

MINUTES OF REGULAR MEETING

MARCH 11, 2014

The Regular Meeting of the Morris County Municipal Utilities Authority was held on March 11, 2014 at 7:05 p.m. in the First Floor Conference Room at the MCMUA Offices located at 214A Center Grove Road, Randolph, New Jersey. The necessary notice of this meeting was published according to the law.

Chairman Dour requested a roll call.

PRESENT: Dr. Arthur Nusbaum, Ms. Laura Szwak, Mr. Frank Druetzler, Mr. Richard Plambeck, Dr. Dorothea Kominos, and Mr. Christopher Dour.

Mr. James Barry entered the meeting at 7:13 p.m.

ABSENT: Mr. William Hudzik and Mr. Fletcher Platt.

Also present was Glenn Schweizer, Executive Director; John P. Scarmozza, P.E., Chief Engineer; Larry Kaletcher, Treasurer; Marilyn Regner, Secretary; Brent Carney, Esq., Maraziti, Falcon & Healey; Larry Gindoff, Solid Waste Coordinator; Kathleen Hourihan, District Recycling Coordinator; and Freeholder-liaison David Scapicchio.

Chairman Dour asked for the Board's approval of the Minutes of the Reorganization and Regular Meeting dated February 11, 2014.

MOTION: Mr. Plambeck made a Motion to approve the Minutes of the Reorganization and Regular Meetings of February 11, 2014 and Dr. Kominos seconded the Motion.

Ms. Szwak mentioned that the Solid, Hazardous & Vegetative Waste Report was missing from the February 11, 2014 Minutes and the Minutes were amended to include same.

ROLL CALL: AYES: 5 NAYES: NONE ABSTENTIONS: Dr. Arthur Nusbaum

TREASURER'S REPORT:

Mr. Kaletcher presented the Treasurer's Report for the Solid Waste Operating, Water Operating and Capital Accounts for the month of February 2014. Also included is the Monthly report of Comparative Balances for the Solid Waste and Water Divisions, as well as the investment report in which there was no activity for the month of February. There reports have been incorporated in these Minutes.

Chairman Dour asked the Board for a Motion to accept the Treasurer's Report:

MOTION: Dr. Nusbaum made a Motion to accept the Treasurer's Report and Mr. Druetzler seconded the Motion.

ROLL CALL: AYES: 6 NAYES: NONE ABSTENTIONS: NONE

Chairman Dour asked for the Board's approval of the vouchers:

BILL RESOLUTION NO. 14-17

BE IT HEREBY RESOLVED that the bills as shown on the SCHEDULE OF WARRANTS all having been approved by the Board of officials where legally required, be and the same are hereby paid. The SCHEDULE OF WARRANTS designated as Bill Resolution No. 14-17 containing 7 pages for a total of \$2,074,033.90 dated and made a part hereof by reference.

SUMMARY
CHECK NUMBERS

CAPITAL FUNDS	1079-1082	\$ 843.33
WATER OPERATING FUNDS	2362-2401	165,809.30
SOLID WASTE OPERATING	4053-4137	<u>1,907,381.27</u>
	TOTAL	\$ 2,074,033.90

CERTIFICATION

I hereby certify that all vouchers listed above have been reviewed and found to be in proper form for payment, and I have compared the SCHEDULE OR WARRANTS to the vouchers for payment and have determined it to be correct.

DATE: March 11, 2014

BOARD CHAIRMAN APPROVAL

Christopher Dour, Chairman

SIGNED: _____
Marilyn Regner, Secretary

TREASURER'S CERTIFICATION

I hereby certify that there are sufficient funds in the appropriations charged, or accounts listed to cover the expenditures included in the SCHEDULE OF WARRANTS dated: March 11, 2014

DATE: March 11, 2014

Larry Kaletcher, Treasurer

MOTION: Dr. Kominos made a Motion that the vouchers be approved for payment and Ms. Szwak seconded the Motion.

ROLL CALL: AYES: 6 NAYES: NONE ABSTENTIONS: NONE

Mr. Kaletcher mentioned that the 2013 Financial Audit has begun and is in progress so hopefully we will have a report some time next month.

CORRESPONDENCE:

Mr. Schweizer made the following comments on the correspondence. On Item #1 of the correspondence, the legal wranglings associated with the Pondview development are still going on and presumably that caused Gregg Poff, the Administrator of Rockaway Township, to ask the MUA once again if we have water for that particular part of the Township, and since we do not have any additional allocation, we are just responding in kind. Mr. Schweizer mentioned that his understanding is that Rockaway Township is pursuing a new well to replace one of its wells that went bad. Dr. Nusbaum asked did the well go bad because of pollution or because it did not have adequate resources and Mr. Schweizer replied that it started to lose its capacity and its ability to provide water.

With regard to Item #3, we did receive minor subdivision and variance approval for 82 Whitehead Road, Morris Township, known as the Black House. He also mentioned that yesterday the MUA received the Letter of Interpretation from DEP for the approval of the wetlands delineation for 7 Doe Hill Road and will discuss these two projects in more detail under New Business.

(Mr. James Barry entered the meeting at 7:13 p.m.)

On Item #4 with regard to the Freeholders' action on the Open Space Trust Fund, the Freeholders did reduce the tax to an amount that was anticipated and the MUA will still take in about \$200,000 a year from the 2014 Fund and the County will still take in over nine million dollars. The program is still well-funded and has still a healthy fund balance so the program should be in good shape for the next several years. He mentioned that the Preservation Trust Fund Strategy Plan is being prepared through the efforts of a consultant and their effort is scheduled to be finished in July.

