Chairman James Cannon called the regular monthly meeting of the Pollution Control Financing Authority of Warren County to order at approximately 9:30 am.

Authority Members present: Richard Mach, James Cannon, Bud Allen, Joseph Pryor and Marc Pasquini.

ROLL CALL: Mr. Allen - Present
Mr. Pasquini - Present
Mr. Pryor - Present
Mr. Mach - Present
Mr. Cannon - Present

Also present: James Williams, Director of Operations; Brian Tipton, General Counsel; Dan Olshefski, Chief Financial Officer; Freeholder Ed Smith; Dave Balken, Balken Risk Management Services; Prentiss Shaw, Cornerstone; Lee Haymon, Tetra Tech; Jamie Banghart, Recording Secretary.

The Pledge of Allegiance was led by Chairman Cannon.

Mr. Cannon stated that we are going to Executive Session today as far as contract negotiations. He also stated that the Cornerstone issue we will discuss in Executive Session before we hear from Cornerstone just for their benefit and our benefit. He also stated that we will try to get through the rest of the agenda first and then we will leave ourselves times to do that thereafter.

Mr. Cannon read the following statement: “Adequate notice of this meeting of October 24, 2016 was given in accordance with the Open Public Meetings Act by forwarding a schedule of regular meetings of the Pollution Control Financing Authority of Warren County (PCFAWC) to the Warren County Clerk, the Warren County Board of Chosen Freeholders, the Express Times, and by posting a copy thereof on the bulletin board in the office of the PCFAWC. Formal action may be taken by the PCFAWC at this meeting. Public participation is encouraged”.

MINUTES

Mr. Cannon presented the Regular Monthly Meeting Minutes from September 26, 2016.

Mr. Allen made a motion to approve the Regular Monthly Meeting Minutes as presented, seconded by Mr. Pryor.

ROLL CALL: Mr. Allen - Yes
Mr. Pasquini - Yes
Mr. Pryor - Yes
Mr. Mach - Yes
Mr. Cannon - Yes
Mr. Cannon presented the Executive Session Minutes from September 26, 2016.

Mr. Allen made a motion to approve the Executive Session Minutes as presented, seconded by Mr. Pryor.

ROLL CALL:  
Mr. Allen - Yes  
Mr. Pasquini - Yes  
Mr. Pryor - Yes  
Mr. Mach - Yes  
Mr. Cannon - Yes

Mr. Cannon presented the Special Meeting Minutes from October 12, 2016.

Mr. Pasquini made a motion to approve the Special Meeting Minutes as presented, seconded by Mr. Pryor.

ROLL CALL:  
Mr. Allen - Yes  
Mr. Pasquini - Yes  
Mr. Pryor - Yes  
Mr. Mach - Yes  
Mr. Cannon - Yes

Mr. Cannon presented the Executive Session Minutes from October 12, 2016.

Mr. Pasquini made a motion to approve the Executive Session Minutes as presented, seconded by Mr. Allen.

ROLL CALL:  
Mr. Allen - Yes  
Mr. Pasquini - Yes  
Mr. Pryor - Yes  
Mr. Mach - Yes  
Mr. Cannon - Yes

CORRESPONDENCE
Mr. Cannon stated that the correspondences are self-explanatory.

Mr. Cannon questioned if there was any change in the SWAC letter? Mr. Williams responded that he believes that it was the verbiage in the first and second paragraphs that were modified from the original version.

Mr. Cannon questioned if we included the Tilcon letter in the correspondences? Mr. Williams responded with no that this came after the fact. He stated that this was already done and out when the information regarding the Tilcon application came in.

PUBLIC COMMENTS (AGENDA ITEMS ONLY)
Freeholder Smith stated that regarding A-7, he is encouraging the Board to move forward with the expansion project as it was originally proposed.
FINANCE/PERSOENNEL

Mr. Olshefski stated that we do have the 2017 State Budget with a resolution to introduce the Budget that we discussed in detail at last month’s meeting and reflects what we discussed at last month’s meeting. He stated that we will send this down to the State and in our December meeting, we will adopt the Budget.

Mr. Olshefski stated that we have our annual financial report on our required escrow funds. He also stated that this report goes from October to September each year and it is required by the State DEP. He went back over the last five years and looked at these two accounts, we average almost 1.2% in these accounts. We gained over $1,000,000.00 in interest on these two accounts. He stated that they use this as a benchmark in the County. They have a State Grant Report that they have to submit each year and they give them what the estimated interest that we should be using for any excess cash that we have on hand. This was between .14% and .15%. He also stated that over 1% in this economy, he thinks that these funds are doing quite well.

Mr. Cannon questioned that with this report is this something that we have to approve or since somebody has looked at this since this morning or is this just included with what is going to the State? Mr. Olshefski replied right that this is a requirement.

Mr. Cannon questioned that the Budget had no changes from what the Board had gone over last month? Mr. Olshefski responded with no and that it reflects the $7,156,200.00.

Mr. Olshefski reported on the September monthly report. He stated that the current year to date waste volume is almost parallel to where we were last year. He also stated that the waste that we are down this year is 27, which is the industrial waste. Overall, we are right where we were last year.

Mr. Olshefski stated that our cash balances are up. We have a very solid budget year of $1.4 million of restricted which is up $600,000.00.

Mr. Olshefski stated that the receivables and the aging report, he will discuss last.

Mr. Olshefski stated that with the budget, we are at 75% of the year. We have collected 82% and our expenditures are at 53%. He also stated that he keeps saying each month that it is a very solid year and this is what the trend is for 2017 budget is to continue with the operation as we currently have been.

