

POLLUTION CONTROL FINANCING AUTHORITY
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING

December 16, 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 James Cannon.

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

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

The Pledge of Allegiance was led by Chairman Davenport.

Mr. Davenport read the following statement: "Adequate notice of this meeting of December 16, 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 the regular monthly meeting minutes from November 25, 2013.

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

Mr. Davenport made a minor change to the minutes on page 8 where it should be Mr. Mach made the counter motion.

Mr. Mach made a motion to reflect the changes as suggested by the Chairman, seconded by **Mrs. Mackey**.

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

Mr. Mach made a motion to approve the executive session minutes from November 25, 2013, seconded by **Mrs. Mackey**.

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

CORRESPONDENCE

Mr. Williams discussed a correspondence from the New Jersey Department of Environmental Protection regarding the landfill inspection that occurred in October. Mr. Williams stated that we were in compliance and the inspection was closed.

PUBLIC COMMENTS (AGENDA ITEMS ONLY)

None

PRESENTATIONS

None

FACILITIES/RECYCLING

Mr. Williams stated that the treatment plant operations continue to run good. Good communication continues between the PCFA and the PRMUA staffs. There are no issues.

Mr. Williams reported that the treatment plant is running good. The waste flows continue to be normal. Mr. Williams stated that the ash intake from the Covanta facility are still up with no issues.

Mr. Williams stated that the H2S Removal System continues to run flawlessly. Mr. Williams reported that MV Technologies are still calibrating the influent meters to the system. This has no effect on the effluent meters. Mr. Mach inquired about a secondary testing on the out flow of the meters. Mr. Williams stated that we have two other ways of testing the effluent gases. One is with the meter that is on the system. The other is with the Gem 2000, which is the same instrument that we use to go around the landfill to balance the well field. Mr. Williams stated that we grab a gas sample quarterly and send it to a laboratory to confirm the results that we are getting in the field. Mr. Williams stated that the system is doing a great job with removing the H2S. The temperature of the gas coming out of the landfill is approximately 75 to 80 degrees by the time it reaches the vessels. Mr. Mach inquired about the unit that is off line and if it will freeze up? Mr. Williams stated that the vessels are rotated every couple of days so that they are not sitting there for an extended period of time.

Mr. Williams reported on the Solar Panel Project, which has no issues. Mr. Williams stated that we have not received our credit back from DCO. DCO is waiting for the November bill, which just came in the mail the other day. Mr. Williams stated that the average bill for this building is approximately \$1,200-\$1,500. The rate should drop approximately two thirds.

Mr. Williams discussed the Tilcon road crossing. Last Thursday, Mr. Williams, Mr. Davenport, Mr. Mach, representatives from Covanta, and Tilcon and Mr. William Gleba (the Warren County Engineer) met to discuss the preliminary report that was presented by Tilcon regarding the road crossing. Mr.

Williams stated that there were a number of questions that we still have. One is the number of road crossings that their vehicles are going to be making. The second is the safety of our customers with the approximately 180 trips Tilcon would be making across the road per day. Mr. Williams stated that they asked Tilcon to go back and modify their report since they stated 90 trips one way per day and not 180 trips in total. The third issue is the line of site. This has to do with our trucks coming in and out of our facility loaded with waste and the stopping distance for the Tilcon loaded trucks. This issue was not referenced in the Tilcon report. The County engineers has not fully read the report to give their opinion as of yet. Mr. Williams stated that the County did their own investigative report which has not been prepared to see if it correlates with the Tilcon report. Tilcon was asked to attend our January 27th PCFA meeting for discussions with the Board. Mr. Davenport stated that he did ask Tilcon about the alternative route. Mr. Williams reported that a discussion was held about who actually owns the road. The County and Township are looking into rectifying this. Mr. Cannon has concerns with the traffic study and the access road. Mr. Cannon and the Board went into lengthy discussions about the road crossings. We have time to continue discussions with Tilcon on the road crossing before any decision is made. Mr. Williams will make copies of the traffic report for the Board.

Mr. Williams stated that we placed a request for proposals for general counsel legal service for 2014 on the PCFA website. We received two proposals; one from Broschious, Fischer, & Zaiter at \$140.00 per hour and another from Florio, Perrucci, Steinhardt & Fader at \$160.00 per hour for the year of 2014. Mr. Williams stated that the proposal was for professional services, and the Board does not have to go with the lowest bid.

Mr. Mach made a motion that we continue and extend our agreement with Florio, Perrucci, Steinhardt & Fader with Mr. Brian Tipton as our representative with discussion purposes, seconded by **Mrs. Mackey**.

Mr. Cannon discussed the conflicts he felt about the decision. Mr. Cannon is concerned with White Township and the PCFA as a conflict and Tilcon because Florio, Perrucci, Steinhardt & Fader are the attorneys for the other entities as well as PCFA. Mr. Cannon does not feel that the PCFA website is a fair public advertising source when only two firms submitted bids. The motion was on the floor with no further discussions.

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

Mr. Davenport presented the Resolution (R-12-01-13) Authorizing the Proposed 2014 Solid Waste Pricing Schedule. Two schedules were presented to the Board; one schedule is the existing schedule and the other is the proposal number 1 and proposal number 2. Proposal number 1 changes Covanta Warren Ash Agreement from \$19.00/ton to the \$17.00/ton for the year 2014. Proposal number 2 leaves the gate rate for the customers the same and raises all the contract rates by \$1.00/ton. Mr. Tipton stated that Mr. Cannon and himself were discussing the ash disposal section of the existing and proposed. They are a little confusing, and if all of the ash disposals are by contract then why would we have a schedule if they are by contract? Mr. Tipton states the double asterisks states that this excludes existing contracts, but it is in fact a rate by contract. Mr. Tipton suggested that the double asterisk should be defined as all ash disposal is governed or regulated by specific contracts with each facility. Mr. Williams stated that this language was in there from prior counsel. For clarity, Mr. Tipton suggested taking the chart of ash disposal and the one line with "ash disposal rates are pursuant to contract from this specific facility" out to be more accurate.