Mr. Druetzler asked how Rockaway Township can put in a new well without causing a problem with pollution from Picatinny? Mr. Schweizer replied Rockaway is looking to drill a replacement well to replace one they had on Green Pond Road. He does not know if they are going to be successful or if the regulatory issues are different when drilling a replacement well.

Letter dated February 12, 2014 from Gregory Poff, Administrator, Rockaway Township to Glenn Schweizer regarding sale of excess water and Response Letter dated February 28, 2014 to Gregory Poff, Business Administrator, Rockaway Township, from Glenn Schweizer.

2014 MCMUA Consumer Confidence Report and New Jersey American Water Company Supplement.

Morris Township Planning Board Resolution regarding MCMUA Application For Minor Subdivision Approval And Variance Relief for 82 Whitehead Road, Morris Township, New Jersey.

Freeholder Resolution No. 34 adopted February 26, 2014 authorizing MCMUA to disburse Open Space Trust Fund money.

Freeholder Resolution No. 35 adopted February 26, 2014 authorizing Morris County Park Commission to disburse Open Space Trust Fund money.

Borough of Chatham Resolution No. 14-129 adopted February 24, 2014 consenting to amend the Morris County Solid Waste Management Plan through Administrative Action to include S. Rotondi & Sons, Inc.'s Vegetative Waste Activities on Block 140, Lot 17.

Letter dated March 3, 2014 to New Jersey Department of Environmental Protection from Anthony Milonas, Supervisor of Water Operations, regarding T1 Reports for the Morris County M.U.A. for the month of February 2014.

ENGINEER'S REPORT:

With regard to the Mine Hill Tank Painting, Mr. Scarmozza advised the Board that Alpine is proposing to begin work on the tank this coming Monday weather permitting.

Mr. Scarmozza reported that Glenn Schweizer and he had a conference call with Terry Pilawski, Jan Gheen and Rob Hudgins of the New Jersey Bureau of Water Allocation and Well Permitting on March 5th regarding the Rockaway well. DEP advised us that for a variety of reasons permitting the well would be a difficult process for the MUA; citing the Highlands Council and the contamination issues as the biggest hurdles for us to overcome. We asked them if clarification of their questions regarding the Leggette Brashears & Graham (LBG) numeric model would help them in their determination; they said it would, but they would not be able to commit to a time frame to evaluate that model. The model evaluation would be done by New Jersey Geological Survey (NJGS) and they are booked for the next couple months on other projects. They will get back to us with a time frame of when we should submit the information and present it to them in person at a meeting in Trenton with LBG. Jan Gheen also reminded us that the Bureau of Water Allocation is precluded from issuing an allocation permit without a Highlands Plan consistency determination and that is going to be a very difficult thing for us to acquire, in so far as we create a water deficit in the HUC where the well is located. He also pointed out that the Bureau of Safe Drinking Water and Water Systems Engineering would likely have some additional requirements for the construction of the well being there a number of contaminated sites in the area besides Picatinny. They would very likely require us to install treatment along with the well pumping house. Mr. Scarmozza mentioned that there are a number of major sources of pollution in the vicinity and that's an automatic

requirement that treatment be included in the construction of the well. Mr. Plambeck asked what kind of treatment are they talking about and Mr. Scarmozza replied it would depend on what they find in the water but probably for VOC's and also Iron and Manganese for that particular well. We also agreed that it was necessary that the Bureau of Water Allocation review the model so they could make a final determination on permitting the well or not.

Chairman Dour commented that this is not a short term process and it sounds like a lot of meetings. Mr. Schweizer replied that it is actually two meetings and mentioned that this was a concession by DEP. We had previously requested a meeting with DEP so that LBG could present the model but DEP declined and then later said that based on the information they had received, they don't buy the conclusion that LBG came to, which was that the contaminated sites would not be impacted by development of the well. Mr. Schweizer mentioned that he asked DEP during the phone conversation if there is any chance of moving ahead with this well or not. The only way the Bureau of Water Allocation said they could do that is to thoroughly review the model to confirm their initial determination, which is not good for the well; or if LBG can convince them the contaminated sites are not impacted by the well because they are flowing to the local streams and will continue to do so regardless how the well is operating. There should be an initial meeting with LBG when they could walk DEP and NJGS through the model and discuss it prior to beginning the review and then followed by another meeting to hear the results of DEP's review and the final fate of the Rockaway well. He further commented that near the end of the phone conversation Jan Gheen brought up the well in the Scrub Oaks mine. John and Jan discussed its unique hydrology and Jan commented that there may be better prospects for this well than the Rockaway well. Mr. Schweizer mentioned that the MUA had presented the Scrub Oaks mine well to DEP and the Highlands a while ago and the DEP liked the Scrubs Oaks mine better than the Rockaway well but the Highlands dismissed it. If the decision to go with the Rockaway well goes against us, then we can consider bringing the Scrub Oaks well down to DEP.

Chairman Dour asked where is the Scrub Oaks well? Mr. Schweizer explained along the border between Mine Hill and Wharton where the MUA drilled a well into the mine to support the Scrub Oaks reservoir project. As part of the study, the well was pumped at a million gallons per day and it had a moderate recovery rate and limited impact on the surrounding area. We thought the well had some potential so we presented the Scrub Oaks well to the Highlands a few years ago. They rejected it because the HUC that includes this well has the largest deficit. Mr. Schweizer ended by saying that even if the Rockaway well doesn't work out and we want to revitalize the idea of the Scrub Oaks mine, the Highlands' issues are still very much a barrier for us to deal with.

Dr. Nusbaum commented that this agency has spent a lot of time and resources in pursuing water resources to the point that we do studies and more studies and bring it to the DEP, they reject it, is it improper to go back to Jersey City as we discussed 15 years ago and tap water out of their reservoir because we have rights to water there, or is it too expensive? Mr. Schweizer replied that we no longer have rights to water there anymore as that agreement terminated. Mr. Scarmozza added that was a 25 million dollar pipeline project back then with very costly pumping plus the cost of their water has risen to 2400 a million; he doesn't think it's a viable project. Mr. Schweizer mentioned that the Scrub Oaks project was very expensive also but was more cost effective than Jersey City. He mentioned there were five things that the MUA looked at after Jersey City: maximizing the yield out of Flanders, Washington Valley Wells, the Rockaway Well, the Scrub Oaks Reservoir Mine Project, and the other two options were importing surface water from Passaic Valley from the east or New Jersey American from the south. He mentioned that the MUA looked at Newark and Jersey City; they are very expensive and they don't have available safe yields anymore. As a result, Mr. Schweizer commented that it makes sense for the MUA to push these last two projects to their conclusion and then after that look at what other options there might be. Mr. Scarmozza commented that not being able to produce water is going to change our business plan from being a water producer to just possibly being a water transmission utility. He mentioned that DEP realizes that this is a significant issue for the MUA. Even if we get the Rockaway well that is just kicking the can down the road, because when that water is spoken for and there are needs beyond that, we are going to be in the same situation. Mr. Druetzler commented that over regulation will kill the County economically. Mr. Scarmozza added that it will also make us not viable as a water supplier if the MUA does not have the option to develop water sources, expand pipelines, build facilities and grow, this is not a good scenario for Morris County. Ms. Szwak asked about the Split Rock Reservoir being off limits. Mr. Schweizer replied that it is part of the Jersey City system and Mr. Scarmozza added that it is part of Jersey City's safe yield and they keep it in abeyance when they have a drought issue.

Mr. Schweizer advised that the MUA has an agreement with Jersey City that the MUA agrees to pay them certain amount per gallon for rights to develop water in the Rockaway Basin. Mr. Scarmozza explained it was cost avoidance so we didn't have to build a 15 mile pipeline to the Jersey City Reservoir. We can access the water in the basin but it's limited in volume.

Mr. Plambeck asked about Mine Hill's piping problems and their deciding not to pay us for the water supplied. He commented that it sounded like it was the homeowner's piping not Mine Hill's; that was the problem. Mr. Scarmozza replied that is correct. Mr. Scarmozza explained that we reached out to Kit Falcon and he contacted Mine Hill's attorney about the matter and in the meantime, the Mayor Sam Morris called Glenn Schweizer and they discussed the matter. Mr. Scarmozza mentioned that we did have some pressure related issues with Mine Hill but for 30 years we supplied them water was through the PRV and these very same issues came up frequently throughout that time. They have not had pressure fluctuations since we completed the Righter Road transmission main. Mr. Plambeck mentioned that the cold temperatures as Mr. Scarmozza suggested had more to do with this and Mr. Scarmozza concurred. Mr. Scarmozza mentioned that Mine Hill never gave the MUA an opportunity to look at any of the failures that they were claiming so he couldn't make an evaluation of whether it was temperature or anything else. Mr. Schweizer advised that Mayor Sam Morris apologized for not paying and they are going to make payment. His only issue is the amount of water that they have been billed for. He is asking for a meeting to discuss consideration of the leaks that occurred which is not a significant amount. Mr. Schweizer mentioned that a letter will go out from Counsel to Mine Hill putting them on notice that not paying the water bill is not consistent with contract terms.

Mr. Schweizer mentioned that he and John had an opportunity to give Fletcher Platt a brief update on the DEP meeting and he is suggesting that we have a Water Committee Meeting at 6 p.m. prior to the May 6th Board meeting.

Mr. Scarmozza asked for the Board's approval of the following resolutions:

RESOLUTION NO. 14-18
RESOLUTION TO AUTHORIZE THE AWARD OF A CONTRACT FOR
CONSULTING ENGINEER SERVICES TO EVALUATE THE CONDITION OF
ROOF AT EXISTING FACILITIES AND PREPARE BID SPECIFICATIONS
FOR REPLACEMENT

WHEREAS, the Morris County Municipal Utilities Authority (MCMUA) issued Request For Proposals, RFP 14-2W, on January 24, 2014 to identify a consulting engineering firm best suited to provide professional services to evaluate the condition of roofs on six well houses and Mt. Arlington Pumping Station and prepare bid specifications for roof repair or replacement; and

WHEREAS, the MCMUA received proposals from the following consulting firms:

1. Suburban Consulting Engineers
2. USA Architects
3. Clough Harbour Associates
4. Becht Engineering
5. Radey Associates
6. D & B Engineers
7. Hatch Mott MacDonald
8. Crew Engineers Inc.

WHEREAS, the MCMUA selection committee, consisting of the Executive Director, Chief Engineer and Water Superintendent, reviewed the proposals; and

WHEREAS, the selection committee recommends awarding D&B Engineers and Architects, P.C. the aforementioned professional service based upon the detailed proposal submitted and competitive fee; and

WHEREAS, the Authority has determined that the process utilized in selecting meets with the statutory requirements for award of a contract pursuant to the fair and open process under N.J.S.A. 19:44A-20-4 et seq.; and

WHEREAS, the MCMUA Treasurer certified that funds are available from Budget Line Item, Professional Service 4-02-6-900-925-230 to make an award.

NOW, THEREFORE, BE IT RESOLVED, that the Morris County Municipal Utilities Authority in the County of Morris and State of New Jersey on this 11th day of March 2014 as follows:

1. The Executive Director is authorized and directed to sign an agreement for professional engineering services with D&B Engineers and Architects, P.C., 330 Crossways Park Drive, Woodbury, New York 11797 for the total price of \$88,300.00 .
2. A copy of the resolution and the executed agreement shall be on file and available for inspection at the offices of the Authority, 214A Center Grove Road, Randolph, New Jersey.
3. A copy of this resolution shall be published once in the official newspaper of the Authority.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on March 11, 2014.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Christopher Dour, Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Barry made a Motion to authorize the award of a contract for consulting engineer services to evaluate the condition of roof at existing facilities and prepare bid specs for replacement to D&B Engineers and Architects, P.C. for a total price of \$88,300.00 and Mr. Druetzler seconded the Motion.

ROLL CALL: AYES: 7 NAYES: NONE ABSTENTIONS: NONE

RESOLUTION NO. 14-19 RESOLUTION TO AWARD CONTRACT NO. W-10 (RE-BID) FURNISH & DELIVER SCADA HARDWARE & EQUIPMENT

WHEREAS, the Morris County Municipal Utilities Authority ("MCMUA") received sealed bids for Contract No. W-10 (Re-Bid) to furnish and deliver SCADA hardware & equipment; and WHEREAS, the same have been reviewed by MCMUA for compliance with the bid specifications and the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, the MCMUA has made the following findings and determinations.

1. The amounts bid are set forth below:

<u>Bidder</u>	<u>Total Bid</u>
Walker Engineering Inc.	\$ 43,320.83

2. The low and only bid of Walker Engineering Inc. is below the budget estimate and has been determined to be responsible.

NOW, THEREFORE, BE IT RESOLVED by the Morris County Municipal Utilities Authority in the County of Morris and State of New Jersey on this 11th day of March, 2014 as follows:

1. The Authority hereby awards and the Executive Director is authorized and directed to execute a contract with Walker Engineering Inc., 2111 Herbertsville Road, Point Pleasant, NJ 08742 for the performance of the work described in the Contract entitled "Contract No. W-10 (Re-Bid), Furnish & Deliver SCADA Hardware & Equipment" in the amount of \$43,320.83.
2. The Treasurer of the MCMUA has certified funds are available from the 2010 Water Division Budget line item Equipment Purchase 4-02-6-300-800-151 in the amount of \$43,320.83.
3. The Executive Director is authorized and directed to forward notice of award to Walker Engineering Inc.
4. This Resolution shall take effect as provided by law.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on March 11, 2014.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____

Christopher Dour, Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Barry made a Motion to award Contract W-10 (Re-Bid), Furnish & Deliver SCADA Hardware & Equipment to Walker Engineering Inc. in the amount of \$43,320.83 and Mr. Druetzler seconded the Motion.

ROLL CALL: AYES: 7 NAYES: NONE ABSTENTIONS: NONE

PROJECT STATUS:

1. Water Tank Painting Project, Contract 22R-12

- A. No work has been performed on the Mine Hill Tank interior since late January when the scaffolds were installed and some pressure washing was done. Snow and ice have made tank access for vehicles nearly impossible and cold air temperatures are unsuitable for the work required. Alpine has assured the MCMUA that as soon as weather permits, the work will be completed.
- B. The MCMUA was furnishing water to Mine Hill, Roxbury and Wharton through the Mt. Arlington PRV from January 21st until February 19th while the Mine Hill PRV was out of service for repair. Because of snow removal, repair of the Mine Hill PRV had been delayed; on February 19th the Mt. Arlington PRV malfunctioned, operating staff immediately responded by rebuilding the Mine Hill PRV, completing the work by 10:00 PM and restoring regular operation. During the repair, staff manually throttled valves in the Mine Hill Pit to maintain nearly normal system pressure. On February 25th the repair kit arrived for the Mt. Arlington PRV and the valve was disassembled, staff found a rock had jammed the valve open; upon removal of the rock, the valve functioned normally and is serving as a back-up to the Mine Hill PRV.

2. Roof Repair

- A. Proposals for roof repairs to six wells and the Mt. Arlington Pumping Station were

received on February 28th. Staff will review the proposal and provide the Board with their recommendation for award of the service.

3. SCADA Upgrades

- A. Bids for Contract W-10 (Re-Bid), Furnish & Deliver SCADA Hardware & Equipment, were received on March 6th. The equipment is for the SCADA upgrades at the MCMUA water storage tanks, Mt. Arlington Pumping Station and miscellaneous sites. Upon review of the bids received, a recommendation regarding award of the contract will be made at the Board meeting.

GENERAL

1. SYSTEM

- A. In response to a December 20th e-mail from Jan Gheen, BWA Section Chief, regarding the hydrogeologic model of the Rockaway Well's impact on the surrounding area, the MCMUA requested a meeting to discuss the additional information NJDEP required to make a determination. Mr. Gheen contacted the MCMUA on February 28th to schedule a conference call on March 5th with himself and Terry Pilawski, BWA Bureau Chief, to discuss the matter. The content of the call will be shared with the Board as an update to the Engineer's Report at the Board Meeting.

2. CUSTOMERS

- A. While the Mt. Arlington PRV was in service, water metering to Mt. Arlington was affected. Unknown to operating staff until the PRV was activated, was the bizarre manner that the Mt. Arlington venturi meter totalizer responded to reverse flow. Because of the erratic totalizing, Mt. Arlington could not be billed from the meter and had to be billed based on the previous five year average; and because Randolph's water bill is calculated by subtracting all other customer volume from the water volume produced from the Flanders and Alamatong wells, Randolph's bill was also affected. Both municipalities were advised of the situation and to date neither customer has complained about the billing method. Normal accurate metering returned on February 19th with repair and reactivation of the Mine Hill PRV.
- B. Mine Hill was contacted by the Treasurer's staff regarding late payment of the January water bill. At that time the MCMUA was advised that Mine Hill was withholding payment due to water system damage allegedly caused by the MCMUA supplying water through PRVs. No notice of this action was issued by the Township and no attempt was made to discuss the matter with MCMUA staff. Attorney Falcon was contacted and apprised of the matter; he will contact the Mine Hill Township attorney and attempt to reconcile the matter.

SOLID, HAZARDOUS & VEGETATIVE WASTE REPORT:

With regard to the S. Rotundi & Sons matter in Chatham, Mr. Gindoff reported that the MUA received a positive resolution consenting to the changes. This modification to their plan can be updated through an administrative action approval which is in essence is a letter from the Solid Waste Coordinator for the County to the DEP. Chairman Dour asked is there any concern with Rotondi taking in pressure treated or lead contaminated wood? Mr. Gindoff replied they have to go for a permit modification now so they have to get that approved by DEP and they are not going for any increase in capacity with this material so it really should not change their operation. The MUA will have to stay on top of them and perform inspections.

Mr. Gindoff mentioned that he will be attending his first County Open Space Meeting representing the MUA next Thursday. He also reported that the tonnage numbers for the Transfer Station and Vegetative Waste is down due to the snow. Lastly, we are currently working on several of our procurements for our Household Hazardous Waste Program and we anticipate them going out over the next few days and expect them to have recommendations before the Board at the May meeting.

Finally, Mr. Gindoff mentioned that he provided a summary of the litigation that has been going on and the activities pertaining to that. Brent Carney, Esq. commented that Larry gave a good summary and if the Board has any questions beyond this, he would be happy to answer them in closed session.

TRANSFER STATIONS

Tonnage – For the month of February 2104, a total of 23,674 tons of solid waste was accepted at the two transfer stations. This monthly total is 6.36% less than the 25,282 tons accepted in February 2013. Much like January 2014, the transfer stations remained open and in operation during all the recent snow storms, though the quantity of material accepted on three days during February was extremely low due to the snow.

Legal Challenges to the Transfer Station Procurement – With the Appellate Division’s December 2013 reversal of Judge Weisenbeck’s determination to deny preliminary injunctive relief, the matter is now back before Judge Weisenbeck. In late February, Covanta and Waste Management both filed motions for Summary Judgment which are returnable before Judge Weisenbeck on March 28, 2014. In addition, Covanta submitted a form of Case Management Order with their Summary Judgment papers and Counsel to the MCMUA provided a letter objecting to this form of Case Management Order submitted by Covanta. The MCMUA will be submitting its response papers to the court by the March 18, 2014 due date. Counsel will be present at the March 11 MCMUA meeting to answer questions Board members may have on this matter.

SOLID WASTE MANAGEMENT PLAN

S. Rotondi and Sons Administrative Action Request – In a resolution adopted February 24, 2014, the Borough of Chatham consented to the changes proposed by S. Rotondi and Sons, Inc. to its Solid Waste Management Plan inclusion conditions. In short, the requested change is to consolidate an exempted class “B” wood grinding activity Rotondi operates on an adjacent lot with its already permitted class “C” vegetative waste transfer station. Additionally, Rotondi is seeking to also add the acceptance of dimensional lumber and pallets for grinding to its existing natural wood grinding operation. These modifications to the Plan can be accomplished through an administrative action request letter from the solid waste coordinator to the NJDEP without the need for a formal Plan amendment process involving the SWAC and the Freeholders. Staff

drafted an administrative action request letter regarding the Rotondi matter and forwarded to NJDEP for an informal preliminary review. The final form of the letter will be forwarded to NJDEP once their review is complete.

County Concrete Class “B” Concrete Recycling Facility, Roxbury – During the NJDEP’s Plan amendment review process, County Concrete had been working with NJDEP to have its Class “B” Recycling Facility General Approval submission accepted for its proposed concrete recycling facility. As such, shortly after receiving its Plan inclusion certification of approval dated January 31, 2014, County Concrete received its 5-year General Approval issued on February 14, 2014. This facility is to be located on Railroad Avenue in the Kenvil section of Roxbury Township.

HOUSEHOLD HAZARDOUS WASTE MANAGEMENT

Program Participation and Events - During February 2014, a total of 58 residents and businesses delivered waste to the permanent household hazardous waste (HHW) facility in Mount Olive. This is down in participation from the previous month of January 2014, when 120 participants used the facility. It also represents a decrease from last year when 130 participants used the facility in February 2013. The 58 participants managed in February represents one of the lowest levels of monthly participation at the HHW facility since it began operations.

For 2014, three household hazardous waste disposal events have been established and are being promoted. In addition to two programs being conducted at the Public Safety and Training Academy in the spring and fall, the MCMUA will conduct one program in southeastern Morris County at Chatham High School on October 18, 2014. All programs will accept E-waste for recycling in addition to accepting more traditional household hazardous wastes.

The contracts for the operation of the MCMUA's two major HHW programs will be expiring this spring. Staff is preparing to issue bids for both the operation of the permanent facility as well as operation of the one-day disposal events in the coming weeks for receipt in March and for award in April. Currently, Clean Venture operates the one-day events and MXI operates the permanent facility. Finally, requests for quotations will be issued in the upcoming weeks for the operation of the E-waste recycling program the MCMUA manages at the permanent facility as well as at its one-day events. This contract is currently handled by MRM.

VEGETATIVE WASTE MANAGEMENT – February 2013

Facility Report – The vegetative waste report for February 2014 is provided as an attachment to this report. Like many of the other MCMUA solid waste operations, the snows of 2014 impacted the quantity of material processed by the vegetative waste facilities in February. The quantities of material both inbound and outboard were significantly below the levels managed during last February. Likewise, the year-to-date totals, comparing 2014 to 2013 for the January-February period, also show a significant drop in 2014 compared to 2013. The year-to-date information presented on the Vegetative Report is new and provides a way to compare the previous year-to-date quantity to the current year for the same time period.

RECYCLING REPORT:

Ms. Hourihan handed out a summary that was prepared by ReCommunity regarding the marketing trends of recycling materials that puts 2013 into perspective since it was not a great year for recycling markets and hopefully 2014 will be better.

Mr. Schweizer asked Kathleen to give the Board an update on the ReCommunity facility. Kathleen reported that ReCommunity currently has two buildings on Iron Mountain Road; 103 was the original building which housed all the commingled recycling equipment which sorts out the bottles and cans and 105 is the newer building which has the single stream equipment which gets the bottles and cans out of the single stream. The building at 103 had a partial roof collapse the night of the snowstorm on Thursday, February 13th. Since then they have tried to evaluate the building and it is so bad the whole building is going to have to come down and be rebuilt. At the end of February we met with them and they told us they could not enter their building as it was not safe to go in to evaluate the status of their equipment. Their scale was in front and the scale house was inside of the 103 building and as a result we cannot use the scale and scalehouse so they made temporary arrangements, which are going to be longer term arrangements for us to use the scale for Trinity further up Iron Mountain Road. They anticipated a six to eight month time frame on getting it back up and running. Mr. Schweizer mentioned that they are waiting for the insurance to make a decision on the equipment.

Chairman Dour asked how does that affect the capacity of their sorting? Ms. Hourihan replied that the new building (105) takes all the single stream and any loads of fiber that get delivered and the old building (103) was taking just bottles and cans and would also get the bottles and cans that came out of the single stream line. All bottles and cans have to get transferred out and they are delivered to one of three facilities: Camden, New York or Philadelphia.

Mr. Plambeck handed out sheet on Recycling Rates per Capita that he prepared and explained that he took Kathleen's numbers based on last month's discussion and the population of the towns and divided one by the other and came up with a pounds per month per person for the various towns that we are serving. The majority of the towns came out to 14-23 lbs/person being recycled but there were three towns that are so far below the other towns and asked what the reason was for that. Ms. Hourihan replied that for those three towns we only service their recycling center and the tonnage does not include curbside tons.

Recycling Operations

Revenue and Tonnage – The ReCommunity reconciled January statement was received February 18 in the amount of \$6,045. The tonnage collected by the MCMUA during February was 1,128 tons and is shown by material and by customer on the attached report.

Material Rejected by ReCommunity Due to Snow – At the start of February, after a heavy snow storm, the MCMUA was notified that open-top roll-off container loads of recyclable material which are covered with snow would no longer be accepted. ReCommunity stated that snow and frozen chunks of material have caused damage to their equipment which, in turn,

caused down-time and back-ups of material outside the building. Staff began sending snow-covered, open-top roll-off loads to the Parsippany transfer station to dump the material and separate out the snow and break-up the frozen material. At first, individual loads were re-loaded back into roll-off containers and then delivered to ReCommunity. In order to be more efficient, staff ordered a transfer trailer which was able to be loaded with 8 to 9 tons and which allowed the roll-off trucks a quicker turn-around time. During this process, ReCommunity did reject a few roll-off loads and the first transfer trailer load, but subsequent transfer trailer loads were accepted. Staff met with ReCommunity on February 26 and further discussed future handling of loads in open-top roll-off containers. In the past, ReCommunity had indicated that open-top roll-off containers allow material to get too wet. Now that China has implemented Green Fence, moisture is much more of an issue. In the meeting, it was decided to have a meeting with those towns in our program with open-top containers to discuss ideas for covering the containers and beginning a test of a tarping/cover system.

Change Order on Small Compactor Truck – In November 2013, a resolution was approved to award a contract for the “Purchase of One (1) New 2013 (or newer) 4X2 Truck Chassis with 11 Cubic Yard Rear-Loading Packer Body” in the amount of \$112,627.10 to Route 23 Automall, LLC and a contract has been executed.

Since then, staff realized that while the truck does include a cart tipper, it does not include a winch system. The winch system provides the ability to dump rear-loading dumpsters, for example, 2 cubic yard, 4 cubic yard and 6 cubic yard dumpsters. Staff has realized that some locations that will utilize 32, 64 and 96 gallon carts in the future (which will be dumped with the cart tipper) may also utilize dumpsters at the same location. Without the winch system on the new small compactor truck, a second truck with a winch would need to be sent to that location for the dumpsters, which would be inefficient. Staff has contacted Route 23 Automall and received the price of \$4,800 for the addition of a winch system. This amount is a 4.26% increase over the original contract amount, which is well within the 20% change order limit.

Staff will prepare a resolution for consideration by the board at the March meeting to authorize this change order of adding a winch system to this new truck.

Auction of Equipment – In January, staff posted 23 items on www.GovDeals.com, an auction website, for sale. The items included 7 vehicles and 16 containers. The posting lasted 14 days and ended on February 4 for all, but one item, which ended on February 11. Twenty-one items sold and two items did not receive any bids.

One of the items we sold was a pick-up truck. The buyer bid on it without coming to look at it. When the buyer arrived to take the truck, he decided he did not want it, because he did not like the condition of it. The money was refunded to the buyer.

All other items have been paid for. Certificates of insurance are being finalized for 1 more buyer. Of the 20 items that sold (not including the pick-up truck), 12 have been taken, leaving 8 items still to be taken as of March 5.

One additional item needs to be auctioned. It is a roll-off truck, #93-12 with a bad engine which has been determined to be beyond repair. Staff has prepared a resolution for consideration by the board at the March meeting to auction this truck on www.GovDeals.com.

Including truck 93-12, the following 4 items will be posted for auction/re-auction on GovDeals:

Roll-off truck 93-12

Pick-up truck 94-50

Compactor 98-13 (received no bids on the February posting)

Roll-off container GO2-1 (received no bids on the February posting)

Chatham Township’s Request to Switch to Weekly Collection – During February, staff responded to Chatham Township’s request to switch to weekly collection. A price proposal was provided and staff waits to hear the response to start possibly in the spring.

Events/Education/Miscellaneous

Clean Communities – Clean Communities Environmental Student Exchange: This year, the MCMUA is helping to fund sending 20 science students from Frelinghuysen Middle School to

the Student Exchange program on March 20 and 21. There are lots of details which are being planned for this overnight excursion. Slam Dunk the Junk: So far 3 schools have submitted clean-up applications. Educational Programs: In February, the MCMUA funded 6 educational programs at schools in Florham Park, Harding, Long Hill, and Mt. Arlington. Road Clean-ups: There were no road clean-ups in February.

Awards Dinner – Preparations for this year’s recycling awards dinner, Highly Caffeinated Recycling, are continuing. Additional information and photos are being received from the awards recipients. Staff conferred with the CCM Visual Arts Department to once again have students create garments to be modeled at the dinner. The award plaques have been ordered.

Recycling Inspections/Outreach – In February, 39 transfer station loads suspected of improperly containing mandated recyclable materials were photographed and written-up by MCMUA tipping floor inspectors. This represents about 0.8% of the total loads received during that time period.

During February, staff worked with many generators and haulers to inform them of the recycling requirements in Morris County. The list below is a sample.

- Mondelez International in East Hanover and their property management company, Cushman and Wakefield. Staff provided educational assistance with single-stream recycling and mandated materials, since their current hauler had informed them that a lot of the materials that used to be accepted, like 3 ring binders and clothing were no longer acceptable. Staff feels that this change is likely due to China’s Green Fence.
- Holiday Inn in Mt Olive and their sub-contractor, BMU from Jacksonville, FL, who is installing furniture, fixtures and other equipment. The sub-contractor threw corrugated cardboard boxes in the trash dumpster because he was using them as waste receptacles.
- TJX Corporation and their renovation contractor for the TJ Maxx store in Long Hill, also regarding corrugated cardboard.

Boat Shrink Wrap – During February, started research into options for marketing loose boat shrink wrap. In the past, the MCMUA collected loose boat shrink wrap and baled it at the consolidation center. Without a baler, 2013 was the first year that we had to find a market for loose boat shrink wrap. ReCommunity had offered to handle the boat shrink wrap for us when we negotiated our contract. After receiving the payment on the 2013 material at the rate of \$24.75/ton, and having ReCommunity state that future payments may be negative, due to the storage issue associated with the material, staff reconsidered the program. In 2013, a total of 14.13 tons were collected in 23 loads delivered to ReCommunity over 2 plus months. The MCMUA received a total of \$349.72 which is about \$15.20 per pull which doesn’t cover our expenses.

As a result, staff began looking for other options for marketing the material. So far, no viable options have been found, but some potentials exist.

The program normally starts in mid-March, however, this year, due to the search for a viable market and the extreme weather conditions, the program will start later than normal.

Event Containers – The MCMUA’s event containers for recycling and garbage were not borrowed during February.

Preparations for Office Move – During February, staff spent much more time sorting old files and packing for the office move and then unpacking after arriving at our new location.

Miscellaneous Presentations/Meetings/Conference Calls/Correspondence

- On Tuesday, February 25, staff gave a presentation for about 10 members of the Philanthropic Educational Organization at the home of Barbara and Dick Plambeck in Chatham Borough.
- On Monday, February, 24, staff met with the new recycling coordinator for Montville for an orientation session.
- On Tuesday, February 25, staff signed on to webinar of the Association of Post-Consumer Plastics Recyclers about a recycled plastics industry update.
- On Wednesday, February 26, staff attended and carpooled with the new Florham Park recycling coordinator to the “Preparing Recycling Tonnage Reports” workshop.

Ms. Hourihan asked for the Board’s approval of the following Resolutions:

RESOLUTION NO. 14-20
RESOLUTION AUTHORIZING THE AUCTION/SALE OF EQUIPMENT

WHEREAS, the Morris County Municipal Utilities Authority (MCMUA) owns an International Roll-off Truck (Number 93-12); and

WHEREAS, this truck has been determined to no longer be of use to the MCMUA since it is old and beyond economically feasible repair; and

WHEREAS, the MCMUA desires to sell the truck, as is, where is; and

WHEREAS, the MCMUA, desires to post the truck on an “on-line” web site, www.GovDeals.com, for auction and sale to the highest bidder and/or to sell the truck to another governmental entity through a shared services agreement for an agreed upon price; and

WHEREAS, if sold on www.GovDeals.com, MCMUA staff will establish a reserve, a dollar amount below which the truck will not be sold.

NOW THEREFORE, BE IT RESOLVED by the Morris County Municipal Utilities Authority as follows:

1. The Executive Director of the MCMUA is hereby authorized and directed to post and sell the Equipment for auction on www.GovDeals.com to the highest bidder above the reserve amount and/or sell the Equipment to another governmental entity through a shared services agreement for an agreed upon price at the time deemed appropriate.
2. This resolution shall take effect immediately.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on March 11, 2014.

MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

By: _____
Christopher Dour, Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Barry made a Motion to authorize the auction/sale of equipment and Mr. Plambeck seconded the Motion.

ROLL CALL: AYES: 7 NAYES: NONE ABSTENTIONS: NONE

RESOLUTION NO. 14-21
RESOLUTION AUTHORIZING THE EXECUTION OF A CHANGE ORDER TO AMEND
THE CONTRACT PRICE BY THE AMOUNT STATED IN THE RESOLUTION
FOR THE ADDITION OF THE WINCH SYSTEM

WHEREAS, the Morris County Municipal Utilities Authority (MCMUA) and Route 23 Automall LLC executed an agreement dated November 30, 2013 to Furnish and Deliver One (1) New 2013 (or newer) 4X2 Truck Chassis with 11 Cubic Yard Rear-Loading Packer Body; and

WHEREAS, the MCMUA later realized that a winch system is needed on this truck in addition to the cart tipper which is already ordered and as further explained in the attached Change Order document; and

WHEREAS, it is necessary to add a winch system to enable the truck to dump rear-loading dumpsters; and

WHEREAS, Route 23 Automall LLC has provided a price of \$4,800.00 for the addition of the winch; and

WHEREAS, the MCMUA desires to include this winch system on the truck; and

WHEREAS, the MCMUA Treasurer has certified that sufficient funds are available in line item 4-01-3-300-800-151, Equipment Purchase, for the addition of the winch system at the price of \$4,800.00.

NOW THEREFORE, BE IT RESOLVED by the Morris County Municipal Utilities Authority as follows:

1. The Executive Director is authorized and directed to amend the truck specification and contract price to include a winch system in accordance with the terms of this resolution.
2. The maximum authorized increase pursuant to the Contract amendment approved hereby is \$4,800.00 raising the contract price from \$112,627.10 to \$117,427.10.
3. The Executive Director is authorized to execute an amended Contract in a form approved by the MCMUA Attorney.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on March 11, 2014.

MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY

By: _____
Christopher Dour, Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Dr. Kominos made a Motion to authorize the auction/sale of equipment and Dr. Nusbaum seconded the Motion.

ROLL CALL: AYES: 7 NAYES: NONE ABSTENTIONS: NONE

PUBLIC PORTION:

There being no comment from the Public, this portion of the meeting was closed.

OLD BUSINESS:

There being no Old Business, this portion of the meeting was closed.

NEW BUSINESS:

Mr. Schweizer asked for the Board's approval of the following resolution:

RESOLUTION NO. 14-22
RESOLUTION TO ACCEPT HIGHEST BID MADE AT
PUBLIC AUCTION SALE FOR THE PURCHASE OF
LOT 2 IN BLOCK 3701, MORRIS TOWNSHIP

WHEREAS, the Morris County Municipal Utilities Authority ("MCMUA") is the owner of land and premises located at 7 Doe Hill Road, Morris Township, N.J., and known as Lot 2 in Block 3701 of the Tax Map of the Township of Morris, (hereinafter referred to as "Lot 2"); and

WHEREAS, by Resolution, the MCMUA has determined that such property is no longer needed for public use and has offered the property for sale at public auction, in accordance with the requirements and provisions of the Local Lands and Buildings Act, N.J.S.A. 40A:12-1 et. seq. and the terms and conditions of the Notice of Sale and the Contract of Sale; and

WHEREAS, the MCMUA has provided the Notice of Sale in the Daily Record, and has also provided for advertisement of the public sale through the services of Coldwell Banker, the broker engaged by the MCMUA, who has also widely circulated information regarding the public sale; and

WHEREAS, an open public auction was held on March 6, 2014 at 7 p.m. in the First Floor Meeting Room at the Cultural Center, at which several bidders were present; and

WHEREAS, the highest bid at the open public auction was submitted by Linda Faletto, 9 Doe Hill Road, Morris Township, N.J. in the amount of \$315,000.00, together with a security deposit in the amount of \$31,500.00 and a fully executed Contract of Sale, all in accord with the terms of the Notice to Bidders; and

WHEREAS, Counsel for the MCMUA has advised that all legal requirements regarding the receipt of the bid have been satisfied.

NOW, THEREFORE, BE IT RESOLVED by the Morris County Municipal Utilities Authority as follows:

1. The bid of Linda Faletto in the amount of \$315,000.00 for the purchase of Lot 2 is hereby accepted in accordance with the terms and conditions of the Notice to Bidders and the Contract of Sale, which are hereby incorporated herein by reference as if fully set forth.

2. The Officers of the MCMUA and the Executive Director are hereby authorized to execute the Contract of Sale and all other documents required to accomplish the transfer of title of Lot 2 to Linda Faletto, including, but not limited to, the Deed and Affidavit of Title, and to do and take all actions to implement the provisions of this Resolution and the Contract of Sale, without further authorization of this body.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on March 11, 2014.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Christopher Dour, Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Dr. Kominos made a Motion to authorize the auction/sale of equipment and Dr. Nusbaum seconded the Motion.

Linda Faletto, who bought the house at 9 Doe Hill Road from Fred Maier who won the auction some time ago, placed the highest bid and plans on renovating 7 Doe Hill Road and selling it. There were four bidders at the auction, two of which were neighbors.

ROLL CALL: AYES: 7 NAYES: NONE ABSTENTIONS: NONE

With regard to the Black House, 82 Whitehead Road, the house has identified as a historic structure and is in the Historic District in Washington Valley. The house was built in 1928 by the Black sisters' father. The day before the auction some of the prospective bidders contacted the State Historic Office and wanted to know what were the prospective restrictions that would govern their ability to expand on this house. When the historic people looked into the situation, they realized it was owned by the MUA and we were notified that even our sale of the house would constitute an encroachment. Therefore, the sale of a property by a public agency that has been designated as a contributing structure to the historic district needs approval by the State Historic Preservation Office. So the MUA will make an application to the State Historic Preservation Office and wait for approval before the house can be auctioned.

There being no further New Business, this portion of the meeting was closed.

There being no further Business, Chairman Dour asked for a Motion to adjourn the meeting at 8:10 p.m.

MOTION: Dr. Nusbaum made a Motion to adjourn the meeting at 8:10 p.m. and Mr. Plambeck seconded the Motion and it was carried unanimously.

Marilyn Regner
Secretary

/mr