

POLLUTION CONTROL FINANCING AUTHORITY
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING

March 25, 2019

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, Bud Allen, Richard Mach and Joseph Pryor (via Conference Call).

ROLL CALL:	Mr. Mach	-	Present
	Mr. Pryor	-	Present (via Conference Call)
	Mr. Allen	-	Present
	Mr. Cannon	-	Present

Also present: James Williams, Director of Operations; Brian Tipton General Counsel; Jason Sarnoski, Freeholder Director; Alex Lazorisak, Deputy County Administrator; Brendan Bowers and Jim Smith, Sanico; Jamie Banghart, Administrative Supervisor and Mariann Cliff, Recording Secretary.

The Pledge of Allegiance was led by Chairman Cannon.

Mr. Cannon read the following statement: "Adequate notice of this meeting of March 25, 2019 was given in accordance with the Open Public Meetings Act by forwarding a schedule of regular meetings of the Pollution Control Financing Authority of Warren County (PCFAWC) to the Warren County Clerk, the Warren County Board of Chosen Freeholders, The Express-Times, and by posting a copy thereof on the bulletin board in the office of the PCFAWC. Formal action may be taken by the PCFAWC at this meeting. Public participation is encouraged".

Mr. Cannon stated that they may change the agenda's order as they go, depending upon Executive Session or other matters that come before the Board. The Board also needs to re-org since they had to put it off due to Board availability, so this should be done first. Mr. Cannon stated that Mr. Williams would take control of the meeting to start with.

Mr. Williams stated that he would like to open up for nomination for Chairman of the PCFA for 2019.

Mr. Pryor stated that if Mr. Cannon would like the position again that he would like to nominate Mr. Cannon. Mr. Williams asked if there was a second. Mr. Allen stated that he would second the nomination.

Mr. Williams stated that hearing no other could we call the Roll.

ROLL CALL:	Mr. Mach	-	Yes
	Mr. Pryor	-	Yes

Mr. Allen - Yes
Mr. Cannon - Abstain

Mr. Cannon stated thank you, we now need a nomination for Vice Chairperson.
Mr. Pryor stated that if Mr. Allen would like it again he would like to nominate Mr. Allen. Mr. Cannon stated that he would second the nomination. Then asked if there were any other nominations.

Mr. Cannon stated that hearing none please call the Roll.

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

Mr. Cannon stated thank you, we now need a nomination for Secretary.
Mr. Pryor stated that if Mr. Mach would like it again this year he would like to nominate Mr. Mach. Mr. Mach stated that he would accept. Mr. Allen stated that he would second the nomination. Mr. Cannon asked if there were any other nominations.

Mr. Cannon stated that hearing none please call the Roll.

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

Mr. Cannon stated thank you, we now need a nomination for Treasurer.
Mr. Allen stated that he would like to nominate Mr. Pryor.
Mr. Mach stated that he would second the nomination. Mr. Cannon asked if there were any other nominations.

Mr. Cannon stated that hearing none please call the Roll.

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

Mr. Cannon stated congratulations everybody.

MINUTES

M-1 Regular monthly meeting minutes – January 28 2019

Mr. Cannon stated that they were going to the minutes, and again because we could not do them last month they have the January 28, 2019 minutes that they will do first. Does anyone have any corrections or comments?

Mr. Pryor stated that he had just one correction and it was written 'per say' and should be 'per se'.

Mr. Cannon stated that he had just one, on page 14 it states 'oppose abstain' and it should read 'oppose or abstain'.

Mr. Cannon asked if Mr. Allen or Mr. Mach had anything else. Both replied that they were good.

Mr. Cannon stated that vote wise there were three members who were eligible. Can we make a motion to approve the minutes as amended today as of January 28 2019?

Mr. Pryor stated that he was eligible and would make that motion. Mr. Allen stated that he would second the motion.

Mr. Cannon asked to call the Roll to approve January 28, 2019 minutes.

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

Mr. Cannon stated that for the Executive session for January 28th we have the same eligibility as to voters. Does anyone have any questions or comments? Hearing none does he have a motion to approve the Executive session minutes for January 28, 2019? Mr. Allen stated that he would make the motion. Mr. Pryor stated that he would second it.

Mr. Williams stated to Mr. Cannon that they should do this as Executive session #1 and Executive session #2 because there were two sessions.

Mr. Cannon replied that he has them separate, and this first one was M-2. Mr. Cannon stated that keeping in mind eligibility could we call the Role to approve?

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

Mr. Cannon stated that they had a second executive session M-3 for January 28, does he have a motion to approve those. Mr. Pryor stated that he would make that motion. Mr. Allen stated that he would second the motion.

Mr. Cannon asked with the same eligibility please call the Roll to approve January 28, 2019 minutes.

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

Mr. Cannon stated that they would move on to the regular monthly meeting minutes of February 25, 2019, does anyone have any questions or comments. Mr. Cannon stated that he had none. Mr. Mach and Mr. Allen stated that they did not have anything.

Mr. Cannon asked Mr. Pryor if he had anything and Mr. Pryor stated that he was not in attendance at that meeting.

Mr. Cannon stated that hearing no changes does he have a motion to approve the minutes from February 25, 2019. Mr. Allen stated that he would make the motion. Mr. Mach stated that he would second the motion. Mr. Cannon asked to have the Roll called.

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

Mr. Cannon stated that the Executive session minutes for February 25, 2019 same eligible voters, any comments or questions. Hearing none could he have a motion to approve?

Mr. Allen stated that he would make the motion. Mr. Mach stated that he would second the motion. Mr. Cannon asked to have the Roll called.

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

Mr. Cannon stated that now we would go thru the Resolutions, then asked Mr. Williams how many of these that they could do together. Mr. Williams replied they could do all of them together as a group.

Mr. Cannon asked if anyone had any questions on Resolutions R-03-01-19 thru R-03-09-19. Would anyone like to pull one out for a specific conversation? Is everyone comfortable approving those in a group?

Mr. Cannon stated that hearing no objection does he have a motion to approve Resolutions R-03-01-19 thru containing all the above R-03-09-19 total of 9 Resolutions. Does he have a motion for that?

Mr. Mach stated that he would make the motion for that and Mr. Allen stated that he would second the motion.

Mr. Cannon asked if there were any questions, hearing none asked to call the Roll.

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

CORRESPONDENCE

Mr. Cannon asked Mr. Williams if he would like to go thru this or if anything needed an explanation.

Mr. Williams replied that no, there were really no explanations the Board has already read these.

C-1 is the original letter dated February 18, 2019 from Covanta to Anthony Fontana, NJDEP Bureau of Solid Waste Permitting Re: Covanta Warren Temporary Mothball Closure Plan

C-2 is a letter from the Township of Oxford regarding the disposal of solid waste now that the Covanta facility closed asking for some assistance.

C-3 is a letter from the Borough of Washington, asking the same thing as the Township of Oxford regarding assistance with the disposal of solid waste now that the Covanta facility is closed.

C-4 is a letter to Cornerstone from Mr. Tipton from Florio, Perrucci, Steinhardt, & Cappelli, regarding some contract related items.

Mr. Cannon stated which we could happily announce that they have complied. Mr. Williams continued that regarding that, Cornerstone did turn over all of the CAD files and the word documents regarding Cell 7. That information was given to Mott MacDonald who is currently using them to move forward with the Cell 7A design.

Mr. Allen asked do they still have to discuss the payment. Mr. Williams stated that yes that will be in Executive Session.

Mr. Cannon stated that we would have contract discussions for Executive Session regarding some of the correspondence. This will include the Covanta closing and the contract discussion as far as outstanding payments with Cornerstone.

Mr. Williams stated that the last item is C-5, which is a “Revised” Covanta “Mothball” Closure Plan from Covanta to the NJDEP modifying their closure date from the original plan of March 31, 2019 to March 7, 2019.

Mr. Williams stated that was all for correspondence.

PUBLIC COMMENTS (AGENDA ITEMS ONLY)

Mr. Cannon stated that before we go into any Finance we have Public here today which he was happy to see. Mr. Cannon asked if anyone would like to address anything to the PCFA, questions or announcements?

Freeholder Director Sarnoski stated that it says agenda items only do you want to stick to the agenda? Mr. Cannon stated that they were accommodating here and would give Freeholder Sarnoski his opportunity to speak. Freeholder Sarnoski replied that he ran a tight ship and so he wondered if he could go off topic. Mr. Cannon replied that they would welcome their comments or questions. We are always happy to see people in the audience.

Freeholder Sarnoski stated again that he runs a tight ship and does not generally allow non-agenda comments until the end of the meeting so being heard early is appreciated. Freeholder Sarnoski introduced himself as the liaison and he is trying to attend more meetings, to keep up to date with what is going on. He would like to discuss two things with the PCFA Board today. One of them was the Disposal of the waste at the Bastedo property. Freeholder Sarnoski stated that he would like to get an agreement signed concerning the waste. He was wondering how quickly they could do that.

Mr. Williams stated that he believes that there was one already in place, which if he remembers correctly, is a part of another agreement that they previously did. That the Landfill would accept that waste at no charge to the County. Freeholder Sarnoski replied ok.

Mr. Williams stated that he could go back and look but he believes that it was done. He believes it was an agreement that all of the Board members collectively signed.

Mr. Cannon stated that it was definitely a discussion with Freeholder Smith and it was formulated into something as a part of the overall DEP and Green Acres project. Freeholder Sarnoski stated that is great, he did not know that they had done that.

Mr. Williams stated that he would look to make sure. Freeholder Sarnoski asked that if not, could they formulate something. Mr. Cannon and Mr. Williams both agreed that they could.

Freeholder Sarnoski stated the second thing is, the Freeholder Board has also been getting a lot of correspondence inquiring about where the waste is going to now that Covanta is closed. He would like to be able to update his Board on Wednesday 27, 2019 at their meeting on where some of these items stand. Freeholder Sarnoski stated that they understand that at this time, the Landfill is not accepting household waste and he was wondering if this would change.

Mr. Cannon stated that he did not know what Freeholder Sarnoski schedule was but they would be happy to have them join in the Executive Session, because of the strategy part of it. Mr. Cannon stated that they did take a stance at last month's meeting that because Covanta's time-line was a bit shifty. As we see we have two different closure plans so we said we were not going to consider anything until they were officially closed as they stated March 31, 2019.

Mr. Cannon stated that they would discuss talking to Covanta because of our agreement with them. Our Council has some issues as far as contracts so we were going to discuss that today in Executive Session as to the possibility of what we can do but we would have to contact Covanta first. We would have to get some sort of agreement with Covanta so that we would not have a problem with our long-term agreement with them.

Freeholder Sarnoski stated that as he understood it Covanta is on a temporary shutdown, which they can be for two years. In addition, he understands that in their Solid Waste Plan we at the PCFA can accept household waste as long as Covanta's facility is shut down and not operating. He would imagine since Covanta is not operating for the next two years there would be no issue with us accepting the solid waste. If that is your plan, now if there are contractual strategy reasons behind that he would be happy to attend the Executive Session to hear that and better understand what is going on. So we can from a Freeholder perspective, make sure that our Solid Waste Plan matches what the plan is for the future.

Mr. Cannon and Mr. Williams asked together that Freeholder Sarnoski stay for Executive Session if he could.

Freeholder Sarnoski replied that he would like to, he has to be out by 11:00am if the Board thinks that it will be done by then.

Mr. Cannon stated that he does not think that they would be finished by then with everything. He also does not know that they would have an answer on that today but perhaps, we could have a follow up phone call afterwards. Mr. Cannon stated that Counsel wants to go over a lot of this with us and we might have varying opinions as to what we can and cannot do so that we do not sacrifice the long-term agreement we have with Covanta. Temporarily, correct the verbiage of what they are doing, we are not sure that they do not have a strategy involved.

Freeholder Sarnoski replied that he understood completely, certainly the County is being put in the middle of this as well. We have been contacted by Oxford asking for their assistance, our answer to them is Covanta is a private facility, they do lease the County land but they are a private facility. We cannot determine their operation, whether or not they want to operate is up to them.

Mr. Cannon stated that he thought it was fair to say that the Board would have to come up with some sort of resolution today. We only meet once a month and this may take a little hashing. Freeholder Sarnoski stated that you are your own Board as well so you control the waste coming into this facility; the Freeholders at this time have very little say in this matter. Freeholder Sarnoski continued that they would like to know what is going on sooner rather than later and would be fine with a follow up phone call.

Mr. Cannon stated that whatever happens today we could certainly give you some resolution but we are going to have to discuss some legalities with Mr. Tipton to avoid any strategies that may cause problems down the road. Mr. Cannon stated that they would definitely get back to Freeholder Sarnoski so he has something for Wednesday. Mr. Sarnoski replied good, thank you.

Mr. Williams asked Mr. Cannon if we should go into Executive now while Freeholder Sarnoski was here. Mr. Cannon replied that he did not think that it would change anything; he thinks that all of it could be done later.

Freeholder Sarnoski stated that was all that he had for the Board and asked if they had anything for him.

Mr. Cannon stated that they appointed a new member, right? Freeholder Sarnoski replied yes, Dan Perez former Mayor of Greenwich Township. He is a good man they have worked with him before. He is retired so the meeting times work for him. He is looking forward to joining the Board, hopefully you will see him soon. Freeholder Sarnoski stated that he was hoping he was going to be at this meeting.

Mr. Cannon stated that Freeholder Sarnoski might want to let Mr. Perez know to contact Mr. Williams so he could be brought up to speed.

Freeholder Sarnoski asked if the Board received Mr. Perez's contact information. Mr. Williams stated that he had received nothing except a letter from the County. We were not sure if he was going to be here and had an oath of office prepared for him today. Freeholder Sarnoski stated that he would follow up with that.

Mr. Cannon stated that as you all know that there is so much going on that it will take him time to know what is happening. What he recommends is that Mr. Perez go thru the last years' worth of minutes. The PCFA meeting minutes are very detailed and that will help speed him up. He would not like to see him

come here and waste his time or spend another hour of everyone else's time trying to catch up. So that is highly recommended. Freeholder Sarnoski stated that he would follow up with that.

Mr. Cannon stated that the Bastedo issue they would follow up with, he believes it is spelled out in the DEP and Green Acres Agreement. Freeholder Sarnoski stated as long as it is spelled out, we want to make sure we have that.

Freeholder Sarnoski replied thank you gentlemen thank you.

Jason Sarnoski and Alex Lazorisak left the Boardroom at 9:56

Mr. Cannon addressed two other people in the audience: Gentlemen would you like to speak today or do you have any questions?

One man identified himself as Brendan Bowers from Sanico and he continued that he believes that the Board knows Jim Smith from Sanico.

Mr. Bowers stated that their interest in this meeting is in the discussion and decisions surrounding Covanta closing and possible acceptance of type 10 waste at the Landfill. The one thing that he would like to ask or add is we do have a formal request that he believes was dated February 22, 2019. He was not sure if it was distributed to the Board. Mr. Williams replied that it has been. Mr. Bowers replied that he did not hear it mentioned in the Correspondence. That is our interest today.

Mr. Cannon stated that request was last month, it was just before last month's meeting so they did have it. Mr. Cannon also stated to Mr. Smith that he has been a customer of Sanico, for a long time. We did get the letter and as he spoke to Freeholder Sarnoski, he hopes that they understand that there is a lot involved here. He has been in agreement for many years that 'the Warren County Landfill is for Warren County waste' is the way it should be set up but as Mr. Smith well knows there has been quite a history here of a lot of things. Therefore, he hopes that Sanico understands that the Board is going to try to do their best but there are a lot of entanglements and agreements that they unfortunately have to go through.

Mr. Cannon stated that this is not the Boards choice, there are things that are pre-existing to anyone on this Board today. There is one agreement that goes to 2034, something like that it is crazy long. These are things that we have to go through, and with Covanta's temporary closing; they are trying to keep their rights in shape too for the future.

Mr. Cannon stated that we are definitely aware of it and does appreciate that Sanico is trying to let everybody know. However, we do not want to give the customers the wrong impression that we are not trying to do something because he is a customer. Mr. Cannon stated that he is trying to solve some of these problems as best as we can.

Mr. Smith stated that your rates are going up so keep that in mind. Mr. Cannon stated yes he does understand.

Mr. Bowers stated that he did have one more thing for the Chairman. Mr. Cannon stated sure.

Mr. Bowers stated that he is sorry that he forgot but in the anticipation that we may be accepting household waste. One of the things that he would ask the Board and the PCFA keep an eye on is, now that we are taking the household waste, haulers that are not properly covering the back, and this is not Sanico. The health dept. has issued already one violation notice to a garbage hauler not properly

covering the back and the trash is flying out for the longer hauls. Just as they start coming in make sure that, they are properly covered.

Mr. Williams stated that he was not sure if they had noticed or not the two signs coming in the road we have signs specifically for that reason. Mr. Bowers replied you have people that and he is not sure that it was the PCFA's people but there were people picking up trash on the side of the road. Mr. Williams stated that Mr. Cannon told him that he saw that this morning and no, it was not our people. Not sure who it was.

Mr. Bowers stated that it is a good thing, which is what brought it to my mind is that as they come in take note and you could follow up if it becomes an issue. We do not want to see Warren County roads turn into trash. Thank you,

Mr. Cannon stated that bringing that up reminds him that we do have to discuss the possibility of who is maintaining the road issue. Mr. Williams stated that it is another Covanta issue. Mr. Bowers stated that they were aware of that. Mr. Cannon replied that it is a County road, which the County took over. So that we will have to figure out also.

Mr. Cannon asked if they wanted to bring anything else up today, ok. Let us get back to the agenda then, we are up to Finance.

FINANCE

A-1 Finance Report

Mr. Williams stated that he thinks we should wait until after we go into Executive Session. We will need to talk about a couple bills before we do A-1. Mr. Cannon asked because they include Cornerstone? Mr. Williams replied correct.

PERSONNEL

None

PRESENTATIONS

None

FACILITIES/RECYCLING

Treatment Plant Operations

Mr. Williams stated that as we all know, the Treatment Plant has been shut down. We do have a signed agreement that Mr. Cannon will have to sign when we are done. It is with Mott MacDonald to move forward with the plan to mothball the facility. That has all been put in place.

Landfill Operations

Mr. Williams stated that there was nothing to discuss, they are not having any issues except for the one piece of equipment, which is the Loader that they will talk about later. Other than that, the Landfill Operations are fine.

Mr. Cannon asked if Mr. Williams would like to give a little update on 'ash dump'?

Mr. Williams replied yes, as we all know there was an incident with a Covanta truck on the scale last Friday, his tailgate let loose and all the ash that was in the back of that truck spilled out all over the scale. Luckily, they had a company on site at their facility, Clean Harbors that had a Vac truck. They came and got it all cleaned up within an hour and a half it was done. Mr. Allen asked if it was Covanta that had that. Mr. Williams replied yes, they came out with their crew, Gary Gray sent people out to assist since it was their truck. They got it all cleaned up very quickly and everything was good. In fact, while all of this was going on there was a DEP inspector on-site simultaneously. There were no issues, the inspector saw what was going on, and it did not raise any red flags at all. Mr. Williams continued that one thing they did make sure when they were doing the cleanup, is that they put these barriers called 'pigs' around the drains so there was no runoff into the drains. They had a Vac truck here to suck up all the water that they were using to clean the scale. It all went well, they did a very nice job.

Mr. Cannon stated that we were kind of lucky. Mr. Williams stated they were very responsive with getting here, what helped was that they had Clean Harbors at Covanta's facility so they were here within minutes. Otherwise, it may have been a little bit longer to do the clean it up.

Mr. Allen asked if there were any impact on the scale. Mr. Williams replied that there was no impact at all, once it was cleaned, we checked out the scale and there were no issues. It all worked out well, and again they were very responsive so kudos to Covanta. Mr. Allen asked if there was a long line of people waiting to get in. Mr. Williams replied no, that is the good thing about having two scales. We had everybody weighing in and out on the other scale. It did cause a little bit of a delay, only using one scale but not too bad.

Cell 7 Construction

Mr. Williams stated that there was nothing new to report on the Cell 7 construction except for what he mentioned earlier regarding the CAD files and word documents, they have been sent over to Mott MacDonald and they are working on the project. They estimated that once they had all these files it would take about four weeks to get the re-design of Cell 7 completed and to us for a review. We are actively working on that. Last Wednesday and Thursday, Mott MacDonald had their crew here to do their ground penetrating for the Cell 7 area to locate where the bedrock is. That was completed, we do not have any information regarding that yet but that should be forth coming. This will help us really pinpoint how much bedrock is actually out there. The numbers that were being used by Cornerstone were estimates off of a couple of test pits, this is a more thorough ground penetrating radar that was done to get a more accurate picture.

Mr. Cannon asked Mr. Pryor if he could hear Mr. Williams. Mr. Pryor replied that yes he could.

Mr. Williams stated that that was about it for Cell 7, they do have a couple of Cornerstone bills to discuss which is A-2 in Executive.

H2S Removal System

Mr. Williams stated that there are no issues here, we are getting readings of zero to possibly one part per million with the hydrogen sulfite readings.

Solar Panel Project

None

Mr. Williams stated that the next item that we have is A-3, which is the 2019 Solid Waste Disposal fee schedule, there is a revised one in front of everyone today. A couple more late contracts came in. We will need an approval on these. Mr. Williams stated that he would read them off quickly for Board approval: D&N Animal recovery, Global Waste Services, Intrepid Carting, LMR Disposal, Montella Landscaping, Republic Services, Sanico, Hampton Boro, Hardwick Township, Harmony Township, Hope Township, Philipsburg Housing Authority, Township of Oxford and Washington Township. All of these contracts would need to be formally approved by the Board.

Mr. Cannon stated that we have everybody caught up then. Mr. Williams replied everybody is in there, with just a couple of stragglers left.

Mr. Cannon asked if there was a resolution accompanying this. Mr. Williams replied no, we just need you to agree to what was just read, the revised A-3 in red.

Mr. Cannon asked if anyone would like to make a motion with approving the new signed contracts for Haulers and or Municipalities on revised A-3. Mr. Allen asked if we were going to be discussing some of this stuff in Executive session? Mr. Cannon replied not the contracts. Mr. Williams replied no not these.

Mr. Allen stated that he would make a motion that we approve the revised A-3 Waste Disposal fee schedule.

Mr. Mach stated that he would second the motion.

Mr. Cannon asked if there were any questions. Hearing none let us call the Roll on that and then after the meeting he will sign the contracts.

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

Mr. Cannon asked Mr. Williams what the difference was between A-3 and A-3 Revised. Mr. Williams stated that we added Hardwick and Oxford Township.

Mr. Williams stated two final items, we did get rates for the CD's and everybody should have a revised copy in front of them. He also sent on via email to Mr. Pryor regarding this, Lakeland came back and gave us increased rates, but in the end, Unity bank came back with a better CD rate at 2.45% for the 9 month and 2.55% for the 12 month.

Mr. Cannon asked if there were any questions about the plan as detailed with the expansion date, those are the numbers. Mr. Cannon stated that he and Mr. Williams have gone back and forth between the 9 month vs the 12 months. Mr. Cannon stated that as he had said last month, worst case scenario if things got expedited and we needed money for the expansion project sooner than later, then we would just lose our interest money. Mr. Cannon stated that as he told Mr. Williams he would like to push it back as far as we could obviously. As we discussed last month the one was one hundred and forty thousand dollars that we got. Mrs. Banghart agreed.

Mr. Cannon asked if anyone had any questions on that. Mr. Mach stated that when you say that we would lose our interest; do we lose the entire interest? Or just a portion of it?

Mr. Williams stated that the portion that was generated up until that time. For example on the 9 month, it will start at two and a half million, so that will start accruing interest and if we at 6 months decide to pull that CD we will lose all of that interest. Mr. Mach stated so we will lose all of it. Mr. Cannon stated that there is no advantage for them if they pro-rate it. Mr. Mach asked if they were comfortable in the discussion of time? Mr. Cannon stated that he actually thinks that they went the other way we are over safe. Mr. Williams stated that the good thing is that we do not see the need that we would have to pull this money because we still do have large amount of cash on hand if need be.

Mr. Mach stated that the likelihood of us needing to pull this money early is very slim. Mr. Cannon stated that even the 9 month he was pushing for 12 months on that one also, Mr. Williams steadfastly held at 9 months. Where we actually talked about maybe having to roll it into another one at that point. It is highly unlikely that we would have to take it out before its expiration. Mr. Mach replied with ok, thank you.

Mr. Cannon asked if there were any more questions. Mr. Pryor stated that he did not know if it was feasible or not, but if it was just short term, he was wondering if we could get a bridge loan from a bank or something. Mr. Cannon stated that if we had to yes we could.

Mr. Pryor stated that you would offset it with some interest on a very short-term loan. Mr. Cannon stated that we would try our other options if we had to get to that point.

Mr. Cannon asked if there were any other questions, hearing none would someone like to make a motion that we are going to approve today for the Unity Bank 9 month CD in the amount of two million five hundred thousand dollars and a 12 month CD in the amount of four million dollars at the corresponding rates. They expire March 31st so that is why we need to do it today so we can have an instant roll over without having any interest loss. Mr. Williams stated correct.

Mr. Pryor stated that he would make that motion. Mr. Cannon asked if anyone would like to second that motion. Mr. Allen stated that he would second that motion.

Mr. Cannon asked if there were any other questions, hearing none let us call the Roll.

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

Mr. Williams stated that he had one last item, which is regarding A-4, the Loader. Some quick past history on our existing loader, that was purchased when we first began operating the landfill back in the year 2000. It is an old machine, it is 19 years old it has almost 27,000 hours on it. Luckily, over the whole period of time other than minor repairs everything has been good up until recently. It just happens to coincide with me getting pricing for a new loader, we have begun to have issues with the engine. We had Caterpillar come up and evaluate the machine and what the issues were with the engine, and they are telling us that the engine is shot. Since it is so old most parts cannot be replaced in it so they are recommending that we purchase from them a remanufactured / rebuilt engine. If we were to do that, they gave two prices, one price was \$47,000.00 and the other price was \$49,000.00. If you go back a few years, when we sold our compactor which was running and in operational condition we received around \$40,000.00 for that at auction. Mr. Williams stated that he does not see us getting anywhere near that

with our used loader. With us putting that kind of money into rebuilding this engine and then to turn around and try to sell it, the machine is just not going to be worth it. Mr. Williams stated that what he would suggest that we do with that machine if the Board agrees is that we sell it 'as is' at an auction along with the attachments that come with it.

Mr. Williams stated that he has received three price quotes from three different companies for a replacement loader. Last year we actually had this in our budget under renewal and replacement and we never did it. Mr. Allen asked how much was in the budget for it. Mr. Williams stated that he thinks we had a quarter of a million. Mr. Cannon stated that it was two hundred fifty last year.

Mr. Williams stated that he did receive three quotes for an identical replacement and when saying identical he means size wise. They all have their own different numbers for replacement: for the Caterpillar machine with all of the same items such as the snowplow attachment, forks, detachable bucket their price was \$293,000.00. Another quote that he received was from Hoffman Equipment for a Volvo loader, that price with all of the same attachments was \$226,414.00. The third quote was from Modern Equipment for a Hyundai with all the same attachments which was \$157,433.66.

Mr. Williams stated that in A-4, within the notes on the summary sheet, he does not know anything about Hyundai's or how good they are, he does not know anyone who has them. Mr. Cannon stated that he thought Mr. Williams knew someone who had them. Mr. Williams replied no, he has used Volvo's in the past and he has seen them used elsewhere. The same with the Caterpillars, Hyundai he does not know anything about them and he does not know anyone who is using them.

Mr. Cannon stated that looking at the dollars and cents he has looked at it back and forth and he cannot see spending that much. Volvo is a 40% premium above and beyond the Hyundai. Caterpillar is twice the price; we could buy two Hyundai's for the same price. They are a 100% more, if we are comparing apples to apples to me the Hyundai is not even a thought process. Mr. Williams stated that the only thing with the Hyundai is the warranty is not as long, so it is a lower warranty period. The PM services are pretty much equivalent across the board.

Mr. Cannon stated that Volvo does not offer an extended warranty either. Mr. Williams replied no, but their initial warranty is longer. The only one that offers an extended warranty is Caterpillar. Mr. Cannon stated that for that kind of money they should extend the warranty. Mr. Williams stated that that is why the prices are the way they are. All three of these are state contracts. Mr. Cannon stated that the only difference in the warranty for Volvo is 2,000 hours. Which means you are paying a 40% premium to get 2,000 more hours, that is the only difference that he sees. Mr. Cannon stated that it does not seem to him, to be a worthwhile increase.

Mr. Mach asked Mr. Williams if he knew of anyone using the Hyundai. Mr. Williams replied no, but that does not mean that there is anything wrong with them either. He just does not know anyone using them. Mr. Mach stated that he was just curious if there were any landfills that you deal with that that were using them. Mr. Williams stated no, most of them are using either Case, Caterpillars some have used Volvo's.

Mr. Cannon stated that it seems to him certain things are part of the state plan, that they would have to have. Generally he thinks in three years 3,000 hours, you are going to find out if you have a catastrophic problem with a machine. Even if we had to spend an incredible amount of money you still would not get to the base price of the Volvo. Mr. Allen asked the make of our loader. Mr. Williams replied the current one is a Caterpillar.

Mr. Cannon stated to Mr. Williams you and he had discussed this but for everyone else's knowledge, the price increases of Caterpillar in the 20 years since then have been incredible. Mr. Williams stated that when we first purchased the loader he believes it was a hundred and forty-eight thousand, and that was 18 or 19 years ago. Mr. Cannon stated 100% inflation. Mr. Williams stated that remember the compactor we just purchased, when we bought that it was three hundred and fifty thousand and the new one was seven hundred fifty thousand.

Mr. Cannon asked if Mr. Williams was looking for a motion today on this. Mr. Williams replied yes. Mr. Cannon asked if anyone had any other questions for this.

Mr. Mach stated no, just a comment. Frankly, he is concerned about the unknown. Very concerned about what problems might arise from the unknown. He would rather go with one of the two entities that we know Caterpillar or Volvo.

Mr. Cannon stated that these machines are in use, just the fact that Mr. Williams has not used one, is in my opinion not worth paying another \$70,000.00. Moreover, the only difference that you are getting in that is the 2,000 hours. Mr. Cannon stated that you would be paying a \$70,000.00 premium and we have done the numbers back and forth, for that amount of money you are only getting 2,000 hours. Mr. Williams stated correct. Mr. Cannon stated that is it, everything else is equal.

Mr. Mach stated that he understands the math, this is a machine that we use every single day? Mr. Williams and Mr. Cannon both replied yes. Mr. Williams stated that he was thinking the same way that Mr. Mach was thinking that sometimes cheaper is not always better. Mr. Mach replied that we will not be here, this Board will not be here to see the results of this action. However, he feels we should go with a known entity as opposed to a relatively unknown.

Mr. Smith from Sanico raised his hand in the audience. Mr. Cannon asked him to speak. Mr. Smith asked he was curious how old is the current machine. Mr. Mach replied 20 years. Mr. Smith asked Mr. Williams so it is tired? Mr. Williams replied yes it is. Mr. Cannon stated that it is dead.

Mr. Smith asked to talk about the engine; this is the original engine in it? Mr. Williams replied yes with 28,000 hours. Mr. Smith stated that the only trouble is, you go buy a new machine, it will not be anything like what you have now. It will definitely be a step backwards and as Mr. Mach says, he is not sure about the unknown. The unknown is that they are all worse than anything that you own now.

Mr. Mach asked oh really, all of them, in what way? Mr. Smith replied all of the electronics are failure prone they have the clean engine emission's now. We go out and buy a new garbage truck for \$300,000.00 and it is on a wrecker right away. Mr. Smith continued you might want to think twice, he is not sure about the mechanics of the old machine but you may want to refurb that old machine.

Mr. Allen asked where is Hyundai made. Mr. Williams stated that actually they are made in the United States. Mr. Smith stated it is just a thought. Mr. Cannon stated that what Mr. Smith is saying is whether it is a Cat or a Volvo or Hyundai you could have an issue with either of them. Mr. Smith stated that he purchased some international harvester trucks and his son-in-law had the presence of mind to get the biggest warranty available. International has lost money on that deal, they are on the wrecker all the time.

Mr. Allen asked how do these three compare with all the items that are provided with them, other than the price there is nothing here to compare one to another. Mr. Williams replied they are all comparable, he has all the brochures upstairs. Mr. Williams continued it is all the same bucket and how much the bucket carries and so on. Mr. Williams stated that Mr. Smith is right what really hurts with the performance of these is the new emissions that they put on these machines. Mr. Allen stated that is all federally mandated. Mr. Williams stated that there is no way around it, now the only thing with making an attempt to refurbish what we have, who knows if the transmission goes next week and it is just an escalating system, you keep throwing good money after bad.

Mr. Allen stated that he is not in favor of rebuilding the one that we have it has too many hours on it already. Mr. Williams stated that we had a good run with it. Mr. Cannon stated that he thought Caterpillar was out of line price wise so he did not dig down deeper, it is only offering 12 months on the warranty. Then if you get the extended, you have to pay for it. Mr. Williams stated that yes, that is additional and it is only the powertrain. Mr. Cannon asked if Mr. Williams had a dollar figure for that. Mr. Williams stated that it is included in their price, the extended warranty covering the powertrain only. Mr. Cannon stated so that is the only thing that is above and beyond the 12 months is the powertrain. So if you put the Volvo and the Hyundai in the same class they both are giving you three years, the hours are different as he said before with Mr. Mach, but Foley is not even giving you that. Mr. Allen asked how many hours a year we put on this machine. Mr. Williams stated that you could put easily 2,000 hours a year on each machine. That is not unheard of. Mr. Allen stated that you could go through the 3,000 in a year and a half. Mr. Allen stated that as Mr. Cannon pointed out, even if you only got half the amount of time out of the Hyundai vs. the Caterpillar you could buy another one. Mr. Williams stated that yes you could buy two Hyundai's for the price of one Caterpillar. Mr. Cannon stated that we did that with the thought process of the other one, we were using it as a backup machine and so it took the hours off the primary machine. So, we have that ability also if you bought another one you put less hours on each of them so less wear and tear thus spread the work between two of them. Mr. Cannon stated that perhaps in 5 years you could purchase the second machine to extend the life of the original one.

Mr. Williams stated that the other big concern he had was getting them in here to do service, if there is an issue with the machine are they readily available. They are all in the state of New Jersey so getting them to come on site would not be an issue. Now as far as getting parts, they are manufactured in the United States. Mr. Mach asked if they are manufactured in the United States, or assembled in the United States. Mr. Cannon stated that he thought that it was completely manufactured in the United States. Mr. Allen stated that he thought that was probably true of all of them. Mr. Williams stated that he did not know for sure. Mr. Mach stated that Hyundai has that ring of Oriental ownership. Mr. Williams stated that they had cheap cars. Mr. Mach replied yes they do.

Mr. Cannon asked are we at least in agreement that the Caterpillar price is exorbitant, do we have a consensus of three members that would say let's exclude the Caterpillar at this point. Mr. Mach stated that he would agree to that. Mr. Cannon stated that he would definitely agree with it. Mr. Allen stated that yes he would. Mr. Pryor stated that he was going to have to abstain. He was not following the whole discussion, he was not hearing so well as his wife was handing him notes. Mr. Pryor stated that he was going to drop out of this vote. Mr. Cannon replied ok. Mr. Williams stated that he would vote for Mr. Pryor and say that he agreed. Mr. Cannon replied ok.

Mr. Cannon stated that we have boiled it down to the Volvo vs. the Hyundai, again he is going with the numbers. He does not believe that you should always buy the cheapest and he is sure that there are cheaper machines out there these are just in the State plan. If you are able to go out in the market and just get prices not through the State plan, he is sure there are cheaper machines. Mr. Cannon stated that he

has a real problem paying that 40% premium for Volvo when the only difference is a couple thousand hours which talking about the usage that a couple thousand hours may not even be worth anything to us because of the track record, was it 1400? Mr. Allen stated do we get a discount if we buy two Hyundai.

Mr. Williams stated that he was not objecting to the Hyundai, he just did not know enough about it. Mr. Cannon replied that he understands and this is what we should do, we are not giving White Township as much money as we did, we are not giving the County as much money as we did, and fifty to seventy thousand dollars is a lot of money. Mr. Williams stated that if you want his vote he says get the Hyundai.

Mr. Cannon stated that his taxes are going to be going up soon because of White Township, there are a whole lot of other issues going on there, and he thinks that seventy thousand is a lot of money. Mr. Cannon stated that he feels the same way, he does not know what the consensus of everyone else is.

Mr. Allen stated that he will take it to a vote, he will make a motion to purchase a Hyundai.