Mrs. Mackey made a motion to approve the proposed number 2 of the Proposed 2014 Solid Waste Pricing Schedule (R-12-01-13), seconded by *Mr. Davenport*.

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

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 December 16, 2013.

RESOLUTION
R-12-01-13
AUTHORIZING THE PROPOSED
2014 SOLID WASTE PRICING SCHEDULE

WHEREAS, the Pollution Control Financing Authority of Warren County has a need to implement disposal rates for the Warren County District Landfill.

NOW THEREFORE, BE IT RESOLVED that the Pollution Control Financing Authority of Warren County after review and discussion approves said 2014 Pricing Schedule. (attached hereto)

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

Dated: December 16, 2013

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. Davenport stated that the Board needs to give authorization to distribute the 2014 Hauler and Interlocal Disposal Contracts. Mr. Williams explained that this is for all of our hauler contracts based on the rate schedule that the Board approved.

Mr. Mach made the motion to approve distributing the 2014 Hauler and Interlocal Disposal Contracts, seconded by **Mrs. Mackey**.

Mr. Williams stated that the contracts will all be reviewed by counsel before they are distributed.

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

FINANCE/PERSONNEL

Mr. Houck stated that the monthly end report was prepared for November. Mr. Houck stated that we are still on course.

Mr. Houck reported that he received a letter from the Prosecutor's office. Mrs. Janda is scheduled for parole release on or about February 14, 2014.

Mr. Davenport stated a motion was needed to accept the Resolution R-12-02-13 To Pay the Bills.

On a motion by **Mr. Cannon** seconded by **Mr. Davenport** the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *December 16, 2013*.

RESOLUTION

R-12-02-13

To Pay Bills – December 16, 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	-	Absent
	Mr. Cannon	-	Yes
	Mr. Davenport	-	Yes

We hereby certify Resolution to Pay Bills in the amount of **\$364,875.51** to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the *16th* day of *December* 2013.

Jamie Banghart
Recording Secretary

James Williams
Director of Operations

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

Mr. Williams presented the SRVSA Disposal Contract to the Board. Mr. Williams stated SRVSA came back with some minor edits to the agreement. A discussion was held among the Board members and Mr. Tipton regarding the revisions. Mr. Tipton will contact SRVSA's counsel. Mr. Davenport stated that this will be tabled until next month's meeting.

NEW BUSINESS

None

GENERAL COUNSEL'S REPORT

Mr. Tipton presented two items for discussion to the Board.

Mr. Tipton discussed the Covanta Warren Ash amendment. On May 28, 2013, Mr. Tipton stated we did not put in writing the amendment to the agreement of \$17.00/ton from February 1, 2014 through the end of 2015. This amendment is a very simple amendment to the Warren Ash Disposal Agreement with Covanta to put in writing what we had agreed to. Mr. Tipton suggested that the Board record a vote on the amendment to the agreement.

Mrs. Mackey made a motion to approve the amendment of the Covanta Warren Ash Agreement with \$17.00/ton from February 1, 2014 through the end of 2015, seconded by **Mr. Cannon**.

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

Mr. Tipton presented the Board with the Warren County Landfill Energy LLC collateral assignment and waiver documents. Mr. Tipton spoke with their attorney, Glenn Clouser, whom indicated that they are refinancing all of their facilities at the same time through Key Equipment Finance. Key Equipment Finance requires the land owners of all of their facilities to sign off on these documents. Mr. Tipton stated to Mr. Clouser that we understand that he needs us to sign off on these documents, however, we do not want these documents to alter the agreements with them; which is the 2005 Landfill Gas Site

License Agreement and the 2010 Settlement Agreement. Mr. Tipton reviewed these documents. Mr. Tipton found inconsistencies in the documents and proposed some revisions on the documents. The refinance is a seven year period which is consistent with the remainder of our agreement with WCLE. Mr. Tipton will keep the Board posted on this agreement.

OTHER BUSINESS

Mr. Williams sent all the Board members a draft letter addressed to Freeholder Director Sarnoski regarding the reappointment of Mr. Davenport. Members of the Board agreed to have this letter sent out.

CLOSING PUBLIC COMMENT

Freeholder Deputy Director Ed Smith stated that the Tilcon matter came before the County Planning Board and was denied. There were numerous concerns. The Board members expressed their suggestions. Mr. Cannon suggested we send a letter from the PCFA to the County Planning Board and let them know we have a number of questions regarding the road crossing. Mr. Williams suggested to the Board to produce any comments and concerns members have and we could formalize them all in one letter. Mr. Mach suggested we have a meeting with Tilcon about the objections that we have. Mr. Mach stated that we send a letter to the Planning Board that we have requested a meeting with Tilcon and the entire Board and that there are current concerns.

Mr. Cannon made a motion that we send a letter out with the basic concerns, seconded by *Mrs. Mackey*.

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

PRESS COMMENTS & QUESTIONS

None

EXECUTIVE SESSION

No need for Executive Session.

ADJOURNMENT

With no other business to discuss, *Mrs. Mach* motioned to Adjourn, seconded by *Mrs. Mackey*, at 10:03 am.

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

Respectfully submitted by:
Jamie Banghart, Recording Secretary

Approved: 01/27/14