

MINUTES OF REGULAR MEETING

AUGUST 12, 2014

The Regular Meeting of the Morris County Municipal Utilities Authority was held on August 12, 2014 at 7:03 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.

Vice Chairperson Szwak requested a roll call.

PRESENT: Mr. William Hudzik, Mr. Frank Druetzler, Mr. Fletcher Platt, Dr. Nusbaum, Mr. Richard Plambeck, and Ms. Laura Szwak.

ABSENT: Mr. Christopher Dour, Mr. James Barry and Dr. Dorothea Kominos.

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 LLP; Larry Gindoff, Solid Waste Coordinator; and Kathleen Hourihan, District Recycling Coordinator.

Vice Chairperson Szwak asked for the Board's approval of the Minutes of the Closed Session and Regular Meeting dated July 8, 2014.

MOTION: Mr. Plambeck made a Motion to approve the Minutes of the Closed Session and Regular Meeting of July 8, 2014 and Mr. Hudzik seconded the Motion.

ROLL CALL: AYES: 5 NAYES: NONE ABSTENTIONS: Dr. 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 July 2014. Also included are the Comparative Balance Reports for the Solid Waste and Water Divisions, as well as the investment report for the month of July in which there was no activity. There reports have been incorporated in these Minutes.

Vice Chairperson Szwak asked the Board for a Motion to accept the Treasurer's Report:

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

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

Mr. Kaletcher advised the Board that the MUA's current electricity supply contract with Hudson Energy is set to expire on September 14th. By securing this contract, the MUA was able to secure favorable pricing as a result of a reverse on-line auction facilitated by Energy Market Exchange (EMEX). He explained that Resolution 14-37 authorizes EMEX to conduct the actual auction itself and allows the MUA to execute a contract with the lowest responsible bidder.

Vice Chairperson Szwak asked for the Board's approval of the following Resolution:

RESOLUTION NO. 14-37
RESOLUTION AUTHORIZING THE PURCHASE OF ENERGY GENERATION SERVICES FOR PUBLIC USE ON AN ONLINE REVERSE AUCTION WEBSITE

WHEREAS, the Local Unit Technology Pilot Program and Study Act (P.L. 2001, c.30)

authorizes the purchase of energy generation service for public use through the use of an online auction service; and

WHEREAS, EMEX, LLC, having a business address of 2825 Wilcrest Drive, Suite 656, Houston, Texas has proposed to conduct online reverse auction for the procurement of electric generation for the Morris County Municipal Utilities Authority (the “Authority”); and

WHEREAS, on November 9, 2011, EMEX, LLC was approved by the State of New Jersey, Department of Community Affairs, as a vendor to offer an online reverse auction platform for the purchase of energy generation services by local contracting units in New Jersey, as was issued waiver number EMEX LLC-1; and

WHEREAS, there is no fee charged to the Authority by EMEX, LLC for the services associated with the reverse auction; and

WHEREAS, EMEX, LLC is paid by the successful bidder for electricity generation services.

NOW, THEREFORE, BE IT RESOLVED by the Morris County Municipal Utilities Authority, in the County of Morris, State of New Jersey, on this 12th day August, 2014 as follows:

1. The Authority authorizes EMEX, LLC to conduct an online reverse auction for multiple terms, not to exceed two years, at no cost to the Authority, for procurement of energy generation services provided that said auction is in accordance with the Local Unit Technology Pilot Program and Study Act (P.L. 2001, c.30), the Local Public Contracts Law, N.J.S.A. 40A:11-1, and the form of energy generation services contract that is the subject of the online reverse auction bid is approved by the Authority’s staff and counsel.
2. Provided that the aforementioned conditions of Paragraph 1 of this Resolution are satisfied, the Executive Director and/or, in the alternative, the Treasurer, are authorized to execute a contract with the lowest responsible bidder, not to exceed a term of two years, that results from the aforementioned online reverse auction for the purchase of energy generation services, but only provided that the price from the lowest responsible bidder is lower than the costs that would otherwise be incurred by the Authority from Jersey Central Power & Light (JCP&L) during the term of the contract.

3. 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 August 12, 2014.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairperson

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Plambeck made a Motion to authorize the purchase of energy generation services for public use on an online reverse auction website conducted by EMEX, LLC and Mr. Platt seconded the Motion.

Mr. Druetzler asked what do you expect is going to happen? Mr. Kaletcher replied that right now if we were to just let the contracts expire, the MUA would be subject to the current JCP&L tariff, which is ten cents per KWH. He mentioned that preliminary pricing supplied by the EMEX was showing that we could come in anywhere between 9 to 9.5 cents. Electricity prices are higher now than they were two years ago as a result of increased gas prices, which is a big component of electricity charges. The contract is for two years. Mr. Carney added that by statute we cannot go beyond two years. Mr. Kaletcher mentioned that we have an option of going into a one year contract or a two year contract. Mr. Plambeck asked if it is a fixed cost and Mr. Kaletcher replied yes.

