

POLLUTION CONTROL FINANCING AUTHORITY  
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING

September 23, 2019

Chairman James Cannon called the regular monthly meeting of the Pollution Control Financing Authority of Warren County to order at approximately 9:36 AM.

Authority Members present: James Cannon, Richard Mach, Bud Allen and Dan Perez.

ROLL CALL:	Mr. Perez	- Present
	Mr. Mach	- Present
	Mr. Allen	- Present
	Mr. Cannon	- Present

Also present: James Williams, Director of Operations; Brian Tipton, General Counsel; Jamie Banghart, Administrative Supervisor and Mariann Cliff, Recording Secretary.

Mr. Cannon stated that he would like to call the meeting to order  
The Pledge of Allegiance was led by Chairman Cannon.

Mr. Cannon read the following statement: "Adequate notice of this meeting of September 23, 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 regretfully Mr. Pryor had decided to resign from the Board. Mr. Cannon stated that he believed that they were all pretty well aware of the reasons why and he believed that they were going to lose an expert that was extremely useful as far as engineering and all of those types of issues. Mr. Cannon stated that he had spoken to him and had corresponded with emails and regrettably, he understands but is disappointed and bewildered with the actions of what has been going on. Mr. Cannon asked if anyone wanted to add to that, if not they could move on to minutes.

MINUTES

Mr. Cannon stated that we had the minutes from July 22, 2019 and he believes that there are only three eligible because Mr. Perez was not at that meeting.

Mr. Perez replied that was correct.

Mr. Cannon continued that they currently have July 22 to do first.

Mr. Williams stated that actually Mr. Perez was at this meeting so he could speak to it. The meeting in August was the one that Mr. Perez was not available.

Mr. Cannon replied ok, so for the monthly meeting minutes from July 22, 2019 he has one thing that he would like corrected. On page 13 at the bottom the amounts are incorrect as far as the debt service, the possibility of the bond. It should read \$1,100,000.00 annually with a \$92,000.00 a month payment those are the correct numbers. They had numerous sheets with many numbers and Mr. Pryor probably said that one but this is the correct one. So if these numbers could be corrected that is all that he had. Mr. Allen stated that he did not have anything. Mr. Mach stated that he did not have anything and Mr. Perez stated that he had nothing.

Mr. Cannon stated that ok if everyone was good, could he have a motion with the one change amendment to approve M-1 the minutes from July 22, 2019.

Mr. Allen stated that he would make that motion.  
Mr. Cannon asked if he could have a second.  
Mr. Mach stated that he would second the motion.

Mr. Cannon asked if there were any further questions. Then stated all that are in favor say Aye.

Mr. Mach	-	Aye
Mr. Allen	-	Aye
Mr. Cannon	-	Aye
Mr. Perez	-	Aye

Mr. Cannon stated opposed, abstained.

Mr. Cannon stated let us move on with the Executive minutes, M-2 from July 22, 2019. Did anyone have any questions or comments?

Mr. Allen stated that he would make a motion that they approve the executive session.

Mr. Cannon stated that they had a motion to approve could they have a second.

Mr. Mach stated that he would second the motion.

Mr. Cannon asked if there were any further questions. Then stated all that are in favor say Aye.

Mr. Mach	-	Aye
Mr. Allen	-	Aye
Mr. Cannon	-	Aye
Mr. Perez	-	Aye

Mr. Cannon stated opposed, sustained.

Mr. Cannon stated let us move on with the meeting minutes, M-1 from August 26, 2019. Mr. Perez was not there. Did anyone have any questions or comments?

Mr. Allen stated that he did not.

Mr. Cannon stated that hearing none could he have a motion to approve.

Mr. Allen stated that he would make that motion.

Mr. Cannon stated that they had a motion to approve could they have a second.

Mr. Mach stated that he would second the motion.

Mr. Cannon stated all that are in favor say Aye.

Mr. Mach - Aye  
Mr. Allen - Aye  
Mr. Cannon - Aye  
Mr. Perez - Abstain

Mr. Cannon replied opposed, abstained.

Mr. Cannon stated ok, now the minutes of the Executive session M-2 from August 26, 2019 any questions or comments?

Mr. Allen stated that he would make a motion that they approve the executive session minutes August 26, 2019.

Mr. Cannon stated that they had a motion to approve could they have a second.

Mr. Mach stated that he would second the motion.

Mr. Cannon asked if there were any further questions. Then stated all that are in favor say Aye.

