

POLLUTION CONTROL FINANCING AUTHORITY
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING

January 27, 2014

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: Robert Davenport, Richard Mach, Todd Yanoff, and James Cannon.

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

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

The Pledge of Allegiance was led by Chairman Davenport.

Mr. Davenport read the following statement: "Adequate notice of this meeting of January 27, 2014 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. Davenport presented the regular monthly meeting minutes from December 16, 2013.

Mr. Cannon made a motion to approve the minutes as presented, seconded by **Mr. Mach**.

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

No executive session on December 16, 2013.

CORRESPONDENCE

Mr. Williams presented a letter from the Township of Oxford requesting the PCFA to waive their fall clean up fees in the amount of \$3,917.43.

Mr. Mach made a motion to approve the letter and to approve the Township of Oxford's request to waive the fall cleanup fees, seconded by **Mr. Davenport**.

Mr. Cannon questioned if the amount is about the same as previous clean ups. Mr. Williams stated that the amount is consistent with the previous spring and fall cleanups.

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

Mr. Williams stated that the next correspondence presented is a copy of the letter to Mr. Dave Dech of the Warren County Planning Board regarding the PCFA's concern regarding the proposed Tilcon access road. Mr. Cannon questioned if there were any updates on the Tilcon road crossing. Mr. Williams met with Mr. Dech and they are still in discussion on who actually owns the road. Mr. Williams stated that Tilcon will not be attending our meeting for discussion until ownership of the road is resolved.

Mr. Williams presented a letter from the PRMUA regarding 2014 sewer rates. The rates are slightly increasing. Mr. Mach asked how much this increase is compared to the rates from 2013. Mr. Houck stated it is a 5% increase from last year. Mr. Houck stated that they are increasing the rates incrementally because of the upgrade on the Oxford plant.

New Jersey Department of Environmental Protection conducted an inspection at the landfill in November 2013. Mr. Williams stated that there were no violations issued.

Mr. Williams discussed a letter from the Township of White to Mr. Williams regarding their approval of the landfill expansion and to talk in the near future about a possible increase in the host community fee to them.

PUBLIC COMMENTS (AGENDA ITEMS ONLY)

None

PRESENTATIONS

Mr. Davenport stated that we have a presentation from Mr. John Daly concerning our 2014 insurance premiums. Mr. Daly discussed the insurance premiums in detail for the Pollution, Property, Auto, Inland Marine, Boiler and Machine, Crime, and the Director and Officers. Mr. Daly and Mr. Williams stated that we are more than adequate in what we are covered for compared to other facilities. Discussions were held amongst the Board and Mr. Daly about the different coverage on each premium. Mr. Daly will be looking into increasing the premium amount for the Directors and Officers for a higher coverage on this premium.

FACILITIES/RECYCLING

Mr. Williams reported that there are no issues with the treatment plant operations. Mr. Williams stated that the pumping continues over to the PRMUA facility. The communication lines are open between the PCFA and the PRMUA staffs. There are no issues.

Mr. Williams stated that the landfill operations are running smooth. Ash continues to come in from the Covanta facilities.

Mr. Williams stated that we will need to replace one of our blowers on the gas collection system. There are three blowers on the system, but only two run at the same time. A vibration was detected on one of the blowers. Mr. Williams stated that a new blower is on order through Perennial.

Mr. Williams reported that we are fully out of the old scrubber system. We have a backup generator that is hooked to that system and to the flare. Mr. Williams stated that we need to relocate the generator over to the new scrubber and it continue to operate both systems. Wire's Electric will be installing the new wires and an automatic transfer switch.

Mr. Williams stated that we have two of our engineering firms putting some "feelers" out for the old scrubber system. The old system has been completely drained out and the vessels were emptied. The new system has been up and running since April 2013. Mr. Williams reported that the H₂S levels in the gas continue to decrease. This means that the replacement of the media in the new vessels will be extended.

Mr. Williams reported on the Solar Panel Project. We are still waiting on our discount back from Energenic on the Administration Building bills. Mr. Williams stated that Energenic was sent the December 2013 bill, so they now have the entire last quarter of 2013.

Mr. Williams discussed the agreement we had with Covanta regarding the metal recovery of the Essex ash. The agreement was drawn up that if we didn't hear anything from them by January 1, 2014, the agreement is terminated.

Mr. Williams stated that the Freeholder Board did approve the expansion of the facility. The paperwork has been sent down to the DEP. The next step is to do the feasibility study of the landfill. Mr. Williams questioned the Board if they want to use Cornerstone or do we want to go out for Bid for the feasibility study? Mr. Williams stated that the estimated dollar amount for a feasibility study is \$12,000.00 to \$16,000.00. Mr. Davenport stated that a decision had to be made whether we chose Cornerstone or go out for Bid for this study. The Board made the decision to go out for Bid on the feasibility study. Mr. Williams will get a draft together and send to General Counsel and to the Board. A discussion was held regarding where to advertise the Bid. Mr. Cannon stated that he thought the PCFA website does not give us enough opportunities for what may be out there. The Board suggested to add the Star Ledger for advertising in addition to the Express Times and the PCFA website.