Mr. Olshefski reported on the credit cards for the year. He stated that we are at 35% and last year we were at 31%. This keeps gradually going up a little bit which takes less cash out of the system, which is always a good thing.

Mr. Olshefski stated that on the aging report itself, at the last month’s meeting we talked about looking at forty five days, possibly, instead of the thirty one to sixty days. He stated that he met with Mr. Williams and Ms. Pluto during the month and this report is generated through the Waste Works system. Mr. Olshefski stated that the thirty one to sixty days is hard coded into the system and they cannot adjust the days reporting to a different number. He stated that what he did find interesting is that we bill weekly, so if someone comes through the scale on October 6th, we bill on the following Monday, which is October 10th. This is when the clock starts. He also stated that on October 30th, which most people bill on a monthly basis, we are already twenty one days into our aging report.
the end of November, we are already at fifty one days for that October 6 transaction. Mr. Olshefski stated that he believes that we are getting our money in a timely fashion. We have not had to write off any hauler debts.

Mr. Pryor stated that this is clear but he does not know if he agrees fully and we do not have to settle it today. He has been involved in other systems where people actually had to put money into an account and the account was drawn down as they went through the scale. This is a question of how quick you want your money and who gets the use of the float.

Mr. Olshefski stated that when you look at the aging report, primarily it is Gaeta Interior, Gaeta Recycling, Lovenberg, and Global Waste are really over ninety some percent at that thirty to sixty day period. They are some of our heavy users.

Mr. Pryor stated that he understands but his concern is the guy that owes you a big wad, it is at risk and he still is coming through the gate. He stated that we have plenty of time to talk about this and we do not have to do this today. He appreciates Mr. Olshefski’s analysis.

Mr. Cannon stated that just for clarity, page 15 in the monthly report, the percentage of each accounts, he thinks that when it reaches to sixty days it gives a low percentage of what it really is. He also stated that from looking from talking to Mr. Williams and going through all of this ahead of time, maybe we would just bump up when that letter is sent. He thinks that we have never charged for the late fee and Mr. Gaeta reflected that in his letter. He also stated that he thinks that what Mr. Williams stated was that by sending warning letter earlier that may help us. This would be a first step and go from there.

Mr. Olshefski stated that he thinks that as we all monitor, especially Mr. Williams and Ms. Pluto, we want to put as little risk in our collection as possible because they know the haulers and they know when to call them and trigger payment to get the payments in. We are all looking to make sure we collect our receivables.

Mr. Cannon stated that this report clarifies when the actual aging is starting. Mr. Cannon stated that the actual aging is not as much as we think it is.

Mr. Williams stated that is what we could do is move up the sending of the letter the week before instead of waiting until it is thirty days. He suggested that maybe we send it on the 25th day as a reminder.

Mr. Olshefski stated that once we pass the resolution on the budget, there are some documents that need signatures by Chair and the Secretary after the meeting.

Mr. Cannon questioned if anyone has any questions regarding the procedure from here forward? He stated that we are going to sort of keep it the same way except for maybe looking at sending a letter out earlier than the sixty day interval and maybe sending out a letter at forty five days. Mr. Williams stated that this is easy enough to do. Ms. Pluto agreed.

Mr. Cannon presented the Resolution to Pay the Bills (R-10-02-16).
On a motion by Mr. Allen, seconded by Mr. Mach, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on October 24th, 2016.

RESOLUTION
R-10-02-16
To Pay Bills – October 24, 2016

WHEREAS, the Pollution Control Financing Authority of Warren County has been presented with invoices for services, supplies and other materials rendered to it or on its behalf;

NOW, THEREFORE, be it resolved by the Pollution Control Financing Authority of Warren County that the following bills be paid:

See Attached

ROLL CALL:   Mr. Allen    -    Yes
             Mr. Pasquini -    Yes
             Mr. Pryor    -    Yes
             Mr. Mach    -    Yes
             Mr. Cannon  -    Yes

We hereby certify Resolution to Pay Bills in the amount of $439,277.82 to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the 24th day of October, 2016.

Jamie Banghart, Recording Secretary
James Williams, Director of Operations

Mr. Cannon presented the Resolution (R-10-03-16) 2017 Authority Budget Introduction. He stated that this is the State form for the Budget that we put into a more readable form last month and understandable form last month. He also stated that nothing has changed and this was just transposed onto the State form.

Mr. Pasquini made a motion to pass Resolution (R-10-03-16) 2017 Authority Budget Introduction, seconded by Mr. Allen.
2017 AUTHORITY BUDGET RESOLUTION
Pollution Control Financing Authority
of Warren County
R-10-03-16

FISCAL YEAR: FROM: January 1, 2017 TO: December 31, 2017

WHEREAS, the Annual Budget and Capital Budget for the Pollution Control Financing Authority of Warren County for the fiscal year beginning, January 1, 2017 and ending, December 31, 2017 has been presented before the governing body of the Pollution Control Financing Authority of Warren County at its open public meeting of October 24, 2016; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of $7,156,200, Total Appropriations, including any Accumulated Deficit if any, of $7,311,200 and Total Unrestricted Net Position utilized of $155,000; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of $1,280,000 and Total Unrestricted Net Position planned to be utilized as funding thereof, of $1,280,000; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Pollution Control Financing Authority of Warren County, at an open public meeting held on October 24, 2016 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Pollution Control Financing Authority of Warren County for the fiscal year beginning, January 1, 2017 and ending, December 31, 2017 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Pollution Control Financing Authority of Warren County will consider the Annual Budget and Capital Budget/Program for adoption on December 19, 2016.

Joseph Pryor, Board Secretary

October 24, 2016

Governing Body

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<td>Mr. Pasquini</td>
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Ms. Pluto had a question regarding the late fees. Does she continue doing the monthly like she did last month or are we going to hold off on that because she has to do the late fees at the very end of the month which will be next week? Mr. Williams stated that the past practice with the Board is that they never were very proactive with going after the 1.5% but he had a discussion with Ms. Pluto after the comments made from last month’s meeting to begin sending these letters out which they did and which is why Mr. Gaeta sent his response back. He stated that there is a total of five letters that went out and we have not received a response from the other four. He questioned if the Board would want us to continue sending these letters or we could go back and lay off of that and see how it goes? He stated that the language is in the contract that we can enforce that. He also stated that everybody has paid in the past and we have never had any issues. He also stated that we could try sending the letters a week earlier and go with that approach and see what happens.

Mr. Pryor stated that he is a believer that the contract is the contract and Mr. Tipton, if you do not enforce something in the contract, it becomes increasingly difficult when you do.

Mr. Tipton stated that it can be and he thinks that we probably have a no waiver but he will take a look at it.

Mr. Cannon stated that with that, unfortunately or fortunately however you look at it, the precedent has not been set before as to actual charging. He wonders if the letters should be modified to remind the contract signers that they could be in violation and these would be the fees incurred. He does not think that we should be setting the precedent without us sending something out ahead of time that we are going to now, after some of these guys have been here for twenty years. Mr. Williams stated that some of them yes. Mr. Pryor stated that he agrees that this is the problem. Mr. Cannon stated that the precedent was set before that we did not charge. Mr. Pryor stated that maybe we have the opportunity with the renewal of contracts coming up. He does not have his heals dug in and he just brought it up last meeting. Mr. Cannon stated that it is a good question. He just thinks that with the precedent was not set before he does not think that our intention was to set the precedent now.

Mr. Cannon stated that to get back to Ms. Pluto’s question, he would hope that Mr. Williams could probably formulate something in a letter to reference the contracts. Mr. Williams stated that we will reference the paragraph in the contract. Mr. Cannon stated that with the new contracts going to be discussed coming up, he thinks that it is a great time for them to get a reminder.

Mr. Pasquini agrees and we need to enforce the contract.

Mr. Williams stated that we will revise the monthly letters letting them know that there is a paragraph in the contract that we could enforce the 1.5% but we will lay off on that. Is that the consensus of the Board? Mr. Cannon questioned if there were any ones that were higher than Gaeta’s? Mr. Williams stated that he thinks Gaeta was the highest. Ms. Pluto responded that with Gaeta Recycling, it was $659.00. She also stated that this was the highest one. Ms. Pluto questioned that there were five and should she do adjustments and take that off of their invoice? Mr. Cannon stated that what we are going to do is have Mr. Williams formulate a letter to let these vendors know that we are going to waive the late fees because of the precedent that was discovered as to our timelines and not being charged before but we would like to remind our vendors that they did sign a contract that they could possibly incur these in the future with new contracts coming up for renewal.
Mr. Pasquini made a motion, seconded by Mr. Pryor.

ROLL CALL: Mr. Allen - Yes
Mr. Pasquini - Yes
Mr. Pryor - Yes
Mr. Mach - Yes
Mr. Cannon - Yes

Mr. Williams presented the draft audit. He stated that this has been updated and reviewed by Counsel with all of our proper contractual language. He also stated that we are ready to put this out and needs authorization to make this a final document. This is will be back on the agenda for a December award.

Mr. Cannon questioned if we got the RFP for Electronics Recycling out? Mr. Williams replied that it is out right now and is due back November 14th.

Mr. Cannon questioned Mr. Tipton if we are finally caught up on them where we have that boiler plate language in all of them and now that they are consistent across the board for everybody? Mr. Tipton replied with yes.

Mr. Cannon asked if someone can explain the State Health Benefits.

Mr. Williams stated that he can do that. He also stated that to get back to the correspondences, Ms. Pluto sent in her retirement papers for the end of the year after twenty six long years as a dedicated employee of the Authority. She has decided to retire and move on. Mr. Williams stated that what prompted this resolution was when Ms. Pluto did her retirement through the State program, which we are involved with the County and all the municipalities. He stated that what was discovered at the State level, was that the Authority had never passed this resolution in the past. This resolution is to literally clean up the paperwork as far as retirement for future employees of the Authority. He also stated that what the State would need is for us to pass this resolution. This is language produced by the State and the accompanied documents with it. The resolution would then be sent down to the State. He also stated that this resolution will become effective December 1st of this year.

Mr. Williams stated that this does not cover all employees because the State changed the retirement program back in June or July of 2011. Only certain employees are eligible through the State program. The three eligible employees are Ms. Pluto, Ms. Nancy Mason, and Mr. Williams. This would not apply to any other employees that are at the Authority unless the State changes their laws again which he does not foresee happening.

Mr. Cannon had a couple of questions. We have been doing our due diligence as to contributions as to everything else over the years that we need to do, we just never actually passed a physical resolution to participate in it? Mr. Williams replied with correct. Mr. Cannon stated that the second page as to the
form that is completed, is that something that is set for the employees that Mr. Williams described? All the columns that are marked or is that something that is decided upon with a salary and with a hiring of a person? Are those lines all marked, and he did not look at them in detail, why we have to fill out that form if that makes the eligibility of certain amount of people that are already qualified at a certain level? Mr. Williams replied that this resolution addendum is a requirement of the State and this actually mirrors the County’s form also.

Mr. Cannon questioned if any other questions from the Board or has anyone ever looked at these or used these before in the local government? Mr. Mach replied with no, he has not seen this. Mr. Cannon and Mr. Pryor replied that they have not either. Mr. Pryor stated that he does not fully understand it and that it would be a leap of faith for him to vote. Mr. Cannon questioned if Mr. Tipton has any input first that they can have. Mr. Tipton replied with no, he has not seen this either.

