

POLLUTION CONTROL FINANCING AUTHORITY
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING

December 08, 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, Holly Mackey, Todd Yanoff (Conference Call) and James Cannon.

ROLL CALL:	Mr. Cannon	-	Present
	Mrs. Mackey	-	Present
	Mr. Yanoff	-	Present (Conference Call)
	Mr. Mach	-	Absent
	Mr. Davenport	-	Present

Also present: James Williams, Director of Operations; Brian Tipton, General Counsel; Pete Houck, Chief Financial Officer; Dan Olshefski, Treasurer; William Soukup, Cornerstone; 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 December 08, 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".

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

MINUTES

Mr. Davenport presented the regular monthly meeting minutes from November 24, 2014.

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

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

Mr. Davenport presented the executive session minutes from November 24, 2014.

Mr. Cannon made a motion to approve the executive session minutes as presented, seconded by **Mrs. Mackey**.

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

CORRESPONDENCE

None

PUBLIC COMMENTS (AGENDA ITEMS ONLY)

None

PRESENTATIONS

None

FACILITIES/RECYCLING

Mr. Williams presented the hydrogeologic investigation test pit report. Mr. William Soukup from Cornerstone was present to discuss the test pit report for the Board.

Mr. Soukup stated that twelve (12) test pits were excavated. Mr. Soukup commented that there is more soil than we expected. He stated that the bedrock is shallower to the west, which gives us more material to work with. This soil can be used for cover. Mr. Soukup stated that no ground water was discovered in any of the twelve test pits. The bedrock was determined to be permeable which means the bedrock can be easily excavated through.

Mr. Cannon questioned if any test pits showed any problems? Mr. Soukup stated that nothing in the investigation showed any future problems. Mr. Soukup stated that the glacial till and the side slopes are very stable. Mr. Soukup stated that the geo-testing will be done with the borings.

Mr. Williams stated that the reports are very typical, with the materials found on site, from when the landfill was built in the late 80's.

Mr. Soukup stated that no change will be needed for the locations for the test borings in their proposal. Mr. Cannon stated that the only change may be in the conceptual design. Mr. Davenport stated that it is not necessary right now to dig the holes for the borings due to the weather. Mr. Soukup agreed. Mr. Soukup suggested to move forward with the conceptual design, then to proceed with borings in the spring.

Mr. Williams presented Cornerstone's proposal for the conceptual design in the amount of \$25,000.00, which was discussed at the last meeting. Mr. Williams stated that good points were made at last meeting regarding different options for the Board. Mr. Williams questioned Mr. Soukup with how many different conceptual designs can you provide us? Mr. Soukup stated there is the north only, the west only, combined option, moving the northern boundary in a little bit, with or without the additional acquired property. Mr. Soukup stated that each of these would have a different height, working with the

slopes and baselines and the different volumes. Mr. Cannon stated that the proposal does not clarify clearly. Mr. Cannon does not see multiple options listed in the proposal. Mr. Soukup stated that they go through the conceptual layout with what kind of landfill we want, and once a decision is made, then they do a rendering of what it is going to look like. Mr. Cannon would like to get an idea of what each of the conceptual(s) would look like, without being totally engineered out. Mr. Soukup stated that he would get Mr. Swyka to clarify a line of site analysis and provide to the Board. Mr. Soukup stated that for \$25,000.00, Cornerstone will do as much as they possibly can around six (6) different scenarios and lay them out with baseliner, slopes, leachate and storm water runoff and roughly with the line of site. Mr. Tipton will add the language to the former agreement with revisions to the scope. Mr. Williams questioned Mr. Soukup if we could encompass six (6) conceptual designs, would this be within budget? Mr. Soukup will check with Mr. Swyka. Mr. Williams stated that the verbage of each design (north, west, north and west, with the acquired property, and moving the northern boundary) to be incorporated within.

