

POLLUTION CONTROL FINANCING AUTHORITY
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING

March 26, 2018

Chairman James Cannon called the regular monthly meeting of the Pollution Control Financing Authority of Warren County to order at approximately 9:34 am.

Authority Members present: James Cannon, Richard Mach, Bud Allen and Joseph Pryor.

ROLL CALL:	Mr. Allen	-	Present
	Mr. Pryor	-	Present
	Mr. Urfer	-	Absent
	Mr. Mach	-	Present
	Mr. Cannon	-	Present

Also present: James Williams, Director of Operations; Freeholder Director, Ed Smith; Brian Tipton, General Counsel; Jamie Banghart, Administrative Supervisor; Crystal Gild, Recording Secretary.

The Pledge of Allegiance was led by Chairman Cannon.

Mr. Cannon read the following statement: "Adequate notice of this meeting of March 26, 2018 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. Cannon presented (M-1) the regular monthly meeting minutes from February 26, 2018.

Mr. Allen asked for the first sentence on page 48, paragraph 5 to be changed from "Mr. Allen asked if we have always done the financial report the way it is being done currently?" to "Mr. Allen asked if we have always done the financial report the way it is being done."

Mr. Cannon asked for the word "refreshments" on page 42, paragraph 2 to be changed to the word "updates"

Mr. Pryor made a motion to approve the amended Regular Monthly Meeting Minutes from February 26, 2018 as presented, seconded by **Mr. Allen**.

ROLL CALL:	Mr. Allen	-	Yes
	Mr. Pryor	-	Yes
	Mr. Urfer	-	Absent
	Mr. Mach	-	Yes
	Mr. Cannon	-	Yes

Mr. Cannon presented (M-2) the Executive Session minutes from February 26, 2018.

Mr. Pryor made a motion to approve the Executive Session Minutes from January 22, 2018, seconded by **Mr. Allen**.

ROLL CALL:	Mr. Allen	-	Yes
	Mr. Pryor	-	Yes
	Mr. Urfer	-	Absent
	Mr. Mach	-	Yes
	Mr. Cannon	-	Yes

PRESENTATIONS

None.

CORRESPONDENCE

Mr. Cannon asked Mr. Williams to go over the correspondence.

Mr. Williams stated that this is a letter that was sent down to the NJDEP Division of Water Quality regarding a Permit Renewal Application Amendment to allow for the pilot study with the PRMUA for six months once it is approved.

Mr. Williams stated that this application was submitted to the DEP and that the DEP has received it. Mr. Williams stated that now we are waiting to see if there are any questions, comments or concerns from the DEP and noted that if there are none we could get approval and begin to move forward with the pilot study.

Mr. Cannon asked if there were any questions regarding this?

Mr. Cannon asked Mr. Williams if we need to have any discussions regarding the PRMUA today?

Mr. Williams stated that he believes that everyone has a copy of the most recent meeting minutes that he had received from the PRMUA and forwarded to everyone. Mr. Williams stated that in the minutes at least one of the operators from the PRMUA expresses their concern regarding accepting the raw leachate into their facility. Mr. Williams stated he knows that accepting raw leachate has been an issue for the PRMUA in the past.

Mr. Williams mentioned the recent email that he had sent to the Board members regarding past odor related issues (hydrogen sulfide) when raw leachate was sent through the pipeline. Mr. Pryor asked if this is regarding the end of the force main? Mr. Williams answered, yes. Mr. Pryor stated that he believes he has mentioned this before. Mr. Pryor stated that it is not uncommon with force mains because the waste starts to be acted upon by bacteria immediately. Mr. Pryor stated that he is not going to go through the biochemistry because he has forgotten most of it and he would murder it. Mr. Pryor explained that when you have air, when there is a gravity sewer and you have a free surface generally oxygen can be kept in and good things happen when the waste is decomposed such as producing carbon dioxide, water stable sulfur compounds and so on. Mr. Pryor explained that when there is no oxygen in a force main that conditions become septic and things such as ammonia, methane and hydrogen sulfide are produced. Mr. Pryor stated that hydrogen sulfide always stinks, is always toxic and under certain conditions, it can form sulfuric acid and become corrosive. Mr. Pryor stated that typically there is some kind of chemical feed ahead of the force main such as permanganate, chlorine, hydrogen peroxide and other designer chemicals that can combat this process.

Mr. Pryor stated that he does not know the condition of the leachate in terms of D.O. (Dissolved Oxygen) and other factors when it leaves our facility. Mr. Pryor stated that he is pretty sure that this could be treated if it proves to be a problem.

Mr. Williams explained that the pipeline from here to the PRMUA is about a mile to a mile and a half long and that about half of the pipeline is a force main and the rest is gravity. Mr. Williams stated that in the past, when we would send the raw leachate to the PRMUA, odor issues would arise when the pipeline turned from force main to gravity. Mr. Williams explained that there are approximately a half dozen manhole covers in the gravity section of the pipeline. Mr. Cannon asked where the manhole covers are located? Mr. Williams stated that they are located on Lower Denmark Rd. Mr. Williams stated that he believes that the PRMUA put charcoal filters underneath the manhole covers to help eliminate the odor. Mr. Pryor stated that this is only treating the symptom and not the cause. Mr. Williams agreed and stated that this is how the PRMUA tried to eliminate the odor issue that was being caused from our raw leachate. Mr. Williams stated that he does not believe that this was very effective though. Mr. Williams stated that the PRMUA does raise concerns not only regarding the odor, but the strength of our leachate affecting the components at the PRMUA plant.

Mr. Pryor stated that if the PRMUA thinks that the odor and corrosion concerns become a problem then it can be dealt with.

Mr. Cannon stated that the last time we sent raw leachate to the PRMUA that it lasted only half of a truck load to a truck load before the PRMUA said that they could not take it. Mr. Williams stated that he is not even sure if we were able to send 2 truckloads of raw leachate to the Belvidere PRMUA plant before the leachate fouled the probes at the PRMUA plant. Mr. Cannon agreed.

Mr. Williams stated that the PRMUA still wants to give the pilot study a shot and noted that he just wanted to remind the board that we have attempted this before and that he knows that we have discussed it at length.

Mr. Pryor stated that things can be different on a case by case basis. Mr. Pryor stated that years ago in Gloucester one of the landfills there asked for permission to run treatability studies and they accepted untreated leachate with no issues. Mr. Pryor explained that of course in this case the amounts of leachate and the size of the treatment plant were different.

Mr. Williams stated that the pilot study is still worth looking into to see if something can be done with the Oxford PRMUA facility. Mr. Williams stated that he hopes that it works, but that he does not know what the outcome is going to be.

Mr. Allen stated that he is a little confused and asked how the odor escapes the pipeline? He asked if it is a closed pipe? Mr. Williams explained that the manholes are not sealed tight and stated that what happens is that as the leachate dumps from 1 manhole to the next that turbulence is created in the manhole itself. Mr. Williams further explained that as the turbulence is created that odor comes out of the top of the manhole cover in the street.

Mr. Pryor explained that H₂S Gas (Hydrogen Sulfide gas) is generated in the force main of the pipeline and then any turbulence at all drives the gas off.

Mr. Allen asked how the gas escaped the pipeline? Mr. Allen asked if it is a closed pipeline? Mr. Pryor stated that a force main pipeline has no free surface and explained that it is completely filled with liquid if it is designed correctly. Mr. Williams agreed. Mr. Pryor explained that a gravity sewer is running approximately 1/3rd full and that there is a free surface. Mr. Pryor explained that some air will be dragged down the system if the manholes are vented and that each time the leachate hits a bend or a drop or even just as it goes down the sewer the odor can come out through the manholes. Mr. Williams agreed.

Mr. Allen asked if air can be pulled into the pipeline through the manhole covers? Mr. Pryor answered, yes.

Mr. Pryor stated that one way to combat the odor release is to plug the holes in the manhole covers and vent them with a carbon filter. Mr. Pryor stated that this only treats the odor, but that it does not treat the gas that is running through the system. Mr. Pryor explained that with the gas going through the system, it could result in crown corrosion and other similar issues. Mr. Williams agreed.

Mr. Cannon asked if putting the charcoal filter on the manhole seals it up? Mr. Williams stated that it does. Mr. Pryor explained that the exhaust from the leachate is being vented through one point then.

Mr. Pryor stated that his point is that if you are going to send raw leachate through a force main pipeline that some chemicals needed to be added at the beginning of the pipeline and that this can usually prevent any odor issues from occurring.

Mr. Cannon asked if anyone has any other questions regarding this?

Mr. Cannon asked if there are any issues with the DEP and the permit renewal? He asked Mr. Williams if the DEP gave us any kind of timeframe for when the permit renewal would be approved? Mr. Cannon asked if there are any problems regarding the timing of the permit renewal? Mr. Williams answered, no.

Mr. Pryor asked what our H₂S removal system does now? Mr. Williams explained that our H₂S removal system is to treat the gas from the landfill. Mr. Pryor stated that we are just taking the gas out of the landfill and asked if we flare it off? Mr. Williams stated that we flare off the gas that is removed through the H₂S removal system.

PUBLIC COMMENTS (AGENDA ITEMS ONLY)

None.

FINANCE

Mr. Cannon stated that he has a few extra sheets for the financial report. Mr. Cannon asked Mr. Williams where he would like to start with the finances?

Mr. Williams explained that the first financial report that was provided to the board in their agenda packets is literally all of the bills that went through the month of February. Mr. Williams stated that we had discussed doing this at the last meeting. Mr. Williams explained that the additional information that was sent out to the board and provided today includes the additional bills that came in up until last week. Mr. Cannon stated that we are trying to get as close as possible to accurate figures. Mr. Williams stated that this is correct.

Mr. Cannon stated that since this way of preparing the report is new to the board and to the staff completing it this way that he would like to establish a working order as to how we are going to present this. Mr. Williams explained that in the end the total for the bills are the two bill schedules combined. Mr. Cannon stated that he understands this, but that he does not want everyone to be confused as to which order to go in. Mr. Williams stated that we could do it in any order and asked Mr. Cannon if he has a preference? Mr. Cannon stated that he does not have a preference. Mr. Williams stated that we can review the report, however, the Resolution to Pay Bills represents the two amounts combined.

Mr. Cannon asked who is presenting the financial report? Mr. Williams or Mrs. Banghart? Mr. Williams stated that he believes that in combination they can both present the financial report.

Mr. Cannon asked Mr. Williams to provide the board with an overview of the financial report and then we would go through any questions.

Mr. Williams stated that we had another good month. Mr. Williams stated that if you go to page 2 of the financial report that we are still working off the insurances being paid in advance and that the loss amount has come down from last month and eventually this number will turn positive. Mr. Williams stated that other than that as far as the budget goes through the end of February that everything is in order and there are no surprises.

Mr. Williams stated that the waste flows coming in our still within our ranges. Mr. Cannon asked if all of our haulers are coming in that we agreed to? Mr. Williams answered, yes and stated that when we get to the contracts we will have the rest of the haulers. Mr. Williams noted that there is one outstanding hauler which is the NJDOT Central who has not signed their contract. He noted that eventually they will catch on to the fact that they did not renew their contract. Mr. Cannon stated that they can do whatever they want. Mr. Williams stated that everyone else has signed and we will have adequate waste flows coming in for the 2018 year. Mr. Williams stated that we did reduce 2 of the contracts regarding the amount of waste that they can bring in. We did this for the National Transfer and Gaeta. Mr. Williams stated that we reduced the tonnage that they were allowed to bring in for the year to allow us to save some additional air space until we get under construction.