Mr. Williams stated that this is a resolution that was done by the County years ago also. Mr. Cannon stated that he understands the resolution but it is the second page that he is not clear on. He has no knowledge of what NJSA on this particular one 521417.38, what that implies to if we go forward, he does not know. Mr. Cannon questioned if this is something that has to be done right now? Could we do this in November? Would that make a difference? He stated that we have been in the program forever but we just have not had a physical resolution. He also stated that just so that someone could find us an explanation clearly on the statute. Mr. Pasquini stated that it applies though with or without this resolution. Mr. Cannon stated correct and no one said that we were ineligible for the program.

Mr. Williams stated that we are ineligible until this resolution is done. Mr. Olshefski agreed and this communicates to the State that we are going to be part of allowing the employees that are eligible to be covered under the State Health Benefit Plan. He also stated that what it is doing and it gives it on this resolution addendum, what criteria has to be met by the employee to be eligible. He also stated that you have to be retired or disability with that twenty five years of service, twenty five years with the employer, or they have to retire after fifteen years and be age sixty two. Mr. Olshefski stated that this is basically what we are reflecting by signing this.

Mr. Cannon questioned that we have not had any employees that we know of in the past that have had this? Mr. Williams replied with no and Ms. Pluto is the first one. That is why this came up all of a sudden. Mr. Olshefski stated that what Mr. Williams mentioned reflects what is in the personnel policy and it just has not been communicated to the State.

*Mr. Pasquini* made a motion that we accept this and move forward, seconded by *Mr. Allen* based on Mr. Olshefski’s explanation.

**ROLL CALL:**

- Mr. Allen - Yes
- Mr. Pasquini - Yes
- Mr. Pryor - Yes
- Mr. Mach - Yes
- Mr. Cannon - Yes

Mr. Pasquini suggested that we have a party for Ms. Pluto. Mr. Cannon stated that he believes that Mr. Williams will be circulating some information to the Board on this and we will go from there as far as the decision. He does not think that we want to decide that right now.
PRESENTATIONS
Mr. Cannon presented Mr. David Balken who will be giving us an insurance update and then we will look at a resolution as to maintaining our professional services agreement.

Mr. Balken presented the schedule of insurance that he handed out to the Board and where we are with the insurance. He gave an overview of what will be renewed on January 1st. There is one policy that will be renewed in December and that is the equipment breakdown or the oil and machinery policy. He also stated that Mr. Williams and he are working on the renewal applications now and will have those done shortly then we will be out to the marketplace.

Mr. Balken gave an overview from last year. He stated that we did very well. He consolidated a lot of the policies and put a lot more things with Travelers and brought them together, which was good because we increased limits and we saved money. We had a cheaper renewal last year and we had better limits where we were able to increase our D&O limits which is important to the Board and Director. This year he is not too concerned about the renewals because we should be ok and the marketplace is pretty stable. The one policy that we could have an issue with and it is a big issue, if they do not renew, is the pollution policy with AIG. He only says that and he thinks that we are going to be ok, AIG pulled out of the pollution marketplace for school districts back in July so he had a lot of school districts that were insured with AIG for pollution and they sent out non renewals and just pulled out. He thinks that was because of the lead issues that we had that were in Newark and all the schools were checking for lead. That is different than what we are doing here so he thinks that we should be ok. Plus they give us a sixty to ninety day notice prior to the expiration date if they are going to non-renew us. He stated that this is coming up. He also stated that if we do not get anything November 1st, he thinks that we will be ok. It is not the end of the world if they do pull out, he stated that we have other markets to go to.

Mr. Pryor questioned that the coverage is if we have a release and let us say our leachate winds up in somebody’s well? Mr. Balken replied with correct, third party liability, like if we have a release, it goes next door to an adjacent property and they sue us. We need to be covered for that. Mr. Pryor questioned what the limit on that is? Mr. Balken replied with $5,000,000.00. He also stated that he thinks that we will be ok but he just wanted to bring in up just case. He will be back to see the Board in December/January to go through the renewals and will tell the Board what is going on with that. He is on top of that and they have this out to other markets already.

Mr. Balken stated that this is basically an overview of what we have right now. Travelers is the commercial package policy. He stated that we have a blanket limit of almost $9,000,000.00. He also stated that the property policy covers everything in here; the copiers, furniture, the fixtures and the data that we have stored and temporarily stored elsewhere. This is all covered. Ordinance or law means basically if we have to replace something and the new law on it means that we have to upgrade something, and we are not grandfathered anymore then we have a $100,000.00 limit for that to give us money to bring it up to code. He also stated that there is a pollution cleanup and removal here. We have a $5,000,000.00 pollution liability and this is just cleanup and removal of something of our own. If we have something that we polluted of our own and we had to clean it up, for example if we spilled something outside and had to clean it up, then that is what this is for. This is an added endorsement that goes onto the property policy.

Mr. Balken explained the crime policy. This policy covers employee theft, any monies or securities that are stolen inside or outside the premises we have coverage for that.
Mr. Balken stated that the inland marine is all of our contractor’s equipment that is scattered all about. We have $4.2 million dollars of coverage with that for all of our equipment, mobile equipment and things like that.

Mr. Balken stated that we have automobile coverage which covers all of our autos. He stated that we have $500.00 deductible for comprehensive and $1,000.00 for collision.