Mr. Williams reminded the Board that we do not meet again until the end of January. Mr. Williams stated that this conceptual design proposal is a time sensitive issue. Mr. Williams suggested to convene a special meeting to award this proposal. Mr. Cannon stated that he is in favor of a special meeting for conceptual only. Mr. Cannon stated that we have everything documented, gone through all the possibilities, and that we have taken into consideration, and all other things and conceptual design may take some time. Mr. Williams stated that a special meeting would only be for the revised proposal for the conceptual design. Mr. Tipton stated that what we should do, to move forward, is to have a vote to approve the proposed contract at hand with a revision as referenced here today. Mr. Cannon does not agree. Mr. Soukup stated that a good time to do the conceptual design is December, January rather than the spring. Mr. Tipton stated that the motion is Cornerstone Engineering contract as proposed with the revisions as to specify the options of design, north, west, north and west, and anything else they can come up with that works with the footprint. Mr. Williams questioned Mr. Tipton if this should just be a modification to this resolution that is in front of us because it is a non-fair and open contract? Mr. Tipton stated that this resolution is fine because it is speaking generally to the proposal dated November 21, 2014. This would have to be revised slightly to incorporate the revision. Mr. Tipton stated that he would state that the proposal dated November 21, 2014 as revised at meeting on December 8, 2014 to include whatever they provide us, if no special meeting is scheduled.

Mr. Davenport made a motion to award the proposal from Cornerstone. There was no second to the motion. Mr. Davenport stated that the motion does not carry.

Mrs. Mackey stated that if we see it in writing with the changes, then the motion can be made with a phone call. Mr. Williams stated that this was up to the Board. Mrs. Mackey stated that the revisions to the proposal should be sent to Board members ASAP and then set up the meeting at that point via phone. Mr. Tipton stated that someone from Board will have to be here to open the meeting.

Mr. Cannon discussed the agreement from November 21, 2014. Mr. Cannon questioned the greatest possible disposal capacity range of leachate on page 2, can we give that a range? Mr. Soukup stated that this is a regional term to maximize for each design. Mr. Cannon questioned that the final grades will have each one of the conceptual with the various landfill grades? Mr. Soukup stated yes. Mr. Cannon commented on task 2 on the volume calculations, which is the same as above with a regional term. Mr. Cannon commented on page 3, he is not in favor of the language in the proposal of one (1) meeting. Mr. Cannon stated that with having six (6) to seven (7) conceptual, we may have more than one (1) meeting. Mr. Cannon questioned the two (2) week period for Cornerstone to come back to us? Mr. Williams stated that it is eight (8) weeks. Mr. Williams stated that after we approve the conceptual design, it is a two (2) week period for Cornerstone to finalize. Mr. Williams stated that it is all together a ten (10) week process. Mr. Cannon questioned the budget in the last paragraph that there should not be any

unforeseen issues encountered whereas the cost should not require amendment? Mr. Soukup stated that Cornerstone will do \$25,000.00 worth of engineering services and will provide the scenarios to PCFA.

Mr. Williams stated that the treatment plant operations are running well with no issues. Mr. Williams stated that discussions will be held in executive session regarding a piping issue.

Mr. Williams reported on the landfill operations. The landfill operations continues to run smooth. Mr. Williams stated that we have not taken ownership of the new compactor because the fire suppression system and the CB radios have not been installed.

Mr. Williams reported on the H2S Removal System. There are no issues.

Mr. Williams stated that the Solar Project has no issues and everything is up to date. Mr. Williams stated that we have significant savings with the solar panels.

FINANCE/PERSONNEL

Mr. Davenport presented the draft 2015 Solid Waste Disposal Pricing Schedule.

Mr. Williams stated that, as requested by Mr. Mach at the last meeting, there are a couple of spreadsheets that have been included for the Board to review.

Mr. Williams stated that Mr. Mach had a question regarding the revenue being generated by just Warren County waste, would that meet our budget? Mr. Williams stated that looking at the spreadsheet, Warren County waste generates just under \$1.8 million dollars out of our \$6 million dollar a year budget. Mr. Williams stated that he was asked at the last meeting to look into what our break even number is as far as where surplus kicks in. Mr. Williams stated that \$6 million dollars is our break even number, and anything above that is surplus. This varies from year to year. Mr. Williams stated that in 2012, we slowed our waste down. The surplus in 2012 was \$90,000.00. Mr. Williams stated that this gives us the flexibility to be self-sufficient, purchase equipment, and construct cells without doing any kind of bonding. Also, this gives us the ability to not over fill the facility in accordance with our closure plan. Mr. Williams stated that we cut back in June 2014 with one or two of our haulers to reduce our waste intake. We did not need the additional revenue. Mr. Williams stated that the fill progression, in accordance with our closure plan, is 200,000 cubic yards per year.

