

POLLUTION CONTROL FINANCING AUTHORITY  
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING  
April 22, 2013

Chairman Davenport called the regular monthly meeting of the Pollution Control Financing Authority of Warren County to order at approximately 9:00 AM.

Authority Members present: Richard Mach, Robert Davenport, Holly Mackey, and James Cannon.

ROLL CALL:	Mr. Mach	-	Present
	Mrs. Mackey	-	Present
	Mr. Yanoff	-	Absent
	Mr. Cannon	-	Present
	Mr. Davenport	-	Present

Also present: James Williams, Director of Operations; Brian Tipton, General Counsel; Pete Houck, Chief Financial Officer; Jamie Banghart, Recording Secretary.

Pledge of Allegiance / Introductory Statement

MINUTES

The minutes of the regular meeting of March 25, 2013 were presented for approval. **Mr. Mach** made a motion to approve the minutes with discussion on the minutes, seconded by **Mr. Cannon**.

Mr. Mach and Mr. Cannon requested the following modifications to the Regular Monthly Meeting Minutes of March 25, 2013.

**Mr. Mach requested the following modifications:**

- 1) Page 3, second paragraph, regarding the heating system. He would like the minutes in this section to state geothermal heating and cooling not electric. (Mr. Cannon commented for clarity regarding the electrical heating, that it should state not only the geothermal heating and cooling, but any other possibilities for heating and cooling.)
- 2) Page 4, regarding the Maser invoice. State the full names for clarity of the employees discussed and not just the first names.

**Mr. Cannon had the following question:**

- 1) Wording question to Page 3 the last paragraph, to clarify Mr. Houck’s statement clearly. The line stating “it would make things a bit easier keeping our funds with this bank” makes it sound as though it is easier for us (the PCFA). Mr. Cannon stated that he believes Mr. Houck stated that “it would be more difficult for the banks to do the changeover of all the financials because it would be all their work.”

**Mr. Mach** amended his motion to reflect the changes stated above in the regular meeting minutes of March 25, 2013, seconded by **Mr. Cannon**.

ROLL CALL:     Mr. Mach                 -     Yes  
                  Mrs. Mackey             -     Yes  
                  Mr. Yanoff                 -     Absent  
                  Mr. Cannon                 -     Yes  
                  Mr. Davenport           -     Yes

No Executive Session on March 25, 2013.

The Special Meeting Minutes of April 8, 2013 were presented for approval. **Mrs. Mackey** made a motion to approve the Special Meeting Minutes of April 8, 2013, seconded by **Mr. Cannon**.

Mr. Davenport and Mr. Cannon requested the following modifications to the Special Meeting Minutes of April 8, 2013.

**Mr. Cannon requested the following modifications:**

- 1) Page 1, Public Comments, regarding the introductory statement should read “that the introductory statement now mirrors the County’s introductory statement.” The word “now” has been added.
- 2) Page 2, top of the page, wording modification to “regarding all this process.” Remove the word “all”.
- 3) Page 2, second sentence, wording modification to ““Mr. Cannon’s main concern is the Board being informed on all the conversations between Covanta and the DEP.” The words “the Board” have been added.
- 4) Page 2, fourth paragraph, Mr. Cannon questioned the language used regarding Counsel’s review of the land lease agreements. Mr. Tipton stated that to his recollection that the Board wanted him to first contact County Counsel and to find out that there was a more narrow scope and go from there. Mr. Tipton said he had limited authority, not just broad authority. Mr. Cannon stated that the motion should be amended through Counsel. Mr. Tipton will provide a revised motion regarding the Counsel’s review.

**Mr. Davenport questioned the following language:**

- 1) Page 2, third paragraph, which discussed the Maser invoice and the two employees having the same hours, Mr. Davenport stated that what he believed he said was that “they were given different hours for the same meeting”.

**Mr. Cannon** made a motion to accept the Special Meeting Minutes from April 8, 2013 with the modifications stated above, seconded by **Mr. Davenport**.

ROLL CALL:     Mr. Mach                 -     Abstain  
                  Mrs. Mackey             -     Yes  
                  Mr. Yanoff                 -     Absent  
                  Mr. Cannon                 -     Yes  
                  Mr. Davenport           -     Yes

No Executive Session on April 8, 2013.

CORRESPONDENCE

None

PUBLIC COMMENTS (AGENDA ITEMS ONLY)

None

PRESENTATIONS

None

FACILITIES/RECYCLING

Mr. Williams reported that the treatment plant operations continue to run smoothly. Our discharge is up to over 40,000 gallons per day. The bug population is thriving. We continue to have discussions with the PRMUA staff and they have no issues regarding our landfill leachate discharges to their facility. The communication line is good and open.

Mr. Davenport inquired about our water situation at the treatment plant. Mr. Williams stated that we have been able to almost empty our lagoons. Each lagoon holds about a million gallons each. We have been able to lower them down to about 200,000-300,000 gallons. We are keeping that amount in reserve so that we can get through the drier summer months. As of now, we are not trucking any leachate. Our main storage tank currently has about a half a million gallons of leachate. These volumes are all weather related, the more rain we get means more leachate is generated.

Mr. Cannon questioned one of the bills on the bill list that pertains to leachate hauling. He asked “do we need to allocate more monies for leachate hauling being that the leachate hauling amount has basically been exhausted?” Mr. Williams replied that there is a possibility of shuffling some monies around within the budget to accommodate the leachate hauling. Mr. Davenport stated that releasing the water to PRMUA, as opposed to hauling, we save a significant amount of money.

Mr. Williams stated that the landfill operations are very well. Waste flows are good. The Ash from the Essex facility is still being delivered with no issues. We have been having a nice weather pattern since we have been using Cell 5. We have been able to get the floor and side slopes in Cell 5 covered. This allows the waste to start absorbing the rainwater instead of the rainwater going right through the system and out to the lagoons.

The H2S Removal System should achieve substantial completion by the end of next week. The draft air permit has been received and forwarded on to the EPA. There is a forty-five day review period at the EPA level. Once the forty-five day review period is over, which should be the second to third week of May, we should be able to turn the system on and be operational.

Mr. Cannon asked Mr. Williams if there were any prospects with the old system? Mr. Williams stated that these systems are site specific. When our system was constructed, Cherry Island in Delaware built an identically system to ours. They have been trying for three years to have their system removed with no luck. Cherry Island decided to keep their system in place and they are looking for other avenues on what to do with it.

Mr. Williams stated that it would be nice to find a vendor who would be interested in the electric motors and pumps. Mr. Mach suggested researching a company that specializes in selling chemical equipment.

He suggested “Perry”, which is either located in Springfield or Union, NJ. Mr. Mach stated that they resell vessels and chemical processing equipment. Mr. Williams will reach out to them.

Mr. Davenport had a question on the chemicals that we buy for the old system, “Do we have a big stock pile of the chemicals?” Mr. Williams stated that we have a six month supply on site. Mr. Davenport asked how long it takes to refill our supply if needed and the minimum amount we can order. Mr. Williams stated that we placed an order in January to get us through June. The amount of chemicals needed on the old system depends on when the new system becomes operational. Mr. Williams said that if we need to order more chemicals, it is here and on site within a few days.

Mr. Williams reported on the update of the Solar Panel Project. In January, 2013, the BPU put out an order at the end of the month regarding solar panels on closed landfills. Energenic met with representatives from DEP and BPU a couple of weeks ago to discuss the application process. Energenic filled out and submitted the application Monday to the DEP. We are hoping the application will be on the DEP’s agenda for their May meeting. If this application is approved by the DEP, then “hopefully” it moves on to the BPU for final approval in mid June.

Mr. Williams stated that on April 15<sup>th</sup> and 16<sup>th</sup>, he the Chairman attended the SWANA conference in Atlantic City. We met with a retired DEP official and discussed with him our solar project and asked for any assistance he could provide. We then had a conference call with Energenic who explained the issues that they were having in obtaining approvals for the system. After the conference call the retired representative from DEP offered to make some phone calls on our behalf to other representatives of the DEP to provide them with his insight. We continue to move in a positive direction. Mr. Davenport stated that once this system is turned on, it will give the PCFA a \$10,000.00 a month savings.