Mr. Cannon had a question. He questioned that he is assuming if we have vehicles used during business hours and had an accident that we, the PCFA, are paying the money? Mr. Balken replied with a question that this is vehicles that we own? Mr. Cannon stated yes. Mr. Balken replied with yes. Mr. Cannon questioned is there a threshold as to just having the liabilities/deductibles higher that that would bring down the rate of it? Mr. Balken replied with this probably would not be too much and he could look into it. Mr. Cannon stated that he knows that with personal it is a big difference if you have a much higher deductible. Mr. Balken stated that it is not really with commercial it is not a big deal, but if you want to go up to $2,500.00 but then you have extra money that you have to spend. He will look into it and see if it brings it down at all. He also stated that we do not have a lot of autos anyway. Mr. Williams stated that all the ones that are in the landfill even though that they are not taken over the road, they are all covered with insurance too. There are three or four used around the site. He also stated that it is ten tops. Mr. Balken stated that if we had fifty it would probably save us money if we did something like that but ten will not do that much.

Mr. Cannon stated that the other question he had, which was from budget time last month, was that there was an item that you asked us to increase in our budget amount for next year? Mr. Balken replied that it was the concern for the pollution. He also stated that we spoke about it and he wanted to put that in there to be on the safe side. He thinks, again, that we will be ok with that just wanted to bring that to our attention so that it is out there. He also stated that there are other carriers, we just have to change it and then we do not know what the pricing is, but again he thinks that we will be ok.

Mr. Balken stated that with the general liability and pollution we have $1,000,000.00, $2,000,000.00 aggregate for GL, which is basically bodily injury here on the premises in case anyone slips and falls or anything that we are liable for on the premises. He also stated that included with that is our pollution which is a $5,000,000.00 pollution limit. That is for if we have something and we pollute an adjacent property and we get sued by anybody outside of our organization for pollution situation, this will cover us. That is an important thing to have. He stated that the coverage “E Pollution” is for contractor’s activity. If a contractor did something that caused a release and we got sued, then that is what that would be for. This is the pollution coverage that we have.

Mr. Balken stated that the D&O is important to the Board. He stated that we did bump that up this year to $5,000,000.00, which is great. He thinks that we are covered well here. There are two sections of the D&O; the D&O itself and the practices liability. D&O is for basically any decisions that you make. For example, if you make a decision then it goes out there, then someone does not like it, then someone is going to sue the Board because they do not like that decision. That would be covered under the D&O. He stated that the employment practices is more for wrongful termination or allegedly wrongful termination. For example, if we decide to fire somebody and they come back and sue the Board because they feel they have been terminated incorrectly. That would cover that. Mr. Pryor added for harassment. Mr. Balken stated that sexual harassment, wrongful termination or anything like that is covered.

Mr. Mach stated that let us go back a step to the pollution. He stated that in the event that there might be a release of some kind that causes pollution outside of the boundaries of this property, can the directors
be sued also? Mr. Balken replied with yes and that would be covered under the pollution liability portion of it. That would be covered by the D&O. He also stated that if you have a situation where we release a pollutant to an adjacent property and they sue us. First they will sue us for damages, they will sue us for the cleanup. This will be covered under the liability portion of the pollution. He stated that if they sued you guys for something else, for example, that they have been telling us for months and years that we should never be doing that over here, then that would be covered under the D&O. Mr. Mach stated ok. Mr. Balken stated that there is a $15,000.00 on the D&O portion and there is a $25,000.00 on EPL. Mr. Mach questioned if the director was sued then that is their personal liability? Mr. Balken replied with no that it is the Board’s deductible. Mr. Cannon stated that the Board would pay that deductible similar to car insurance.

Mr. Balken stated that the equipment breakdown policy is just a fancy word for boiler and machinery. That is separately covered from the property. He stated that if you have ever seen a boiler blow up, it is pretty scary. It would blow up a whole building. He also stated that we have to have separate policies for that which covers all of the boilers.

Mr. Balken stated that we have the excess liability policy of $9,000,000.00 which goes on top of the GL and the pollution. It does not go on top of the D&O. He tried to change that this year on the D&O to get us more limits and if he can change this then this would increase our limits up to $10,000,000.00 possibly.

Mr. Balken stated that on the RFP, they have looked at that and went through all the limits for the contractors and took care of that. He stated that they are reviewing all the certificates of insurance with Mr. Williams. Mr. Cannon stated that we have made that an ongoing process with the RFP. He also stated that if we have a RFP in June, March or whatever the case may be, you are reviewing the RFP to make sure that the vendors do have the proper insurance. Mr. Balken replied with yes and we have that up to speed and are doing well with that.

Mr. Cannon stated that he has one other question with the structure that we added from the electric producer, regarding that building, do we have to insure that? Mr. Williams replied that we will need to get that added to our list. He stated that we acquired a new building down below from a vendor who was onsite so they transferred ownership over to us and we will need to include that. Mr. Balken questioned if we owned that now? Mr. Williams replied yes. Mr. Balken questioned how long? Mr. Williams replied with he thinks approximately two months ago. Mr. Balken stated that we have ninety days for newly acquired building and property. He questioned how big is it? Value wise? Mr. Williams replied with that it is a pole building. Mr. Balken stated that to just send him over the stuff and he will get that on our insurance. Not a problem.

Mr. Pryor stated that he has one last question, it relates to something else later, but our vendors and contractors are we requiring all of those to name us as an additional insured? Mr. Balken replied with absolutely. He also stated that when we get named as an additional insurer on certificate, then we are under their policy. Anything that they do wrong, it is their responsibility. Mr. Pryor questioned that they cannot sue their own insured? Mr. Balken replied with right.

Mr. Cannon thanked Mr. Balken for the updates on the insurance.
Mr. Williams stated to Mr. Cannon that while Mr. Balken is still here, do we want to jump ahead and do the resolution. Mr. Cannon agreed.

Mr. Williams presented A-4, which is an agreement for professional services with Mr. Balken and his firm. This has been reviewed by Counsel. He stated that this is no fee to the Authority. He also stated that this is to renew this for the next twelve months. He also stated that there is an accompanying Resolution (R-10-04-16) to reappoint Balken Risk Management Services, LLC as our Risk Manager.

On a motion by Mr. Pasquini, seconded by Mr. Pryor, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on October 24, 2016.

RESOLUTION
R-10-04-16

TO APPOINT THE EXCLUSIVE BROKER OF RECORD TO
Balken Risk Management Services, LLC

WHEREAS, the Pollution Control Financing Authority has been informed that their insurance account has been sold; and

WHEREAS, the Local Public Contracts Law (N.J.S.A. 40A:11-5, et. seq.) requires that a resolution authorizing the award of contracts for professional services without competitive bids and the contract itself must be available for public inspection; and

WHEREAS, the appointment of Exclusive Broker of Record to Balken Risk Management Services, LLC, will require no compensation from the Pollution Control Financing Authority; and

NOW, THEREFORE, BE IT RESOLVED by the Pollution Control Financing Authority of the County of Warren in the State of New Jersey as follows:

1. Balken Risk Management Services, LLC shall be appointed Exclusive Broker of Record, their successors and/or assigns with a 30 day termination provision, and that;

2. An agreement between the Pollution Control Financing Authority of the County of Warren, Oxford, New Jersey and Balken Risk Management Services, LLC, located at 143 Washington Street, Morristown, New Jersey, for Broker of Record services with the Pollution Control Financing Authority be made part of this resolution by reference and approved and entered into by the Pollution Control Financing Authority Board of the County of Warren subject to approval of Counsel;

3. The Chairperson and Director of Operations are hereby authorized to execute said Professional Services Agreement by signing same;

4. A notice of this action shall be published within a local newspaper, as required by law, within ten (10) days of its adoption.
ROLL CALL:

Mr. Allen  - Yes
Mr. Cannon - Yes
Mr. Pryor  - Yes
Mr. Mach   - Yes
Mr. Cannon - Yes

I HEREBY CERTIFY the above to be a true copy of a motion adopted by the Pollution Control Financing Authority of the County of Warren on the date above mentioned.

Jamie Banghart, Recording Secretary

Approved:  October 24, 2016

Mr. Balken left the meeting at 10:16 am.

Mr. Williams stated that A-3 is a draft RFP for our legal services. He also stated that this has been reviewed by Counsel and all the information contained within has been updated to match and mirror all of our other RFP’s. He also stated that if the Board is inclined to put this RFP out there and we will get this on our website and the newspaper. This will be back on our agenda for the December meeting. He also stated that we could do this the fair and open which is the way this is currently written or we could also do a non-fair and open for a professional service. Mr. Cannon questioned what did we do last year? Mr. Williams replied that we did the fair and open, which is what is before us today.

Mr. Cannon questioned if any members had any questions regarding the two processes which we are able to go through this or a preference. Mr. Pryor had a question for Mr. Tipton. When you go fair and open, you have far fewer restrictions going forward, correct? Mr. Tipton replied with yes. Mr. Pryor questioned that if you go non-fair and open then there are all sorts of restrictions? Mr. Tipton stated that if you are not going to advertise, then there are a couple of things you have to follow as far as contributions and things of that nature but it is just a matter of getting documented. Mr. Cannon stated that this is what we did last year and he pushed it a little bit last year to do it that way.

With no other comments or questions regarding A-3, Mr. Cannon asked for a motion to approve the RFP for Professional Legal Services.

Mr. Allen made the motion to approve the RFP for General Legal Counsel, seconded by Mr. Mach.

ROLL CALL:

Mr. Allen  - Yes
Mr. Cannon - Yes
Mr. Pryor  - Yes
Mr. Mach   - Yes
Mr. Cannon - Yes

Mr. Cannon stated that for agenda purposes regarding the scale issue, this will also be part of our executive session because of the contracts and some of the legal questions.
Mr. Williams presented A-6. He stated that this is something that we do every year and is part of our landfill permit for the annual topographic survey of the landfill which will occur in 2017. He also stated that this document has also been reviewed by Counsel and updated to seeking the Board’s approval to go out for bid for the annual topographic survey for 2017. This can be done anywhere between January 1st, 2017 and March 31st, 2017 is when the survey is to occur.

*Mr. Pasquini* made a motion to go out for bid for the annual topographic survey for 2017, seconded by *Mr. Allen*.

**ROLL CALL:**
- Mr. Allen - Yes
- Mr. Cannon - Yes
- Mr. Pryor - Yes
- Mr. Mach - Yes
- Mr. Cannon - Yes

Mr. Williams reported on the treatment plant operations. He stated that we have no issues as far as our operations. He also stated that he did hear back from T&M Associates late Friday. All of our background testing over a four week period has been completed. They have completed their review of the background data. He will be in touch with them later on this week to see what they have put together and hopefully get something forwarded to the Board. He also stated that he will try to have them come in to the Board meeting for the November meeting and go over their findings and so on to see what their approach is as far as moving forward.

Mr. Cannon stated that to remind them to give us ample amount of time on what they are going to send so that we have ample amount of time to digest it.

Mr. Mach questioned Mr. Williams if they are on schedule? Mr. Williams replied that they are a little behind but not too bad. He stated that they have had a little over month and a half to review the data so we will see what they produce. Mr. Cannon stated that it was a month worth of testing.

Mr. Williams reported on the landfill operations. He stated that there are no issues. Everything is running fine and there are no issues with the heavy equipment.

Mr. Williams stated that there are no issues on the H2S Removal System.

Mr. Williams stated that there are no issues with the Solar Panels.

Mr. Williams stated that A-7, regarding Cornerstone, we will discuss that later on.

Mr. Williams stated that there are no changes on A-8 with the fees.

Mr. Williams stated that A-9 is an updated pricing schedule that we will need to start talking about for next year as far as the 2017 pricing. He also stated that the column all the way to the right, which is all in red, mirrors what we did in 2016. Mr. Cannon stated that it is just a replication of 2016. Mr. Williams stated that this is something that we will need to address. He also stated that we will put this on the agenda for next month but wanted to get this out there now and give us some time to review it because contracts will be coming up.
Mr. Cannon questioned if there is anything with the Covanta contracts for their small haul to someplace else? Mr. Williams replied that he has not heard anything else. He stated that what he has done just as a cross check, he has requested Covanta information from Mr. Dave Dech because he knows that the County Planning Department receives their annual tonnages. He did receive information from Mr. Dech on Friday and we are in the process of comparing that to our monthly tonnages to see what went where. Mr. Cannon stated that just so that number is made whole. Mr. Williams replied exactly and unfortunately that is why we will do it that way. He also stated that he has not seen what was delivered elsewhere for the month of September. That data has not been provided.

Mr. Williams stated that regarding Covanta, we have two contracts with them. One is the Warren ash and the other is the Essex ash deliveries. He also stated that they are behind with the Essex ash deliveries almost 4,000 tons. They have from now until the end of December. He also stated that we are monitoring that closely. Mr. Cannon stated that so there may be an extension request coming. Mr. Williams stated that he would hope that we do not go there but we are monitoring that and it all may be delivered over the next couple of months.

Mr. Allen questioned if Covanta is done with their test burn from the Avian Flu birds? Mr. Williams replied with yes and that has been done for quite a while. Mr. Allen questioned if it is not an issue anymore? Mr. Williams replied with no.

GENERAL COUNSEL’S REPORT

Mr. Cannon asked Mr. Tipton if he had anything for open session? Mr. Tipton replied with no.

Mr. Cannon questioned Mr. Tipton, how about the liability letter? Would that be open? Mr. Tipton replied with that could be open and he is not sure what Mr. Cannon wants to do with it so we can talk about that in open.

Mr. Cannon stated that for the record, we discussed if we waive fees to public organizations using Girl Scouts, Boy Scouts, town collections or whatever the case may be to waive the fees, that we would have some sort of coverage for our own liability if they were here as volunteers and someone got hurt. We are looking just to have a blanket form that if we did waive the fees for them, then they would be willing to sign this to show that they would be responsible. Mr. Tipton stated yes, and this would be perfect for that. Mr. Cannon stated that he is assuming that all of the members have looked over this. He questioned if there were any questions? He also stated that if we have a request in the future, then this would be something that we would require them to fill out.

Mr. Cannon questioned if everyone has this in front of them? Some members responded with no. Mr. Cannon questioned that it was only in an email and he did not print them out? Mr. Williams replied that they were printed out and they are in front of everybody. Mr. Williams stated that Mr. Tipton’s email is on the front. Mr. Cannon stated that he has no objection to the form. He thought that this is covering us in each and every way.

Mr. Cannon questioned if any member had any questions about the form or the generation thereof?

Mr. Pasquini made a motion that we accept this and make this a policy going forward, seconded by Mr. Allen.

Mr. Williams stated that we will call this the Release and Waiver of Liability Agreement Policy.
Mr. Pryor questioned Mr. Tipton that this release would be signed by the person coming on the property, correct? Mr. Tipton replied with correct and he believes that this was the intention. Mr. Pryor stated yes but we are really not protected like if a spouse or a parent wanted to sue. Is that correct? Mr. Tipton stated that does he mean that if a person comes on the property say it is a fifteen year old and they get injured? Mr. Pryor stated that he does not know if an underage one could sign this. Mr. Tipton stated that there is a part to sign as legal guardian as the signature line. Mr. Pryor stated that his guess is that it is about as strong as we can be. Mr. Tipton stated that in the end, you can have anything you want signed, and you are probably still getting sued. He also stated that then we file a motion with this document and try to put it to end. Mr. Pryor questioned that in Mr. Tipton’s opinion, you have done what you can do here? Mr. Tipton stated that he thinks that he has done what he thought he could do and sometimes this will keep people from filing. Mr. Cannon stated that he thinks that we talked about requiring a person or persons who would be responsible on their side for anytime this may come up. He stated that there would have to be one person who Mr. Williams would be able to contact or deal with back and forth. We would not be talking to six different people. Mr. Tipton stated that he thinks that our liability is kind of limited because people do not get too far into the landfill no matter what. Mr. Williams stated that the people go right to the convenience center. He also stated that occasionally residents will go right into the landfill if they have a big vehicle. For example, he stated that if someone comes in with a boat, we send them right out to the landfill. Mr. Tipton stated that would not be a situation where we were giving them any free dumping. He also stated that we are really talking about roadside cleanups. There is limited potential liability.

ROLL CALL:  Mr. Allen - Yes
Mr. Pasquini - Yes
Mr. Pryor - Yes
Mr. Mach - Yes
Mr. Cannon - Yes

NEW BUSINESS

Mr. Williams stated that we did receive the application from Tilcon to White Township. This was distributed to everyone. He also stated that there was an application submitted to the Planning Department which is forthcoming. He spoke with Mr. Dech on Thursday and he will try and get us a copy of it because he believes that the Planning Board meeting is tonight. Mr. Allen questioned that this is on their agenda for tonight? Mr. Williams replied with he believes it is on there for tonight. He stated that the copy of the application that was submitted has not been received as of yet. He is hoping that it comes over today interoffice. If it does, he will get it distributed to everybody.