Mr. Pryor asked how much we pre-paid for our insurance premiums? Mr. Williams stated that he would have to look back at the previous bill lists. Mr. Pryor asked if it was more than the \$139,182.00 deficit that we are currently showing? Mr. Williams stated that he believes that it was. Mr. Cannon stated that it was over \$200,000.00 and Mr. Williams agreed. Mr. Williams explained that the County used to break this payment down over a 12 month period even though we make the whole payment in January. Mr. Williams explained that when we discussed this with the County last year regarding how to handle this when we took over the finances this year that we could just show the payment in January instead of showing it over a 12 month period. Mr. Pryor stated that if we were doing a balance sheet we would have an asset and prepaid expenses and then it would not look as drastic.

Mr. Cannon stated that previously we did not show any percentages on the financial report and that you could not really tell where you were at for the year. Mr. Williams stated that it looked bad and Mr.

Cannon agreed. Mr. Cannon stated that when the percentages were added to the report, it was nice that around September we would know exactly where we were for the year. Mr. Cannon explained that if the percentages were not on the report that the high figures for the insurance premiums would not jump out at you at all. Mr. Pryor agreed.

Mr. Mach asked if National Transfer and Gaeta have been notified that the amount of waste they could bring into our facility has been reduced? Mr. Williams answered yes, and stated that they were notified via contract. Mr. Williams stated that a representative from National Transfer had stopped by the office and that he had explained the reasoning behind why we had to reduce the amount of waste that they could bring in to them and that they understood our situation and had no issues.

Mr. Williams stated that on page 9 of the financial report under the Lakeland Bank Certificate of Deposits that this total reflects 2 CDs combined. Mr. Williams noted that we should probably break this figure apart to show the amount for each CD. Mr. Williams explained that one of the CDs is for approximately \$6,500,000.00 and that this was renewed at the end of January and that the interest rate went up from .8% to 1.29%. Mr. Williams explained that this CD has a 6 month term and will need to be renewed again in July. Mr. Williams explained that the 2nd CD is for approximately \$3,500,000.00 and that this CD matures on March 29, 2018. Mr. Williams stated that he has sent emails to all of the banks regarding getting new interest rates for this CD.

Mr. Cannon asked what the interest rate is for the \$6,500,000.00 CD? Mr. Williams stated that he believes that the interest rate is 1.29%. Mr. Cannon asked when this CD matures? Mr. Williams stated that this CD will mature in July and that the CD has a 6 month term.

Mr. Williams explained that the CD for approximately \$3,500,000.00 has a 9 month term. Mr. Williams stated that this CD currently has an interest rate of 1.29% and that he has an interest rate from one of the banks of 1.9%. Mr. Cannon stated that he thought the interest rates should be heading towards about 2%. Mr. Williams stated that Fulton Bank of New Jersey is the bank that has offered us the 1.9% interest rate on this CD.

Mr. Williams noted that the interest rates are going up, which is a good thing.

Mr. Cannon asked Mr. Williams which banks he contacted for interest rates for the CD? Mr. Williams stated that he contacted Fulton Bank of New Jersey, PNC Bank, and Provident Bank. Mr. Williams stated that these are the banks that the County told him to use and that gave the most favorable rates. Mr. Cannon asked if Lakeland Bank offered anything? Mr. Williams stated that he has not heard back from Lakeland Bank yet and noted that they have until noon today to get back to him. Mr. Cannon asked really, the Bank that currently holds the CD did not make an offer? Mr. Cannon asked if Lakeland bank currently holds \$10,000,000.00 worth of our deposits? Mr. Williams answered, yes. Mr. Cannon stated that \$3,500,000.000 of those deposits is up for renewal now and Lakeland Bank has not offered a new interest rate. Mr. Williams reiterated that they have until noon today to make an offer. Mr. Williams stated that if he were them, he would wait until the last minute as well to make sure his offer did not get out. Mr. Cannon stated that he would think that they would have had the number to Mr. Williams by Friday. Mr. Cannon stated that there is no reason why we have to keep the CD at Lakeland Bank and Mr. Williams agreed. Mr. Williams stated that the CD will be going to the bank that offers the highest interest rate. Mr. Cannon stated that he is surprised that Lakeland did not make us an offer since they currently have the money. Mr. Williams stated that he is sure that we will have a response from them by noon today. Mr. Cannon agreed but stated that he feels that they just expect us to keep the CD with them. Mr. Williams explained that Lakeland Bank received the same email that went out to all of the banks and that they are aware that we are looking for a new rate for the CD.

Mr. Cannon asked how Mr. Williams is going to make the decision as far as which bank to move the CD to? Mr. Williams asked for clarification regarding what Mr. Cannon wanted to know? Mr. Cannon stated that the CD terms are not going to be extended over 6 months, so if Lakeland Bank does not give us the best number is Mr. Williams going to email him and ask which bank we should send the CD to? Mr. Williams asked if Mr. Cannon wants a vote regarding which bank we decide to go with? Mr. Cannon explained that if we end up having to change banks, he wants to know how the choice will be made because we are not going to let the money sit at Lakeland Bank for an extra 3.5 weeks until the next meeting. Mr. Williams stated that we would move the CD to the bank that offers us the highest interest rate. Mr. Cannon stated that before Mr. Olshefski was able to move the money from one bank to another himself, but that he wants to know how Mr. Williams will move the money from one bank to another. Mr. Cannon stated theoretically that if we get a better rate with another bank, we would be moving a lot of money from one bank to another. Mr. Williams stated that typically the money is moved from one bank to another via a wire transfer. Mr. Cannon stated that he understands this, but that when the rate expires, we want to immediately move the money to the new bank. Mr. Williams agreed. Mr. Cannon asked Mr. Williams if he has the power to move the money from one bank to another unto himself before the April PCFA meeting? Mr. Cannon asked how is it setup as far as authorizing a wire transfer from one bank to another because a better interest rate was offered on a 6 month CD?

Mr. Williams explained that in the past when the CDs would mature that Mr. Olshefski would take care of renewing them and that Mr. Olshefski and he would sign for the transfer of funds and simply take care of it. Mr. Williams stated that if the board wants to approve which bank the money is transferred to, then we could do it via a phone call and stated that it is up to the board as far as how involved they want to be with the process.

Mr. Pryor suggested having Mr. Tipton advise us regarding when the CDs are maturing and that the board can authorize the Chairman and Director to execute the transfer. Mr. Cannon agreed and stated that you want to have 2 people initiating the transfer since it is a large amount of a private entities money. He stated that this would allow for some sort of check/fail system. Mr. Cannon stated that he does not want Mr. Williams to take any offense and think that the board does not trust him and Mr. Pryor agreed with this sentiment. Mr. Cannon stated that he trusts Mr. Williams 1000%, but since we are talking about duties and setting them up with job descriptions, that this is a perfect example of a duty that needs to be assigned to a specific person or persons. Mr. Williams stated that it can be done however Mr. Cannon would like it done. Mr. Cannon stated that he does not have a preference, but that we should set up a structure now as Mr. Pryor had said, so that going forward no matter when it happens, we have a way to transfer CDs from one bank to another. Mr. Cannon stated that he does not care whether it is the Chairman, Vice Chairman or the Treasurer but there should be a counterbalance to say that 2 people approved the wire transfer on a specific date, for a specific bank, for a specific interest rate in a specific amount of dollars. Mr. Cannon explained that it should not be just done with no one else knowing.

Mr. Pryor stated that we could also stipulate that at the time of maturity for any CD that the CD will be moved to the bank that offers the highest interest rate. Mr. Williams agreed that we would definitely want to go with the bank that offered the highest interest rate. Mr. Cannon agreed as well.

Mr. Allen asked if Mr. Williams is still waiting for interest rate offers from any bank other than Lakeland Bank? Mr. Williams answered, no. Mr. Allen asked if all the banks are sitting on their offers? Mr. Williams stated that the banks have until noon today to make an offer.

Mr. Cannon noted that he will not go into detail, but stated that in the past, there have been members on the PCFA Board who were also on boards of specific banks and they would steer monies towards certain banks for certain reasons. Mr. Cannon stated that to avoid any possibilities of a conflict of interest on

anyone's part that there has to be a clean reason for which bank was chosen. Mr. William reiterated that the money would go to whichever bank offered the highest interest rate. Mr. Cannon agreed. Mr. Cannon stated that with this, if we asked for interest rate offers from 4 banks, and each bank responded with an offer, that he is not sure if the board would like to view all of the offers before a decision is made. Mr. Allen stated that he would like to see all of the offers from each bank documented. Mr. Pryor asked how the quotes come in? He asked if the quotes come in via telephone? Mr. Williams stated that the quotes come in via email. Mr. Pryor stated that since the quotes come in via email that there is a trail if anything was ever questioned.

Mr. Smith asked if we approved a monetary management plan during our re-org meeting? Mr. Smith stated that he recalls us doing this. Mr. Smith stated that the banks that we can use are listed in the plan. Mr. Williams stated that Mr. Smith was correct. Mr. Smith stated that we already have a plan in place. Mr. Smith asked Mr. Tipton to correct him if he is wrong, but that he believes that when the financial management plan is done during the re-org that the procedures for handling monies are already established. Mr. Williams stated that we call this our Cash Management Plan. Mr. Smith stated that we should not need to re-invent that again. Mr. Cannon stated that we are not trying to re-invent anything and that he does not believe that there was ever a policy established as to how to handle moving money from bank to bank. Mr. Smith stated that if the bids are being obtained through what is set forth in the Cash Management Plan that there should be no issues with deciding on which bank to go with. Mr. Cannon stated that there is no issue with choosing a bank and that this is being done correctly according to the Cash Management Plan. Mr. Cannon stated that his concern is the process of moving money from one bank to another when necessary.

Mr. Pryor stated that he did not read the Cash Management Plan. Mr. Pryor was reviewing the Cash Management Plan during the discussion. Mr. Pryor stated that the Cash Management Plan reads "Except as otherwise specifically provided for herein, the Chief Financial Officer, upon consultation with the Finance Committee and Director of Operations of the PCFAWC, is hereby authorized to invest the public funds covered by this Plan, to the extent not otherwise held in Deposits, in the following Permitted Investments:". Mr. Pryor stated that the plan then lists the Permitted Investments.

Mr. Cannon stated that there is a process in place, but that we are not following it. Mr. Pryor stated that it says "upon consultation". Mr. Mach asked who is our CFO? Mr. Pryor stated that it used to be Mr. Olshefski. Mr. Allen stated that we need to redefine the management plan because we do not have a CFO. Mr. Mach asked who the finance committee is? Mr. Smith asked if we are establishing a CFO in our personnel resolutions? Mr. Cannon stated that we had discussed having the same title, but it was not the thought process to fill the title of the CFO and that only the duties of the CFO were going to be delegated to personnel. Mr. Allen stated that this is something to consider. Mr. Allen stated that he does not have an issue with the way we are deciding which bank the money goes to, but he would like to see it documented and have the board made aware of the decision. Mr. Allen reiterated that the management plan needs to be changed a little bit.

Mr. Cannon stated that the Treasurer should be the head of the Finance Committee. Mr. Allen stated his agreement. Mr. Cannon stated that he would be satisfied if Mr. Williams were to send Mr. Pryor an email and say "Mr. Pryor, these are the interest rates that came back from the bank". Mr. Williams stated that he would be happy to send the information to the entire board. Mr. Cannon stated that anything can happen and that he would just like to have a process with transparency in place. Mr. Pryor stated that the board agrees that the bank that offers the highest interest rate would receive the funds. Mr. Cannon agreed. Mr. Williams stated that this is how he would do it as well.

Mr. Pryor stated that the process going forward would be for Mr. Williams to email him and copy the rest of the board with the information. Mr. Williams agreed.

Mr. Williams stated that the funds could stay with Lakeland Bank if they offer a higher interest rate and then the funds would not need to be transferred anywhere.

Mr. Allen asked if on page 1 of the financial report if the total in the 61-90 days reflects the same hauler that we have been dealing with? Mrs. Banghart asked if Mr. Allen was referring to Gaeta Interior? Mr. Allen answered, yes. Mrs. Banghart stated that yes, the amount is for Gaeta Interior.

Mr. Allen asked Mr. Tipton if we were going to discuss this later since we took action against them? Mr. Tipton stated that there has not been a response from Gaeta Interior yet and explained that they have until this coming Friday, March 30, 2018 to respond. Mr. Cannon noted that Lovenberg's response is due by the end of business today and Mr. Williams and Mr. Tipton both agreed. Mr. Tipton stated that until Gaeta officially does not respond that there is not much that we can do.

Mr. Tipton asked if we want to move for default judgement right away or if we would like to conduct an asset search to determine whether or not it is worth continuing to pursue them. Mr. Tipton noted that we could also do both. Mr. Tipton asked, assuming that Gaeta does not respond by the deadline, how would the board like him to proceed? Mr. Cannon asked if it would be best if we came to a decision on this today and if we should discuss it during Executive Session? Mr. Tipton stated that it does not need to be held for Executive Session. Mr. Tipton noted that Gaeta has not offered any type of defense for themselves so we are really just having an objective discussion regarding what we want to do about a deadbeat customer.

Mr. Tipton noted regarding Lovenberg, that there was at least discussion from the other side, which makes the situation different.

Mr. Tipton stated that we have not heard anything at all from Gaeta since they stopped paying us.

Mr. Cannon asked how much Gaeta owes us now? Mrs. Banghart stated that Gaeta owes us \$15,796.00. Mr. Cannon stated that this amount of money is certainly worth pursuing. Mr. Cannon asked Mr. Tipton what our options are and what he would recommend that we would do? Mr. Tipton stated that Mr. Williams has no historical knowledge regarding Gaeta and noted that with Lovenberg we at least knew a bit about their history. Mr. Tipton stated that he would recommend moving for default judgement and conducting an asset search. Mr. Williams asked Mr. Tipton if he was referring to him knowing whether or not Gaeta was still in business or something along those lines? Mr. Tipton stated that Mr. Williams is familiar with the business, the industry and that usually he knows a lot of the customers. Mr. Tipton noted that in the past Mr. Williams was able to give him information about certain customers regarding how long they had been in business and so on. Mr. William stated that Gaeta had always paid and then suddenly they became as Mr. Tipton had worded it before, the deadbeat customer.

Mr. Pryor stated that he believes he understands the point that Mr. Tipton is trying to make. Mr. Pryor stated that we have never seen a balance sheet for Gaeta. Mr. Pryor noted that we could get a default judgement granted and then find out that they are in the hole and that there is no money to get.

Mr. Tipton explained that part of what he is saying is that we are spending money on him and his firm to chase Gaeta down and at some point that he tells any of his clients that they need to look at the pros and cons of chasing a deadbeat.

Mr. Pryor asked Mr. Tipton what is involved in getting the default judgement, effort wise or expense wise? Mr. Tipton stated that it would be about an hour of his firm's time to prepare the documentation and file it. Mr. Pryor asked that if Gaeta does not respond if we would automatically be granted the default judgement? Mr. Tipton explained that we would file a motion for default judgement and then we would file a motion for entry of default judgement. Mr. Tipton stated that then the next move would be to file the judgement in Trenton and then receive a statewide judgement number. Mr. Tipton stated that he believes that Gaeta is a New York entity and Mr. Williams affirmed that they are. Mr. Tipton noted that because they are a New York entity a judgement in New Jersey only has so much impact on them. Mr. Tipton stated that if Gaeta has any assets in New Jersey that the next move would be to go after any of those assets such as bank accounts and so on. Mr. Tipton explained that if they do not have any assets in New Jersey and we have to chase them in New York and that we would have to file the judgement in New York to pursue in New York.

Mr. Cannon asked that if for a minimal amount of money we could get a judgement in New Jersey and then we could address it from there? Mr. Tipton answered, yes and stated that it would be a couple of hours of his firm's time, plus the filing fees, which would probably cost less than \$500.00. Mr. Tipton stated that he thinks that spending \$500.00 to chase \$16,000.00 is a worthwhile investment and then we can make a decision afterwards depending on the results. Mr. Pryor agreed. Mr. Williams stated that he believes that we would be able to pursue Gaeta for paying Counsel's fees as well. Mr. Tipton stated that yes, we can do that because it is written in the contract. Mr. Cannon noted that all of the contracts are written this way.

Mr. Allen stated that he has another question regarding the bills. Mr. Allen stated that he will be referring to a separate sheet that was handed out today. Mr. Williams explained that the sheet that Mrs. Banghart handed out this morning was because there was a typo regarding the description of what the Nisivoccia bill was for. Mr. Williams stated that the original description of the bill for \$19,770.00 was for website maintenance, but that the bill was actually for the 2017 Audit.

Mr. Allen asked who does the website maintenance for us? Mr. Williams answered that a different division within Nisivoccia does our website maintenance. Mr. Pryor agreed. Mr. Allen asked if Nisivoccia makes changes to the website themselves or if we do it here? Mr. Williams stated that currently we make the website changes ourselves, but he is looking into the possibility of outsourcing this but that it would be at a later date.

Mr. Allen stated that he had built a website for Mr. Smith when he ran in the election the first time. Mr. Allen also stated that he maintains a website for his church. Mr. Allen stated that he has his website through Network Solutions which costs approximately \$320.00 for a 3 year contract. Mr. Allen stated that the contract includes the domain name and everything else, but he maintains the website. Mr. Allen stated that Network Solutions has a web-builder tool that you can create the website with and make changes to the website with as well. He also noted that it allows him to upload files and upload videos. Mr. Allen stated that there is no fee for doing this because he maintains the website himself. Mr. Allen stated that this is why he questioned the bill. Mr. Cannon noted that he called Mr. Williams right away when he saw this bill. Mr. Williams stated that after he spoke to Mr. Cannon he spoke to Mrs. Banghart regarding fixing the description. Mrs. Banghart explained that she is training Ms. McGarvey and Mrs. Cliff on how to enter and pay the bills. Mrs. Banghart explained that when you generate a new encumbrance, that you are required to put a description in initially. Mr. Cannon stated that he knew that the description was wrong, but he called to find out what the payment was really for. Mr. Allen stated that his concerns had been eased.

Mr. Cannon stated that while we are on the subject that he feels that we are way overpaying for website maintenance. Mr. Cannon stated that we should be paying \$300.00 for 3 years and not what we are paying currently. Mr. Williams stated that we just renewed our domain name for the next 9 years. Mr. Allen stated that we are paying for the domain name and the utilization of their server for the next 9 years. Mr. Williams explained that they also provide us with off-site backup and noted that we have off-site backup in 3 different locations. Mr. Cannon asked how much they are charging us per month for this? Mr. Williams stated that we pay a yearly fee and that he does not know the figure off the top of his head. Mr. Williams stated that he believes that we are charged less than \$500.00 for this. Mr. Allen stated that with Network Solutions you are able to do your own backup whenever you make changes. Mr. Williams reiterated that we have off-site backup. Mr. Allen stated that as long as it is backed up on another server that it does not need to be off-site. Mr. Pryor stated that Mr. Allen is more of the computer guy than he is, but he has used Nisivoccia in the past and he believes that they have a deal that their server is always up and they have extra security as well.

Mr. Allen noted that Network Solutions is a subsidiary of Web.com.

Mr. Allen stated that he is not sure what our total fee is for the 9 year period. Mr. Williams noted that Mrs. Banghart has the bills in hand. Mrs. Banghart looked through the bills and found that the cost is \$315.00 for 9 years. Mr. Allen stated that this is a great price for 9 years. Mr. Cannon asked if we pay a monthly fee as well? Mr. Williams and Mrs. Banghart both answered, no. Mr. Allen asked if Nisivoccia does any maintenance to the website at all? Mr. Williams stated that occasionally we have to call them for something. Mrs. Banghart stated that there was an issue in February that they had to correct for us regarding a scrolling issue and they charged us \$165.00. Mr. Allen stated that he believes that we have a good deal.

Mr. Cannon asked if on page 1 of the financial report if the percentage for the 61-90 days column is a typo. Ms. Gild stated that it is not a typo. Mr. Mach stated that this could be an infinite number. Mr. Allen stated that he believes that this is the percentage that is generated because it went from \$0.00 to \$20,028.00. Ms. Gild agreed. Mr. Allen explained that the percentage is calculated automatically. Ms. Gild agreed. Mr. Cannon asked if 1000000% was accurate? Mr. Allen and Ms. Gild agreed that this was correct. Mr. Allen explained that the percentage could almost be infinite because it jumped from \$0.00 to \$20,028.00. Mr. Mach explained that it would have to be an infinite number because it went from \$0.00 to \$20,028.00. Mr. Allen agreed and stated that this number probably goes on into infinity. Mr. Cannon stated that we have never had a number like this before. Ms. Gild stated that if you look back at the previous financial reports that there have been some high percentages like this.

Mr. Mach stated that he also has a question on page 1 of the financial report. Mr. Mach asked if the numbers for the average fee per ton of waste and the average fee per ton of cover are correct? Mr. Mach asked if \$27.33 per ton for waste and \$69.00 per ton for cover is correct or if those figures should be reversed? Mr. Williams stated that something does not seem correct with these numbers. Mr. Williams stated that he believes that the numbers are reversed. Ms. Gild stated that the numbers are not reversed. Mr. Williams instructed Ms. Gild to look into these figures after the meeting because something does not seem right because our average fee per ton is more than \$27.00. Mr. Mach pointed out that these figures are also inconsistent with the 2 columns next to them.

Mr. Williams stated that the cover makes sense because the cover should be a lower amount because the cover represents the ash coming in.

Mr. Allen stated that the only way the numbers could be wrong is because of an input error somewhere. Mr. Williams stated that we will look into it and find out what the true numbers are.

Mr. Cannon asked if we have had cover come in this year? Mr. Williams answered, no. Mr. Cannon asked if we have not had any cover come in, how is there an average fee per ton of cover at all? Mr. Allen stated that someone had to put a number in the wrong column. Mr. Cannon stated that there should be no fee per ton of cover because there is no ash coming in. Mr. Williams agreed. Mr. Williams stated that we will look into this. Mr. Cannon stated that the average should be \$0.00. Mr. Cannon pointed out that Ms. Gild was shaking her head no. Mr. Williams stated that no cover has come in. Mr. Cannon stated that the average fee per ton of waste cannot be \$27.33 and that he is certain of this.

Mr. Williams stated that the only thing that could have come in as cover is possibly street sweepings because if you look on page 6 of the financial report you see that 147 tons of cover came in during January and 142 tons of cover came in during February. Mr. Williams stated that these numbers could also reflect ash coming in from Stony Brook as well. Mrs. Banghart agreed and stated that these amounts do represent ash coming in from Stony Brook. Mr. Cannon stated that this must be where the number for the average fee per ton of cover is generated from. Mr. Mach agreed. Mr. Cannon stated that the averages are probably correct, but they are just transposed. Mr. Cannon pointed out that Ms. Gild was still shaking her head no. Ms. Gild stated that she would look into it, but she stated that this is what the calculations came out to.

Mr. Williams stated that we will look into it. Mr. Williams stated that he thinks that the numbers are reversed.

Mr. Pryor stated that he hates to be stubborn, but that he is still thinking about the ash. Mr. Pryor stated that the average fee per ton for the ash is going to shoot up and down depending on what we charge when it is coming in. Mr. Mach stated that even with taking that into account that the price associated with the ash coming in should be approximately \$20.00. Mrs. Banhart explained that Stony Brook pays \$71.00 per ton to bring in ash so the average fee per ton for cover is actually correct. Mrs. Banghart stated that we would look into it.

Mr. Cannon stated that only Stony Brook is bringing ash in and that Covanta is not. Mrs. Banghart agreed. Mr. Cannon stated that Stony Brook pays a higher price per ton of ash that they bring in because they bring in such a small amount of ash. Mr. Cannon stated that with this knowledge the \$69.00 average fee per ton of cover may be correct. Mrs. Banghart agreed. Mrs. Banghart stated that we would still look into these numbers.

Mr. Mach stated that the average fee per ton of waste still looks wrong. Mr. Cannon stated that no one is paying a rate that low so he does not know how this number could be accurate. Mr. Williams agreed. Mr. Cannon stated that there is no way that the average fee per ton of waste is only \$27.33. Mr. Williams stated that the only way this could be correct is if we accepted a lot of waste for free. Mrs. Banghart agreed. Mr. Williams stated that we have not given waste away for free. Mr. Cannon stated that if anything, the average fee per ton of waste should be more and not less. Mr. Williams stated that the figure should be in line with the figure for 2017. Mr. Cannon and Mr. Williams, both stated that the average fee should go up in the next financial report due to rate increases.

Mr. Cannon stated that the \$27.33 figure for the average fee per ton of waste needs to be looked into. Mr. Williams agreed.

Mr. Cannon asked if anyone else had any other questions regarding the bills?

Mr. Cannon stated that we had a lot of liquid that we hauled out in February. Mr. Williams agreed. Mr. Cannon stated that he assumes that this is due to all of the precipitation in February. Mr. Williams stated that this is because of snowmelt but that it is nothing unusual for this time of year.

Mr. Williams stated that half of the PRMUA discharge is clean water. Mr. Cannon stated that it is diluted approximately 50/50. Mr. Williams agreed.

Mr. Cannon asked if there were any other questions?

Mr. Cannon asked if Covanta had paid their last bill and if they were now caught up? Mr. Williams answered, yes. Mrs. Banghart stated that Covanta even sent extra money. Mr. Williams asked if this was true? Mrs. Banghart answered, yes and noted that the overpayment was sent back to Covanta.

Mr. Pryor asked about the bill from Cornerstone for the air permit. Mr. Williams asked Mr. Pryor which page of the financial report he was referring to? Mr. Pryor stated that he is referring to page 31 of the financial report. Mr. Williams stated that this was from last month and that this had been approved at last month's meeting. Mr. Williams explained that it is still showing on this check register because we are showing all of the bills that were paid during the month of February, since the financial report is based on the month of February. Mr. Williams stated that the bill was for the air permit. Mr. Pryor asked if Cornerstone was done with their work on the air permit now? Mr. Williams answered, yes.

Mr. Cannon asked if there were any other questions regarding the bills?

Mrs. Banghart stated that there will be a PERS payment for a large amount. She stated that this will be included in next meeting bills and that it will be for approximately \$80,000.00. Mr. Williams agreed. Mrs. Banghart stated that this is the annual pension payment.

Mr. Cannon asked if there were any other questions?

There were no further questions.

Mr. Cannon called for a motion to approve Resolution R-03-01-18 to pay the bills in the amount of \$310,472.42.

On a motion by, *Mr. Mach*, seconded by, *Mr. Pryor*, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *March 26th, 2018*.

R E S O L U T I O N

R-03-01-18

To Pay Bills

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
	Mr. Pryor	-	Yes
	Mr. Urfer	-	Absent
	Mr. Allen	-	Yes
	Mr. Cannon	-	Yes

We hereby certify Resolution to Pay Bills in the amount of **\$310,472.42** to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the *26th day of March, 2018*.

Crystal Gild
Recording Secretary

James Williams
Director of Operations

Dated: 03/26/2018

Mr. Cannon stated that we will discuss Cornerstone with the County topics we need to discuss. Mr. Williams agreed.

PERSONNEL

Mr. Williams presented Agenda Items A-3 (Personnel Policy Manual, 2018 PCFA Organization Chart) and A-4 (Personnel Policy Manual, Section 8, Hours of Work) to the board. Mr. Williams stated that we could review these and then approve them simultaneously.

Mr. Williams stated that Agenda Item A-3 shows the revisions to the 2018 Organizational Chart. Mr. Williams stated that all of the changes are in red and that it is pretty self-explanatory. Mr. Williams stated that just to keep our Personnel Manual up-to-date, we should update our Organizational Chart.

Mr. Williams stated that Agenda Item A-4 shows all the additions and changes to Section 8 (Hours of Work) of the Personnel Manual in red. Mr. Williams stated that although all of this information has been approved over the years that the changes were never made in the Personnel Manual.

Mr. Cannon asked if the hours fit the hours per week? Mr. Williams stated that the hours are specific to the title that is referenced before them. Mr. Cannon asked if any hours over the hours shown are overtime hours? Mr. Williams stated that this is correct. Mr. Williams stated that he is the only employee that is not entitled to overtime and that all other employees are allowed overtime.

Mr. Allen referenced the Organizational Chart and asked if everyone in the Administrative Staff Box reports to Mrs. Banghart and if everyone in the Landfill Staff Box reports to Mr. Heater? Mr. Williams answered, yes. Mr. Allen stated that in this case when we discuss performance reviews that Mrs. Banghart and Mr. Heater would perform the performance reviews for the employees who report to them. Mr. Williams agreed. Mr. Allen stated that Mr. Williams would be responsible for the performance reviews from Mrs. Banghart and Mr. Heater. Mr. Williams agreed. Mr. Williams stated that he would suggest that both he and the direct supervisor of the other employees be responsible for conducting the performance reviews together. Mr. Cannon agreed. Mr. Cannon stated that Mr. Allen should sit in on the reviews as well. Mr. Williams stated that Mr. Allen is the Chairman of the Personnel Committee and Mr. Cannon stated that this is why he feels that Mr. Allen should sit in on the reviews as well. Mr. Cannon stated that Mr. Allen could streamline the performance review process as they are being conducted.

Mr. Williams stated that if everyone is in agreement that there are resolutions attached for both A-3 and A-4 that need to be approved.

Mr. Pryor stated that we need to correct who is Secretary and who is Treasurer under the Board portion of the Organizational Chart. Mr. Cannon asked if we would need to approve the resolution as amended then? Mr. Pryor answered, yes. Mr. Mach stated that the Organizational Chart should reflect the true order of organization.

Mr. Williams stated that A-3 will be amended to the correct Board Member Titles.

Mr. Pryor stated that A-4 is not really anything new and asked if we are just documenting the current practice with it? Mr. Williams answered, yes.

Mr. Mach stated that he wants to go back and discuss A-3. Mr. Mach stated that this has been discussed several times but that he wants to know if this Organization Chart truly reflects the way the information flows and the flow of the Chain of Command? Mr. Mach stated, for example, that there is a direct line between the Board and the Director of Operations. Mr. Mach asked what the purpose of the side box is where the Board goes to the Chairman and the Chairman goes to the Director of Operations? Mr. Mach asked if this is correct? Mr. Williams stated that this is the way

that it has always been set up. Mr. Mach stated that he is aware of this, but that it always puzzled him. Mr. Williams explained that having it set up this way gives him the opportunity to speak with the Chairman before going to the entire Board. Mr. Williams noted that this had always been the practice in the past as well.

Mr. Mach stated that he is just asking a question. Mr. Mach stated that there are people on this Board that are familiar with Organization Charts. Mr. Cannon stated that he has seen several different types. Mr. Mach agreed. Mr. Mach stated that if the Organization Chart is not correct, we should correct it and if it is correct, we should leave it as it is. Mr. Cannon stated that most Organization Charts do not include the names of the employees and that they typically only show the titles of the employees. Mr. Mach agreed. Mr. Cannon stated that the employee holding the title may change but that the title does not change. Mr. Cannon stated that our Organization Chart is more of an internal working document so that we know specifically who works where.

Mr. Allen suggested adding the word "consultation" on the lines going to Mr. Tipton and Mr. Cannon.

Mr. Cannon stated that the practice we currently use works well and that he does not want change our ongoing practice in any way, shape or form. Mr. Cannon stated that how it looks on paper is a separate issue. Mr. Mach stated that this is his question, does how the Organization Chart is presented on paper reflect the actual practice?

Mr. Cannon asked Mr. Mach which part of the Organization Chart he does not feel is correct? Mr. Mach stated that he does not understand why the Chairman is off to the side. Mr. Mach noted that it has been this way for years, but that he does not know why. Mr. Cannon agreed that it has always been this way.

Mr. Tipton stated that his box may belong at the bottom because 99% of the time Mr. Williams reaches out to him directly and maybe 1% of the time the Board Members reach out to him directly. Mr. Tipton clarified that he is not saying that the Board Members cannot reach out to him directly, but if we are talking about what happens in practice, that he is typically approached by Mr. Williams directly.

Mr. Mach stated that he is not concerned with where Mr. Tipton is on the chart. Mr. Cannon stated that Mr. Tipton did make a good point though. Mr. Mach stated that he believes that from other Organization Charts that he has seen that the Board Members can ask Mr. Tipton for assistance and that Mr. Williams can ask Mr. Tipton for assistance as well. Mr. Mach stated that he feels that where Mr. Tipton is placed on the chart reflects our current practice.

Mr. Cannon suggested putting the Chairman's box above the box for Mr. Williams. Mr. Cannon suggested having a line go straight from the Board, to the Chairman and then to the Director of Operations. Mr. Mach agreed. Mr. Williams stated that then this has the Chairman going directly to the other members. Mr. Cannon stated that it is showing it that way now as well. Mr. Mach explained that the Chairman reflects the vote of all of the Board Members.

Mr. Pryor stated that Mr. Mach had begun to say something about the Bi-Laws earlier. Mr. Mach stated that he believes that the Bi-Laws stated that the Chairman is responsible for the operations of the landfill. Mr. Mach explained that the Bi-Laws are very specific as to what the Chairman's duties are.

Mr. Cannon stated that if he were to redo this Organization Chart he would keep the Board on top, then put the Chairman in the box below the Board, then the Director of Operations in the next box, General Counsel off to the side as it is and leave the Administrative Staff and the Landfill staff as they are now. Mr. Mach agreed. Mr. Williams stated that this can be done. Mr. Mach stated that in actuality, what happens is that the Board comes to a decision and then the Board and/or the Chairman reports that decision to the Director of Operations. Mr. Allen asked if we are just going to

move the Chairman Box in-between the Director and the Board? Mr. Mach answered, yes. Mr. Allen stated that he does not have a problem with this or we could simply remove the center line from going from the Director to the Board. Mr. Cannon and Mr. Mach agreed.

Mr. Cannon asked Mr. Williams to put something together with the proposed changes for the Board to review.. Mr. Cannon stated that he knows that the Board Members can contact Mr. Tipton directly, but theoretically Mr. Williams typically contacts Mr. Tipton directly.

Mr. Williams asked if he does not have any direct contact with the Board then?

Mr. Tipton stated that Mr. Mach is correct and that the Board does sometimes directly contact him so that his box could stay where it is. Mr. Tipton stated that he does not have a preference.

Mr. Allen stated that it is covered by the changes that were proposed. Mr. Allen stated that he would suggest moving the center line. Mr. Mach stated that this would accomplish the same thing as moving the Chairman Box in-between the Board and the Director. Mr. Williams asked if this means that he does not report anything directly to the Board as a whole and that he would report to the Chairman and then the Chairman would report to the Board? Mr. Williams explained that this is what removing the center line from the Board to the Director would mean. Mr. Cannon stated that he would not remove the center line and that he would just put the Chairman box between the Board box and the Director box. Mr. Williams stated that it was suggested to remove the center line. Mr. Cannon stated that he does not think that the center line should be removed.

Mr. Williams stated that he would put something together and then we could go from there.

Mr. Cannon stated that he is not sure if Counsel should be labeled as Advisors/Consultants. Mr. Cannon stated that he does not believe that this is the proper title for Counsel. Mr. Cannon explained that we do not advertise for Advisors/Consultants. Mr. Allen stated that he feels that Brian Tipton, General Counsel is sufficient. Mr. Cannon agreed. Mr. Tipton stated that if there were other Advisors/Consultants that they would go in that spot. Mr. Cannon agreed.

Mr. Cannon asked Mr. Mach if he was okay with the changes that were agreed upon? Mr. Mach stated that he was and that this has always troubled him over the years.

Mr. Pryor stated that the way he sees it, is that the Chairman has both Board of Directors duties and Executive duties and fills both roles. Mr. Mach stated that the Board tells the Chairman what should be done. Mr. Pryor stated that the Board sets policy. Mr. Mach stated that the Chairman has no other authority other than what the Board directs him to do. Mr. Williams stated that this was an issue in the past. Mr. Mach agreed.

Mr. Smith stated that in support of what has been discussed that we should keep in mind that the Board passes a Resolution and the Chairman signs the Resolution and then the Resolution goes down. Mr. Smith stated that if you look at the paper trail, that what was discussed today is consistent.

Mr. Cannon asked if we are going to hold off on Resolution R-03-03-18 (Resolution to Amend the PCFAWC Personnel Policy Manual) until the changes are made? Mr. Williams stated that we can hold off on the Resolution until the changes are made and then presented to the Board.

Resolution R-03-03-18 Resolution to Amend the PCFAWC Personnel Policy Manual was tabled to await changes and be represented at the April 23, 2018 meeting.

REPORTS

None.

FACILITIES/RECYCLING

Mr. Williams stated that there is nothing to report regarding Treatment Plant Operations. Mr. Williams stated that things are running well and that flows are way down and trucking is way up.

Mr. Williams stated that there are no issues regarding Landfill Operations. Mr. Williams stated that the waste volumes coming in are normal.

Mr. Williams stated that there is nothing further to report regarding the Landfill Expansion Application until we get to Agenda items A-5 (Alternate Mitigation Agreement between the County of Warren, State of New Jersey, Department of Environmental Protection and the Pollution Control Financing Authority Re: Warren County District Landfill), A-6 (Addendum to Ground Lease between the County of Warren and the Pollution Control Financing Authority Re: Warren County Landfill) and A-7 (Donation Agreement for Unimproved Real Property between the State of New Jersey, Department of Environmental Protection and the County of Warren).

Mr. Cannon asked if he could stop Mr. Williams for just a second? Mr. Cannon stated that he did not see the Draft Merit Bonus Policy on the Agenda. Mr. Williams asked if Mr. Cannon would like this to be presented under New Business? Mr. Cannon stated that this would be fine. Mr. Cannon noted that we will not be taking action regarding the Draft Merit Bonus Policy today, but that he would like for it to be presented. Mr. Williams stated that we could have a brief discussion regarding it now or we could discuss it under New Business. Mr. Allen suggested discussing it under New Business. Mr. Cannon agreed.

Mr. Cannon asked Mr. Williams to Continue.

Mr. Williams stated that there is really nothing further to report regarding the Landfill Expansion Application. Mr. Williams noted that he did have a conversation with the DEP approximately a week or so ago and the DEP is ready to move forward with getting the Draft Landfill Expansion Application Approval issued, provided that PCFAWC and the County move forward with Agenda Items A-5, A-6 and A-7. Mr. Williams stated that we will be discussing this next. Mr. Williams stated that the NJDEP Solid Waste Division is ready to get the draft issued. Mr. Williams stated that he is aware that he has mentioned this in the past, but time is really of the essence to get the permit issued to us so that we can start with the processes that need to be done on our end. Mr. Williams stated that airspace is a valuable resource and noted that we do not have much of it left. Mr. Williams stated that we really do need to begin discussing who we are going to use for producing the expansion construction drawings, bid documents and so on. Mr. Williams expressed that we are going to have discussions regarding this in the very, very, near future, for when the permit is issued. Mr. Cannon stated that we can have the discussion today.

Mr. Mach asked Mr. Williams when we will need to complete the closure plan? Mr. Williams stated that the revised closure plan was submitted with the expansion application. Mr. Cannon explained that the revised closure plan needed to be included with the expansion application because the expansion needs to have a closure plan.

Mr. Williams explained that the reason why he is emphasizing discussing the construction documents is because we are looking at approximately a 6 month process for this to be completed, which will take us close to the end of 2018. Mr. Williams stated that once they are completed, hopefully we can go out for bid in the early part of winter so that we have a contractor on board as soon as the weather breaks in 2019 and then construction can begin. Mr. Cannon stated that he would like to discuss this briefly during Executive Session today. Mr. Williams agreed.

Mr. Williams stated that there is nothing to report regarding the H2S Removal System.

Mr. William stated that there are no issues or changes regarding the Solar Panel Project.

Mr. Williams presented Agenda Item A-2 (2018 Waste Disposal Fee Schedule) to the Board. Mr. Williams stated that contracts need to be approved for 2018 for the following haulers: D&N Animal Recovery. Mr. Cannon interjected and asked what exactly D&N Animal Recovery brings in? Mr. Williams stated that they bring in dead deer. Mr. Williams explained that they are contracted through the state and local government to pick up any deceased animals that are laying along the roadways. Mr. Cannon asked if the animals have to be rabies free or if there are any restrictions as to what they can bring in? Mr. Williams answered, no.

Mr. Cannon asked if D&N can bring in chickens? Mr. Williams stated that if they are found along the roadway, they can bring them in.

Mr. Pryor asked how many tons they are allowed to bring in?

Mr. Cannon asked if the contract is completely open-ended and if there are no restrictions within it and if once the contract is signed they can bring in anything they want. Mr. Mach provided, for example, the chicken problem from a few years ago. Mr. Cannon stated that he is concerned with anything coming in from them that may be a danger to the PCFA employees or to anything else. Mr. Cannon stated that he believes that we would have to add an addendum to their contract. Mr. Cannon stated that he would rather be safe than sorry. Mr. Cannon stated that he thinks we should establish some parameters. Mr. Mach agreed.

Mr. Williams explained that what Mr. Cannon is describing could occur with any one of our haulers.

Mr. Mach provided again, for example, the Avian Flu situation from a few years ago. Mr. Mach asked what would happen if D&N were contracted to pick up the chickens with the Avian Flu? Mr. Cannon stated that he doubts that there would be a lot of bidders for it and noted that D&N would be a company that may be interested. Mr. Williams explained that any one of our haulers, that we have contracts with currently, could bring in deceased animals as long as it is not hazardous waste.

Mr. Allen stated that if something like the Avian Flu came up again, that the DEP would be in charge of directing on how to dispose of the animals. Mr. Cannon stated that he agrees with this and that the DEP would probably make us take the contaminated animals anyway. Mr. Mach stated that this is exactly what happened in the past. Mr. Cannon stated that we have not had a contract with an animal recovery company before. Mr. Williams stated that we have had a contract with an animal recovery company before. Mr. Cannon asked if we have previously had a contract with D&N? Mr. Williams answered, no and explained that we had a contract with D.C.R.S (Deer Carcass Removal Service). Mr. Williams also noted that the County and the DOT bring in deceased animals as well.

Mr. Cannon stated that he is not talking about the standard roadkill bring-ins. Mr. Cannon asked if the contract expressly states that it is for roadkill only? Mr. Williams answered, no and stated that the contract is for ID 25 waste. Mr. Cannon asked what ID 25 waste is described as? Mr. Williams stated that ID 25 waste is animal and food processing waste. Mr. Williams stated that we are permitted to accept ID 25 waste. Mr. Cannon stated that he understands this.

Mr. Smith stated, for example, that there was a situation with a stable where there were a bunch of starved horses that ended up passing away from starvation. Mr. Smith stated that something like this is most likely what D&N would bring in other than roadkill. Mr. Smith stated that he believes that

anything of a more serious matter would involve the Department of Agriculture. Mr. Smith stated that he is not sure if we would be greatly exposed to the situations that Mr. Cannon is concerned with. Mr. Cannon stated that he is not sure either and explained that what he does not know is what bothers him. Mr. Smith stated that if there was a disease issue that involved the disposal of carcasses from agriculture, that he guarantees that the Department of Agriculture would be involved.

Mr. Cannon asked what Veterinarians do with deceased animals? Mr. Williams and Mr. Mach both stated that Veterinarians have incinerators.

Mr. Cannon stated that he was just thinking out loud regarding this topic. Mr. Pryor stated that he thinks that Mr. Cannon brought up a good point. Mr. Pryor stated that he remembers that the DEP had said there were no issues regarding the deceased animals from the Avian Flu that came in and that we asked why the workers were dressed in spacesuits and the DEP had no answer. Mr. Mach agreed. Mr. Pryor stated that we could probably put a restriction in the contract that deals with mass euthanasia programs resulting from animal epidemics or something to the liking. Mr. Cannon agreed.

Mr. Smith asked Mr. Williams what the language was regarding the fish coming in from the Pequest? Mr. Williams stated that he does not remember. Mr. Smith asked if the State sent the fish here? Mr. Williams answered, yes.

Mr. Allen asked if D&N has already signed a contract with us? Mr. Williams stated that we have a contract pending with them. Mr. Williams stated that D&N signed the contract, but that we have not signed it yet. Mr. Allen asked if we still have an opportunity to add a clause to the contract? Mr. Mach asked why D&N does not take the deceased animals to the incinerator? Mr. Williams explained that the incinerator can only incinerate a certain type of waste, which is ID 10 waste. Mr. Williams noted that the incinerator is only permitted to accept ID 10 waste. Mr. Mach asked if this is by statute? Mr. Williams answered, that this is established by permit. Mr. Williams explained that the incinerator cannot put a deer in the hopper. Mr. Cannon stated that a Veterinarian can though. Mr. Williams explained that these are two different scenarios.

Mr. Cannon stated that he will go with the Board's decision, but that in his opinion before we sign a contract, which he is the one who has to sign the contract, he would like to see something added to the contract to safeguard the future. Mr. Allen stated that he feels that the wording that Mr. Pryor had presented would be sufficient.

Mr. Cannon stated that we would hold off on approving the contract for D&N today.

Mr. Williams asked what the wording is that should be added to the contract? Mr. Pryor stated that he had suggested adding an exclusion of acceptance due to euthanasia programs resulting from animal epidemics or something to the liking. Mr. Cannon agreed, as did Mr. Allen. Mr. Williams asked if this language should be included in all contracts going forward? Mr. Williams explained that any of the haulers coming in could bring in ID 25 waste. Mrs. Banghart agreed and stated that there are also farmers who bring in deceased animals. Mr. Cannon stated that he thinks the language should be added to all of the contracts.

Mr. Allen asked if we had any restrictions from the DEP as to what we can put in the landfill in the way of animals. Mr. Williams stated that our Permit states what we are allowed to accept in the landfill. Mr. Allen asked if bringing in animals is permitted? Mr. Williams stated that whatever is permitted is the only thing that we can put in the landfill. Mr. Allen asked if we have a permit to accept animals? Mr. Williams answered, yes. Mr. Cannon agreed. Mr. Cannon stated that the assumption is that there is nothing that would be a public health hazard coming in as far as the

animals go. Mr. Allen asked if we could deny ID 25 waste even though it is covered under our permit? Mr. Williams stated that he is not sure but that he surmises that we can deny whatever we want. Mr. Williams stated that he believes that this is an issue that we would have to discuss with the State because he does not have the legal answer to that question. Mr. Pryor stated that we would have to discuss this with the State if a situation arises, but at least adding the clause to the contract prevents D&N from showing up with a “truckload of chickens”. Mr. Cannon agreed. Mr. Tipton stated that he does not believe that we have to take in anything that we do not want to accept. Mr. Tipton explained that it is similar to the fact that we stop taking in waste when we feel that we have capacity issues. Mr. Cannon stated that just because it is categorized does not mean that we are required to accept it. Mr. Tipton agreed. Mr. Tipton stated that we do not take in Warren County ID 10 waste because by contract we cannot. Mr. Tipton stated that just because we are permitted to accept a certain type of waste that he does not believe that it legally binds us to accept the waste.

Mr. Allen asked that if a farmer has to euthanize his whole flock of chickens because of some reason, what do they do with said chickens? Mr. Pryor stated that this was the question last time, do they have on-site incineration or composting? Mr. Pryor noted that we also asked how they euthanized the chickens. Mr. Pryor explained that they euthanize the chickens by putting foam over the whole flock which would result in us getting a mess of carcasses. He asked if we really want to deal with that? Mr. Cannon stated that we have had this discussion before and noted that he feels that on-site incineration is the best option for when these situations arise.

Mr. Cannon stated that he feels that we should add the clause to this contract now and then add it to all the contracts when they come due again.

Mr. Smith suggested stating something along the lines of being consistent with all Department of Agriculture regulations. Mr. Smith explained that he feels that this address all of our concerns. Mr. Smith noted that the Department of Agriculture’s biggest concern with something like the Avian Flu is the transportation which is why the chickens were containerized. Mr. Smith stated that adding this to the contract may provide us with what we are looking for. Mr. Allen asked if there is a specific language from the Department of Agriculture regulations that we could use? Mr. Smith stated that this is one of the reasons that the Department of Agriculture was establishing protocols during the issue surrounding the Avian Flu. Mr. Smith asked if we accepted the truck load of chickens that expired due to the Avian Flu through our permit allowing us to accept ID 25 waste? Mr. Williams answered, yes. Mr. Smith stated that we could use language such as this in the contract: “consistent with State and Federal Agricultural Laws”. Mr. Smith stated that this would give us the ability to ease our concerns in a pretty broad sense. Mr. Allen stated that he feels that Mr. Tipton can put together a clause that covers what Mr. Smith has suggested.

Mr. Pryor stated that he questions this method with knowing what happened in the Midwest. Mr. Cannon stated that he agrees with Mr. Pryor and that he likes Mr. Pryor’s wording better. Mr. Cannon stated that the language that Mr. Smith suggested subjects us to having to accept animals that expired due to animal epidemics. Mr. Cannon stated that if we say that we will accept the waste according to the Department of Agriculture regulations that we would then end up accepting the animals that expired due to animal epidemics which is what we are trying to mitigate. Mr. Smith stated that the reality is that if the DEP says we are taking it, we have to take it. Mr. Cannon stated that he understands this, but that it does not hurt us to add a clause in our contracts. Mr. Cannon stated that we will deal with when push comes to shove when that situation arises. Mr. Pryor stated that we should use any leverage that we have now and then deal with any bigger issues if and when they arise. Mr. Cannon agreed and noted that hopefully there are no bigger issues that arise.

Mr. Allen asked Mr. Tipton if we have the logistics to get the clause added to the contracts that are set to be approved today? Mr. Tipton stated that we could revise the contract for D&N for the time being. Mr. Tipton stated that the contracts are already out for the year so we could revise those when it comes time to renew them. Mr. Cannon agreed. Mr. Williams agreed as well. Mr. Tipton stated that we could revise the contracts that are set to be approved today. Mr. Cannon stated that we cannot do that because these contracts have already been sent out. Mr. Allen stated that the contracts have gone out but they have not been signed. Mr. Williams emphasized that the contracts have been signed by the haulers, but not by us. Mr. Cannon agreed. Mr. Allen stated that we would have to wait to add the clause to the contracts until next year then. Mr. Cannon agreed but stipulated that he does want D&N's contract amended now before it is approved and signed.

Mr. Williams stated that we can approve all of the other contracts that are set to be approved today. Mr. Williams explained that every contract printed in black has already been approved for the board for this year. Mr. Cannon agreed. Mr. Tipton stated that he was under the assumption that we were approving new contracts today. Mr. Williams stated that this was correct. Mr. Tipton stated that we could revise said contracts. Mr. Cannon stated that these contracts have all already been signed by the haulers and we would have to send out new contracts to them again. Mr. Williams explained that all of the contracts in red have been signed. Mr. Tipton stated his understanding. Mr. Mach stated that we would have to add the clause to the contracts on the next cycle. Mr. Cannon agreed and stated that on the next cycle of contracts we would add the wording to all of the contracts. Mr. Cannon stated that as far as today goes, we are going to send a new contract to D&N with the added language. Mr. Williams agreed. Mr. Williams asked if we could still approve the rest of the contracts in red? Mr. Cannon answered, yes.

Mr. Williams stated that contracts need to be approved for 2018 for the following haulers: Environmental Transport Group, Gaeta Recycling Co. Inc., Global Waste Services, Intrepid Carting, National Transfer, Sanico, Weidlick's, Harmony Township and Hope Township.

Mr. Williams asked for the Board to approve these contracts today.

Mr. Cannon called for a motion to approve 2018 Waste Disposal contracts between the Pollution Control Financing Authority and the following haulers: Environmental Transport Group, Gaeta Recycling Co. Inc., Global Waste Services, Intrepid Carting, National Transfer, Sanico, Weidlick's, Harmony Township and Hope Township.

On a motion by **Mr. Allen**, seconded by, **Mr. Pryor**, the Pollution Control Financing Authority entered into a contract with the following haulers: Environmental Transport Group, Gaeta Recycling Co. Inc., Global Waste Services, Intrepid Carting, National Transfer, Sanico, Weidlick's, Harmony Township and Hope Township at a meeting held on *March 26, 2018*.

ROLL CALL:

Mr. Mach	-	Yes
Mr. Pryor	-	Yes
Mr. Urfer	-	Absent
Mr. Allen	-	Yes
Mr. Cannon	-	Yes

Mr. Mach asked if we could go back to the topic of the H2S Removal System? Mr. Cannon answered, yes. Mr. Mach asked Mr. Williams if he has seen any changes in the readings of the H2S Removal System? Mr. Williams stated that there have been absolutely no changes. Mr. Mach stated that this was perfect. Mr. Williams noted that we are getting close time wise though. Mr. Williams stated that the H2S Removal System is monitored twice a day and that they are keeping a close eye on it. Mr. Williams stated that we are getting to that window again where the readings can start to change. Mr. Mach stated that if we see movement in the reading then we need to move on changing the media. Mr. Williams agreed.

Mr. Cannon stated that since the topic was brought up, he wanted to mention that last time the media change had to be done as an urgent issue which resulted in costing us an extra \$6,000.00. Mr. Williams stated that he is not sure if the urgency issue is why the cost was more. Mr. Cannon stated that he is looking at it from what Counsel said when the issue of the \$6,000.00 was raised, which was that because of the way it was handled we could not dispute the \$6,000.00 when it was added to the bill. Mr. Williams agreed. Mr. Cannon stated that we were given a price up front and then the price changed significantly by approximately 25%. Mr. Williams stated that the initial price was approximately \$32,000.00 to \$33,000.00 and that the cost ended up increasing by \$6,000.00. Mr. Cannon agreed.

Mr. Cannon asked if there is any way for us to prevent this from happening again if we have to change the media in an emergency situation in the future? Mr. Cannon asked that if when we are changing the media in an emergent situation, does the vendor know that were stuck and cannot really do anything about it?

Mr. Mach stated that there is some time from when we begin to see the readings move until the time that the media needs to be replaced. Mr. Mach noted that there is approximately a 2 to 3 month window from the time the readings move to when the media needs to be changed. Mr. Mach stated that as soon as the readings start to move we need to start the process of getting the media changed. Mr. Cannon stated that we did not have that much time last time. Mr. Mach explained that the readings had already increased too much last time and noted that there were warnings that the media was going to need to be changed beforehand but then once the reading moved more we took action. Mr. Cannon stated that he understands this. Mr. Cannon stated that we know now, that this is going to be something that we have to do. Mr. Cannon asked if we should have a conversation with the vendors now and get them set up since they are obviously the best companies to use when it comes to changing the media. Mr. Williams stated that he would contact the vendors to see if he can get some rates from them that will lock them in for when it is time to change the media. Mr. Cannon stated that this is a good idea. Mr. Cannon stated that the vendor has done the media change for us twice now and that he thinks that they have done an excellent job from everything that Mr. Williams has told him. Mr. Williams agreed.

Mr. Cannon stated that opposed to waiting until it is an emergency he would like to start the process now.

Mr. Allen stated that he thought that the issue last time was not setting the price but that it was getting the equipment and everything here on time to get the media changed. Mr. Cannon stated that it was all of the above, because we did not go through a bidding process because it was an emergency situation. Mr. Cannon stated that the bottom-line is that the vendor's initial estimate increased substantially by \$6,000.00 after the job was completed.

Mr. Allen stated that he thought that Mr. Tipton had said that because of the logistics of being able to ship the materials and get it to us here in time that there was some latitude in the process to be able to charge more. Mr. Cannon stated that this was incorrect and explained that a new owner had bought out the business between the time we received the initial quote and the completion of the job. Mr. Cannon also explained that we did not receive a bill for quite some time and then all of a sudden there was a bill with an additional \$6,000.00 added to it. Mr. Mach agreed. Mr. Cannon stated that he believes that it was 120 days after the completion of the job, when the vendor sent an additional bill and said that they had re-visited the hours on the job or some other reason for increased the bill amount. Mr. Cannon stated that because it was an emergency appropriation that we could not really argue the price increase. Mr. Mach agreed.

Mr. Cannon stated that we know that this is something that needs to be done going forward theoretically and maybe we should set the company up as a vendor.

Mr. Allen asked if there is a problem, logistically, with putting in an order and getting it here on time? Mr. Williams explained that the media cannot be pre-ordered. Mr. Williams stated that the vendor highly recommends not pre-ordering the media. Mr. Allen stated that this is the issue and because of this Mr. Tipton had stated that there is a way that we can get around the bidding process for the service. Mr. Cannon stated that he believes it was more of the emergency issue that allowed us to skip the bidding process. Mr. Allen stated that yes, it was the emergency issue as well. Mr. Tipton stated that if the vendor is the only supplier of the product that this is one way to get around the bidding process. Mr. Allen stated that this is what he thought the reasoning was. Mr. Allen noted that with this we have the ability to do it in advance without bidding. Mr. Tipton asked Mr. Williams if the vendor we use is the only vendor that supplies the product. Mr. Williams asked if we were discussing the vendor for the media or the vendor that does the installation and removal of the media? Mr. Williams stated that it is his understanding that there is only one manufacturer for the media. Mr. Cannon agreed. Mr. Tipton stated that this is the vendor that he believes that we can probably negotiate directly with and not have to go through the bidding process. Mr. Williams stated that as far as the contractor goes, the contractor that we have used is the same contractor that everyone uses. Mr. Cannon agreed. Mr. Williams stated that the contractor that we use is very good at what they do. Mr. Cannon agreed. Mr. Williams explained that there is a lot of damage that could be done to the vessels if we had a contractor come in to change the media that does not know what they are doing. Mr. Cannon agreed.

Mr. Pryor stated that he is still struggling with the Local Public Contracts Law. Mr. Pryor stated to Mr. Tipton that we are dealing with a recurrent service that is predictable and noted that we would not be able to keep having the service done based on emergent circumstances for very long. Mr. Mach stated that the need for the media being changed is not predictable. Mr. Tipton stated that another way to do this would be to have a contract for supplies on an annual or biannual basis if we could lock them in and then we would not have to buy the media. Mr. Cannon asked if we could speak with the media supplier directly? Mr. Tipton stated that he is not sure if we can go directly to the media supplier and noted that it depends on how we would phrase the bidding. Mr. Tipton asked if we would word the bid for a contractor and material or would we do two bids, one for material and one for a contractor? Mr. Cannon stated that he does not believe that the media supplier cares who installs the media for us. Mr. Williams agreed. Mr. Tipton asked if in the past we have done two separate deals? Mr. Williams answered, yes.

Mr. Pryor stated that the only issue is that when you introduce two contractors to a job and there is a delivery problem and you run into a delay, usually disputes arise from this. Mr. Pryor stated that we

then become the general contractor coordinating the two other contractors. Mr. Cannon stated that the contractor did blame the media producer and say that the media was what was holding them up.

Mr. Mach told Mr. Pryor that he wanted to talk to him about the predictability of needing the media changed. Mr. Mach stated that the only predictability is that eventually the media is going to need to be changed. Mr. Pryor agreed. Mr. Mach explained that the interval to which the media needs to be changed is not predictable. Mr. Pryor stated that he understands this. Mr. Pryor stated that he believes that if the DCA (Department of Consumer Affairs) looked at this and saw a series of emergency contracts to the same vendor over a period of years that they would probably find a problem with it. Mr. Mach stated that in his opinion it would be defensible.

Mr. Tipton asked Mr. Williams if the media supplier would give us a price for a full year or if their price fluctuates? Mr. Williams stated that he will not know the answer to that until he calls the supplier. Mr. Cannon stated that he feels that it would be a good spot to start by calling the media supplier and getting some pricing and information from them. Mr. Pryor stated that we could put some criteria in for a price adjustment with the media supplier if they have a legitimate reason for the price adjustment. Mr. Tipton agreed.

Mr. Tipton asked what the cost of the installation is? Mr. Williams stated that the installation cost runs between \$30,000.00 and \$40,000.00. Mr. Williams stated that the media costs approximately \$60,000.00 to \$70,000.00. Mr. Williams asked if the company that we purchased the scrubber system from, MV Technologies, would be considered a professional service? Mr. Tipton answered, no and explained that we are buying a product from them. Mr. Williams explained that he was not referring to the media but that he was referring to the company that we bought the H2S Removal System from. Mr. Tipton stated that he did not think so, because the system is a piece of equipment that we purchased and paid for. Mr. Pryor stated that he does not believe so either. Mr. Williams stated that he just thought that he would ask. Mr. Tipton stated that it would be a real stretch of the law. Mr. Pryor agreed.

Mr. Cannon stated that it does not harm us to have Mr. Williams contact the media supplier. Mr. Cannon stated that as Mr. Williams had pointed out, the contractor that does the installation for us is the contractor that does the installation for everyone.

Mr. Pryor stated that he needs to revisit the Local Public Contractors Laws. Mr. Pryor stated that he has been there when a representative of the DCA has told a group of engineers that the rules are not to get them the best price or the best contractor and that often they will not because the rules are in place to prevent collusion.

Mr. Cannon asked if we can have Mr. Williams contact the media supplier and find out how they handle this process with other entities? Mr. Pryor stated that he thinks that we can do this and maybe we place an order with them or maybe we do not. Mr. Cannon stated that the supplier may offer us things that we are not even aware of. Mr. Tipton stated that the worst case scenario is that the supplier says that they will not bid on the job because they do not want to be locked into a set price for a year. Mr. Pryor stated that if we make it fair and find out what would cause the price change that we may even be able to get over that hurdle. Mr. Tipton agreed.

Mr. Cannon asked if this would be a good point in the meeting to take a 5-minute break? Mr. Williams answered, yes.

Mr. Cannon stated that there would be a 5-minute break before continuing with the meeting.

The meeting resumed after the 5-minute break.

Mr. Williams asked the board if they wanted to discuss Agenda Items A-5, A-6 and A-7 during open session? Mr. Williams asked the board if they had any issues with these items?

Mr. Smith stated that at this point there is nothing to discuss, the decisions have been made and there is nothing to negotiate. Mr. Cannon agreed.

Mr. Pryor asked who drafted Agenda Items A-5, A-6 and A-7? Mr. Williams stated that all of the information came from the State of New Jersey and the County of Warren. Mr. Pryor stated that the decision has already been made then. Mr. Smith stated, to be fair, that these agreements were sent over to the PCFA for any comments or concerns. Mr. Williams and Mr. Cannon agreed. Mr. Cannon stated that this is the agreement that we have all been verbalizing and now it is on paper. Mr. Pryor stated that they seem to have been properly drafted. Mr. Smith stated that the agreements were all drafted by Counsel. Mr. Smith noted that there were a lot of things that he had hoped that we were going to get, but we did not. Mr. Smith stated that it is what it is if we want to move forward.

Mr. Cannon stated that essentially from the beginning to where we are at now the deal has pretty much stayed the same besides switching some land on the corners and the edges. Mr. Smith noted that the total acreage got lightened up a lot. Mr. Cannon agreed. Mr. Smith noted that the DEP is now out of the footprint. Mr. Cannon agreed. Mr. Cannon noted that the concept of the deal basically has not changed drastically.

Mr. Cannon stated that he knows that the board received this information suddenly which is why he had Mr. Williams send an email stating that this was not something that the board needed to review until late last night because this had all been an ongoing process between Mr. Williams, himself and Mr. Smith.

Mr. Williams stated that one of the good things that comes out of this deal is that we are completely out of the Wildlife Mitigation areas, which is a blessing. Mr. Williams noted that any reference to Wildlife Mitigation will be removed from our permits going forward.

Mr. Cannon asked if anyone has any questions?

Mr. Cannon noted that he thinks that the DEP was just looking for something that they could hang their hat on with their "wildlife violations" or however they described it. Mr. Cannon stated that going forward we are not on the hook for any monies to the state and that this completely satisfies the entire equation as far as that goes. Mr. Cannon noted that he was concerned that they State would come back later on and say that they could tap us for some money for the "violation". Mr. Cannon stated that safeguards regarding this are included in the agreements and that this will not be an issue in the future.

Mr. Cannon stated that he feels that the PCFA was right to incur the costs of the lot lines and surveys. Mr. Cannon stated that we are not at this point yet, but that if the State accepts anything then we will be going down that road. Mr. Cannon stated that the County should not be incurring these costs and neither should the Warren County Tax Payers. Mr. Cannon stated that possibly we can combine some existing materials with what will need to be done new. Mr. Cannon stated that these agreements are to get our expansion moving forward. Mr. Cannon noted that this is an agreement that promises what each party is going to do. Mr. Cannon stated that he believes that these agreements will get the draft permit approved so that we can move forward with the expansion. Mr. Cannon noted that it may take some time going back and forth for everything to be finalized, but that we now have our framework to move forward.

Mr. Cannon asked Mr. Williams if he had anything to add?

Mr. Williams stated that Mr. Cannon is correct and that the DEP is aware that time is of the essence regarding our expansion. Mr. Williams stated that Mr. Smith has been very helpful with getting this put

together and that Mr. Cannon meeting with the DEP was very helpful as well. Mr. Williams noted that we are all aware that time is of the essence and so is the DEP. Mr. Williams noted that as Mr. Cannon had stated, it may take a while to bring all of this to fruition and get it completed, but as long as it is agreed to on paper the DEP knows that we are all committed to doing everything that is stated in these agreements.

Mr. Williams stated that Agenda Item A-7 is just really and FYI for the board and that it refers to the donation agreement between the County of Warren and the State of New Jersey directly. Mr. Williams noted that this agreement does not really have anything to do with us. Mr. Williams noted that Mr. Smith provided this to us as an FYI to the board. Mr. Smith stated that the only thing that this particular agreement does is point out Title and Survey requirements under the donation agreement. Mr. Smith noted that these requirements are more stringent than what would normally be done. Mr. Smith stated that the provisions in the Alternative Wildlife Mitigation Plan do state that the donation agreement shall have control over that process. Mr. Smith stated that we actually do physically have to do the stakes and that there are also provisions in terms of if there is debris on the property that we need to remove it.

Mr. Williams stated that he believes that the Freeholder Board of Directors will be taking action on these three items at their meeting on Wednesday, March 28, 2018. Mr. Smith stated that at this point, assuming that everyone on the PCFA Board is in agreement, he needs to take our passed Resolutions directly over to the County to have them added to the Agenda for the Freeholder Board of Directors meeting on Wednesday, March 28, 2018. Mr. Smith stated that this would mean that all of the parties will have acted on the agreements and by the end of the month and that the agreements can be sent back to the DEP. Mr. Smith stated that the Wildlife Mitigation portion of the agreements has basically been taking care of at this point to the satisfaction of the DEP. Mr. Smith noted that they had already signed off on the agreement. Mr. Smith stated that the lease amendment is because part of the properties that the County is donating are included in the actual definition of what the landfill is.

Mr. Smith stated that the last discussion that he had with Solid Waste was that if they have the memorandum of agreement behind us that we would have to modify the Solid Waste Management Plan which actually cannot be done until we have the description of the new blocks and new lots. Mr. Smith noted that this would have to be done subsequent to a sub-division. Mr. Smith stated that there are a lot of pieces that need to take place but that his understanding is that the DEP is going to accept that we are moving in that direction. Mr. Smith stated that we do have the diagram that shows what the lot is going to look like moving forward. Mr. Smith stated that now we just need to catch up to the agreed upon plans.

Mr. Cannon asked the Board if they had any other questions regarding this?

Mr. Cannon asked Mr. Pryor if he had any comments? Mr. Pryor stated that he did not read the 3 documents but that he does understand the discussion that preceded the agreements and that he takes the word of everyone involved that these documents reflect on paper what had previously been discussed. Mr. Pryor noted that the land belongs to the County essentially anyway. Mr. Cannon clarified that the land belongs to the County Tax Payers. Mr. Pryor agreed. Mr. Pryor stated that he understands how these agreements benefit the PCFA and he will be in support of the Resolutions.

Mr. Cannon asked Mr. Mach if he has anything to add? Mr. Mach stated that he thinks that the agreements are a great piece of work put together by all of the parties involved; Mr. Smith, Mr. Cannon and Mr. Williams. Mr. Cannon stated that Mr. Smith committed a lot of time to this process. Mr. Mach and Mr. Pryor both agreed. Mr. Mach stated that it is nice to see the agreement condensed and put together so accurately. Mr. Mach thanked everyone for their contributions. Mr. Allen stated that he feels the same way and stated that everyone involved in making this happen did a great job. Mr. Smith thanked the members of the board for their praise. Mr. Allen stated that he does not want to change one

word in the agreements and that he is just happy that we are past this hurdle. Mr. Smith stated that we can now move on to the next chapter.

Mr. Cannon asked if there were any Resolutions to be passed?

Mr. Williams stated that as part of the process we have two Resolutions that the Board will need to vote on and approve.

Mr. Williams presented Resolution R-03-04-18 (Resolution for Alternate Mitigation Agreement between the County of Warren, State of New Jersey and the Pollution Control Financing Authority Re: Warren County District Landfill) and Resolution R-03-05-18 (Resolution to Amend the Ground Lease between the County of Warren and the Pollution Control Financing Authority Re: Warren County District Landfill) to the Board for their approval.

Mr. Cannon called for a motion to approve Resolution R-03-04-18 (Resolution for Alternate Mitigation Agreement between the County of Warren, State of New Jersey and the Pollution Control Financing Authority Re: Warren County District Landfill).

On a motion by *Mr. Allen*, seconded by *Mr. Mach*, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *March 26, 2018*.

RESOLUTION

R-03-04-18

Alternate Mitigation Agreement

WHEREAS, the Pollution Control Financing Authority of Warren County (the “Authority”) has a need to enter into an Alternate Mitigation Agreement with the State of New Jersey, Department of Environmental Protection and the County of Warren; and

WHEREAS, the Alternate Mitigation Agreement referred to as A-5, and attached hereto will be the official Agreement of the Authority; and

NOW, THEREFORE BE IT RESOLVED, by the Authority that the above referenced Agreement become the official document of the Authority.

ROLL CALL:

Mr. Mach	-	Yes
Mr. Pryor	-	Yes
Mr. Urfer	-	Absent
Mr. Allen	-	Yes
Mr. Cannon	-	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.

Recording Secretary
Crystal Gild

Dated: *March 26, 2018*

Mr. Cannon called for a motion to approve Resolution R-03-05-18 (Resolution to Amend the Ground Lease between the County of Warren and the Pollution Control Financing Authority Re: Warren County District Landfill).

On a motion by *Mr. Mach*, seconded by *Mr. Allen*, the following resolution was adopted by the Pollution Control Financing Authority of Warren County at a meeting held on *March 26, 2018*.

RESOLUTION

R-03-05-18

Addendum To Ground Lease Agreement

WHEREAS, the Pollution Control Financing Authority of Warren County (the “Authority”) has a need to amend the Ground Lease Agreement with the County of Warren; and

WHEREAS, the Addendum to the Ground Lease Agreement referred to as A-6, and attached hereto will be the official Agreement of the Authority; and

NOW, THEREFORE BE IT RESOLVED, by the Authority that the above referenced Agreement become the official document of the Authority.

ROLL CALL:

Mr. Mach	-	Yes
Mr. Pryor	-	Yes
Mr. Urfer	-	Absent
Mr. Allen	-	Yes
Mr. Cannon	-	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.

Recording Secretary
Crystal Gild

Dated: *March 26, 2018*

Mr. Cannon asked if this was everything that was needed regarding this? Mr. Smith stated that once the Resolutions our signed, he will take them directly to the Warren County Administrative Building.

NEW BUSINESS

Mr. Williams stated that he just wanted to let the Board know that Sunday, April 15, 2018 is our Electronics Recycling Event Day. Mr. Williams noted that everything has been set up with our vendor and that advertising has started. Mr. Williams stated that he hopes that all goes well.

Mr. Mach asked if the television monitors being accepted are CRTs (cathode ray tubes)? Mr. Williams answered, yes. Mr. Williams noted that any size TV that comes in will be accepted by the

vendor. Mr. Williams explained that it is limited as to what covered electronics are but that this is a good start. Mr. Williams stated that he hopes that this is something that we move into, depending on how things go, and that we get a permanent site established at our location in the near future. Mr. Cannon stated that the vendor is completely comfortable with the event because they are being paid by the State. Mr. Williams agreed.

Mr. Williams stated that Sunday, April 29, 2018 is our Household Hazardous Waste Collection Event and noted that we will begin advertising this in the near future. Mr. Williams explained that we always advertise these events for the 4 consecutive Fridays before the event date.

Mr. Mach asked if we do any radio advertising? Mr. Williams answered, no. Mr. Mach asked if we should do radio advertising? Mr. Williams questioned this. Mr. Mach stated that we could possibly advertise on the radio with WRNJ. Mr. Williams stated that the event advertisements are posted online on LehighValleyLive.com and also advertised in the Warren County Reporter and The Express-Times.

Mr. Cannon asked if there were any other questions?

Mr. Cannon noted that the lines are going to be very long. Mrs. Banghart stated that it has been 2.5 years since we have had an electronics recycling event. Mr. Cannon Agreed.

Mr. Williams stated that the only other thing under new business is the PCFA Merit Bonus Policy that had previously been forwarded to the Board. Mr. Williams stated that Mr. Allen had drafted this policy. Mr. Williams stated that he is not sure how much of a discussion the Board wants to have regarding this today. Mr. Williams stated that in his opinion Mr. Allen covered everything in the draft policy. Mr. Williams stated that within the document, the first page is the policy drafted by Mr. Allen and the other pages are the employee performance evaluation forms, which are already included in our Personnel Manual.

Mr. Williams asked Mr. Allen if he had anything else to add?

Mr. Allen stated that a month or two ago the discussion of a bonus was brought up and thanks to the Chairman, he had been appointed to look into it. Mr. Allen stated that Mr. Williams had sent him a copy of the existing Pollution Control Financing Authority's Employee Performance Evaluation Form. Mr. Allen stated that Mr. Williams had told him that at one point these evaluation forms had been used and that the evaluations were completed on an annual basis. Mr. Allen stated that for some reason or another this had stopped being done. Mr. Allen stated that if we do intend to go to a bonus merit system that we cannot do it without the annual evaluations.

Mr. Allen stated that he reviewed the employee performance evaluation form and that he thought that it was actually an excellent form and very consistent. Mr. Allen noted that there were a few minor typos in the document that he suggested be changed.

Mr. Allen stated that in terms of the Performance Policy, he set it up as a 2 tier plan based on evaluations. Mr. Allen stated that employees would be given a rating, based on their evaluation, in one of the following categories: satisfactory, very good, marginal, unsatisfactory and outstanding. Mr. Allen stated that through this policy he defined who would be eligible for a bonus and what criteria would have to be applied to receive a Tier 1 or Tier 2 bonus.

Mr. Allen stated that this draft policy is for the Board's consideration and that we do not have to do this, but if we were to do this, this policy would be his recommendation. Mr. Allen stated that he is open to suggestions and that we can discuss it further next month.

Mr. Cannon stated that the reason that we were giving it out today was that so everyone could have a month to look it over and come back with their thoughts regarding the draft policy. Mr. Cannon stated that the policy would be on the Agenda for next month to be voted on after hearing any input from the Board.

Mr. Allen stated that he thinks that considering the number of employees that we have here that this is a way of rewarding employees for good performance and vice versa. Mr. Allen stated that it actually makes an employee feel better to know how their employer feels about them and whether or not they are doing a good job. Mr. Allen stated that without this you would just end up with mediocre employees who just get what they get and it does not matter to them. Mr. Allen stated that he feels that it is important for the employees to get the feedback as to how they are performing and what they can do to improve their job performance, so that they can receive a merit bonus in the future if it applies to them.

Mr. Allen stated that this should be done annually. Mr. Allen stated that his thought process was that the reviews should be completed before the November meeting so that bonuses could be awarded in time for Christmas. Mr. Allen asked Mr. Williams how it was done before? Mr. Williams stated that in the past that merit bonuses were only for department heads and that the bonuses were based on the prior year's performance. Mr. Williams noted that the reviews for the prior year would be held in the beginning of the subsequent year. Mr. Williams stated that it can be setup however the Board wants it now. Mr. Cannon asked Mr. Williams if the reviews were based on a full calendar year of work? Mr. Williams answered, yes. Mr. Cannon stated that the reviews should be scheduled when there is not a lot of other stuff going on. Mr. Williams agreed. Mr. Cannon stated that most of the big companies give out bonuses this time of the year so that the employees are covered when they receive their tax bill. Mr. Cannon noted that a lot of companies are giving bonuses out in March's payroll. Mr. Cannon also noted that the evaluations are usually conducted in the first 60 days of the year and then once the decisions are made the money is distributed in March.

Mr. Cannon asked Mr. Pryor if he had anything to add?

Mr. Pryor stated that he wanted to thank Mr. Allen for putting together the draft policy. Mr. Pryor stated that he likes the rating system but that he believes that the key to the reviews are the comments. Mr. Williams agreed. Mr. Pryor stated that it is easy to simply check a box and noted that comments are more important. Mr. Pryor also stated that he thinks that both the person being evaluated and the evaluator need to be evaluated. Mr. Pryor stated that he feels that there needs to be support for the ratings given with a thoughtful appraisal of a person's performance. Mr. Cannon stated that he does not think that the Board would approve the bonus without this. Mr. Pryor stated that he thinks that the idea is good and noted that at his company they received their bonuses for Christmas time. Mr. Pryor noted that the bonuses at his company were a year-end assessment and that the bonuses were given separately from your salary as well. Mr. Cannon stated that the assessment is still based on the year, but by the time you get through the process, perform all of the evaluations and submit the reviews to the Board for their approval, the bonuses would not be given out until March. Mr. Cannon noted that the assessments would most likely be approved during Executive Session. Mr. Pryor stated that he does not feel strongly but that his feeling is since we are just discussing this now, it would be implemented but bonuses would be distributed year end or at whatever time is determined. Mr.

Cannon stated that the timeline does matter. Mr. Pryor stated that he agrees, but that the budget for this year is already prepared. Mr. Cannon agreed.

Mr. Pryor stated that regarding the percentages in the Tiers, that he needs to have a better understanding of the salary structure and that the Board should have a discussion and get on the same page as far as the percentages go. Mr. Cannon stated that we would need to have that decision made for next month. Mr. Williams agreed.

Mr. Allen asked Mr. Williams if he forwarded the email that he had sent to him to the Board? Mr. Williams answered, yes. Mr. Allen stated that then everyone was able to see his comments and noted that the details of the policy are up for negotiation. Mr. Cannon agreed. Mr. Allen stated that Mr. Pryor is right, that the key to the feedback, especially for the lower level employees since this has not been done for them before, is that the individual department heads need to be documenting the employees' performance throughout the year. Mr. Allen stated that doing it this way it would allow you to have some comments either negative or positive for the employee at the time of the evaluation. Mr. Allen noted that one cannot just sit down after 12 months and try to recall all of the positive or negative performance of each employee. Mr. Allen stated that a small portfolio would need to be kept on each employee and documenting all of the negative and positive comments within said portfolio. Mr. Cannon agreed. Mr. Allen stated that feedback to the employee should take place immediately regarding any negative performance and if it is positive as well. Mr. Allen stated that at the end of the year the review would be a summary of the notes taken throughout the year.

Mr. Cannon stated that we did have a process for documenting negative performance, but there was not a process for documenting positive performance. Mr. Allen stated that some negative actions need to be dealt with immediately. Mr. Cannon agreed. Mr. Cannon stated that situations regarding negative performance have been brought to the Board in the past and then the issues have been documented in the employee's file. Mr. Allen agreed.

Mr. Allen stated that he feels that there is still time to implement this policy for this year so that at the end of this year there is a possibility for bonuses to be awarded. Mr. Cannon agreed. Mr. Allen stated that this is not something that comes easily and that bonuses need to be given based on a good, objective evaluation. Mr. Allen stated that he knows from experience that annual reviews are a real pain, but that they are something that need to be done.

Mr. Cannon asked Mr. Mach if he had anything to add? Mr. Mach stated that he does not have anything to add.

Mr. Cannon stated that he would like the Board to bring back their questions, comments and changes for next month's meeting. Mr. Cannon stated that Mr. Williams will get the Board all of the numbers and noted that we will hold this discussion during Executive Session. Mr. Cannon stated that hopefully we will have established a merit bonus policy after April's meeting.

GENERAL COUNSEL'S REPORT

None.

OTHER BUSINESS

None.

CLOSING PUBLIC COMMENT

None.

PRESS COMMENTS & QUESTIONS

None.

EXECUTIVE SESSION

Executive Session was entered at 11:40 am.

RESOLUTION

R-03-02-18

AUTHORIZING EXECUTIVE SESSION

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

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. Pryor*

ROLL CALL:	Mr. Allen	-	Yes
	Mr. Pryor	-	Yes
	Mr. Urfer	-	Absent
	Mr. Mach	-	Yes
	Mr. Cannon	-	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.

Recording Secretary
Crystal Gild

Dated: 03/26/2018

Mr. Pryor made a motion to come out of Executive Session, seconded by **Mr. Allen**.

ROLL CALL:	Mr. Allen	-	Yes
	Mr. Pryor	-	Yes
	Mr. Urfer	-	Absent
	Mr. Mach	-	Yes
	Mr. Cannon	-	Yes

Executive session ended at 12:21 pm.

Regular session resumed at 12:21 pm.

Mr. Cannon stated that we are back in public session.

ADJOURNMENT

With no other business to discuss, **Mr. Pryor** motioned to Adjourn, seconded by **Mr. Allen**, at 12:22 pm.

ROLL CALL:	Mr. Allen	-	Yes
	Mr. Pryor	-	Yes
	Mr. Urfer	-	Absent
	Mr. Mach	-	Yes
	Mr. Cannon	-	Yes

Respectfully submitted by:
Crystal Gild
Recording Secretary

Approved: 04/23/2018