Mr. Williams provided to the Board the handouts that were given at the SWANA conference. Mr. Williams stated that this conference is very well attended.

Mr. Williams reminded the Board about the Household Hazardous Waste and Electronics Recycling Event scheduled for this Sunday, April 28<sup>th</sup>.

Mr. Cannon suggested that a discussion should be held regarding the tour on Friday, April 19<sup>th</sup> that he, Mr. Mach and Mr. Williams took at Rolling Hills Landfill to observe the ash/metal screening operation. Mr. Cannon stated there were some concerns and we need to make sure we are protected at our facility if this process were to move forward. Mr. Williams stated that Covanta has had some discussions with the DEP regarding the process. They will be contacting Mr. Williams within a day or two to start formulating a draft modification to our solid waste permit. Covanta will also need to have an air permit issued.

Mr. Williams stated that there are a number of legal issues that have to be discussed before we can move forward with this process. Mr. Cannon also stated that there were a couple of quirks with the operation at the tour while we were on site. This brought up a host of safety issues with this operation. Mr. Mach stated it was a simplistic operation but we should look into the level of noise, level of dust and disturbances to the surrounding community when this process is operating.

#### FINANCE/PERSONNEL

Mr. Houck stated that the monthly report was complete with nothing abnormal. He also noted that other personnel costs are slightly higher than the 25% which is due to the pension payments that were submitted on April 1.

Mr. Davenport commented on the tonnage that is being accepted at our facility. He stated that the revenue seems to be affected by the Essex Ash.

**Mr. Cannon** made a motion to approve the Resolution To Pay Bills (R-04-02-13) [\$870,317.70], seconded by **Mrs. Mackey**.

Mr. Cannon had a question on the recycle tax on the bill list. Mr. Williams stated that we pay a recycling tax to the State of New Jersey. Mr. Cannon questioned the fee for First Hope Bank. Mr. Williams believes that this fee is on the list to keep the account open. Mr. Cannon also questioned on George Coyne Chemicals. Mr. Williams stated that the company is Coyne Chemical and this is where we buy our chemicals from.

ROLL CALL:	Mr. Mach	-	Yes
	Mrs. Mackey	-	Yes
	Mr. Yanoff	-	Absent
	Mr. Cannon	-	Yes
	Mr. Davenport	-	Yes

Mr. Houck contacted Mr. Michael Huxley of TD Bank about the proposals. Mr. Houck reported that TD Bank is not interested in our money. Therefore, Fulton Financial is the lower BID. Mr. Houck has been in contact with Ms. Mary Herald from the DEP. Mr. Houck stated that there are some issues with the draft agreements received from the DEP. These agreements have the DEP controlling all the trust funds. Mr. Houck needs a consensus from the Board on what the Board wants to do with the money. Mr. Houck will look into a revision of the trust fund agreements with the DEP.

The Resolution for the Escrow Trust Fund was discussed. Mr. Williams stated that the resolution that we have, authorizes Fulton Financial as our designated custodial trust bank.

**Mrs. Mackey** made a motion to approve the Resolution Designating Custodial Trust Services for the Sanitary Landfill Closure Escrow Trust Funds (R-04-03-13), seconded by **Mr. Cannon**.

A discussion was held on this motion. Mr. Mach stated he was not clear on the motion made. Mr. Houck stated that we are voting on accepting the proposal from Fulton Financial. Mr. Houck clarified that we are working on agreement language revisions with the DEP. There are three trust funds accounts. Mr. Houck stated that the account that we voluntarily created, which is the supplemental trust fund, is the draft agreement that is in question with the DEP. Mrs. Mackey explained is that what this resolution states is to the terms in the RFP and that we are accepting their (Fulton Financial) terms. By accepting this, the terms will stay the same.

