

POLLUTION CONTROL FINANCING AUTHORITY
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING

October 26, 2015

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, James Cannon, Bud Allen, and Joseph Pryor.

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

Also present: James Williams, Director of Operations; Brian Tipton, General Counsel; Dan Olshefski, Chief Financial Officer; Freeholder Director Ed Smith; 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 October 26, 2015 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".

Mr. Davenport welcomed Freeholder Director Ed Smith to the PCFA meeting.

MINUTES

Mr. Davenport presented the regular monthly meeting minutes from September 28, 2015.

Mr. Cannon made a motion to approve the regular monthly minutes of September 28, 2015 as presented, seconded by **Mr. Allen**.

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

Mr. Davenport presented the executive session meeting minutes from September 28, 2015.

Mr. Allen made a motion to approve the executive session minutes as presented, seconded by **Mr. Davenport**.

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

CORRESPONDENCE

Mr. Williams presented a letter from Covanta to Freeholder Director Smith regarding meetings attended by the Freeholder Director, the PCFA Chairman and Mr. Williams with Covanta. The meetings were in regards to a process that Covanta is looking into doing at their facility which is injecting waste water into their boiler. Mr. Williams stated that he advised Covanta that he would bring this up before the Board. He asked if the Board would like to have Covanta come before the Board and give a more in depth overview of the process they are referring to.

Mr. Davenport stated that if we invite Covanta here, it is like us telling them we could possibly approve this.

Mr. Allen stated that, personally, for us to give Covanta some sort of approval, we are not the experts on this. They should go to the DEP and let the DEP put it up or down and make their recommendations from an environmental stand point. After this point, then they can come to us.

Mr. Cannon stated that the letter makes it sound like Covanta would want an approval from the PCFA. He suggested to have Covanta attend a meeting for an information session, which we would not have to approve or disapprove. Mr. Allen also stated to have Covanta attend a meeting for an overview but we are not going to vote on this and approve this process.

Mr. Williams stated that if the Board agrees to have Covanta come before us, he thinks it would be good for us to look to legal counsel for opinion whether this would be in our best interest also. Mr. Mach stated that he agrees to have Covanta come in front of us to not grant approval but to hear what it is that they are going to do at their facility. He also stated that this will then be on record to protect ourselves as well as the surrounding community.

Mr. Williams stated that he will ask Covanta to put together a presentation for the Board and attend our November 16th meeting.

Mr. Cannon made a motion in response to Covanta's letter, that we invite them in to give the Authority a strictly information session on what they are proposing, seconded by **Mr. Davenport**.

Mr. Pryor stated that he is a little confused about the institutional side of this. He stated that this letter is addressed to the Freeholder Board. He also stated that we have SWAC and in the paragraph they are talking about the PCFA. He was not sure where all the contracts line up. Freeholder Director Smith stated that he would speak on Agenda Items.

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

Mr. Williams presented a letter to the White Township Planning Board regarding the PCFA purchasing the piece of the Unangst property. He stated that this is an informal type meeting. He believes the application has been submitted as stated in the letter. Once a date has been set, Mr. Williams will attend the meeting and provide an overview of the expansion project. Mr. Davenport stated that he would also like to attend the meeting with Mr. Williams to observe.

PUBLIC COMMENTS (AGENDA ITEMS ONLY)

Freeholder Director Smith addressed the issue with the liquid injection at Covanta. He stated that Covanta approached the County. He thought it was appropriate for Covanta to advise PCFAWC because if there was anything that would be affecting the ash that the PCFA would be aware of that. He also stated that whatever product they choose to put in, the logic behind this is twofold. They will be able to increase their tonnage capability because the injection drops the temperature in the burner. They have been using their waste water currently but what they would be looking to inject would be detergents. He stated that this was forwarded to the DEP for review. He spoke to DEP and that they were looking at the application.

Freeholder Director Smith stated that the Avian Flu has reared its head again. He stated that he was made aware of this from Covanta that the DEP has reached out to them about the incineration of bird carcasses as opposed to having them disposed here at the landfill, which this Board denied. He stated that he shared this with the assistant commissioner at the DEP that these carcasses would be hauled across the County and there was a concern whether or not there was a health issue to other avian operations within the County. He stated that this was greeted as a legitimate concern. He also stated that the DEP will be meeting with Covanta and he does not know where this will go. This is a process in the works. He also stated that he did indicate his concerns and reiterated the fact that they do have the option to dispose on site at the location. The DEP is looking to meet with Covanta regarding the incineration of the bird carcasses. Freeholder Director Smith stated that the DEP is pushing for the incineration at Covanta because they are looking to establish through an OEM public health standard of how they would address such a case. The DEP is examining all options. He stated that he wanted to make the Board aware of the fact that the discussion is still out there.

PRESENTATIONS

None

FACILITIES/RECYCLING

Mr. Williams reported that the treatment plan operations are operating smoothly.

Mr. Williams presented a memo to the Board regarding the TDS related issues here at the PCFA. He also attached the DRBC (Delaware River Basin Commission) docket which regulates the PRMUA's discharge into the Pequest River. He also included agreements that the PCFA has with PRMUA and a definition of TDS.

Mr. Williams stated that the PCFA is basically using approximately 50% of the PRMUA's TDS limitation.

Mr. Williams stated that we discussed previously that we have an item within the budget for next year to hire an engineer to look at this and provide us with possible alternatives to move forward.

Mr. Pryor stated that he is confused about one thing with the hauling and the diluting of the leachate.

Mr. Pryor stated that what he does not understand is the dilution. He also stated that by diluting, we still have the same amount of solids. Mr. Williams stated that we have to dilute for TDS for two reasons. One reason is for our operation to work properly when it first comes into our system. The TDS is so high that we have to dilute it down otherwise our ammonia levels approach permit limits. The other reason is to stay within permit at the PRMUA.

Mr. Williams stated that the way the agreements are written, that once we exceed 80% of any of the PRMUA's permit limits, then we have to do something to the TDS on our end. Mr. Pryor stated that their permit limit is a mass limit and not a concentration limit. Mr. Pryor questioned does the dilution knock down the amount of the TDS? Mr. Williams stated that the mass loading is the same except it is spread out with the dilution. He also stated that the dilution helps the PCFA operation. He stated that we monitor our TDS two times a day prior to it going through the treatment process. We have seen high spikes in the TDS which caused our ammonia levels to increase.

Mr. Davenport stated that if we send PRMUA 30,000 gallons of undiluted leachate then we would exceed. Mr. Pryor stated that if we had a discharge of 30,000 gallons per day and now we are adding water, where is the extra water going? Mr. Williams stated that this is why we need to do something with the TDS at our facility. Mr. Davenport stated that we are paying for that extra water. Mr. Williams stated that if we send 30,000 gallons of undiluted leachate, then we may exceed their permit limit. He also stated that we do a calculation in house to make sure what goes down the pipe to the PRMUA stays within their permit limit. He stated that in essence if we lowered our discharge to 23,000 gallons and did not dilute it, we would be ok with the permit limit. Mr. Pryor stated that it is all arithmetic, a mass balance. Mr. Williams replied exactly. Mr. Mach stated that from our perspective, whatever is going through and down to PRMUA, has to be treated one way or another. He stated that either we treat it this way or we send it out to be treated at Passaic Valley.

Mr. Williams stated that when we started diluting the leachate, we looked at what is the cost of adding the water versus putting in a reverse osmosis system. He also stated that the reverse osmosis system was more expensive than adding the liquid to the system. Since we are now going through with the expansion of this facility, Mr. Williams stated that this is something we should look at for long term.

Mr. Williams stated that the whole purpose of the TDS issue is for us to get an engineer involved to work with us to get a solution.

Mr. Williams reported on the landfill operations. Landfill Operations continue to run smooth. Mr. Williams stated that Covanta has begun delivering the remainder of the ash from the Essex facility. They still have a little over 4,000 tons to deliver by the end of the year.

Mr. Williams discussed the Landfill Compactor sale. He stated that we received confirmation from the auctioneer. The auctioneer has received payment in full. He also stated that we are waiting on the check from the auction house.

Mr. Williams reported on the H2S removal system. There are no issues and continues to run smooth.

Mr. Williams reported on the Solar Panel Project. There are no issues.

Mr. Williams presented the Board with a letter from Warren County Landfill Energy which is DCO/Energenic. They own the gas energy plant and the solar field. He stated that this letter is not for us to act on today. He also stated that Warren County Landfill Energy is looking to merge one company to another. They are looking for a consent from the PCFA. Mr. Tipton was given a copy to look at also. They do have some concerns regarding the gas supply to their facility and the possibility of shutting it down. They are reviewing this and will provide additional information over the next few weeks. We will discuss the consent form at the November meeting.

Mr. Williams asked for the Board's approval to have Mr. Tipton to review the consent form that Warren County Landfill Energy has attached to their letter. This will be listed as a correspondence at our November meeting. Mr. Mach stated that it looks as though they may want to pull out the engine(s). Mr. Williams replied that this is a possibility. Mr. Mach suggested that Mr. Williams provide for the Board a review of the last two to three years of how much income that we are deriving from the operations. Mr. Williams stated that we are receiving approximately \$8,000.00-\$12,000.00 a month for the sale of gas revenues from that facility. Mr. Tipton will review the current agreements that are in place. Mr. Williams stated that he and Mr. Davenport had a good meeting with them and they want to keep the facility running as long as possible but they did bring to our attention that the gas supply has diminished over time. Warren County Landfill Energy is running just above 50% of full load with their engine operating.

Mr. Mach questioned that with the expansion that we are planning, will the gas generated from the expansion material bring us back up to the point where it is economical to run? Mr. Williams replied that C&D waste does not produce a lot of gas. The ideal waste to receive is municipal waste (ID10 waste) which goes to the Covanta facility to be burned. This is what generated all the gas that we have here today.

Mr. Williams stated the reduction in gas supply was something that was known was going to happen at some point in time. Warren County Landfill Energy wanted to give us a heads up in advance. The time is drawing to a close with their contract which expires in 2017.

Mr. Davenport stated that if the numbers drop too low, Warren County Landfill Energy will have to pull the one engine out. They have no use for the building and they would leave it there. He also stated that they will also leave the electrical grid. Mr. Williams stated that we may have options to possibly bring some revenue in or save some in the event that they do pull the plug. We will see what they say and we can go from there.

Mr. Williams presented a summary from Cornerstone.

Mr. Williams had Cornerstone add to the monthly summary where they are as far as the percentages in the contract. He stated that 30% of the project budget has been spent of the \$320,000.00. He questioned if this is what the Board was looking for where they are and what the numbers are? Mr. Allen stated that it is nice to see a report but he was going to ask Mr. Olshefski if their numbers are tracking with what has been paid. Mr. Olshefski stated that they are.

Mr. Olshefski summarized where Cornerstone is on the \$225,000.00 investigation task. There was six tasks. They completed the test pit investigation for \$28,522.00. The test boring monitoring well is completed at \$152,030.00. The Hydrogeological tests are completed at \$7,235.50. He stated that the remaining tasks to be completed are the ground water level measurements, the report and the CEG boring locations for a total of \$33,000.00. They are at the 85% of the completion.

Mr. Cannon has a few questioned regarding the summary. He questioned Mountain View Layout. He is assuming that this is a sub of Cornerstone. The wetlands issue on page 2 shows that there is a problem. They will have to do additional work. The wildlife mitigation area sounds like they need to talk to us because that is a problem. The review and addendum statement appears to read that someone has not provided Cornerstone with the proper materials. He said the above raised a few questions. He is not sure how this process is going to proceed.

Mr. Allen questioned the summary on the wetlands summary. He stated that thinking back to Mr. Swyka's presentation in April, he asked Mr. Swyka at that meeting because of the proximity of the Pequest River is there an issue? He stated that Mr. Swyka replied that the setback requirements are 300 feet as long as we comply with this there are no issues. Mr. Allen is a little confused to why they were not already aware of this. He also stated that Cornerstone is talking about additional survey delineation requirements at this stage of the game and he thinks this is a little odd.

Mr. Pryor commented on some of the questions the Board members have. He stated that he is certain that Mountain View Layout is a sub. The wetlands he does not have a problem with what they say in the summary, although they could have had an allowance initially. A letter cannot simply be issued stating there are no wetlands on the site. They actually have to go out and take soil probes and dig test pits. There is a three criteria that they apply to it; hydrology, vegetation and soils. There is a rather detailed report prepared. They prepare a boundary for the wetlands and that is different than the 300 feet buffer. After they flag this in the field, then the surveyor has to survey that boundary. This goes on a map and you cannot encroach on it. He also stated that environmental like sub surfaces is a work of discovery. He stated that perhaps Cornerstone could have put an allowance up front, but they did not and they are letting us know now. There will be some extra work with the wetlands. Mr. Allen questioned if this is the case, would this impact the footprint that we proposed. Mr. Pryor replied with yes and he does not know the specifics or the site, but you cannot encroach on wetlands.

Mr. Davenport stated that with the wetlands, the wildlife mitigation and the EHIS review, he would like Cornerstone to elaborate on these items in the report. Mr. Pryor stated that he would like the archeology review elaborated also. Mr. Cannon stated that on page 2 on the storm water analysis item 2 under B2, are they saying piping it over or under? Mr. Williams stated that this should also be elaborated a bit more. He stated that they have to divert for the storm water. This is diverted on the outside of the final slopes as they are today. He will have Cornerstone elaborate on this item.

Mr. Williams stated that Cornerstone hired a sub for the wetlands study. There are five locations of areas in question. The DEP will determine whether or not it is designated as a wetland or not. He stated that there were two puddles on the north side of the landfill when they did this study. Another area is one of the drainage channels that goes into the detention basins where cat tails are present. The landfill is not going to be near this, which is not part of the expansion. The last location is in the back where there was a wash out that they looked at. He stated that we will fix this area. The only area that will be left is where the cat tails are present in the detention basins in the north east corner of the landfill. Mr. Williams stated that we are going to fill the area of the two puddles. We are going to regrade the areas. Mr. Williams stated that this study is all part of process of getting to the application submittal.

Mr. Williams stated that the tire recycling has dropped off a little. He stated that the program is going very well. We have recycled over one thousand tires in four months.

Mr. Williams stated that he did some research regarding a rain cover for the lagoons, at the request of Mr. Cannon. He contacted a liner company to see what the cost was to put a cover on the lagoons. The total cost for both lagoons without the electrical cables for the pumps is approximately \$320,000.00. He also did calculations on the lagoons based on the rates that we pay PRMUA with the rainfall is approximately \$20,000.00 per year per lagoon. Mr. Allen questioned the life expectancy of the cover? Mr. Williams does not know this and he will get the information for the Board. Mr. Cannon would like us to look further into this cover. Mr. Williams will get all the numbers and information for the Board for next month's meeting.

Mr. Williams researched the nonprofits that we discussed last month. He stated that Habitat brought in twenty five tons last year. He also stated that ARC brought in eight tons last year. These are the two nonprofit organizations that currently use our landfill. Mr. Williams stated that the only townships that we waive fees for are Oxford and White Township. We also waive the fees for the County of Warren. Mr. Cannon thanked Mr. Williams for the information.

Mr. Williams reported on the discussion from last month's meeting regarding a tree line along Route 46 on the bottom of the landfill. He stated that elevation difference between the bottom and the top of the landfill is approximately 200 feet in elevation. The largest tree in the State of New Jersey is 125 feet.

FINANCE/PERSONNEL

Mr. Davenport presented the 2016 Budget.

Mr. Olshefski stated that the copy that the Board received today is the copies that require signatures to be sent to the State. He stated that there was a minor update or two with the dates. He also stated that the budget incorporated is what we discussed at last month's meeting.

Mr. Cannon had some questions regarding the budget. He questions the office line on the budget. Mr. Williams stated that he spoke with Mr. Olshefski regarding this. He also stated that adjustments were made here. Mr. Cannon also questioned the insurance numbers. Mr. Olshefski stated that we do not have the insurance numbers for next year and this is an estimate. We prorate the total cost per month.

Mr. Davenport stated that a motion is needed to approve Resolution (R-10-01-15) 2016 Authority Budget.

On a motion by **Mr. Allen**, seconded by **Mr. Pryor**, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *October 26, 2015*.

**RESOLUTION
R-10-01-15
2016 Authority Budget**

**2016 AUTHORITY BUDGET RESOLUTION
Pollution Control Financing Authority
of Warren County**

FISCAL YEAR: FROM: January 1, 2016 TO: December 31, 2016

WHEREAS, the Annual Budget and Capital Budget for the **Pollution Control Financing Authority of Warren County** for the fiscal year beginning, **January 1, 2016 and ending, December 31, 2016** has been presented before the governing body of the **Pollution Control Financing Authority of Warren County** at its open public meeting of **October 26, 2015**; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$ **7,041,875** , Total Appropriations, including any Accumulated Deficit if any, of \$ **7,196,875** and Total Unrestricted Net Position utilized of \$ **155,000** ; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$370,000 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$370,000; 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 26, 2015** 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, 2016 and ending, December 31, 2016** 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 14, 2015**.

Governing Body Member:	Recorded Vote			
Mr. Allen	<input type="checkbox"/> Aye	Nay	Abstain	Absent
Mr. Cannon	<input type="checkbox"/> Aye	Nay	Abstain	Absent
Mr. Mach	<input type="checkbox"/> Aye	Nay	Abstain	Absent
Mr. Pryor	<input type="checkbox"/> Aye	Nay	Abstain	Absent
Mr. Davenport	<input type="checkbox"/> Aye	Nay	Abstain	Absent

Mr. Davenport presented the proposals for the 2016 Audit. Mr. Williams stated that the RFP's went out. We received three bids back; Colantano for \$38,500.00, MBC for \$39,000.00, and Nisivoccia for \$41,400.00. Mr. Williams had a discussion with Nisivoccia regarding their bid. He stated that Nisivoccia offered to lower their bid to \$38,500.00. Nisivoccia has been the PCFA's auditor for approximately twenty five years.

On a motion by **Mr. Cannon**, seconded by **Mr. Pryor**, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *October 26, 2015*.

RESOLUTION

R-10-02-15

AUTHORIZING THE AWARD OF A FAIR AND OPEN CONTRACT FOR AUDIT OF FINANCIAL STATEMENTS

WHEREAS, the **Pollution Control Financing Authority of Warren County** has a need to acquire **an audit of its financial statements for year ended December 31, 2015**, as a fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.1; and,

WHEREAS, a total of three (3) proposal was received by the Authority on October 16, 2015.

WHEREAS, the **Chief Financial Officer** has determined and certified in writing that the value of the acquisition will exceed \$17,500; and,

WHEREAS, the anticipated term of this contract is **one** year; and

WHEREAS, **Nisivoccia & Company LLP**, has submitted a proposal indicating they will provide the **auditing of the Authority's basic financial statements for the year ended December 31, 2015** for an amount not to exceed **\$38,500.00**; and

WHEREAS, **William F. Schroeder** has completed and submitted a Business Entity Disclosure Certification which certifies that **Nisivoccia & Company LLP** has not made any reportable contributions to a political or candidate committee in **Warren County** in the previous one year, and that the contract will prohibit **Nisivoccia & Company LLP** from making any reportable contributions through the term of the contract, and

WHEREAS, the **Chief Financial Officer** of the **Pollution Control Financing Authority of Warren County**, has ascertained that there are available sufficient uncommitted appropriations in the 2016 Budget to award a contract to **Nisivoccia & Company LLP for auditing the Authority's basic financial statements for the year ended December 31, 2015**. Funds for certification are therefore being made available and certified as required by N.J.A.C. 5:30-5.4, and any other applicable requirement.

NOW THEREFORE, BE IT RESOLVED that the **Pollution Control Financing Authority of Warren County** authorizes the **Chairman, Robert Davenport** to enter into a contract with **Nisivoccia & Company LLP** as described herein; and,

BE IT FURTHER RESOLVED that the Business Disclosure Entity Certification and the Determination of Value be placed on file with this resolution.

ROLL CALL:

Mr. Allen	-	Yes
Mr. Cannon	-	Yes
Mr. Pryor	-	Yes
Mr. Mach	-	Yes
Mr. Davenport	-	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: **October 26, 2015**

Mr. Williams stated that the next item on the agenda is the legal counsel proposals. He stated that we received two bids; one from Florio & Perrucci and one from Mauro Savo. He also stated that Florio & Perrucci's bid did come in lower.

Mr. Williams stated that he prepared a resolution for legal counsel for Florio & Perrucci based on their bid, which is up to the Board to vote on.

On a motion by *Mr. Allen*, seconded by *Mr. Pryor*, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *October 26, 2015*.

R E S O L U T I O N

R-10-03-15

Awarding a Fair and Open Contract for General Counsel, Legal Services
for
Calendar Year 2016

WHEREAS, the Pollution Control Financing Authority of Warren County (the "Authority") requested a Non-Fair and Open proposal for General Counsel, Legal Services for Calendar Year 2016,

WHEREAS, a total of two (2) proposal was received by the Authority on October 16, 2015.

WHEREAS, a review of these bids by the Authority revealed that Florio Perrucci Steinhardt & Fader, LLC as the lowest responsible and responsive proposal received price and other factors considered through the Fair and Open Process in accordance with N.J.S.A.19:44A-20.4.

NOW, THEREFORE BE IT RESOLVED, by the Authority that the law firm of Florio Perrucci Steinhardt & Fader, LLC be awarded the contract for General Counsel, Legal Services, for Calendar Year 2016, in accordance with their proposal dated October 14, 2015.

ROLL CALL:

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

Dated: *October 26, 2015*

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

Mr. Olshefski presented the September monthly report. He stated that the revenues are slowing down because of the reduced cover with Covanta. He also stated that the receivable balances are in line. The operational side of the categories, we will need to do a transfer resolution for the personnel fringe benefits and medical costs. He plans on doing this at the November meeting. He stated that he would also like to include the County contribution of \$100,000.00 base and if that amount changes at the end of the year, which was a consideration, he would have to do another amendment to incorporate this. He also stated that he will check with the state because amend one is a transfer between categories on the medical and the other one is an addition to the budget. He will present this at the November meeting.

Mr. Olshefski stated that the credit cards are up to 37%. This is the highest month on the credit card sales. Mr. Cannon questioned what we are paying on our credit card rate. Mr. Williams stated that it is a percentage based on the type of credit card it is. He believes it is one or two percent.

Mr. Olshefski stated that our solid waste is down from last year. Mr. Williams stated that this amount depends on what happens in the winter is going to drive that number; bad winter is low numbers.

Mr. Cannon questioned the PNC account in the report, which has \$100.00. Mr. Olshefski stated that he is not sure what this account is and he will check on this account.

Mr. Cannon questioned what we are archiving with Archive Systems for storage. Mr. Williams replies we use Archive Systems for storing scale tickets, lab information, state reports, and files. He stated that we generate a large box truck of scale tickets annually.

On a motion by **Mr. Cannon**, seconded by **Mr. Allen**, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *October 26, 2015*.

R E S O L U T I O N

R-10-04-15

To Pay Bills – October 26, 2015

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. Cannon	-	Yes
	Mr. Pryor	-	Yes
	Mr. Mach	-	Yes
	Mr. Davenport	-	Yes

We hereby certify Resolution to Pay Bills in the amount of \$599,936.23 to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the 26th day of *October, 2015*.

Jamie Banghart, Recording Secretary
James Williams, Director of Operations

There were no changes on the Waste Disposal Fee Schedule.

Mr. Cannon suggested that on the Waste Disposal Fee Schedule that we track the tonnages by fee collected. Mr. Williams stated that we could add on to this sheet the tonnage that each hauler has brought in and the revenue generated.

Mr. Williams presented the 2016 Solid Waste Disposal Rates. He stated that since this is dealing with contracts, he asked the Board if they would like to enter executive session to discuss these. Mr. Williams stated that we will not be acting on this today. We could do the actual pricing at the November meeting. Mr. Cannon stated that we will discuss this in executive session.

Mr. Davenport presented the next item on the agenda regarding the Insurance Broker of Record. Mr. Williams stated that John Daly, who is no longer with Wells Fargo, contacted Mr. Williams to advise him of his departure. Wells Fargo has not contacted Mr. Williams regarding renewal of any of our policies. Mr. Williams was informed that Balken Risk Management just recently through the County of Warren became a Broker of Record also. He stated that we typically follow along with who the County uses, which has worked well in the past. He received a letter from Dave Balken, the President of Balken Risk Management, who has an interest in being our Broker of Record.

Mr. Williams stated that a number of our insurances will need to be renewed between now and the end of the year. He stated that Balken has no fee for the PCFA. Balken will collect a commission off of the policies.

Mr. Cannon questioned that we had an existing broker, correct? Mr. Williams replied that it was Wells Fargo, John Daly. Mr. Cannon questioned if we have an agreement with Wells Fargo? Mr. Williams stated that we did not have an agreement with Wells Fargo but John Daly was the PCAF Broker of Record and he is no longer with Wells Fargo.

Mr. Davenport questioned Mr. Tipton what are we signing here? Mr. Tipton replied that it is a professional service. He also stated that the PCFA is basically hiring him to go out and get the PCFA insurance, to advise the PCFA with what insurance we should have, and figures of levels of insurance that he would recommend as an expert in risk management. He thinks what Balken will present will be options.

Mr. Davenport questioned when our insurance policies are up for renewal? Mr. Williams replied that the insurance policies expire on December 31, 2015.

Mr. Davenport suggested that we have a presentation from Balken. Mr. Williams stated that he can have him in.

Freeholder Director Smith stated that the County had a similar non response from their existing firm, Wells Fargo. He stated that subsequent to that, the County wanted to get a company that could provide some continuity. He also stated that approximately two weeks ago, which was approximately six weeks after the whole event took place, the County was contacted by Wells Fargo, which the Freeholder Board found that this was unacceptable.

Freeholder Director Smith stated that Balken has stepped in as County Broker of Record as well. He stated that Balken has agreed to provide the short term services at no additional costs to the County.

Mr. Pryor stated that in his previous private business on the risk side, they did not have a fixed term. He stated that if they were dissatisfied then they could appoint another broker. Mr. Tipton stated that we could terminate.

Mr. Cannon stated that we make a request to have Balken present at the November meeting. Mr. Williams will contact him.

Mr. Davenport stated that (R-10-05-15) Resolution to Appoint an Insurance Broker of Record be tabled until our November meeting.

NEW BUSINESS

Mr. Davenport presented the next item on the agenda, the PCFA By-Laws.

Mr. Tipton stated that the By-Laws are up for general discussion today from our September meeting. He stated that one thing will need to be changed in the By-Laws. As the By-Laws read today, the section three (3), the Special Meetings, he stated that reading from the last sentence, "At such special meeting, no business shall be considered other than as designated in the call, except upon motion approved by a majority of the Commissioners present at such special meeting in which event any and all business may be transmitted at such meeting." He stated that this is a little confusing and can be interpreted two separate ways. The bottom line is any vote or decision by this Board must be by the majority of the total Board membership. He stated that there has to be at three affirmative votes pursuant to the statute. If this was interpreted to mean, that two members, majority of three present at a special meeting could approve something, this is not accurate. He also thinks that it could be interpreted to mean, that it is giving the majority of Commissioners at a special meeting to talk about things that were not designated for the special meeting. Mr. Tipton stated that it is a strange sentence that appeared in the 2012 By-Laws. He also stated that we had a red line version that did not show this as a change. The old By-Laws did not have the extra ability to expand upon the scope of a special meeting. He also stated that because it is in the By-Laws now, and because it is not accurate if it gives the authority to vote with less than a full three affirmative votes, then he thinks this should be taken out. The rest of the By-Laws are open for discussion today as to what the Board would like to do with them. The discussion at the last meeting was do we want to change the way in which they look, do we want to make substantive changes to them.

Mr. Davenport stated that the statute says what it says then we need to incorporate this into the By-Laws as an amendment. Mr. Tipton stated that what he would do is remove that portion of the sentence on special meetings about the majority of those present, but he would include the three affirmative votes to a different section and not just special meeting, because this is limited to special meetings and one would suggest that this could be a different standard for other meetings. He also stated that he would not change the entire sentence because if you go back to the 2012 amended and go back to what was amended before this, the sentence was there but was missing the middle of the sentence. The special meeting scope was expanded. Mr. Tipton spoke with Mr. Williams and the manner in which the 2012 amendments were made was by borrowing language from Gloucester County Improvement Authority. Mr. Tipton received the Salem County PCFA's By-Laws from his associate. This is the only other PCFA in existence that has By-Laws. He stated that there are three PCFAs in the state; Camden, Gloucester and Warren. He also stated that Camden does not have By-Laws. Mr. Tipton stated that the PCFAs in the state are allowed to have By-Laws, they are a helpful tool, but what is put in them and what not is in them is up to the PCFA. The statute will govern. He also stated that everything the statute says is guaranteed, we cannot conflict with that, but we chose to put in our By-Laws is up to the Board.

Mr. Allen stated that the By-Laws should be made clear. He also stated that what Mr. Tipton is talking about changing is what is stated under the specials meetings. He also has a problem with section four (4), Quorum. He stated that looking back at all the previous additions of the By-Laws, it actually stated that it was required a three member approval of the quorum, consisted of three members. A vote had to be for three. He also stated that it was not until April of 2004, that this was dropped. Mr. Allen stated that he is not sure when it was assumed that two people could vote, if we did not have a quorum. Mr. Tipton stated that the language that showed up in section three (3), he does not think it was intended. Mr. Allen recommends that we add the verbiage into the quorum, section four (4). He also stated that he is not sure what it means in the sentence regarding a small number may adjourn from time to time.

Mr. Tipton recommends that we add a section five (5) after quorum and call it voting and lay it out word for word what the statute says and make it crystal clear that all decisions must have three (3) affirmative votes. He stated that quorum has a different definition than voting. We may even say in the voting section if three members are present, all three members must vote to approve. Mr. Cannon stated that we cannot have a meeting without three members present.

Mr. Williams asked Mr. Tipton if he could draft the language and email to all the Board members. He thinks that the way these By-Laws are written that we have to wait the thirty days. We could not vote on the amendments to the By-Laws in November but we could do the approval with the changes at the December meeting. Mr. Tipton stated that there are specific guidelines for amendments that requires multiple meetings. He will get something together so we can at least have something in final form by the end of our next meeting after we discuss what he will propose.

Mr. Allen stated that if you look at page 10 of the current By-Laws, under Article XI Parliamentary Authority, it is very clear, section B. "The ultimate powers of the Authority rests with the Board which shall make decisions, unless otherwise required herein or by applicable law based on a majority vote." He stated that it does not say majority vote of the quorum, it is for the Board. He would like to see that applicable law, the actual statute, added in there, because he read through all of the By-Laws and nowhere did it state what the statute was.

Mr. Davenport stated that we should define what quorum means and what it is for.

Mr. Cannon suggested that he thinks that the timeline as to the By-Law changes should be more chronological for an easier read. Mr. Tipton questioned if the Board would like wherever we make a change to have in parenthesis amended. Mr. Williams suggested to put a page in the back like an appendix page that shows a reference as an attachment. Mr. Tipton stated that the 2012 changes were so extensive that this would have been a little awkward. If we are anticipating that in the future that changes are going to be able to be contained within a page or two, then he stated that the appendix page is not a bad idea. He also stated to include in the 2015 amendment and have it down in a redline version so that section three (3), Section four (4), section five (5) and it shows in redline where the addition or the deletion was.

Mr. Allen suggests that he would attach the resolution when we pass it, attach to the resolution the verbiage that was not in the existing By-Laws and what we changed it to.

GENERAL COUNSEL'S REPORT

Mr. Tipton stated that he will have discussions in Executive Session for contractual discussions.

Mr. Tipton stated that the closing on the property should happen this week. Mr. Williams questioned Mr. Tipton regarding the payment to Oscar Unangst, how would we do this? Mr. Tipton will get a settlement statement for Mr. Williams.

OTHER BUSINESS

Mr. Williams presented the landfill aerial topographic survey. He stated that we have to do this on an annual basis. This will be for next year. He included this in the Board's packet. He stated that this is a permit requirement and we bid it out every year. Mr. Cannon stated that with what is changing with the landfill, will the DEP then require us to do one nearer to that point? Mr. Cannon suggested that the later we can do this survey, the better that it may help with the application with the DEP with the expansion and what we are finding out from Cornerstone. Mr. Williams stated that this survey will not have any effect on the application. He also stated that the survey is something regarding our permit and this is the topography of the entire landfill.

Mr. Pryor stated that with his previous business they would include a requirement for a test profile, which they prepared the photogrammetry to make sure it met spec. Mr. Williams stated that this topography spec is based on what the DEP regulation is for the topographic survey for the landfill. Mr. Cannon stated that the statute is written and they have to meet all the requirements of that statute in producing their survey.

Mr. Pryor suggests that we include some sort of test to make sure the survey is accurate. He stated that this is all done through aerial photography and photogrammetry, where they run a test profile and they lay it against the map and see where the contours line up. Mr. Williams stated that they will compare this survey to last year's survey to give us a volumetric difference. Mr. Pryor explained that with the aerial survey there could be an error, and what he is suggesting is that they have the surveyor go out and physically run a test profile with an instrument then this survey is laid against with what the photogrammetry survey. He stated that for DEP purposes this probably does not matter.

Mr. Williams stated that if the Board is ok with this and counsel is currently reviewing this. He also stated that this will be on December's agenda for approval.

CLOSING PUBLIC COMMENT

Freeholder Director Smith commented on the wetland mitigation. He stated that if we have a wetlands problem, then we can do wetland mitigation, which means we would still be able to proceed with the original design but we would just have to mitigate. This does not mean that the scope of the project has to be reduced.

PRESS COMMENTS & QUESTIONS

None

EXECUTIVE SESSION

Executive Session was entered at 11:06 am for purpose of Contractual Discussions.

RESOLUTION

R-10-06-15

AUTHORIZING EXECUTIVE SESSION

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

Contractual Discussions

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. Allen**

Seconded By: **Mr. Davenport**

ROLL CALL:	Mr. Allen	-	Yes
	Mr. Cannon	-	Yes
	Mr. Pryor	-	Yes
	Mr. Mach	-	Yes
	Mr. Davenport	-	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: 10/26/15

Mr. Mach made a motion to come out of Executive Session, seconded by **Mr. Davenport**.

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

Regular session resumed at 11:14 am.

No action was taken in Executive Session.

ADJOURNMENT

With no other business to discuss, *Mr. Cannon* motioned to Adjourn, seconded by *Mr. Allen*, at 11:15 am.

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

Respectfully submitted by:
Jamie Banghart, Recording Secretary

Approved: 11/16/15