Mr. Mach - Aye  
Mr. Allen - Aye  
Mr. Cannon - Aye  
Mr. Perez - Abstain

Mr. Cannon stated opposed, abstained.

### CORRESPONDENCE

Mr. Cannon stated that they all have received the correspondences and he thought that they were clear. Then asked if anyone had any question about those. Mr. Cannon asked Mr. Tipton if he had received anything back from DEP. Mr. Tipton replied that he had no response. Mr. Cannon replied ok.

### PUBLIC COMMENTS (AGENDA ITEMS ONLY)

None

### PRESENTATIONS

### FINANCE

Mr. Cannon stated that they could move on to Finances.

Mr. Williams stated that everyone should have the revised sheets regarding the finance report in front of them. The only changes were some additional bills that came in late, specifically the leachate hauling and leachate treatment. Mr. Williams continued that other than that, there were just a couple of other small amounts that were also included, they just put them in while they had them. Everything is looking good financially no issues.

Mr. Williams stated that one of the haulers they he had to get Mr. Tipton involved and issue a complaint on our behalf. That hauler has since been making his payments consistently. Mr. Williams believes that he is down to a little over \$10,000.00. Mrs. Banghart stated that yes they have one invoice left.

Mr. Williams stated that they started out at around \$40,000.00 so it is now down to \$10,000.00 that he owed so he thought that it was a big help getting a complaint filed and that it was relatively inexpensive for what was owed to us. As far as all of the other haulers, everything is good.

Mr. Cannon stated that he did have a question. He thinks it was a re-categorization problem on page 26 on the bills on the pretreatment chemicals. Was that leachate also or something else? \$90,000.00 was our budget and we are already up to \$98,000.00. Mr. Williams replied correct, there were some internal errors of items being applied incorrectly that has since been corrected. Mrs. Banghart replied yes it has.

Mr. Cannon stated that he had it highlighted so he just wanted to make sure. He also had something on page 35 the Goldman Sachs item, the renewals, please tell him again what that is all for.

Mr. Williams stated that the Goldman Sachs was the Solar panels. We finally received all of their invoices which was about six months' worth of invoices. Mr. Williams continued that we did not pay the electric bills until we received all of the paper work that would accompany the bills.

Mr. Cannon replied so they had made all of the adjustments and everything else and this was our six months' electric bill, which was \$11,600.00. Mr. Williams stated that it was all current and up to date now.

Mr. Williams stated that if you see that in the future that is regarding the solar power exchange. Mr. Cannon stated ok, got it now, that was all that he had. Then asked if anyone else had any questions on the bills. Mr. Mach replied that he had nothing.

Mr. Cannon stated that the new stuff that he glanced at was just additional bills, right? Mr. Williams stated that yes and if you change one thing on one sheet, it snowballs unto other sheets.

Mr. Cannon stated that the correct number now is the \$510,526.04. Mrs. Banghart replied yes, it is. Mr. Williams replied the revised resolution is at the back of the handouts. Mr. Cannon replied ok.

Mr. Cannon asked if he had a motion to approve the resolution to pay the bills for September 2019 for the PCFA for the amount of \$510,526.04?

Mr. Mach stated that he would make that motion.

Mr. Cannon asked if he could have a second motion.

Mr. Allen stated that he would make the second motion.

Mr. Cannon asked if there were any further questions or comments. Then asked to call the roll.

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

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 *September 23, 2019*.

**REVISED  
RESOLUTION**

**R-09-01-19**

**To Pay Bills – September 23, 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. Perez	- Yes
	Mr. Allen	- Yes
	Mr. Mach	- Yes
	Mr. Cannon	- Yes

We hereby certify Resolution to Pay Bills in the amount of **\$510,526.04** to be a true copy of a resolution adopted by the Pollution Control Financing Authority of Warren County on the *23<sup>rd</sup> day of September, 2019*.

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Mariann Cliff  
Recording Secretary

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James Williams  
Director of Operations

Approved: September 23, 2019

Mr. Williams stated that the next item was A-2, which was the draft 2020 budget for the PCFA, all of the major changes that you see are highlighted in red. Some of them have gone up slightly some of

them have gone down. The ones that have gone up the most and we do not have numbers yet, are the insurances. Mr. Williams stated that for those he had arbitrarily put those up 10%. The only other large one that went up significantly was leachate hauling, he believes that that one went up about a ½ million from where it was. it went up from \$600,00.00 to \$1,000,000.00.

Mr. Williams continued that they also increased the leachate treatment cost down at Passaic Valley also from \$550,000.00 to \$700,000.00. Many of the other items except for personnel stayed the same, we are within budget with everything else that you do not see highlighted. So, in the end what it comes out to is 2020 vs. 2019 is a little over a \$240,000.00 increase from what it was last year. Again, that was due to the leachate treatment, hauling and treatment costs.

Mr. Cannon stated again from last year just for review, Mr. Williams and he did the tweaking of the big numbers to get them in line with what we were doing with the waste while we are going thru the expansion period. They got the numbers down and this was very similar to last year except for the insurances and the treatment plant. Mr. Cannon continued that everything else has the same reduction that they made last year as far as host fees and everything else. Instead of using the original numbers, they went back and looked at the real numbers with the reduced tonnage coming in.

Mr. Williams stated that the only other change is on the very last page, which is in capital funding, where you start to see the cell 7 construction costs listed and that is based off the Performa's put together by Acacia. That will start kicking in in 2021.

Mr. Cannon asked what Mr. Williams could tell them about that site evaluation. Mr. Williams replied that that was something that they put in there last year, for this year, that they did not get a chance to get around to and that was based on Tilcon blasting. To do an evaluation of the buildings prior to them initiating any blasting adjacent to us to develop a report on building structure etc. like a before and after snapshot.

Mr. Williams continued that hopefully we do not have to do an after but at least we will know.

Mr. Cannon stated that now the blasting might be in a different area. Mr. Williams replied correct. Mr. Cannon asked if that would affect us less. Mr. Williams replied yes it would be a lesser affect because it will be further away.

Mr. Cannon stated that then it could be more of a cell thing right? Affecting the road and the cell.

Mr. Williams stated that it would be more in the back of the cell up here, which would be cell 5. One of the luxuries we did was an agreement with Tilcon many years ago was to install a seismograph. One is next to the scale and the other is down below by the flare station. This way we can monitor the upgradient and downgradient blasting and if there is any effect on the landfill itself. We have not seen anything and actually the one down below has not even been set off which is good. It is always the one up near the scale house, which makes sense.

Mr. Cannon asked if we would need any type of engineer report that would be quite different from what we had envisioned before when they (Tilcon) were going to do the property adjacent to the parking lot. Now they have never gotten across the street, it looks like they are moving in another direction. Mr. Williams replied that they had an engineer do an evaluation years ago, that is why those seismographs are in place, because of the blasting. Going back quite a few years Tilcon actually came on our property, and drilled. Which prompted the seismographs to be put in. Mr. Cannon asked if they seismographs are tested periodically. Mr. Williams replied that yes, they are calibrated annually.

Mr. Cannon stated that might change what we want to get out of that engineer report due to what Tilcon may be doing in the future. Mr. Williams replied that he thinks it is worth having a discussion with the engineer about to possibly look into further. Mr. Cannon replied ok.

Mr. Williams stated that was it as far as the budget goes, then asked if anyone had any questions or comments or concerns regarding it. Mr. Cannon asked if the water truck was about to fall apart. Mr. Williams replied that it is the water tank, that goes on the back for dust control. It is now 19 years old.

Mr. Cannon asked if anyone had any questions about the proposed budget, this is just a proposal. If anyone wants any input or changes. Anyone can certainly look at it at their leisure and get back to Mr. Williams on it. If not hearing anything then this is what we will go forward with for 2020.

Mr. Cannon stated that all of the appropriate forms would be filled out.

Mr. Williams stated that would be the next step. It will be presented to everybody on the appropriate State forms. For the next meeting there will be the adoption, that comes in October then it goes down to the State, then they approve it then we have to do a final approval of it. Mr. Williams stated that it would be a couple months process once it is submitted.

Mr. Cannon stated that most of the insurances went up last year 10%. We put in 10% and they came in around 10%. Mr. Williams replied that is correct, around 10%.

Mr. Cannon stated that now you have put in another 10% so now we have a 20% bump in 12 – 14 months, wow.

Mr. Perez stated that he had a question, this back and forth that is going on now between us and the County, is this something that the County could step in the middle of and stop from being approved by the State. Mr. Williams replied that in accordance to their letters he stated that they could veto anything the Authority does.

Mr. Perez asked then what does that do to us. Mr. Williams replied that could put us in violation of filing with the State if it interferes with us getting the application filed within the appropriate time frame.

Mr. Perez replied then would the State then have to step in and say that the County could not do that?

Mr. Williams stated that he did not know what would happen, he has never encountered that.

Mr. Cannon stated that he did not know either; the PCFA is required to do it at a certain time and submit it to State for their approval. Then they have the lag time of us having a meeting and going forward then Mr. Williams doing the formulas. That is why they are doing it now because it could take up to two or three months for the whole thing to go forward.

Mr. Cannon continued that the County has always had the ability to veto, as long as he could remember. Just as the State has the ability to veto anything that the County government does. They could veto anything they like, once it is on our minutes. They can only veto from the minutes, once they get them, they have ten days to take an action upon the minutes. If they do not take an action upon the minutes then the minutes are approved. The minutes are the proof of everything of what we do forever. They could pick anything out and decide not to approve it. The County would have to take that action in public, they would have to have the meeting and they would have to specifically pull out the minutes and they would have to agree by majority to strike something from our minutes and when it gets done like that it is almost as if it did not happen. Until it is accredited in the minutes after the ten days by the next government level up, it is almost as if it has not happened.

Mr. Cannon stated that for our fiduciary duty as far as budgets and everything else this is in timeline for when we have to do it.

Mr. Cannon asked if anyone else had any other question on budgets, hearing none do we want a motion to go forward.

Mr. Williams replied that yes he thinks that would be good.

Mr. Cannon replied ok, could he have a motion to accept the proposed budget for 2020 of the PCFA.

Mr. Allen stated that he would make the motion.

Mr. Cannon asked could he have a second.

Mr. Mach replied that he would second the motion.

Mr. Cannon asked if there were any further questions, then asked to call the roll.

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

### FACILITIES/RECYCLING

Mr. Williams stated that the next item was A-3 which is if you remember we talked about this many months ago regarding the extended warranty on the new loader we just purchased that will extend the warranty out to 5 years 10,000 hours for a cost of \$7,730.00. Mr. Cannon asked if it extended it from 2 years to 5 years.

Mr. Williams replied yes and he thought it was money well spent. Mr. Cannon stated that it would extend the warranty for 3 years. Mr. Williams replied correct.

Mr. Cannon stated that it was almost \$2500.00 per year to extend it so a couple hundred bucks a month. Mr. Williams replied that he thought it was money well spent, and the loader has been working perfectly also which is a good thing.

Mr. Cannon replied just wait until the 6<sup>th</sup> year! Mr. Williams replied if everyone is in agreement he just needs an approval. Mr. Cannon asked if anyone had any questions about the warranty, hearing none could he have a motion to let Mr. Williams go ahead with signing the agreement for the extended warranty that will extend the existing warranty from 2 years to 5 years, in the amount of \$7730.00.

Mr. Perez stated that he would make the motion.

Mr. Allen stated that he would second the motion.

Mr. Cannon asked if there were any questions, then asked all of those in favor say Aye.

Mr. Mach	-	Aye
Mr. Allen	-	Aye
Mr. Cannon	-	Aye
Mr. Perez	-	Aye

Mr. Cannon stated opposed, abstained.

Mr. Williams stated that the next item was A-4 and he thinks at this time he would like to table it. Mr. Williams stated that he would still try to get some additional quotes regarding that, in addition to the 2 we currently have.

Mr. Williams stated that the next item was A-5 this was on the agenda last month to clean up the leachate collection tank. This was imminent that they needed to get this done as quickly as possible. Luckily, the lack of rain made it easier for us to get in there and get this cleaned out.

Mr. Cannon stated that we were saving on leachate money now. Mr. Williams stated yes the leachate hauling has gone down to almost nothing, which is a good thing.

Mr. Williams stated that he just needed the approval for A-5 for Russel Reid in the amount of \$17,925.00, which was their estimate for the tank cleaning. Mr. Cannon replied that that was the lesser of the two estimates right? Mr. Williams stated that yes but not by much though.

Mr. Perez stated that he would make the motion.

Mr. Cannon stated that we had a motion could we have a second.

Mr. Mach stated that he would second that motion.

Mr. Cannon asked if there were any questions, then asked all of those in favor say Aye.

Mr. Mach	-	Aye
Mr. Allen	-	Aye
Mr. Cannon	-	Aye
Mr. Perez	-	Aye

Mr. Cannon stated opposed, abstained.

### Treatment Plant Operations

Mr. Williams stated that the treatment plant mothball operations, he was waiting for the final document from Mott MacDonald on that so at this time there is nothing further to report.

### Landfill Operations

Mr. Williams stated that for the Landfill Operations there were no issues except to say that if the Board members all sat in line this morning to get here, you would have noticed that the town cleanups have started and will go through the month of October until they are completed for the year.

### Cell 7 Construction

Mr. Williams stated that there was really nothing further to report. Except to say that a conference call took place last Thursday with himself and Acacia, Bond Counsel and Mott MacDonald about some documents that needed to be submitted to the IBank site.

Mr. Cannon stated that he did not want to forget, he was saving the Cornerstone correspondence. Mr. Cannon stated that he was going to have Mr. Pryor take care of that but this is no longer possible. He is not sure who would like to make a response to that one. Mr. Cannon continued saying that he had it highlighted, and did not want to forget and now he had Mr. Allen's name on it.

Mr. Allen asked if it was true that there was no progress report from Cornerstone. Mr. Williams replied no there was none.

Mr. Allen asked what we are expecting from them next. Mr. Williams replied that the only items that Cornerstone would need to do for us is getting all of the final documents put together to go out for bid. Right now, everyone is in a holding pattern. Cornerstone, Mott MacDonald we are all waiting to hear back regarding the financing. They are all ready to go to final print with the construction drawings. Everything is ready to go; Mott MacDonald has completed everything that they had to do. Mr. Cannon stated that they have not seen them for a while so they were wondering. Mr. Williams replied that everything was ready to go.

#### H2S Removal System

None

#### Solar Panel Project

Mr. Williams stated that there was nothing to report.

Mr. Cannon replied that except all of the electric is down. Mr. Williams replied that yes the electrical has been cleaned up.

#### PERSONNEL

None

#### A-6 - 2019 Waste Disposal Fee Schedule (NO CHANGE)

Mr. Williams stated that there was nothing to report on.

#### A-7 - Electronics Recycling Program

Mr. Williams stated that A-7, the electronics program is still doing well. Not as much as we saw in June and July, he is expecting September's numbers to skyrocket. They received a lot in the month of September and Mr. Williams stated that he is anxious to see those numbers once they are finalized.

#### A-8 - Tire Recycling Program

Mr. Williams stated that the tire collection is going well also.

#### A-9 - Single Stream Recycling Program

Mr. Williams stated that A-9, the single stream recycling is holding steady. So far, we have recycled 753,000 pounds at our facility this year, so that is another program that is working well.

Mr. Williams stated that that was all that he had.

#### GENERAL COUNSEL'S REPORT

Mr. Cannon stated that Mr. Tipton had a couple of things he wanted to do in executive.

#### PRESS COMMENTS & QUESTIONS

None

#### NEW BUSINESS

Mr. Perez stated that before they go into executive, he had a question. Mr. Cannon replied go ahead.

Mr. Perez stated that in one of the emails that they received from the County where they were saying that we had to turn over the executive meeting minutes. Mr. Cannon replied that was going to be discussed in executive session. Mr. Perez replied ok.

Mr. Cannon asked if anyone else had anything for public.

Mr. Allen replied that he did not.

Mr. Cannon asked if he had a motion to go into executive session.

Mr. Allen stated that he would make that motion to go into executive session.

Mr. Mach stated that he would second that motion.

Mr. Cannon replied thank you. All in favor of going into Executive Session say Aye:

ROLL CALL:	Mr. Allen	- Aye
	Mr. Mach	- Aye
	Mr. Perez	- Aye
	Mr. Cannon	- Aye

#### EXECUTIVE SESSION

*\*Executive session started at 10:03*

#### **AUTHORIZING EXECUTIVE SESSION**

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

**\*Covanta negotiation status**

**\*Legal requirements for executive meeting minutes**

**\*Cornerstone's outstanding bills and our current contract with them.**

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. Mach**

ROLL CALL:     Mr. Allen             - Aye  
                  Mr. Mach             - Aye  
                  Mr. Perez            - Aye  
                  Mr. Cannon          - Aye

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.

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Recording Secretary  
Mariann Cliff

Dated: September 23, 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. Perez.**

Mr. Cannon stated all in favor say aye.

Mr. Mach             -     Aye  
Mr. Allen            -     Aye  
Mr. Perez            -     Aye  
Mr. Cannon          -     Aye

Mr. Cannon stated we are now out of executive session.

***\*Executive Session ended at 10:37***

***\*Public Session resumed at 10:37***

Mr. Cannon stated that now that we are back in public session, he stated that they directed counsel to draft a couple of letters relating to contractual items.

ADJOURNMENT

Mr. Cannon asked if anyone had anything else, hearing none asked for a motion to adjourn.

*Mr. Allen* motioned to Adjourn, seconded by *Mr. Mach*, at 10:38 am.

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

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Respectfully submitted by:

Mariann Cliff

Recording Secretary

Approved: October 28, 2019