FINANCE/PERSONNEL

Mr. Houck stated that we finished the year in good shape.

Mr. Houck presented the Finance report to the Board. Mr. Mach had a question about the purchase value and the market value of the escrow funds. A lengthy discussion was held between the Board and Mr. Houck regarding the difference in the market and purchase value. Mr. Houck stated we are restricted

legally by DEP regulations as to what we can invest in. Mr. Houck stated if we hold the escrow fund to maturity, we will get the face value.

Mr. Mach made a motion to expend money for a detailed report on the escrow accounts not to exceed \$2,000.00, seconded by **Mr. Cannon**.

Mr. Houck will contact the County Financial Advisor inquiring if a fee is associated with an independent analysis on our current portfolio and our “could be” portfolio according to the DEP regulations on the escrow accounts.

Mr. Mach withdrew his motion.

Mr. Davenport stated a motion was needed to accept the Resolution R-01-02-14 To Pay the Bills.

On a motion by **Mr. Cannon** seconded by **Mr. Mach** the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *January 27, 2014*.

R E S O L U T I O N

R-01-02-14

To Pay Bills – January 27, 2014

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. Cannon	- Yes
	Mrs. Mackey	- Absent
	Mr. Yanoff	- Yes
	Mr. Mach	- Yes
	Mr. Davenport	- Yes

We hereby certify Resolution to Pay Bills in the amount of **\$545,285.88** to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the *27th* day of *January 2014*.

Jamie Banghart
Recording Secretary

James Williams
Director of Operations

There are no changes in the 2013 Waste Disposal Fee Schedule.

The 2014 Holiday Schedule was presented for approval.

Mr. Cannon made a motion to approve the 2014 Holiday Schedule with some discussions, seconded by **Mr. Davenport**.

Mr. Cannon questioned if there were any changes on the schedule from the existing 2013 schedule? Mr. Williams stated the holidays are exactly the same from year to year.

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

NEW BUSINESS

Mr. Davenport stated that there is a change in the personnel manual, whereas section 19 item number 7 be removed. Mr. Williams stated that this is the only change in the manual.

Mr. Davenport made a motion to make the change in the PCFA Personnel Policy Manual, seconded by **Mr. Cannon**.

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

GENERAL COUNSEL'S REPORT

Mr. Tipton reported on the SRVSA Agreement. Mr. Tipton spoke with Counsel from SRVSA regarding the revisions the Board had concerns with.

Mr. Tipton stated that the removal of pathological waste and the definition of sludge is unnecessary in the agreement and was removed from agreement. Mr. Tipton and SRVSA Counsel discussed the language with respect to the rejection of deliveries stated by SRVSA. The reason for adding and revising the language there was an effort by SRVSA to protect themselves from getting their ash rejected in exchange for us taking ash from someone else. Mr. Tipton assured SRVSA that we are not going to reject the ash from them. The language pertaining to the removal of the late payment paragraph in the agreement was discussed with Mr. Tipton and SRVSA Counsel. Mr. Tipton stated that this is in the agreement from SRVSA because they do not want us charging them late fees. The fourth revision is addition insurance requirements. Mr. Tipton stated that the first sentence does properly protect us and the second sentence was removed. Mr. Tipton was satisfied with their explanations.

Mr. Cannon made a motion upon Counsel's review and consent, that we agree with the SRVSA Agreement with the rates of \$64.00/ton in 2014, \$66.00/ton in 2015, \$68.00/ton in 2016, seconded by **Mr. Mach**.

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

Mr. Tipton spoke to Warren County Landfill Energy regarding the collateral and waiver agreements that they wanted for their refinance. The bank dropped the issue and did not require us to sign the agreements.

OTHER BUSINESS

Mr. Williams stated that next month is our reorganizational meeting. Mr. Williams asked the Board for their preference on the meeting dates and times. Discussions were held regarding this. Mr. Davenport asked the Board members to choose two days with time slots and to email to Mr. Williams.

CLOSING PUBLIC COMMENT

None

PRESS COMMENTS & QUESTIONS

None

EXECUTIVE SESSION

RESOLUTION

R-01-03-14

AUTHORIZING EXECUTIVE SESSION

WHEREAS, the Authority has a need to discuss the following matter(s) in Executive Session:
Not necessary at this time

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:

Seconded By:

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

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.

Recording Secretary
Jamie Banghart

Dated: 01/27/14

ADJOURNMENT

With no other business to discuss, **Mr. Mach** motioned to Adjourn, seconded by **Mr. Davenport**, at 10:33 am.

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

Respectfully submitted by:

Jamie Banghart
Jamie Banghart, Recording Secretary

Approved: 02/24/14