Mr. Mach stated that he would like to ask a question. Mr. Cannon replied sure. Mr. Mach asked if the vote fails what do you do? Mr. Cannon stated that he then would have to get Joe involved. We would have to re-hash it with Joe. Mr. Cannon stated that no one here is saying that the Volvo is the greatest idea. Mr. Allen stated that Mr. Pryor does not even have the benefit of the handout. Mr. Williams stated that he did have it. Mr. Allen asked he has the handout. Mr. Cannon and Mr. Williams both stated that Mr. Pryor did have the handout.

Mr. Cannon stated that he thinks if they were comparing a Caterpillar at seventy thousand dollars more than the Hyundai then he thinks that there would be a lot to be said for the name and the track record that they have but Volvo, where is that built? He does not even know that that is built in the US. Mr. Williams replied it is. Mr. Mach stated that they have a track record and a good track record. Mr. Cannon stated that Hyundai has been around a long time, he is not in here for Hyundai, Volvo or anybody else but he would hang his head on the seventy thousand.

Mr. Allen stated that you have his motion. Mr. Cannon stated that he would second the motion. Mr. Cannon asked Mr. Pryor if he was going to abstain. Mr. Pryor stated that he was going to abstain. Mr. Cannon stated that this was one round and they may have another round, and then asked to call the roll on the motion to purchase the Hyundai 940XT for \$157,433.66.

ROLL CALL: Mr. Mach - No
 Mr. Pryor - Abstain
 Mr. Allen - Yes
 Mr. Cannon - Yes

Mr. Cannon asked Mr. Pryor if he had some time on his hands. Mr. Pryor stated that he has picked up bits of this but he has to go back to the original bid, what happened we just threw out a generic bid and we got quotes from different manufactures? Mr. Cannon stated that we did with the state contracts, what were the eligible vendors in the state contract bidding. Mr. Pryor stated and there were a number of eligible people on the state contract and Volvo was seventy thousand dollars more than the Hyundai. Mr. Cannon replied that was correct and then, we all agreed to Caterpillar and we set them aside. Mr. Cannon stated that Caterpillar 100% more than the Hyundai at three hundred thousand. Mr. Pryor stated that the old rule of thumb and you are not doing a public thing here you are working off a list. When you work with vendor names you had to be prepared to identify the salient differences between something that you are awarding by brand vs. somebody else. Can anybody identify the salient differences between a Volvo and a Hyundai?

Mr. Cannon stated that he thinks what Mr. Williams said and he would have to have him repeat it for you, he thinks that may have been when we lost you for a little bit. Mr. Williams stated that they are all comparable it is all in your A-4 packet all 3 machines and what they offer are all there and they are all comparable, horsepower, bucket size, high lift which is what we need, air conditioning. Mr. Pryor stated so what is the salient difference between Volvo and Hyundai. Mr. Williams replied the price. Mr. Pryor stated that of course it is the price, now what do you get for that seventy thousand dollars? Mr. Cannon stated that the only difference that he could equate it to be was that the Volvo warranty gives an additional 2,000 hours in the 3-year warranty 5,000 vs. 3,000. The average number of hours seems to be approximately 1400 a year.

Mr. Pryor stated that what you are saying is that you are paying seventy thousand dollars for a 2,000-hour warranty. Mr. Pryor asked what the price of the Hyundai is. Mr. Cannon replied that it is \$157,000.00. Mr. Pryor stated that you are paying almost half of the purchase price for 2,000 hours. Mr. Cannon stated correct. Mr. Pryor stated that it does not sound like a fair deal to him. Mr. Cannon replied that was his opinion also and he thinks that because of the timeframe of the hours we put on, it will probably be pretty close whether we can take advantage of the warranty anyway. They both would be 3 years and the hours would be done with. Mr. Pryor stated that he was guessing that if you had to buy an extended warranty from somebody that you could even if it was a third party and it would not be seventy thousand dollars. Mr. Cannon stated that there probably is a vendor that if we wanted to get a warranty on it we could get some sort of warranty on it for the future.

Mr. Pryor stated that it just seems to him that if that is the salient difference it is probably not worth it. Everybody pays a few extra bucks for comfort with a brand name or an extended warranty but this is almost 50% of the premium. Mr. Cannon replied ok. Mr. Mach replied that he would argue that. Mr. Pryor stated if you want to vote again and feel comfortable with his understanding he would vote. Mr. Cannon stated that he was not sure that Mr. Pryor had the document A-4 with him but if he looked on the second page, you will see the numbers like he said it is a 40% difference of the price of the Hyundai. That is how much more you are paying for the Volvo.

Mr. Williams stated that the Volvo also offers an auto lube system. Which is \$7,000.00. so there are 2 prices there. Mr. Cannon asked what that was. Mr. Williams answered that it is an auto lube, it will automatically lube all the locations where grease fittings are. So that way you are not relying on a worker to do it, the system will do it itself. Now that could also backfire on you and become a maintenance issue later on. Mr. Cannon replied that he was concerned that why didn't Caterpillar the 'big boy on the block' do it, if that was the way to go with the machines why wouldn't Caterpillar have it in their machines at that price. Mr. Allen stated that they all try to differentiate themselves. Mr. Cannon stated that was his way of thinking, how great is it if Caterpillar does not want to do it. It is still only \$7,000.00.

Mr. Mach stated that when they were quoting this, they knew that they were quoting competitively, they probably knew that their price was high already because they have quoted other machines like this and they were trying to keep it a little bit within range of where they know the other competitors would come in. Mr. Mach stated that he was on the Fire dept. when they bid on fire trucks. Mr. Cannon stated that those are expensive. Mr. Mach replied you got that right, and if the big boy wanted to get the quote he would adjust his price and try to make it as good as possible. Mr. Mach stated that what he thinks for what it is worth and it may not be worth anything, you are looking at a machine that may give you 15 years of service this time, so we are talking about a seventy thousand dollar difference over 15 years. That is roughly five thousand dollars a year for a machine that he thinks is better, he definitely does not want to go with an unknown.

Mr. Pryor stated that now this is in the area of projections and speculation. He purchased a Subaru one time and certainly they have a fine reputation and his motor failed at 59,000 miles and he was stuck. Mr. Pryor continued that the difference in the warranty is 2,000 hours, there is a point where you pay for the brand name and a point where you do not. It seems like it is a lot of money. Mr. Cannon stated that in his opinion if it were Caterpillar that was seventy thousand dollars more, this would be a different discussion. Mr. Cannon continued that Mr. Smith from Sanico said it best, that all these machines are much less efficient and have much less quality in them that they did 20 years ago. There could be a problem with anyone of them, he does not have any faith in any particular one. Mr. Cannon stated that he is not in the Hyundai crowd, the Volvo crowd or the Caterpillar crowd. He is surprised that they are discussing it this long to be honest.

Mr. Cannon continued with he does not see the difference, as Mr. Pryor stated that there has to be a salient difference. You would have to be shown the reason why you chose one over the other, for more money. We are a public entity and we would have to show something as to why we thought it was worthwhile. Mr. Cannon stated that adding that to the equation is an important part. We would have to justify spending seventy thousand dollars more, with the state contracts you really have to show a real reason why you would not take the lowest quote. Mr. Pryor stated that we are selling our opinion and we really do not have anything that stands out. Mr. Cannon stated correct, Mr. Williams has everything here and he does not think that there is anything that different. Between the three all the horsepower and buckets everything is equivalent. We are not comparing apples to oranges.

Mr. Mach asked which machine came off the state bid. Mr. Cannon replied all of them. They are all on state contract. Mr. Allen replied to Mr. Mach that he too somewhat shared his apprehension when he read over the quotes, but it really is hard to justify seventy thousand dollar difference between them. Mr. Mach stated that time will tell.

Mr. Cannon asked if Mr. Pryor had anything to add. Mr. Pryor stated that if this were given to him to evaluate as an engineer he really could not tell the client to spend the extra seventy grand unless he could identify the features that were going to add that value. Mr. Cannon asked Mr. Pryor if he was prepared to vote. Mr. Pryor replied yes. Mr. Cannon asked for a motion to approve the purchase of a Hyundai 940XT for \$157,433.66.

Mr. Allen stated that he would make that motion for a second time. Mr. Pryor stated that he would second that motion. Mr. Cannon asked if there were any further questions, hearing none let us call the roll.

ROLL CALL: Mr. Mach - No
 Mr. Pryor - Yes
 Mr. Allen - Yes
 Mr. Cannon - Yes

Mr. Cannon stated thank you gentlemen.

GENERAL COUNSEL'S REPORT

Mr. Cannon asked Mr. Tipton if he would like to share anything with us in the public forum. Mr. Tipton replied no he did not.

EXECUTIVE SESSION

Mr. Cannon asked Mr. Williams if there was anything else regarding the facility that would be public. Mr. Williams replied that if he thinks of any he would let him know. Mr. Cannon asked if there was anything else anyone would like to add to the public portion, hearing none could he have a motion to enter into Executive Session for contract negotiations. Mr. Pryor made a motion to enter into Executive. Mr. Allen stated that he would second the motion.

Executive session started at 10:39

AUTHORIZING EXECUTIVE SESSION

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

****Contract Negotiations****

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

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

Moved By: ***Mr. Pryor***

Seconded By: ***Mr. Allen***

ROLL CALL:	Mr. Allen	-	Yes
	Mr. Pryor	-	Yes
	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
Mariann Cliff

Dated: March 25, 2019

Mr. Cannon stated that he needed a motion to come out of Executive session.
Mr. Allen made a motion to come out of Executive Session, seconded by **Mr. Pryor**.

Mr. Cannon stated all in favor say aye.

Mr. Mach	-	Aye
Mr. Pryor	-	Aye
Mr. Allen	-	Aye
Mr. Cannon	-	Aye

****Executive Session ended at 11:46 am***

****Public Session resumed at 11:46 am***

Mr. Cannon asked if we did the equipment purchase in public session. Mr. Williams replied yes we did, just before executive.

FINANCE

Mr. Williams stated that we just have two final things one is A-1 the resolution to pay bills. Mr. Cannon asked what the number is now. Mr. Allen stated that you have to amend the resolution. Mr. Williams stated that it was \$648,445.38.

Mr. Cannon stated that was from the amended invoices contractually with some of our consultants. Mr. Cannon asked Mr. Williams what the other thing was.

Mr. Williams stated that he just wanted to bring it up as an FYI to the Board, that at the April meeting we are going to have a Bond Counsel and Financial Advisor come in to give an overview for bonding the Cell 7 construction. They would discuss what steps we would need to take in the event that we do not have the funds to build this. They are going to give us an overview to see what is out there. There are state programs out there where funding could be made available so they are going to explain all that to us, if we decide to go down that road. Mr. Cannon stated that the maybe money would be cheaper now, or we could get more done than we anticipated.

Mr. Williams stated that it really does not matter about the dollar amount it is just getting the funding secure so that is a good thing.

A-1 Finance Report

Mr. Williams stated that the next item would be A-1 the Financial status report for the month of February. Everything seems to be in order, nothing out of the ordinary. Mr. Cannon stated that he had a couple of questions. CP Engineers; who is that and what is it for, is it annual? Mr. Williams replied yes, what they do is the quarterly reporting for the monitoring of our storm water and our ground water. That, unfortunately because of the permit requirements has to be done by a licensed engineer and submitted. They have been doing it for us for many years.

Mr. Cannon stated that he did not recall signing a contract for them. Mr. Williams stated that actually we have never had one in place with them as a professional service. They have been doing this for a long time. Mr. Williams stated that we could get one in place, which we probably should.

Mr. Pryor stated that we probably should have the annual procurement.

Mr. Cannon stated that we are talking about a contract annually for \$40,000.00 dollars. Mr. Williams stated that he thinks it is \$28,000.00 roughly. Mr. Cannon stated \$8,500.00 quarterly, he sees \$4,000.00, and \$4,500.00, page 31. Same day invoice for a total of \$8,500.00.

Mrs. Banghart replied that there was one for \$4,000.00 and one for \$4,500.00. Mr. Williams stated correct.

Mr. Cannon stated right, and that is the total quarter \$8,500.00 a quarter and that is \$35,000.00 per year. Mr. Williams stated that he got it. Mr. Cannon stated that he asked about this a while ago but he knows that he did not sign anything for it. Mr. Cannon also stated that we do not do any bidding for it and we should, then asked Mr. Williams if he could look into that and get something back to us? Mr. Williams replied yes he would.

Mr. Cannon asked Mr. Pryor what he thought. Mr. Pryor stated that he thinks that we should procure that annually, it does not have to be a bid, it is a professional service. In fact, he thinks that the local public contracts law requires an annual appointment. Mr. Cannon replied that we have to have it done per DEP and per our permits. In addition, a contract gives us a little security on our end, right now we are just doing it word of mouth. Mr. Williams stated that we would have it for the next meeting.

Mr. Cannon stated that the other thing that he had is on page 32, the tinting from Bangor glass works. Is it \$300.00 for tinting? Mr. Williams replied that it is not for tinting it is to replace the glass, he does not know why it says tinting. Mr. Cannon stated ok, he though it sounded strange. Mr. Cannon stated that he figured it was a broken window but when he saw tinting, it just jumped out at him. Mr. Williams stated that is who we use to replace the heavy equipment windows. Mr. Cannon stated that is what he figured, those were the only two questions that he had on the bills.

Mr. Cannon asked if anyone else had any questions on the bills, hearing none asked for a motion for Resolution R-03-10-19 to pay the bills on March 25, 2019 for \$648,445.38.

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 25, 2019*.

RESOLUTION

R-03-10-19

To Pay Bills – March 25, 2019

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. Allen	- Yes
	Mr. Cannon	- Yes

We hereby certify Resolution to Pay Bills in the amount of **\$648,445.38** to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the *25th* day of *March, 2019*.

Mariann Cliff
Recording Secretary

James Williams
Director of Operations

Approved: 03/25/2019

PRESS COMMENTS & QUESTIONS

None

OTHER BUSINESS

Mr. Cannon stated new business or old business, then stated to Mr. Smith you came back in so we will let you know what we are doing. Your company and a couple of the municipalities are looking for information from the PCFA.

We are going to have a response formulated and sent out from the County. What it comes down to is this, with the agreement we have in place with Covanta, we are not able to do anything at this point in time. Mr. Smith stated that so you figure that a provision in that agreement that says you are required to take twenty thousand tons a year by-pass waste as part of your contract is not valid? Is that what you are saying?

Mr. Cannon stated no he would not say that, what he is saying is we still have the balance of 7 years left on that agreement. Mr. Williams stated that actually, Mr. Smith's statement is incorrect, that is the old version. Mr. Smith asked so that has been re-negotiated since 2007? Mr. Williams replied yes, since 2005.

Mr. Smith stated that in the 2007 contract, it states that the County or rather the PCFA will take twenty thousand tons. Mr. Williams replied that we no longer have a contract like that in existence. Mr. Williams stated that was a year-to-year contract, then asked Mr. Smith if he was talking about the contract that included the ash also?

Mr. Smith stated that he did not remember everything that was in it. Mr. Williams stated that originally, we had the bypass waste and the ash included in one contract.

Mr. Smith replied folks just be aware that the PCFA provided that document to my attorney.

Mr. Cannon stated that most of those contracts were annuals, those are not on-going agreements when we do all the other contracts we do it annually. Mr. Cannon continued that even with Covanta, it was an annual contract.

Mr. Smith stated that what you are saying is ever since 2006 when the service agreement went away, you re-negotiate everything year-to-year? Is that right? Mr. Williams replied yes. Mr. Smith asked then what is holding you back?

Mr. Cannon stated that he did not say that the service agreement expired in 2006. Mr. Williams stated that a disposal agreement is different from a service agreement.

Mr. Cannon stated that there are two different entities there, one is annual for the waste; ash, garbage, etc. then the other one is a lease service agreement we have with Covanta that has been in place for, what is the original date on that? Mr. Tipton replied 2005. Mr. Cannon continued with, this agreement made in 2005 still has 7 more years on it, this was a 25 year agreement.

Mr. Cannon stated that this was a separate agreement from our annual contracts, he does not want Mr. Smith to be thinking that those two are one and the same, they are very different.

Mr. Smith stated ok let him see if he understands it correctly, the PCFA has an annual contract for various disposal items. Mr. Cannon stated that for every vendor, same as Sanico (the one that you just sent in) everyone has that annual contract. It is for tonnage, dollar figure, what the range of tonnage is to where your pricing is set, and then if you go over that amount of tonnage in the term of that contract then there is a ten dollar per ton surcharge on top of that.

Mr. Cannon stated that for all of those, for everything that comes through the gate, is done annually. Mr. Williams stated that also includes Covanta. Mr. Cannon replied yes, including Covanta, then there is a separate agreement involving the property, the facility and everything else that is this agreement. That still has 7 years on it, that was a 25 year land agreement and that has a whole multitude of issues in it. That is the one that is making us cautious at this time because that agreement has many requirements in it.

Mr. Smith stated that his guess was based upon the information that he had.

Mr. Cannon stated that Mr. Smith you have been here all morning and that is why we are trying to explain this further. We appreciate your time and we would like to clarify the situation. We will send out the letter about what we are talking about exactly. Meanwhile we want to make sure you understand that the contracts for everything coming across the scale is done on an annual basis.

Mr. Smith stated that the document that he has is dated 2007 and from what he can tell it is not an annual agreement. He would like to find out what that is about. Mr. Cannon stated sure, he does not know particularly what agreement Mr. Smith is talking about but we can certainly take a look. Mr. Cannon then asked Mr. Smith if he could drop it off with Mr. Williams so he could look at it and figure out exactly what that agreement is.

Mr. Smith asked if the Board does not have any obligations to the Warren County Solid Waste Management Plan? Mr. Cannon replied that we discussed that with the County today and we do not know what the future holds, but again we have an overlapping agreement that may supersede the other agreements. So, in other words, if we had an annual agreement that may have nothing to do with the separate agreement that we have, which was in place long before we were here.

Mr. Smith stated that what he was alluding to was the Freeholders have what is called the Warren County Solid Waste Management Plan. PCFA under the statue is called the implementing agency. So that plan very clearly states that in the event that the burner is not available to take household garbage that the PCFA will take it in the landfill. That is what it says and he was wondering whether or not you have any obligation to pursue or comply with that.

Mr. Cannon stated that he thinks the best answer to that is, that agreement, as far as the County is for a temporary closure of the burner. Mr. Williams replied that has all been changed. Mr. Smith replied that it is temporary, two years is temporary.

Mr. Cannon stated that the agreement that you are talking about has been changed, what is going on with the County for their waste is different now. Mr. Smith stated that Warren County Solid Waste Management Plan, the plan that is in effect now was put into place in 2007 it is still in effect, it has not changed.

Mr. Cannon stated that he disagreed it has been changed. Mr. Smith stated that he sits on the Solid Waste Advisory Counsel and it has not been changed. Mr. Cannon replied that you should ask Dave Dech to give you a current copy of it because it has been changed. Mr. Smith stated that it has not been changed by the Freeholders, we are talking about the Solid Waste Management Plan, we are not talking about any contracts. It is not an agreement. Mr. Cannon stated that he understands that it is not an agreement it is a plan for the County and he is very familiar with it, there has been changes made to it since 2007.

Mr. Smith stated there are changes, facilities have been included and he has a list of all those changes provided by Dave Dech and changes to the incineration, landfill and plant are not in there. Mr. Cannon stated that they have just made some changes. Mr. Williams stated that they talked about it this past April.

Mr. Smith stated there has been no Freeholder hearing. In order for those changes to apply, the Freeholders are required by statue to hold a public hearing and there has been no public hearing.

Mr. Cannon stated that he thinks that is what tied into what has happened with Covanta this year so they are holding on to see what the story was. We did not know that they were closing on March 7th. It was supposed to be March 31. Again, our overlaying agreement has other implications for both us and Covanta.

Mr. Smith stated that he understands that there are things that they have to take care of. But based upon your comments earlier they are relying upon the 2 year moth-ball period that they are allowed in their permit is that correct?

Mr. Cannon stated that he was not going to speak for Covanta whatsoever. We have all had difficulties dealing with them, as to paperwork, council vs in person and emails so you would have to get a direct answer from Covanta. Mr. Smith stated that he believes it was in the press a few weeks back where they stated to he thinks it may have been NJ.com or Lehigh Valley they have a two year moth-ball period and he believes it is in the contract is it not.

Mr. Cannon stated that what he could tell Mr. Smith about that is they (Covanta) came in and said that particular article that you are talking about was incorrect. Mr. Smith replied earlier in the meeting, when you said that they were going to moth-ball the plant for two years, did he hear that correctly.

Mr. Cannon stated that they have what they call a temporary moth-ball closure plan. Mr. Smith stated it was in the earlier part of the meeting did he not hear someone mention that there was a two-year plan? Mr. Williams stated that he had mentioned the two years. They Covanta had submitted a mothballing plan then they revised it.

Mr. Smith stated that he thinks the simplest thing is that they are not taking the garbage anymore. Mr. Williams replied correct. Mr. Cannon stated that is pretty clear. He suggests for Mr. Smith to get with Dave to make sure you have the latest plan. Mr. Cannon stated that it hasn't been officially approved by the Freeholders and as you saw here today, with what just happened with Covanta no one was sure whether they only had to give 10 days to the state.

Mr. Smith stated that they never gave notice to the department of labor either. There is a 60-day closure rule there. Mr. Cannon stated in our last meeting the 10-day issue was not even clear to us at that point. It is really a fluid issue and he understands that Mr. Smith has to deal with this every day. The Board is trying to address it the best they can. We are all volunteers up here and we are trying to do the best we can in a bad situation.

Mr. Smith stated that he heard the reinstallation or the reorganizations and he has heard a lot of them before so he understands.

Mr. Cannon stated that this is his second round with this Board and it is a lot of work but believe them they will do whatever they can do for the future as best for Warren County is our first concern. We also have contractual agreements that we may not have made but we do not know where the road is going to lead us Mr. Smith.

Mr. Smith replied thank you.

Mr. Cannon thanked Mr. Smith for sticking around and asked if anyone had anything else that they would like to add. Hearing none could he get a motion to adjourn?

ADJOURNMENT

Mr. Cannon called for a motion to Adjourn. *Mr. Allen* motioned to Adjourn, seconded by *Mr. Mach*, at 12:06 pm.

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

Respectfully submitted by:

Mariann Cliff

Recording Secretary

Approved: March 25, 2019