

POLLUTION CONTROL FINANCING AUTHORITY  
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING  
October 28, 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: Robert Davenport, Richard Mach, Holly Mackey, and Todd Yanoff.

ROLL CALL:	Mr. Mach	-	Present
	Mrs. Mackey	-	Present
	Mr. Yanoff	-	Present
	Mr. Cannon	-	Absent
	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 October 28, 2013 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 two versions of the regular monthly meeting minutes to the Board. The Freeholders requested that the format of our meeting minutes be similar to the Freeholder minutes which would include the resolutions. The two versions presented are the regular meeting minutes without the resolutions and the regular meeting minutes with the resolutions.

Mr. Tipton stated that from our last month's meeting, a request was made to add more detail in the executive session minutes. The executive session minutes presented to the Board have more detail than the previous executive session minutes. Mr. Tipton suggested that these minutes be discussed in executive session if the Board chooses to discuss them in further detail.

The minutes of the regular meeting of September 23, 2013 were presented for approval. **Mr. Mach** moved for acceptance of the amended minutes with the resolutions, seconded by **Mr. Yanoff**.

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

Mr. Davenport presented the executive session minutes of the regular monthly meeting of September 23, 2013. A discussion was held regarding to enter or not enter executive session. The executive session meeting minute format was discussed in open session. Mr. Mach suggested we get a motion for approval of the executive session minutes as presented.

**Mr. Mach** moved for approval of the expanded executive session minutes as presented. There was no second to the motion. Mrs. Mackey suggested that for our standard regular meeting minutes following the Freeholders format is a good thing, but regarding the executive session minutes, less detail is better. The motion failed.

**Mrs. Mackey** made a counter motion that we continue with our previous format for executive session minutes moving forward, seconded by **Mr. Mach**.

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

Mr. Tipton stated that the recording secretary will tone back the executive session minutes and present them to the Board at the next meeting.

#### CORRESPONDENCE

Mr. Williams discussed the correspondence that was from the State of New Jersey DEP regarding the landfill inspection from September 19, 2013. The landfill inspection passed with no issues. The inspection is now closed.

#### PUBLIC COMMENTS (AGENDA ITEMS ONLY)

None

#### PRESENTATIONS

None

#### FACILITIES/RECYCLING

Mr. Williams stated that the treatment plant operations continue to run smoothly. The leachate pumping is good. There is still a lot of cooperation with the PRMUA staff. There are no issues.

Mr. Williams reported that there are no issues with the landfill operations. The tonnages are still up. Ash flows are as expected.

Mr. Williams stated that last September/October the stack test application for the landfill flare, which is required every five years, was submitted to the DEP. The application review took approximately twelve months for the approval from the DEP, which came the last week of September. Mr. Williams stated that the stack test was performed on October 1st, 2nd, and 3<sup>rd</sup>. We will receive the test report in the near future.

Mr. Williams stated that the H2S Removal System continues to run flawlessly. Mr. Williams was contacted by the DEP regarding the old system. The DEP is no longer interested in purchasing it because they found a different system elsewhere.

Mr. Williams reported on the Solar Panel Project. The Solar Panels are up and operational. We are waiting for the first invoice to come in to see how much we have reduced our cost. We have seen about a \$4,000-\$5,000 per month decrease in electrical charges switching from the old H2S System to the new. Once the invoices are received, we will see a greater savings with a rate reduction.

Mr. Williams stated that on October 3 we conducted a landfill tour with members of SWAC along with a scheduled meeting. The tour went very well and was well attended. The purpose behind the tour was for SWAC members to become familiar with the landfill and the infrastructure that operates behind the scenes, and the location of future cells 6 and 7 if an expansion were to occur. Freeholder Deputy Director Smith attended for a portion of the meeting.

#### FINANCE/PERSONNEL

Mr. Houck stated that since the increased volume of ash coming in, we will need to amend the 2013 budget. Therefore, revenues are up, expenses are up and now we need to adjust the budget to reflect those additional revenues and additional costs that were incurred.

Mr. Davenport stated a motion was needed to accept the Resolution R-10-01-13 To Amend the 2013 Budget for the Pollution Control Financing Authority of Warren County.

On motion by *Mrs. Mackey*, seconded by *Mr. Yanoff*, the following resolution was adopted by the Pollution Control Financing Authority of Warren County Board at a meeting held *October 28, 2013*.

**RESOLUTION**  
**R-10-01-13**  
**TO AMEND THE 2013 BUDGET FOR THE**  
**POLLUTION CONTROL AUTHORITY OF WARREN COUNTY,**  
**PURSUANT TO N.J.A.C. 5:31-2.8.a.2**

OPERATING REVENUES	
SERVICE CHARGES	\$1,525,000.00
OPERATING APPROPRIATIONS	
COST OF PROVIDING SERVICES	<u>\$1,525,000.00</u>
<b>TOTAL</b>	<b><u>\$1,525,000.00</u></b>

WHEREAS, N.J.A.C. 5:31-2.8 provides that the Division of Local Government Services may approve the amendment of the budget of any Authority or District when there is a need to increase Anticipated Revenues and Budgeted Appropriations; and

WHEREAS, said Director may approve the amendment of the Authority's Anticipated Revenues and Budgeted Appropriations; and

WHEREAS, the authority is receiving additional material in the form of incinerator ash for use as cover material in the sanitary landfill operation, and

WHEREAS, the authority is realizing additional revenue and incurring additional expenses in excess of the amounts anticipated in various categories appropriated in the 2013 Operating and Capital Budget; and

OPERATING REVENUES	
SERVICE CHARGES	\$1,525,000.00
OPERATING APPROPRIATIONS	
COST OF PROVIDING SERVICES	<u>\$1,525,000.00</u>
<b>TOTAL</b>	<b><u>\$1,525,000.00</u></b>

NOW, THEREFORE, BE IT RESOLVED, by a Majority Vote of the Board members of the Pollution Control Authority of Warren County, that the Authority hereby requests the Director of the Division of Local Government Services to approve the following amendment to the 2013 Operating and Capital Budget that the following increases in the 2013 Budget Revenues and Appropriations be made:

OPERATING REVENUES	
SERVICE CHARGES	\$1,525,000.00
OPERATING APPROPRIATIONS	
COST OF PROVIDING SERVICES	<u>\$1,525,000.00</u>
<b>TOTAL</b>	<b><u>\$1,525,000.00</u></b>

**ROLL CALL:**

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

Respectively submitted by: Jamie Banghart, Recording Secretary

Approved: October 28, 2013

Mr. Davenport presented the 2014 budget and the budget introduction. Mr. Houck stated that the budget reflects the anticipated volume that we are expected to take in next year.

Mr. Davenport stated a motion was needed to accept the Resolution R-10-02-13 the 2014 Authority Budget.

## **RESOLUTION**

**R-10-02-13**

**2014 Authority Budget**

### **POLLUTION CONTROL FINANCING AUTHORITY OF WARREN COUNTY**

**FISCAL YEAR: FROM January 1, 2014 TO December 31, 2014**

WHEREAS, the Annual Budget and Capital Budget for the Pollution Control Financing Authority of Warren County for the fiscal year beginning, January 1, 2014 and ending, December 31, 2014 has been presented before the governing body of the Pollution Control Financing Authority of Warren County Authority at its open public meeting of October 28, 2013; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$9,019,000, Total Appropriations, including any Accumulated Deficit if any, of \$9,019,000 and Total Unrestricted Net Assets utilized of \$0; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$1,050,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$1,050,000; 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 28, 2013 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Pollution Control Financing Authority of Warren County for the fiscal year beginning, January 1, 2014 and ending, December 31, 2014 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 November 25, 2013.

October 28, 2013

Holly Mackey, Board Secretary

Moved by: Mr. Mach      Seconded by: Mrs. Mackey      Recorded Vote:

Mr. Mach	<u>Aye</u>	Nay	Abstain	Absent
Mrs. Mackey	<u>Aye</u>	Nay	Abstain	Absent
Mr. Yanoff	<u>Aye</u>	Nay	Abstain	Absent
Mr. Cannon	Aye	Nay	Abstain	<u>Absent</u>
Mr. Davenport	<u>Aye</u>	Nay	Abstain	Absent

Mr. Houck reported on the financials. He stated that the monthly analysis has been prepared. Mr. Houck reported that we are on course and expect to finish up the year in pretty good shape financially. Mr. Mach had a few questions regarding the finance report. Mr. Houck clarified his answers and Mr. Mach was satisfied.

Mr. Davenport stated a motion was needed to accept the Resolution R-10-03-13 To Pay the Bills.

On a motion by **Mrs. Mackey**, seconded by **Mr. Davenport** the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *October 28, 2013*.

**RESOLUTION**

**R-10-03-13**

**To Pay Bills – October 28, 2013**

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

We hereby certify Resolution to Pay Bills in the amount of **\$694,234.24** to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the 28<sup>th</sup> day of *October 2013*.

Jamie Banghart, Recording Secretary

James Williams, Director of Operations

Mr. Davenport presented the Audit proposal. Mr. Williams stated that we go out for bid every year for the annual audit. Mr. Williams received one bid from Nisivoccia & Company LLP in the amount of \$39,800.00.

Mr. Davenport stated that a motion was needed to accept the Resolution R-10-04-13 Authorizing the Award of a Fair and Open Contract for An Audit of the PCFA Financial Statements 2013.

On a motion by ***Mr. Mach***, seconded by ***Mr. Yanoff***, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *October 28, 2013*.

# RESOLUTION

## R-10-04-13

### 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, 2013, as a fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.1; and,

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, 2013 for an amount not to exceed \$39,800.00; 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 2013 Budget to award a contract to **Nisivoccia & Company LLP** for auditing the Authority's basic financial statements for the year ended December 31, 2013. 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. Mach	-	Yes
	Mrs. Mackey	-	Yes
	Mr. Yanoff	-	Yes
	Mr. Cannon	-	Absent
	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 28, 2013

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

Mr. Williams discussed the Somerset Raritan Valley Sewage Authority (SRVSA) Contract. This is a three year contract. Mr. Williams stated that since they are an Authority similar to the PCFA, they asked us to prepare a new contract for them now which will begin January of 2014. Mr. Tipton and Mr. Williams have prepared a draft version of their contract and also presented the Board with the old version of the contract for comparison. A number of changes to the SRVSA contract have been made to reflect language that is consistent with what we have with the Covanta contracts. There is an increase of \$2.00 per ton per year for the years 2014 (\$64 per ton), 2015 (\$66 per ton), and 2016 (\$68 per ton), which stays consistent with what we have previously done with SRVSA (2011 \$58 per ton, 2012 \$60 per ton, 2013 \$62 per ton). Mr. Mach had a few comments regarding the draft contract. Mr. Mach would like to have the word "sludge" defined in the contract. Mr. Tipton stated that we could include a definition within the contract. Mr. Williams stated that he would call SRVSA and have them provide us with a definition to include. Mr. Tipton proposed that if we are in agreement on the pricing, we will need a motion to approve the new rate structure for 2014-2016 subject to Mr. Williams and himself revising the language for approval of the actual agreement at the next meeting.

**Mr. Mach** made a motion to approve the new rate structure for the 2014-2016 SRVSA contract, seconded by **Mrs. Mackey**.

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

#### NEW BUSINESS

Mr. Williams stated that he provided the Board with a draft copy of an Invitation For Proposals for Professional Legal Services for next year. This is a fair and open process where we will post on the PCFA website.

**Mrs. Mackey** made a motion to approve an Invitation For Proposals for a fair and open process for Professional Legal Services for the year 2014, seconded by **Mr. Davenport**.

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

Mr. Williams discussed the weighmaster position. Mr. Williams stated that we had a total of twenty five applicants for the position. Mr. Williams interviewed four applicants for the position. Mr. Williams sent a memo to the Board narrowing the four applicants down to two possible candidates with a starting salary of \$14.00/hour.

**Mrs. Mackey** made a motion to approve the memo from Mr. Williams regarding the candidate for the weighmaster position with a starting salary of \$14.00/hour, seconded by **Mr. Davenport**.

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

#### GENERAL COUNSEL'S REPORT

None

#### OTHER BUSINESS

None

#### CLOSING PUBLIC COMMENT

None

#### PRESS COMMENTS & QUESTIONS

None

#### EXECUTIVE SESSION

Executive Session not necessary at this time.

#### ADJOURNMENT

With no other business to discuss, **Mrs. Mackey** motioned to Adjourn, seconded by **Mr. Davenport**, at 9:44 am.

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

Respectfully submitted by:  
Jamie Banghart, Recording Secretary

Approved: