

MINUTES OF REGULAR MEETING

MARCH 10, 2015

The Regular Meeting of the Morris County Municipal Utilities Authority was held on March 10, 2015 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: Mr. William Hudzik, Mr. Frank Druetzler, Ms. Laura Szwak, Mr. Richard Plambeck, and Mr. Christopher Dour.

Dr. Dorothea Kominos entered the meeting at 7:08 p.m.

Dr. Arthur Nusbaum entered the meeting at 7:20 p.m.

ABSENT: Mr. Fletcher Platt and Mr. James Barry.

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; Kathleen Hourihan, District Recycling Coordinator; and Andrew Holt, Suburban Consulting Engineers.

Present from the Public was Kathy Haake, Trust For Public Land.

Chairman Dour asked for the Board's approval of the Minutes of the Reorganization and Regular Meetings dated February 10, 2015.

MOTION: Mr. Szwak made a Motion to approve the Minutes of the Reorganization and Regular Meetings of February 10, 2015 and Mr. Plambeck seconded the Motion.

ROLL CALL: AYES: 5 NAYES: NONE ABSTENTIONS: NONE

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 2015. Also included are the Comparative Balance Reports for the Solid Waste and Water Divisions, as well as the investment report for the month of February in which there was no activity. These reports have been incorporated in these Minutes. Mr. Kaletcher pointed out that on the Solid Waste Treasurer's Report that the large portion of total February disbursements is a transfer of funds from our Solid Waste Operating Account to a CD with Investors Bank which will be detailed in my investment report. He mentioned that we received rates from five banks and this rate was the best for the term that we were most comfortable with.

(Dr. Nusbaum entered the meeting at 7:08 p.m.)

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

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

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

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

BILL RESOLUTION NO. 15-23

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. 15-23 containing 7 pages for a total of \$1,968,461.71 dated and made a part hereof by reference.

SUMMARY

CHECK NUMBERS

CAPITAL FUNDS	1116	\$	2.20
WATER OPERATING FUNDS	2833-2861		131,388.36
SOLID WASTE OPERATING	5133-5225		<u>1,837,071.15</u>
	TOTAL	\$	1,968,461.71

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 10, 2015

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 10, 2015

DATE: March 10, 2015

Larry Kaletcher, Treasurer

MOTION: Mr. Hudzik made a Motion that the vouchers be approved for payment and Mr. Plambeck seconded the Motion.

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

CORRESPONDENCE:

Mr. Schweizer commented on the following items in the correspondence report: Item No. 1 is the letter we received from DEP regarding our water system which we will be discussing in the Engineer's report and closed session. Item No. 2 is the annual letter from Southeast Morris County M.U.A. advising us that the new rate for us to purchase water from the Clyde Potts Reservoir is going up by four percent which is typical. He mentioned there were two resolutions by the Freeholders regarding the Open Space Trust Fund; one was to simply introduce a new program which is the Park Open Space Trust Fund or the Park Improvement Trust and they set that rate at one-quarter cent. The total rate remains at one cent so the other dollars are disbursed among all the other programs resulting in the MUA receiving a little bit less money from the Open Space program on an annual basis. He added that everyone has been receiving less money with the tax reductions over the last several years. Notwithstanding there is still sufficient funds in the program to support the projects that are on the table right now. We did receive good news from DEP. The Department accepted our grant proposal for the 2014 Recycling Enhancement Tax Grant program and we also received a check for \$222,300.00. Those monies go towards the support of our Household Hazardous Waste Program. Item No. 5 is a memorandum to the Board regarding an open space project which will be discussed under New Business. Also in your packets were a couple pieces of additional correspondence: I had the honor to give a presentation at the N.J. Land Conservation Rally. It was a well-organized event and not surprised as Laura was on the Steering Committee and

had a big part in the event. He provided a copy of the slides used for the power point presentation which he thanked Larry Gindoff for his help in putting it together. Mr. Schweizer directed the Board's attention to page 8 of the presentation which highlights the MCMUA Open Space Acquisition Program that we have been involved in since 1995. It just shows the level of activity of the MUA: involved in 48 projects, preserving over 3,000 acres and expending over \$21M of our funds. The Board was also provided with information issued by the Highlands Council. They are going to provide 50% matching funds for open space acquisitions for Counties, municipalities and non-profits of priority land in the Highlands region. The primary focus is going to be on passive recreation and conservation properties. County staff is reviewing the draft program details and information to learn more about what the whole process is and the actual details of the program. If anyone is interested in a copy of the program, I will provide you with one. Finally, there was a press release by DEP regarding their crackdown on illegal dumping on State-owned property. They have been very busy this year and they have issued 30-40 enforcement actions. This press release indicate that there were eight more people that were involved in the crackdown; three of the people that were prosecuted were based on the efforts of State Park Police along with Mike Flora who is our Solid Waste Inspector and also works with the Morris County Health Department. Mike does a fine job and also keeps an eye on waste flow control violations.

Letter dated February 18, 2015 from Steven Pudney, Section Chief, Engineering North Section, Bureau of Water System Engineering, NJDEP, to John Scarmozza regarding Inadequate Water Supply.

Letter dated February 24, 2015 from Laura Cummings, P.E., Executive Director/ Chief Engineer of Southeast Morris County M.U.A., to Glenn Schweizer regarding 2015 Water Rate.

Freeholder Resolution No. 29 authorizing increase in taxes for dedicated Park Open Space Trust Fund commencing on January 1, 2015 equal to one-quarter cent per \$100 of total County equalized property valuation and Freeholder Resolution No. 30 authorizing increase in taxes for the dedicated Open Space Tax commencing on January 1, 2015 equal to three-quarters (\$.0075) of a cent per \$100 of total County equalized property valuation.

Letter dated February 4, 2015 from Jane Herndon, Esq., Assistant Commissioner of NJDEP regarding approval of 2014 Recycling Enhancement Act Tax Entitlement Grant in the amount of \$222,300.00.

Memorandum dated March 4, 2015 to MCMUA Board from Glenn Schweizer regarding Open Space Project, Vallevue – Morris Township.

Letter dated March 4, 2015 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 2015.

Letter dated March 4, 2015 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 February 2015.

(Dr. Kominos entered the meeting at 7:20 p.m.)

ENGINEER'S REPORT:

Mr. Scarmozza introduced Andrew Holt to the Board. Andrew is the principal with Suburban Consulting Engineers and he will be the interim Water Engineer.

Ms. Szwak asked for an explanation of the Inadequate Water Supply. Mr. Scarmozza mentioned that we received a letter from DEP advising us that we had inadequate water supply with regard to firm capacity. He explained that firm capacity is a measure of water system's capability of meeting its responsibilities to supply water. In the past, the old definition of firm capacity was the ability of the system to supply water with its largest component out of service, such as a well or pump. Under that definition, we have no problem meeting our responsibilities.

Apparently, DEP revised their regulations or policy, and the new methodology to determine firm capacity, in our case as a wholesaler, uses our entire contract volume, annually and for the peak month, and adds to it any unaccountable water within that period. Since the MUA's contract volume is 99.8% of its allocation, it doesn't take much unaccounted water to drive us over the allocation.

Basically, they are applying an artificial worst case scenario to the MUA. In all other cases they use the actual water volume, in our case they are using the contract commitment. Mr. Scarmozza added that the MUA spent eight years trying to reconcile our contract deficits, we reserved a small percentage of our allocation to account for the wells blow-off but no one warned us that this would be counted against us in a firm capacity calculation.

Mr. Schweizer mentioned that there has been substantive dialogue with the Department so we had the opportunity to discuss it with them and asked John to advise the Board on that. Mr. Scarmozza advised that he and Andrew Holt reached out to DEP and spoke with Assistant Commissioner Sickles, Diane Zalaskus, Section Chief of the Bureau of Water Systems and Engineering and Steve Pudney. We expressed our displeasure with the methodology and the fact that they didn't give us the courtesy of a phone call to discuss this matter prior to sending out the letter. We also discussed with them the unaccountable water volumes that are being counted against us. There were a couple of anomalies in the meter reading between MCMUA and Southeast Morris County MUA. that exacerbated the problem, but even with those corrected, we are still in a deficit. Under the DEP regulations; there is a $\pm 1\%$ meter accuracy tolerance and we thought that should be applied to us on the annual and monthly basis and DEP said they would look into it.

Mr. Holt commented that the MUA was not the only water system to receive such a letter from the DEP. Periodically DEP reviews what water systems are delivering to their customers, what their commitments are to deliver and they assess this capacity. They changed the rule without telling us until now.

Mr. Druetzler commented that we have 99.8% of contracts, but we don't use that much water, do we? Mr. Scarmozza replied no we don't; in 2014, we had about 820 MG on annual of unused allocation and we had about 45 MG on a peak month of unused allocation, so we weren't close at all. Mr. Holt explained why DEP does this is so all of your municipal customers can rely on the contract amount every day of the year if they need to, that way they can commit to serve their customer base up to that contract amount. The contract becomes their firm capacity or their ability to meet their customer's needs and they need to be able to rely on that number every day. So that is why DEP holds us to that standard on a daily basis in its theoretical calculation. As you pointed out, the reality is that the volume of water that is diverted from our wells and sold to our customers at this time is far below our allocation. When municipal systems that purchase from us, account for future commitments, must have excess water availability, so none of them received this letter with the exception of Mt. Arlington.

Mr. Plambeck asked whether other wholesalers that have major commitments and are tied in with us, such as Southeast MCMUA and N.J. American, receive a letter, are they affected and is the same algorithms applied to those companies? Mr. Scarmozza replied that the MCMUA is more severely affected because we are 100% bulk sales, Southeast MCMUA and N.J. American Water Systems are a majority retail. In the retail calculation, they actually use the real water numbers from year to year and month to month. In our case, they use the contract volumes which is a significant percentage of our allocation, so this really skews the affect against us more so than it would a Southeast or a N.J. American whose systems are mostly retail. Mr. Plambeck commented that the firm capacity still means the largest component in our system is assumed to fail in order to come up with that number? Mr. Holt replied that actually what we are being told is our firm capacity was

the largest production unit out of service but they also have this other ceiling that we cannot go beyond that is the allocation. The gallons we can pump from the ground every month and every year, it is the allocation numbers that we are truly dealing with.

Mr. Schweizer commented that it appeared that the DEP understood the arguments that Andrew and John were making to them and they said they have to go back and look at how they are assessing their approach to the MCMUA, it sounded like we were going to get some relief. Mr. Schweizer said that we will wait and see what we hear from the DEP before responding. Mr. Scarmozza mentioned that we are going to follow-up with a letter confirming the issues that we discussed and then follow it up with another phone call making sure they received the letter and then we will see where we go from there. Mr. Scarmozza doesn't believe that they are going to excuse us for anything and they are going to hold us to the five-year lookback. Mr. Plambeck asked if there is any fine associated with this or consequence? Mr. Scarmozza replied there is no fine and this does not impact our customers, it impacts the MUA's ability to expand its system.

PROJECT STATUS:

1. Roof Repair Project, Contract No. 36

A. As reported at the February meeting, the MCMUA received bids for the Rebid of Contract No. 36, New Roof Structure and Roof at 3 Pumping Stations on January 29th, the bid prices were again higher than expected. Staff reviewed the bids and Engineer's Estimate with the Consultant and has decided to recommend rejection of all bids and cancelling the sloped roof retrofit of the pumping station and well houses. The Consultant's estimate used in the comparative analysis of roof alternatives did not accurately reflect the current market conditions for the work and resulted in insufficient funding and rejection of this and a prior bid. At their cost, the Consultant will re-specify flat roof repairs and re-roofing and provide a revised Engineer's Estimate for the alternative project.

