

# DUTCHESS COUNTY RESOURCE RECOVERY AGENCY

## NOVEMBER 21, 2013 – 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, K. Williams, Secretary; Board Members, T. E. LeGrand, and W. Nussbickel; Agency Staff, W. J. Calogero, D. Walsh and C. Tamney; Agency Counsel, J. Nelson; and D. Leibnitz, HDR.

- 1. Regular Session** – Chairman J. Small called the meeting to order at 5:07 pm.
- 2. Minutes** – Chairman J. Small presented the minutes of the October 23, 2013 board meeting. A motion to approve the October 23, 2013 board meeting minutes was made by T. E. LeGrand, seconded by K. Williams and unanimously approved.
- 3. Operating Report** – D. Walsh reported that the Facility received a total of 14,263 tons of waste in October; 3,400 tons over budget, which has increased the year-to-date incoming tonnage to 9,440 tons over budget.

W. Calogero stated that 178 people attended November's Household Hazardous Waste Event. Overall, there were close to 1,000 people who participated in the Household Hazardous Waste Event Program in 2013. More details on the total fees associated with the Program will follow at next month's board meeting.

- 4. Engineer Report** – D. Leibnitz reported that from October 23, 2013 until November 20, 2013 the Facility availability for Unit Nos. 1 and 2 and the turbine/generator has been 100%, 98.5% and 100% respectively. The only downtime recorded was eleven hours to repair a damper in the Unit No. 2 baghouse.

In October, the Facility processed 14,317 tons of MSW with an average availability of 94.7% on the boilers and 100% availability on the turbine/generator. The pit contained approximately 3300 tons of MSW at noon on the 20<sup>th</sup>. In a recent spot check the Facility was producing approximately 98,000 pph of steam and generating 8.3 MW.

On November 19<sup>th</sup> Covanta presented the Agency with its insurance company's offer regarding the turbine failure. The Agency noted to Covanta that it prefers to secure 100% of the lost electrical revenue that it is entitled to under the provisions of Section 7.6 of the Service Agreement. That total is \$682,559.01 as calculated by HDR and represents the exact amount presently withheld by the Agency from the service fee invoices of June through September 2013. Covanta has tentatively agreed. Final settlement of this issue is dependent on the receipts of acceptable reports on the turbine/generator failure and repairs from Lufkin, AGT and the Wood Group. The report from Elliot has been reviewed by HDR and deemed acceptable.

At the present time, the Facility appears to be generating power at an efficiency of between 290 and 300 kWh per ton of MSW. In the first four months of 2013, the Facility had been generating power in the range of 275 – 280 kWh per ton of MSW. In May, following the completion of the spring outage but prior to the turbine failure, the Facility had been generating power in the range of 310 – 320 kWh per ton of MSW.

To date, the Agency is still waiting for the second draft from the NYSDEC to the Part 360 Solid Waste Management permit. The Agency has reached out to the local NYSDEC inspector to see if the reasons for the delay can be addressed.

Follow-up meetings were held with three of the proposers for the new Operator contract. Covanta's follow-up meeting is scheduled for the first week of December.

5. **Agency Financial Report** – C. Tamney presented the payables in the amount of \$1,264,000.64. A motion to approve the bills as presented for \$1,264,000.64 was made by W. Nussbickel, seconded by T. E. LeGrand and unanimously approved.

K. Williams inquired about the workers' compensation policy and if any further information had been received. C. Tamney replied that the County of Dutchess had to be contacted several times as there were additional reports needed back from them in order for the insurance agency, Brinckerhoff & Neuville, to obtain a price quotation. A quote did come back in the five to six thousand dollar range. The Agency is presently paying the County fifteen thousand dollars. The County did inform the Agency that if the Agency changes and opts out, a Resolution is needed anywhere from sixty to ninety days before the policy ends.

6. **Committee Reports** – **Licensing Panel** – W. Calogero spoke in R. Mosca's absence regarding the solid waste disposal license application of TMI Industries. After reviewing the application thoroughly, a letter will be submitted to the County of Dutchess that the Agency has no objection to grant a solid waste disposal license to TMI Industries of NY.
7. **Public Comment** – There was no public comment.
8. **Executive Session** — At 5:35 pm a motion was made by W. Nussbickel, seconded by K. Williams and unanimously approved to move into Executive Session for discussions relating to potential contracts with a particular person and/or corporation.
9. **Regular Session** – The meeting resumed back to public session at 6:27 pm.

#### **Resolution No. 780 Gear Failure Insurance Waiver**

The Agency's Executive Director is authorized to execute a letter-agreement in substantially the form presented confirming that the Agency waives its right to make an insurance claim for the lost electrical generation revenue and consenting to Covanta Hudson Valley Renewable Energy, LLC pursuit of any insurance claim it may have subject to the conditions provided in the letter-agreement presented to the Board and such other conditions as were this day

directed by the Agency Board of Directors. A motion to approve Resolution No. 780 was made by W. Nussbickel, seconded by K. Williams and unanimously approved.

**Resolution No. 781 Approval of 2014 Solid Waste Disposal Agreement**

The Agency's Executive Director is authorized to execute a 2014 Solid Waste Disposal Agreement with Royal Carting under which it will supply the Agency with 120,000 tons of solid waste during 2014 at a price of \$73.75 per ton, such waste to be delivered by Royal Carting at a minimum semi-monthly delivery rate, and at a higher rate of delivery if practicable, with all waste delivered in excess of 120,000 tons to be received by the Agency at \$60 per ton with all other terms of the Agreement to be substantially the same as the 2013 Solid Waste Disposal Agreement. A motion to approve Resolution No. 781 was made by K. Williams, seconded by T. E. LeGrand and unanimously approved.

With no further business to discuss, the meeting was adjourned at 6:35 pm.

Respectfully submitted,

William J. Calogero  
Executive Director