ROLL CALL:	Mr. Mach	-	Yes
	Mrs. Mackey	-	Yes
	Mr. Yanoff	-	Absent
	Mr. Cannon	-	Yes
	Mr. Davenport	-	Yes

The Waste Disposal Fee Schedule was presented by Mr. Williams. Two additional waste disposal contracts came in. Mr. Williams stated the two names, G&G Smith and Frelinghuysen Township. Mr. Williams needs approval from the Board to accept their contracts.

**Mrs. Mackey** moved for approval of the two Waste Disposal Contracts from G&G Smith and Frelinghuysen Township, seconded by **Mr. Mach**.

Mr. Cannon questioned that if Sanico is offering a discount on all of their household rates, do they recycle and was wondering where Sanico's stream of recycling goes? Mr. Williams was not able to provide an answer for Mr. Cannon because he is not sure where Sanico's recycling is delivered. Mr. Williams stated that the household garbage from Sanico is delivered to the incinerator.

ROLL CALL:     Mr. Mach             -     Yes  
                  Mrs. Mackey         -     Yes  
                  Mr. Yanoff           -     Absent  
                  Mr. Cannon           -     Yes  
                  Mr. Davenport       -     Yes

### NEW BUSINESS

Mr. Davenport discussed the SWANA conference that he attended with Mr. Williams. The theme of the conference was the Super Storm Sandy. We heard numerous presentations about what went on before, during, and after the storm. The lesson we got from these discussions were the preparedness by the State and how the governor declared a State of Emergency the day before Sandy had hit. This freed up all of the resources throughout the state to mobilize and be put in place. With that in mind, Mr. Davenport suggested he sit down with the Director and go over our emergency plans here at the PCFA. Mr. Williams suggested that he could reach out to the County to see what role we may have in providing assistance during an emergency situation. Mr. Cannon agreed to help.

### GENERAL COUNSEL'S REPORT

Mr. Tipton reported that he reached out to the County Counsel, Mr. Joe Bell, on lease review. Mr. Tipton is waiting for a response back and will inform Board as soon as he gets some information.

### OTHER BUSINESS

Mr. Cannon discussed an issue with calls he received a few months ago pertaining to the odor from the landfill. Mr. Cannon would like to know what the process is for the public, for odor complaints. Mr. Williams explained that we have an odor hotline number for the public to call. In the past, we would publish the number in the Riverbend. It was agreed to by all to periodically place an ad in the Riverbend that would include our odor hotline number.

### CLOSING PUBLIC COMMENT

None

### PRESS COMMENTS & QUESTIONS

None

### EXECUTIVE SESSION

**Mrs. Mackey** motioned to enter into Executive Session for a contract negotiation, seconded by **Mr. Cannon**. Commencing at 10:07 am.

ROLL CALL: Mr. Mach - Yes  
Mrs. Mackey - Yes  
Mr. Yanoff - Absent  
Mr. Cannon - Yes  
Mr. Davenport - Yes

**Mrs. Mackey** motioned to come out of Executive Session, seconded by **Mr. Cannon**.

ROLL CALL: Mr. Mach - Yes  
Mrs. Mackey - Yes  
Mr. Yanoff - Absent  
Mr. Cannon - Yes  
Mr. Davenport - Yes

Regular session resumed at 10:25 am.

The results from Executive Session are as follows.

Mr. Tipton stated that a motion will be needed to authorize Mr. Williams to initiate more substantive discussions regarding an ash metal recycling agreement with Covanta but not to commit the Board.

**Mrs. Mackey** made the motion, seconded by **Mr. Davenport**.

ROLL CALL: Mr. Mach - Yes  
Mrs. Mackey - Yes  
Mr. Yanoff - Absent  
Mr. Cannon - Yes  
Mr. Davenport - Yes

#### ADJOURNMENT

With no other business to discuss, **Mrs. Mackey** motioned to Adjourn, seconded by **Mr. Mach**, at 10:27 am.

ROLL CALL: Mr. Mach - Yes  
Mrs. Mackey - Yes  
Mr. Yanoff - Absent  
Mr. Cannon - Yes  
Mr. Davenport - Yes

Respectfully submitted by:

Recording Secretary

Approved: