

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## NOVEMBER 17, 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, 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 5:10 pm.
- 2. Minutes** – Chairman J. Small presented the minutes of the October 20, 2016 board meeting. A motion to approve the October 20, 2016 board meeting minutes was made by D. Petrovits, seconded by T. LeGrand and unanimously approved with R. Frost abstaining.
- 3. Operating Report** - The October monthly budget was set at receiving 11,944 tons of waste. The Facility received 13,052 tons. The yearly tonnage total is approximately 1,000 tons under budget. The pit is full, the level as of the morning was at 3,600 tons. Seventy tons of clothing waste from the Gap came into the Facility early November. Due to the downtime with the boiler repairs and turbine removal, there had to be 1400 tons of waste diverted and not accepted at the Facility in November.
- 4. Facility Report** – The Facility sold 2,546.08 MW to Central Hudson. The net energy conversion performance rate in October was 195.53 kWh/ton, under the performance guarantee of 307/ton. The reduced electrical generation rate is being caused by the turbine/generator equipment failure of October 21<sup>st</sup>. The turbine/generator is in the process of a major overhaul and as per the Service Agreement the Operator has 32 days to do the overhaul with no electric generation penalties. The process is taking a lot more time and a lot more money than anticipated. Since this overhaul was unplanned, the parts needed could not be ordered in advance and some of those parts are being fabricated. The completion date is expected to be around December 2<sup>nd</sup> – 5<sup>th</sup>. Wheelabrator is responsible for paying a penalty beginning November 22<sup>nd</sup> if the work is not complete which will run approximately \$8,000.00 per day. T. LeGrand added that it was his understanding that there were a spare set of turbine blades ordered in the past that Covanta shipped to the Islip Facility to borrow. He asked L. Carille to look into it further. Chairman J. Small also asked L. Carille if there is a provision in the contract with Central Hudson that states that the electricity has to be generated and if not, would it be possible to buy electricity at a lower rate from another source while the turbine is down and sell it to Central Hudson.

The metal recovery exceeded the guarantee of 4% at 546.44 tons (4.04). The ash residue was at 34.57% which did not meet the guarantee of 32%. Wheelabrator absorbed the additional fee in the amount of \$13,320.28.

Boiler No. 1 availability was at 89.9% due to the downtime for a tube repair and being offline during the turbine removal. Boiler No. 2 availability was at 87.3% due to the downtime for a

tube repair and being offline during the turbine removal. Turbine availability was at 64.9% due to the failure on October 21 and the overhaul.

The NYSDEC performed the normal two per month spot inspections with no violations noted and no negative comments. The Title V Air Facility Permit was renewed. This is done every 5 years. The third quarter Title V Air Compliance Report and the third quarter Solid Waste Environmental reports were submitted on time. Also the semi-annual ash testing was completed and submitted to the NYSDEC.

5. **Agency Financial Report** – The payables were presented in the amount of \$1,140,079.37. The Barclay Damon bill for \$35,919.74 was discussed. The majority of the fees related to the appeal that was filed October 20, 2016. Covanta has thirty days to reply. The Agency then has ten days to reply to that. T. LeGrand spoke in favor of flow control to help resolve the finances incurred with the ongoing litigation. J. Metzger asked to describe flow control, which has to be reimplemented by the Legislature. Discussion ensued.

A motion to approve the payables for \$1,140,079.37 was made by R. Frost, seconded by T. LeGrand and unanimously approved.

Chairman J. Small reviewed the Profit and Loss Statement, and due to deficient energy sales and significant legal fees there was the shortfall of \$148,962.00 in October. Under expenses, budgeted versus actual expenses, it indicates personnel services \$20,000.00 under budget and administration fees \$4,500.00 under budget.

## 6. Other Business

### **Resolution No. 825 – Fourth Contract Extension for Hauling and Re-Use of Ash**

Following a briefing by the Interim Executive Director to the Board regarding the current RFP-based contract for transportation and beneficial reuse of ash residue, the Interim Executive Director is authorized to execute a fourth extension of the contract with Panichi Holding Corp. and Capital Region Landfills. The Board requested Capital Regional Landfills also sign off on the Extension to the Ash Haulage Agreement. A motion to approve **Resolution No. 825 – Fourth Contract Extension for Hauling and Re-Use of Ash** was made by R. Frost, seconded by T. LeGrand and unanimously approved.

7. **Executive Session** – A motion at 5:45 pm to move into Executive Session was made by R. Frost, seconded by T. LeGrand and unanimously approved for purposes of discussing the hiring/firing of a particular person, firm or corporation and to discuss pending or parent litigation.

The meeting resumed back to public session at 6:25 pm.

## **Resolution No. 826 – Retention of Professional Engineering Services**

The Agency issued a Request for Proposals for Professional Engineering Services which was posted on the Agency website and distributed to multiple engineering firms. The responses were received on the November 7, 2016 deadline. The responses were reviewed by the Agency Board in conjunction with the Agency's Interim Executive Director. The Agency considered the proposers' relevant experience, proposed project costs, skill and ability to perform the services required, and contractual experience with waste-to-energy facilities. Authorization is given to the Interim Executive Director to contract with the firm, Gershman, Brickner & Bratton, Inc. A motion to approve **Resolution No. 826 – Retention of Professional Engineering Services** was made by R. Frost, seconded by T. LeGrand and unanimously approved.

L. Carille stated that the attorney proposals were reviewed from the recent Request for Proposals for the Retention of Professional Legal Services and there are questions she needs to ask before the Board can make a decision. She will have that information ready by the next board meeting.

Board approval was given to pay two weeks of unused vacation to two employees, as part of the Agency's benefit plan compensation.

With no further business to discuss at 6:27 pm a motion to adjourn the meeting was made by R. Frost, seconded by D. Petrovits and unanimously approved.