Dr. Nusbaum asked what was the guesstimated savings over the last two years by entering into this contract versus paying the way we were in past years? Mr. Kaletcher replied that the savings is approximately \$80,000 per year.

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

Vice Chairperson Szwak asked for the Board’s approval of the vouchers:

BILL RESOLUTION NO. 14-38

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. 14-38 containing 7 pages for a total of \$3,125,018.34 dated and made a part hereof by reference.

SUMMARY

CHECK NUMBERS

CAPITAL FUNDS	1099	\$ 2.20
WATER OPERATING FUNDS	2554-2591	118,624.56
SOLID WASTE OPERATING	4519-4588	3,006,391.58
	TOTAL	\$ 3,125,018.34

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: August 12, 2014

BOARD CHAIRMAN APPROVAL

Laura Szwak, Vice Chairperson

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: August 12, 2014

DATE: August 12, 2014

Larry Kaletcher, Treasurer

MOTION: Mr. Druetzler made a Motion that the vouchers be approved for payment and Dr. Nusbaum seconded the Motion.

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

CORRESPONDENCE:

Mr. Schweizer mentioned with regard to Item No. 1 of the correspondence regarding the Consent Order requesting reconsideration from the Court with regard to our Mascaro lawsuit, we met before Judge Weisenbeck this morning and Brent Carney will provide an update on that matter as well as Morris Commons in closed session. On Item No. 3, he reported last month that we were trying to negotiate a settlement with Grinnell which we were quickly able to do and we already have the check and it cleared so that matter is behind us. Items No. 4 and 5 are related in regard to the Giralda Farms Open Space Project and mentioned that included in the packets this evening is a map which shows the wellhead protection areas which are involved with the property in question. He reported that essentially most of the property that is being acquired for open space is in Tier 2 so that is the five-year time of travel which is a significant fact certainly for the use of MUA funds. He added that it is a very interesting project and is a very large one because of its location; approximately 14 million dollars and is about 205 acres. He mentioned that the 40 acre piece in Madison is being retained by the owner where they are looking to put a small hotel to work in conjunction with the other industrial buildings on the site and is not part of the open space deal. Normandy is the development group that purchased the entire property and they reached an agreement with the Open Space Institute (OSI) so sell all the property in Chatham Township which is 165 acres. OSI will then transfer the property to Chatham Township. The Open Space Institute with Chatham Township have compiled a group of partners including the MUA and asked us to participate in this project. They are petitioning the County of Morris for a 10M dollar grant, the Park Commission is providing funding from its open space fund as well as some Green Acres money, Chatham Township is providing money from its open space fund as well as Green Acres money, OSI is providing funds and they are looking for some non-profit funding from the Great Swamp Association. He mentioned that he took a site tour last week and was advised that the Park Commission's contribution is falling a little short from their expectation so they asked the MUA if we would be willing to increase our contribution from \$1,000,000.00 to \$1,250,000.00. He advised the Board that we do have the money and it is a good project. Mr. Schweizer's recommendation is to proceed.

Mr. Plambeck stated that all the property to the southwest is Park Commission property and asked if they plan to incorporate some of these pieces into County ownership or stewardship? Mr. Schweizer replied that he believes both; Park Commission is seeking ownership of the two pieces that are south of Woodland Avenue and adjacent to Loantaka Park. Also the Park Commission will be asked to manage the balance of the property and they are looking to gain some endowment from Normandy on a continuous basis to allow them to manage the fields. They also plan to extend a

network of trails from Loantaka through this property. Mr. Plambeck mentioned that the trail that goes around the office property is well-used. Mr. Schweizer mentioned that this an oasis of open space in this very populated area. Mr. Plambeck mentioned that this is a good groundwater recharge area. Mr. Schweizer asked the Board for approval to give the partners a green light for the \$1,250,000.00 and he plans to prepare the Partnership Agreement between us, Chatham Township, OSI and the Park Commission and have that ready for action at the September Board Meeting. Mr. Platt made a Motion to approve the MUA's contribution of \$1,250,000 to the open space project. Mr. Plambeck seconded the Motion and it was carried unanimously.

Mr. Schweizer advised the Board that the Open Space question will be placed on the ballot.

Consent Order Granting Stay Pending Reconsideration And Clarification filed July 22, 2014 with Judge Weisenbeck.

Letter dated July 20, 2014 to Morris County M.U.A. Board Members and Staff from Jeffrey S. Mohre, Superintendent, Washington Township Schools, thanking us for bestowing \$500.00 Slam Dunk The Junk grant award upon the Long Valley Middle School.

Letter dated July 28, 2014 to Glenn Schweizer from Jason N. Cofrancesco, President, Grinnell Recycling, Inc. enclosing check in the amount of \$61,285, as full and final payment under the Settlement Agreement.

Memorandum dated August 4, 2014 to MCMUA Board from Glenn Schweizer regarding Open Space Project – Giralda Farms.

Editorial dated July 25, 2014 entitled "Purchase of open space gem must go forward".

Article dated June 30, 2014 entitled "New Jersey Landfill Mired in Turmoil".

Letter dated August 7, 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 July 2014.

Letter dated August 7, 2014 to New Jersey Department of Environmental Protection from Anthony Milonas, Supervisor of Water Operations, regarding the Disinfectant Residuals Report for M.U.A. for the month of July 2014.

ENGINEER'S REPORT:

PROJECT STATUS:

1. Roof Repair Project (RFP-14-2W)

- A. D&B Engineers provided the MCMUA with preliminary construction plans for retrofitting the Mt. Arlington Pumping Station and the two Flanders Wells roofs. The retrofit design plan is for a shed roof with a 2/12 slope, metal roof covering and ventilation louvers on the high side. The project will be one bid but two work phases, phase one will include the aforementioned facilities and is in the 2014 budget, phase two will include four Alamatong wells and will be in the 2015 budget. The bid is scheduled for early fall with construction to start this coming winter, weather permitting, and continuing through 2015.

2. SCADA Upgrades (RFP-14-1W)

- A. PCS and Morris County M.U.A. executed the contract for Integrator and Programming Services for the MCMUA SCADA System Upgrades. Tony Milonas has been in contact with PCS to schedule the work which will start after the summer demand has subsided. First upgrades will be the pumping stations, Markewicz, Mt. Arlington and Clyde Potts followed by the tanks and miscellaneous sites.

3. Rehabilitation and Recoating the F.J. Markewicz Ground Storage Tanks (RFP-14-3W)

- A. Ten consulting firms requested the RFP for the Markewicz Tanks rehabilitation project, six responded with proposals. The review committee, comprised of Glenn Schweizer, John Scarmozza and Tony Milonas evaluated the proposals and determined that the proposal of Suburban Consulting Engineers best met the needs of the MCMUA. Suburban submitted the lowest fee proposal but also had very successfully and satisfactorily completed the recoating of the Dover Chester Road Tank and “touch-up” of the Mine Hill Tank for the MCMUA. Suburban had also furnished the MCMUA with tank rehabilitation recommendations to include in future projects to help assure a satisfactory project outcome. Based on their fee, positive past performance and project insights, the review committee recommends awarding Suburban Consulting Engineers the professional service contract to recoat and rehabilitate the F.J. Markewicz pumping station ground storage tanks. A resolution to that effect will be presented to the Board.

4. Contract 7R-14 – Markewicz Pumping Station Standby Generator Auxiliary Fuel Storage Tank Installation Project

- A. The MCMUA will advertise for bids for Contract 7R-14 to install an auxiliary fuel tank for the Markewicz Pumping Station generator. During Hurricane Sandy when fuel deliveries were interrupted for over a week, the MCMUA operating staff became painfully aware of the limitations of the 500 gallon on board generator fuel tank in the Markewicz Pumping Station generator. With a fuel consumption rate of 28 gallons per hour the generator has less than a one day fuel supply when operating at full load; without frequent fuel deliveries, long-term operation is not possible. Consequently, the MCMUA is proposing to install a 1,000 gallon auxiliary fuel tank to supplement the on-board fuel storage capacity of the generator. The proposed unit will include a transfer pump and piping to the generator tank to automatically fill the on board tank during operation; in addition it will include an additional pump to manually fill other equipment and the fuel caddy to use the stored fuel before it gets too old. The MCMUA will construct the foundation slab and site fencing, the contractor will furnish and install the unit with accessories and do all plumbing and electrical work. The total cost for the project is \$40,000.

GENERAL

1. SYSTEM

- A. As reported last month, blow-off time at Alamatong Well No. 8 has increased significantly; to conserve water Anthony Milonas has reconfigured the wells so that A-8 runs continuously thereby eliminating the blow-off at each start. Continuous operation is only possible in the summer due to high demand, however, as well levels traditionally drop in the fall, staff expects blow-off time to be shorter.
- B. The rebuilt Clyde Potts pump with new motor was placed back in service on July 15th, the pumping station was out-of-service for 16 days but there was no service interruption to NJAW Co. in Mendham due to the PRV back-up system. Patterson Pumps and A.C. Schultes did a commendable job as did MCMUA staff in getting the repair parts, repairing and rebuilding the pump and getting it installed and back in service.

- C. Frank Getchell from Leggette Brashears & Graham was in Trenton for another matter but took the opportunity to bring up the MCMUA Rockaway Well with Jan Gheen. At the meeting all Mr. Gheen was willing to do was acknowledge receipt of the model and that it was under review by NJGS. In addition, Glenn Schweizer sent Terry Pilawski, Bureau of Water Allocation & Well Permitting Bureau Chief, an email reminding her that DEP had agreed to meet and hear out LBG regarding how the model was prepared when it was delivered to DEP for review. Fred Sickles responded to Mr. Schweizer's email with a telephone call, Mr. Schweizer will update the Board on the conversation at the meeting.

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

RESOLUTION NO. 14-39
RESOLUTION TO AUTHORIZE THE AWARD OF A CONTRACT FOR
CONSULTING ENGINEER SERVICES TO EVALUATE THE CONDITION OF
EXISTING WATER STORAGE TANKS AND PREPARE BID SPECIFICATIONS
FOR REHABILITATION AND RE-COATING

WHEREAS, the Morris County Municipal Utilities Authority (MCMUA) issued Request For Proposals, RFP 14-3W, on June 23, 2014 to identify a consulting engineering firm best suited to provide the professional services to evaluate the condition of two existing water storage tanks and prepare bid specifications for rehabilitation and re-coating of the tanks; and

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

1. Suburban Consulting Engineers, Inc.
2. Crew Engineers, Inc.
3. Jacobs Engineering
4. T&M Associates
5. CP Engineers & Architects
6. H2M Associates

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

WHEREAS, the selection committee recommends awarding Suburban Consulting Engineers 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 the Engineering & Professional Services Line Item 4-02-6-900-925-230.

NOW, THEREFORE, BE IT RESOLVED, that the Morris County Municipal Utilities Authority in the County of Morris and State of New Jersey on this 12th day of August 2014 as follows:

1. The Executive Director is authorized and directed to sign an agreement for professional engineering services with Suburban Consulting Engineers, 100 Valley Road, Suite 202, Mt. Arlington, New Jersey 07856 for the total price of \$64,845.00.
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 August 12, 2014.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairperson

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Druetzler made a Motion to authorize the award of contract for consulting engineer services to evaluate the condition of existing water storage tanks and prepare bid specifications for rehabilitation and re-coating to Suburban Consulting Engineers in the amount of 64,845.00 and Dr. Nusbaum seconded the Motion.

ROLL CALL: AYES: 5 NAYES: NONE ABSTENTIONS: Mr. Platt

Mr. Druetzler asked Mr. Schweizer to update the Board on his conversation with Fred Sickles at DEP. Mr. Schweizer mentioned that the call was related to our meeting request regarding delivery of the Rockaway Well model. We had a conference call back in March with several people from the department and at the time there was an agreement that we would have two meetings; the first would be when LBG delivered the model to DEP so they could walk them through it. The second meeting would be to discuss DEP's findings after they reviewed the model results. As previously reported to the Board, DEP didn't want to have two meetings, and we said that was fine, as long as we get a definitive response on the review of the LBG model. Then I received a call from Fred Sickles and he was querying why we need a meeting. Mr. Schweizer explained to Mr. Sickles what had transpired and what we needed. Mr. Sickles responded that we shouldn't be having a meeting like this but that we should submit a new allocation permit application because then DEP would be required to review all the information presented within the application which would result in a comprehensive review and formal determination by DEP. He went on to say if they just conduct a review of the model as we were asking, and gave us their perspective, it wouldn't be official because it wasn't tied to a specific permit application. Mr. Schweizer responded that it was tied to the old permit application which was denied and the MCMUA is attempting to address the conditions of denial. We addressed the first condition of denial regarding safe yield with the Jersey City agreement and DEP accepted that as a remedy. However, when we attempted to use the computer model to explain the well's impact on local contaminated sites, they didn't like the information submitted by LBG as they were unconvinced that the well would not impact contamination at Picatinny Arsenal, Roxbury Auto Wreckers and all of the other contaminated sites within the zone of influence of the Rockaway well. Mr. Schweizer told Mr. Sickles that we are not going to submit another permit application and asked him to just review the information that was provided by LBG and then let us know if you accept or reject the conclusions that LBG reached. Mr. Schweizer added that this will fail or succeed depending on whether or not DEP is convinced that there is no impact on the contamination.

Mr. Platt asked did he say when he would get back to you and Mr. Schweizer replied no. Mr. Schweizer said he wants this matter resolved. If it is not going to proceed, which are the signals DEP is sending us, just tell us so. Mr. Druetzler asked how much time do we let go by before we decide to call him back if he doesn't call us? Mr. Schweizer replied that he will call Mr. Sickles before the September meeting and ask if a meeting can be scheduled. If I don't get a response, I'll ask Frank Druetzler to make a call.

SOLID, HAZARDOUS & VEGETATIVE WASTE REPORT:

Mr. Gindoff reported that tonnage at the transfer stations was about 200 tons less than projected but still with that, we had a very busy month in July doing about 8% more than last July and that is two

months in a row that we had relatively big monthly increases compared to last year. He is projecting about 386,596 tons for the year, which is about 3% more than last year. Matters regarding procurement will be discussed in closed session. The roof maintenance repairs at Par-Troy are currently being discussed amongst Bobby Ross and Chris Warren and I hope to have a cost proposal on engineering to get those proposals going at the September meeting. He also updated the Board on a meeting that was held last Wednesday with Debbie Pinto, the head of the Planning staff at DEP and she gave us updates on changes at DEP. They are going around the State discussing major issues they have with Counties including the level of debt, recycling numbers and successful recycling rates. He mentioned that Morris County has the third best in the State. We also had the Health Department and OEM staff from the County at the meeting to discuss issues of compliance and how we inspect the haulers, as well as some emergency planning. Finally discussion took place regarding concepts DEP has regarding food waste. Ms. Pinto also expressed concerns they have with the legacy landfills around the State. Mr. Schweizer commented that we are only one of few Counties that have no debt and the many that have extensive debt, with no end in sight, is of great concern for DEP. DEP was happy to come to Morris County as we have good enforcement, good recycling and no debt.

TRANSFER STATIONS

Tonnage – For the month of July 2014, a total of 37,558 tons of solid waste is projected to be accepted at the two transfer stations. This projection is based on actual tonnage delivered to the transfer stations between July 1 and July 29, 2014, with two days remaining in the month. The actual quantity of waste accepted for July will be provided to the Board at the up coming meeting. Based on this projected tonnage, July 2014 will experience an 8.85% increase over the 34,505 tons accepted a year ago in July 2013. With the first seven months of tonnage in at the transfer stations for 2014, it is currently projected that the transfer stations will accept 386,596 tons of solid waste in total for 2014. If this prediction holds true, the transfer stations will accept 2.59% more waste than the 376,825 tons accepted in 2013. Please reference the Transfer Station Disposal Report for additional information.

Legal Challenges to the Transfer Station Procurement – In a consent order dated July 22, 2014, which the parties in the matter all agreed to, Judge Weisenbeck stayed his June 17, 2014 order to the extent that it requires the MCMUA to advertise for new bids to be received within 60 days. This portion of his order is stayed during the pendency of the motions for reconsideration and clarification currently before the Court. Additionally, the order states no public moneys are to be expended (accept for attorney fees) on the rebidding process during the pendency of the motions of reconsideration and clarification. One matter stipulated in the consent order with respect to preparing for a rebid is that the MCMUA shall proceed to award a contract to CHA to served as technical expert. This way CHA is already retained and ready to go should the rebidding process be ordered to proceed.

In anticipation of and in accordance with the July 22 consent order, staff requested a proposal from CHA to serve as technical expert for the rebidding process. In a proposal dated July 18, 2014, CHA provided a proposal to serve as technical expert with a budget estimate of \$20,000. It should be noted that CHA served as technical expert during the original 2012 bidding process and staff was pleased with their service and recommends again using them for any Court ordered rebid. A resolution will be provided for the Board's consideration at the August 5, 2014 MCMUA meeting that awards a professional services contract to CHA based on its July 18, 2014 proposal. Additionally, counsel will be available to discuss these legal matters during the regular meeting or in a closed session as appropriate.

Roof Maintenance at the Transfer Stations – The MCMUA budgeted to perform roof maintenance (repair/replacement) at both transfer stations in 2014. Staff has requested Alaimo Engineering, who was retained at the beginning of 2014 to serve as the MCMUA solid waste engineer, to provide a cost estimate to perform the engineering services needed by the MCMUA to complete the roof maintenance projects. The Board will be kept up to date with respect to progress on this project.

HOUSEHOLD HAZARDOUS WASTE MANAGEMENT

Program Participation and Events - During July 2014, a total of 146 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 June 2014, when 169 participants used

the facility. June 2014's participation represents a decrease from last year when 229 participants used the facility in July 2013.

The next HHW event will next event on September 13, at the Public Safety Complex and MXI will be the MCMUA's new HHW disposal day vendor and MRM will continue providing E-waste recycling services. In addition, there will be an October 18 disposal event at Chatham High School using the same vendors.

Vendor Contracts

On June 26, 2014, requests for quotations were issued for both the used motor oil and oil filters accepted for recycling at the permanent HHW facility. One quotation was received by the July 18 due date and it was from Lorco Petroleum Services of Elizabeth, NJ. Lorco's quotation proposed to pay the MCMUA \$0.75/gallon for used motor oil and for the MCMUA to pay \$75.00/drum for the recycling of used motor oil filters. The MCMUA has contracted with Lorco in the past for the recycling of these two materials and was pleased with their performance. A resolution recommending the award of a contract to Lorco in an amount not to exceed \$225/year will be presented to the MCMUA Board for its consideration at the August meeting.

VEGETATIVE WASTE MANAGEMENT – July 2014

Facility Report – The vegetative waste figures for July 2014 were still being compiled as of the writing of this report. As such, vegetative waste recycling report for July 2104 will be presented to the Board at the August 5 meeting.

Mr. Gindoff asked for the Board's approval of the following Resolutions:

Resolution No. 14-40
Resolution to Award Technical Expert for
Solid Waste Management System Project

WHEREAS, the Morris County Municipal Utilities Authority (the "Authority") requested a revised proposal from the Technical Expert currently retained by the MCMUA and used in the previous bidding process (Clough Harbour & Associates, LLP) to serve as Technical Expert for an anticipated rebid of the Solid Waste Management System project; and

WHEREAS, the Authority received a proposal submitted by Clough Harbour & Associates LLP (CHA) dated July 18, 2014; and

WHEREAS, the MCMUA staff reviewed the CHA proposal dated July 18, 2014 and has recommended that the contract for Technical Expert be awarded to the firm of CHA, 6 Campus Drive, Parsippany, New Jersey 07054 based on its revised proposal; and

WHEREAS, sufficient funds for the performance of the contract are available in the 2014 budget in an amount not to exceed \$20,000; and

WHEREAS, the MCMUA Treasurer has certified that funds are available in MCMUA Solid Waste Budget line items 4-01-5-900-925-225 and 4-01-1-900-925-225; and

WHEREAS, the Authority has determined that the process utilized in selecting CHA meets 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.

NOW, THEREFORE, BE IT RESOLVED, that the Morris County Municipal Utilities Authority in the County of Morris and State of New Jersey on this 12th day of August 2014 as follows:

1. The Executive Director of the Authority is authorized and directed to sign an agreement with CHA that has been reviewed and approved by the Authority's legal Counsel, in an amount not to exceed \$20,000, as technical expert in accordance with the CHA proposal dated July 18, 2014.

2. The Treasurer has certified the availability of funds in connection with the contract to be appropriated in accordance with the duly adopted budget of the Authority.
3. A copy of this resolution and the proposal shall be on file and available for inspection at the offices of the Authority, 214A Center Grove Road, Randolph, NJ 07869.
4. Notice of the nature, duration and amount of the contract shall be published once in the newspaper of general circulation and a copy of the agreement shall be on file and available for public inspection in the office of the Authority upon its execution.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on August 12, 2014.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairperson

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Plambeck made a Motion to award technical expert for solid waste management system project to Clough Harbour & Associates in an amount not to exceed \$20,000 and Dr. Nusbaum seconded the Motion.

ROLL CALL: AYES: 6 NAYES: NONE ABSTENTIONS: Mr. Platt

RESOLUTION NO. 14-41
RESOLUTION AWARDED MARKETING OF
CLASS D RECYCLABLE MATERIALS CONTRACT
(USED MOTOR OIL AND OIL FILTERS)

WHEREAS, on June 26, 2014, the Morris County Municipal Utilities Authority (“MCMUA”) issued a Request for Quotations seeking quotations for the marketing of Class D recyclable materials, including used motor oil and oil filters, which are generated by Morris County residents and conditionally-exempt small quantity generators of hazardous waste; and

WHEREAS, one (1) quotation was received by the MCMUA by July 18, 2014, which was submitted by Lorco Petroleum Services, 450 South Front Street, Elizabeth, New Jersey, 07202, which quotes a price per gallon of \$0.75, payable to the MCMUA, for the used motor oil portion of the contract and a price per drum of \$75.00 for the used oil filters portion of the contract; and

WHEREAS, the MCMUA desires to accept this quotation for a term of one (1) year, commencing on or about September 5, 2014; and

WHEREAS, the MCMUA Treasurer has certified that funds are available in the

following line item: Household Hazardous Waste 4-01-1-600-800-726 to pay the entire contract amount.

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

1. The MCMUA shall award a contract for the Marketing of Class D Recyclable Materials, as more specifically defined herein, to Lorco Petroleum Services.
2. The Executive Director of the MCMUA is authorized and directed to execute a Contract with Lorco Petroleum Services for an amount not to exceed \$225.00 for a term of one (1) year.
3. A copy of this Resolution and applicable contracts shall be available for public inspection at the offices of the Morris County Municipal Utilities Authority, 214A Center Grove Road, Randolph, New Jersey 07869.
4. A copy of this Resolution is being forwarded to the MCMUA Treasurer and Lorco Petroleum Services, 450 South Front Street, Elizabeth, New Jersey, 07202.
5. This Resolution shall take effect immediately.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the MCMUA at its Regular Meeting held on Tuesday, August 12, 2014.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairperson

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Plambeck made a Motion to award marketing of Class D recyclable materials contract for used motor oil and oil filters to Lorco Petroleum Services and Mr. Druetzler seconded the Motion.

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

RECYCLING REPORT:

Mr. Plambeck asked Kathleen if she is almost there with the recycling reports from last year; are the numbers coming up from the previous year looking at those reports from year to year? Ms. Hourihan replied that she has the grand total added up but tends not to give that number too much credence as it is a preliminary number prior to the DEP reviewing it and a lot of things shift around.

With regard to equipment, Ms. Hourihan reported that the mini-compact truck has come in and also we have four new roll-off containers, two of which have an automatic tarping system which we

are going to test out at a few municipal recycling centers, where last winter, due to snow and rain, there was an issue with wet material.

Recycling Operations

Revenue and Tonnage – For June, ReCommunity submitted a preliminary report that only lists the loads delivered by the MCMUA and towns under the MCMUA’s contract. This report was received July 15. As of July 30, the full preliminary June statement has not been received, because ReCommunity was trying to get the June loads finalized before sending the full statement. Staff is waiting for Rockaway Township to finalize their tickets for June before we can let ReCommunity know that the June loads are correct.

The tonnage collected by the MCMUA during July through the 29th was 1,324.1 tons. The monthly tonnage is shown by material and by customer on the attached report.

Curbside Recycling Proposals – Staff provided curbside recycling proposals to Randolph Township and Madison Borough for services to begin in January 2015. From some preliminary responses it sounds like Randolph may seek bids for this service and Madison Borough may stay with dual-stream service.

Purchase of New Trucks – Staff has selected a truck upon which to base the specifications to solicit bids for the purchase of a new rear-loading compactor truck. Staff will prepare the bid document and plans to release the bid in early September to award a contract at the October Board meeting.

The new mini-compactor truck, the purchase of which was awarded November 2013, is due to arrive in New Jersey the week of August 4. The MCMUA should receive it soon after that. With the contract revisions approved at the July Board Meeting, the truck was due on July 14. Liquidated damages will be deducted for each calendar day after that, Sundays and legal holidays excluded.

New Curbside Equipment – A new stationary compactor was purchased for use at Denville’s recycling center, to replace the old compactor that was there. The previous compactor was 15 years old and stopped working in April. The costs to repair it would have been too high. The new compactor was installed in Denville on July 14. Additionally, during July staff ordered four (4) new 30 cubic yard, open-top, roll-off containers which should arrive by early August.

Old Curbside Equipment – Staff started working with municipalities during July to determine how to handle old roll-off containers that have been taken out of service that belong to municipalities. Staff is offering them back to municipalities if they want them. The municipalities can turn the ownership of the containers over to the MCMUA so that we can determine if they should be repaired, auctioned or scrapped.

Events/Education/Miscellaneous

Clean Communities – On July 23, staff attended a Clean Communities County Coordinator meeting in Asbury Park. **Slam Dunk the Junk:** As of July, a total of 20 schools have completed clean-ups and submitted their reports. A very nice letter was received from the Washington Township School District acknowledging the benefits of the Slam Dunk the Junk program that Liz Sweedy has created. See the correspondence section of the July Board packet. **Educational Programs:** During July, MCMUA funded 3 educational programs at the 4-H Fair (also mentioned below) and the Lake Hiawatha Library. **Road Clean-ups:** There was one road clean-up in July on the 21st. MCMUA curbside crews cleaned a total of 6.4 miles of road counting both sides in Mt Olive.

Recycling Inspections/Outreach – In July, 8 transfer station loads suspected of improperly containing mandated recyclable materials were photographed and written-up by MCMUA tipping floor inspectors.

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

- Rockaway Recycling in Rockaway Borough.
- DCM Construction Enterprises regarding the Houlihan’s Restaurant project in Parsippany.

- DMI Dimensional Merchandise in Wharton regarding cardboard in a transfer station load.
- T-Mobile warehouse in Mt Olive regarding cardboard delivered to the transfer station.
- Staff, including Mike Flora, met with Cardella Trucking on July 24 to discuss recycling violations from Vail Mansion and Morristown Medical Center, both in Morristown.

Avalon Bay, an apartment building construction project in Wharton, and their hauler, Pinto Services, were referred to Mike Flora, in enforcement, because they had several contaminated loads delivered to the transfer stations in January, April and June. Avalon Bay had been contacted by Wharton Borough and MCMUA staff visited the site and sent follow-up emails. Mike Flora visited the site on July 1 and issued an NOV.

2013 Municipal Recycling Tonnage Reports – As of July 30, a total of 35 of the 39 municipal recycling tonnage reports for 2013 have been received. Staff has contacted the municipalities with outstanding reports and they are all working on completing them. The remaining reports are from: Chester Township - Madison - Rockaway Borough - Wharton.

Event Containers – The MCMUA’s event containers for recycling and garbage were lent to the following organizations during July:

- SCOR Agility for a dog agility event at St Hubert’s in Morris Township - July 12-13.

Miscellaneous Presentations/Meetings/Conference Calls/Correspondence

- On Tuesday, July 8, staff participated as a presenter at the NJ School Buildings and Grounds Association, Northwest Chapter’s Annual Custodial Summer Workshop held at Sparta High School.
- On Friday, July 11, staff met with the Florham Park DPW Superintendent at the Borough’s recycling center to review the acceptable materials and provide additional signs to try to avoid future contaminated loads as had recently happened.
- On Tuesday July 15 and again on July 28, staff visited the Laurel Manor Apartment complex as a result of a complaint by one of our curbside drivers that the material they set-out for collection is a mess and is contaminated with garbage.
- On Friday and Saturday, July 18 and 19, staff attended the 4-H Fair as an exhibitor. The MCMUA also funded two educational programs for this event using the Clean Communities grant.
- On Tuesday, July 22, staff met with the Parsippany DPW Superintendent to discuss a possible shared service for our front-load garbage compactor trucks.

PUBLIC PORTION:

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

OLD BUSINESS:

With regard to the Open Space Trust Fund Analysis which was conducted by consultants for the Freeholders, the Freeholders may or may not be putting referendum questions on the ballot. Mr. Schweizer mentioned that one of the suggestions by the consultant was to consider allowing expended use of these monies to support among other things trail development, habitat restoration and also the demolition of the homes in the floodways. All these things seemed legitimate and even supported by the municipalities. So the Freeholders have three referendum questions which they were considering: (1) reduce the maximum amount of the tax from 5 ¼ cents to 4 ¼; (2) allow the use of the funds for recreation purposes; and (3) allow the use of funds to support in addition to acquisition these other necessities including trail development, habitat restoration and debris removal of the flood area. Mr. Schweizer advised the Board that a change has been made on Referendum No. 3 to only include trail development. Mr. Schweizer is in favor of reinstating habitat restoration and the flood part and these new uses should be financed from the funds going forward.

Mr. Druetzler is not supportive of merging the historic money or the park improvement money in the whole pot; both of those referendums, were separate and supported by the people and once you merge it, that means all those things will get cut out. He mentioned that he cannot support using open space money for improvements. Mr. Druetzler suggested that as far of the MUA being a steward of the property and selling the last of our properties, instead of putting that money in general funds, maybe you should dedicate it, because the properties that we’ve got are all for water

to maintain the properties, and put it in a MUA trust for that purpose. Mr. Schweizer said that certainly could be done.

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

NEW BUSINESS:

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

Vice Chairperson Szwak read the following Resolution for the meeting to go into closed session at 8:07 p.m. for the purposes of pending litigation regarding Morris Commons, LLC vs. Morris County M.U.A. et al, and Waste Management of New Jersey, Inc. and Covanta 4Recovery LP v. Morris County M.U.A. and Mascaro Consolidated.

**RESOLUTION AUTHORIZING A CLOSED SESSION FOR DISCUSSIONS
REGARDING PENDING LITIGATION INVOLVING THE AUTHORITY**

WHEREAS, the Morris County Municipal Utilities Authority desires to discuss various matters in connection with pending litigation; and

WHEREAS, the Morris County Municipal Utilities Authority is authorized to conduct a closed session in each of these instances pursuant to N.J.S.A. 10:4-12(b)(7) and N.J.S.A. 10:4-12(b)(5).

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

1. A closed session will be held immediately following the Public Portion of this meeting for the purposes of pending litigation regarding Morris Commons, LLC vs. Morris County M.U.A. et al, and Waste Management of New Jersey, Inc. and Covanta 4Recovery LP v. Morris County M.U.A. and Mascaro Consolidated.

2. The matters discussed during this closed session relating to pending litigation shall be recorded and duly approved by the Board but shall be held in confidence and shall not be made available for public disclosure until such time as the matter has been settled, an unappealable decision has been rendered by a court of competent jurisdiction or as otherwise required by law.

MOTION: Mr. Druetzler made a Motion for the meeting to go into closed session at 8:07 p.m. and Mr. Platt seconded the Motion.

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

The meeting returned to open session at 8:42 p.m. with a Motion made by Mr. Platt, seconded by Mr. Hudzik and carried unanimously.

Mr. Druetzler asked about the status of the auction of the MUA houses and Mr. Schweizer replied that we are waiting for Kit Falcon and John Napolitano to come to a conclusion regarding the easement.

There being no further Business, Vice Chairperson Szwak asked for a Motion to adjourn the meeting at 8:44 p.m.

MOTION: Mr. Plambeck made a Motion to adjourn the meeting at 8:44 p.m. and Mr. Hudzik seconded the Motion and it was carried unanimously.

Marilyn Regner
Secretary

/mr