Mr. Cannon stated that we had tried to get a copy of this from White Township and they charged us an OPRA charge which he thinks that this Board will send a letter out regarding the hundreds of thousands of dollars that we send to White Township. Frankly, he stated that as a White Township resident, he was a little upset about that. He thinks that there should not have been a charge on that.

OTHER BUSINESS

Mr. Williams stated that with the tire recycling up to date, it is still moving along well.

Mr. Williams stated that he believes that we have one outstanding bill left which is an advertisement from the tire amnesty. He also stated that it looks like we will have approximately $14,000.00 remaining
that we could do a tire amnesty day for the farmers in the spring. This should most likely wipe out the rest of that. Mr. Williams stated that the residential tire amnesty day that we just did in September was approximately just under $7,000.00.

Mr. Olshefski questioned if there was a time period on that grant? Mr. Williams replied that he was never given a time period. Mr. Olshefski stated that we will need to request an extension. He will look into this. Mr. Williams stated that we will talk about that but he believes that there is a financial statement that needs to also be submitted. Mr. Olshefski stated right.

Mr. Cannon questioned what is the farm versus the residential? Mr. Williams replied with that it is almost three times. Mr. Cannon questioned numbers wise? Not quantity, he means cost? Mr. Williams replied with that the cost is three times as much. He also stated that we will most likely end up going over the $14,000.00 of what is available.

Mr. Williams stated that the tire collection is less for farmers but the cost is greater.

CLOSING PUBLIC COMMENT
None

PRESS COMMENTS & QUESTIONS
None

EXECUTIVE SESSION

Mr. Cannon stated that we will be going into Executive Session to discuss a few contract issues.

Executive Session was entered at 10:36 am.

RESOLUTION

R-10-06-16

AUTHORIZING EXECUTIVE SESSION

WHEREAS, the Authority has a need to discuss the following matter(s) in Executive Session:

Contract Negotiations

It is not possible, at this time, for the Authority to determine when and under what circumstances the above-referenced item(s), which are to be discussed in Executive Session, can be publicly disclosed;

NOW, THEREFORE, Pursuant to N.J.S.A. 10:4-1 et. seq., BE IT RESOLVED by the Pollution Control Financing Authority of Warren County that the matter(s) as noted above will be discussed in Executive Session.
Moved By:   **Mr. Pasquini**

Seconded By: **Mr. Pryor**

ROLL CALL:   Mr. Allen - Yes
             Mr. Pasquini - Yes
             Mr. Pryor - Yes
             Mr. Mach - Yes
             Mr. Cannon - Yes

I hereby certify the above to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the date above mentioned.

Jamie Banghart, Recording Secretary

Dated: 10/24/16

**Mr. Allen** made a motion to come out of Executive Session, seconded by **Mr. Pryor**.

ROLL CALL:   Mr. Allen - Yes
             Mr. Pasquini - Yes
             Mr. Pryor - Yes
             Mr. Mach - Yes
             Mr. Cannon - Yes

Regular session resumed at 12:00 pm.

Mr. Cannon stated that we are back in open session. He stated that Counsel has some determination.

Mr. Tipton stated that we received two bid responses for the new truck scale RFB. He also stated that it turns out that even the lowest bid at $169,950.00 was in excess of at least twice the estimated costs for this project. As such, under open public contract law, Mr. Tipton stated that we have the right to reject all bids under that circumstance. In addition, we had both bidders, the lowest and the second to lowest, question, protest and/or comment on our specifications, so at this time we can also reject all bidders in an effort to go back and potentially substantially revise the specs. There are two bases for which we can go back and reject all bids if that is the Board’s desire. Mr. Tipton stated that we would need a resolution rejecting all bids and we could do this under both of the bases or one or the other, but he would recommend, if that is the desire of the Board, it would be on both bases.

Mr. Cannon questioned Mr. Tipton that he will turn that into a resolution for us and we can vote on it today? Mr. Tipton replied with yes. Mr. Cannon stated that Mr. Tipton will represent that resolution. Mr. Tipton stated that the motion would be a resolution to reject all bids for the new truck scale because the lowest bid substantially exceeded the cost estimates and alternatively the Authority wants to revise the specifications.

**Mr. Pasquini** made a motion, seconded by **Mr. Pryor**.

ROLL CALL:   Mr. Allen - Yes
             Mr. Pasquini - Yes
             Mr. Pryor - Yes
             Mr. Mach - Yes
             Mr. Cannon - Yes
Mr. Cannon stated that the motion is carried and Mr. Tipton will submit a resolution to us.

Mr. Pasquini questioned that this also include a new RFP that will come out with the new? Mr. Williams stated that he will get together with Mr. Tipton and they will work on seeing how they can modify it. Mr. Tipton stated that they will talk, look at it, think about it and decide how we want to proceed. He stated that the Board will see something and it will be a future motion to go back out to bid, if that is the pleasure of the Board. He also stated that we really cannot make that call yet.

**ADJOURNMENT**

With no other business to discuss, **Mr. Pasquini** motioned to Adjourn, seconded by **Mr. Pryor**, at 12:04 pm.

**ROLL CALL:**  
Mr. Allen - Yes  
Mr. Pasquini - Yes  
Mr. Pryor - Yes  
Mr. Mach - Yes  
Mr. Cannon - Yes

Respectfully submitted by:  
Jamie Banghart, Recording Secretary

Approved: 11/28/16