Mr. Williams discussed the spreadsheet regarding additional items included for the Board. This spreadsheet is a breakdown of the "free" waste to the County of Warren, White Township cleanups, Oxford Township cleanups, and the PRMUA. Also included is the breakdown of the ash intake from Covanta Oxford facility and the out of county waste. Mr. Williams stated that we have been tracking this since 2006 to current. Overall, on average, we have been staying within the 200,000 cubic yards per year of air space.

Mr. Cannon stated that he would propose a \$4.00 increase per ton for haulers, as he stated at the last meeting. Mr. Cannon stated that he does not want in-county residents to get an increase. Mr. Cannon suggested that since the County of Warren is a host of the landfill, they should be receiving a host community fee. Mr. Cannon stated that we should look into the host community fee for Warren County. Mr. Davenport stated that we should get a legal opinion from Mr. Tipton. Mr. Cannon suggested that a \$2.00 host fee towards Warren County would not be generated from any in-county refuse. Mr. Williams questioned to Mr. Cannon if he is looking strictly on a fee on the out of county waste? Mr. Cannon stated that he would like to see an increase of \$4.00/ton which would encompass a \$2.00/ton County host fee. A discussion was held regarding the fees.

Mr. Davenport presented the proposal for the new rates displaying the \$1.00/ton increase. Mr. Davenport would like to move ahead with the \$1.00 increase as they are presented for this year, then we can discuss the increase throughout the year. Discussions were held among Board members regarding the time frame for the hauler contracts and the increase in the fees per ton. Mr. Williams noted to the Board that the haulers are not obligated to use our landfill and they could easily use other landfills if our dollar amount increase is too high.

Mr. Davenport stated that Resolution to Adopt the 2015 Solid Waste Disposal Pricing Schedule (R-12-01-14) will be tabled until we find out legally of what our options are.

Mr. Houck stated that the monthly end report was prepared for December. Mr. Houck stated that this meeting was very early in the month, therefore, the reports are mild. Mr. Houck stated that the financials are operating smoothly. Mr. Houck reported that we submitted the two copies of the final adopted budget to the division and local government services. Mr. Williams stated that we received our final copy from the state.

Mr. Davenport stated a motion was needed to accept the Resolution R-12-02-14 To Pay the Bills in the amount of \$333,563.01.

On a motion by *Mrs. Mackey*, seconded by *Mr. Cannon* the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *December 8, 2014*.

R E S O L U T I O N
R-12-02-14
To Pay Bills – December 8, 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	-	Yes
	Mr. Yanoff	-	Yes
	Mr. Mach	-	Absent
	Mr. Davenport	-	Yes

We hereby certify Resolution to Pay Bills in the amount of \$333,563.01 to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the 8th day of *December, 2014*.

Jamie Banghart, Recording Secretary
James Williams, Director of Operations

The 2014 Waste Disposal Fee Schedule was presented. Mr. Williams stated that there is one new contract Bob Viersma & Sons, Inc. for a 0-1,000 tons for the amount of \$72.00/ton. This will expire with all the existing contracts which is February 28, 2015.

Mr. Cannon made a motion to approve the contract for Bob Viersma & Sons, Inc, seconded by **Mr. Davenport**.

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

NEW BUSINESS

Mr. Williams stated that Mr. Houck is retiring and this is his last meeting with the PCFA. Mr. Williams thanked Mr. Houck for the last eight (8) years for being an excellent C.F.O. for the Authority. Mr. Olshefski will be taking Mr. Houck's position as C.F.O. to our Authority. Mr. Williams presented a gift to Mr. Houck.

GENERAL COUNSEL'S REPORT

Mr. Tipton reported that he will have discussions for Executive Session.

OTHER BUSINESS

None.

CLOSING PUBLIC COMMENT

Freeholder Director Ed Smith stated that he would like to thank the Board for considering solutions for the County. He applauds the effort.

PRESS COMMENTS & QUESTIONS

None

EXECUTIVE SESSION

Mr. Tipton stated that Executive Session was necessary for contract negotiation discussion. Executive Session was entered at 10:00 am.

RESOLUTION

R-12-03-14

AUTHORIZING EXECUTIVE SESSION

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

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

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

Moved By: *Mrs. Mackey*

Seconded By: *Mr. Davenport*

ROLL CALL:	Mr. Cannon	-	Yes
	Mrs. Mackey	-	Yes
	Mr. Yanoff	-	Yes
	Mr. Mach	-	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: 12/08/14

Mr. Yanoff was excused from the meeting at 10:01 am.

