrar explained the procedure. The ABO looks at two issues. First, what the law says that you are supposed to be doing and if you are doing it. Secondly, what is the Resource Recovery suppose to be doing according to enabling legislation; the mission, the goals and how well management and the Board is set up to accomplish this. The report will list compliance issues, violations of law and suggested improvements and possibly operations issues. After the audit is completed, a draft report will be presented to the Executive Director and the Board to review. They will ask the Agency for a written response to the draft and incorporate that response into their final report that is presented one more time to the Agency through an exit conference. The report is discussed by both parties before it is made public and posted on the ABO website.

W. Conners spoke of Cahill's flow control report. He's requesting the Board send a letter to R. Akeley, W. Steinhaus and R. Higgins stating that we received the Flow Control Solid Waste Management Options Report from Germano & Cahill and made it available to the Agency's Board, the working group members, and County officials. The Agency has not endorsed any particular approach to the solid waste issues; however, based on the fact that the report was made available to them, the Agency is waiting for the Commissioner, the County Executive and Legislature to provide suggestions as to which direction to take. C. Chale suggested a stronger statement that we encourage them to move forward for a community based planning process. W. Conners and R. Stephen Lynch added a community based planning process to develop an appropriate course of action. E. Mills asked about the implementation of a "green fee" since it was mentioned in the report and if anyone was moving forward with this option. W. Conners replied that there are probably two or three directions started already.

A motion to move into Attorney-Client session at 7:58 pm was made by C. Chale, seconded by D. Nestler and unanimously approved.

Resumed regular session at 8:20 pm.

A motion to authorize the approval of payment for the American Steel Processing bill for \$8,451.80 was made by C. Chale, seconded by E. Mills and unanimously approved. Authorization for W. Calogero to write the letter to the Commissioner, the Executive, and the Chairman of the Legislature, subject to the approval of the Board, was unanimously approved.

A motion to adjourn the meeting at 8:25 pm was made by C. Chale, seconded by E. Mills and unanimously approved.

Respectfully submitted,

William J. Calogero  
Executive Director