2. SCADA Upgrades

A. The water operating staff installed the new SCADA hardware unconnected at the Markewicz Pumping Station and is awaiting PCS personnel to complete the software installation and programming, and coordinate the switch over to the upgraded system. Following the completion of the SCADA upgrade at Markewicz will be the more involved upgrades at the Mt. Arlington Pumping Station.

3. Rehabilitation and Recoating of the F.J. Markewicz Pumping Station Ground Storage Water Tanks

A. Suburban Consulting Engineers (SCE) expects to have preliminary specification for rehabilitation of the Markewicz Tanks to the MCMUA for review and approval this month, and be ready to advertise for bids in late May for award at the July Board meeting. Under this schedule work may start on the first tank by late August or early September, with work on the second tank to begin as soon as weather permits in 2016.

4. Clyde Potts Pumping Station Pump Upgrade

A. Associated Technology is gathering information on Clyde Potts Pumping Station as well as the circuit powering the station and the circuit powering the Clyde Potts WTP before opening their inquiry with JCP&L. Once power capacity is determined, decisions regarding the pump and motor starting can be made. In the meantime SMCMUA notified the MCMUA that they may have a Contact Time (CT) issue with the Clyde Potts WTP and the location of the point of delivery to the MCMUA pumping station. This matter is under review with DEP and has the potential to complicate the MCMUA/SMCMUA Clyde Potts system.

5. RFP-14-4W Research and Assemble Background Data & Prepare an Asset Management Plan

A. The MCMUA and Jacobs Engineering have completed contract negotiations and Jacobs is ready to sign the contract to prepare an Asset Management Plan for the MCMUA Water Division. In the time since award, staff has been assembling files on each facility's

equipment, when data is available, in an effort to provide Jacobs with archive information, missing information will have to be acquired by Jacobs' staff of experts.

6. Alamatong Well No. 8 Turbidity Study

- A. Suburban Consulting Engineers (SCE) is awaiting water sample results in order to complete analysis of the Alamatong Well No.8 blow-off and make a recommendation for or against the addition of filtration to the well. MCMUA operating staff was having difficulty finding a lab that could perform the required particulate testing portion of the samples; finally Passaic Valley Water Commission was able to locate a lab and will subcontract the analysis to them. Once SCE has the sample results in hand they will be able to determine the type, size and costs to install and operate filtration at the well and if it is cost effective to proceed.

GENERAL

1. SYSTEM

- A. The MCMUA received a Notice of Inadequate Water Supply from NJDEP Bureau of Water System Engineering on February 27th. The letter states that the MCMUA "has a deficit in at least one of its daily, monthly or yearly limits" and as a result the department will not allow any new development projects to proceed. This was shocking news to the MCMUA staff, especially since the MCMUA completed balancing its water contract deficits with its customers in 2012 and hasn't been anywhere close to an allocation limit in the past 10 years. The 'firm capacity' deficit that BWSE is referring to appears to be the result of a new method of calculation, and staff still does not understand the rationale or algorithms behind the results. Staff contacted BWSE and requested their calculations, and has begun to review the new methodology. Preliminarily it appears that BWSE is starting with the assumption of full contract volume utilization and assessing unaccounted water, under utilization and emergency supply penalties to drive the firm capacity deficit. This initial interpretation may be found to be incorrect upon further investigation by staff; that being said, staff intends to completely understand what appears to be a new approach to calculating the system's firm capacity and if need be contest it with NJDEP. If however staff's initial suspicions are correct; then the upgrade of the Clyde Potts pump to take full advantage of the contract volume and elimination of Alamatong Well No.8 blow-off will become high priority projects.
- B. John Scarmozza and Anthony Milonas have been meeting weekly with Andrew Holt, PE, from Suburban Consulting Engineers to familiarize Mr. Holt with the current issues confronting the MCMUA Water Division and projects, on-going and planned, that he will be called upon to oversee. Mr. Holt's familiarity with the MCMUA and its customers' systems and personnel, as well as his knowledge of DEP and Highlands regulations, is making the administrative transition go very smoothly. As an active player in the water supply arena, Mr. Holt brings a broad scope of experience and in depth knowledge to the MCMUA.

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

RESOLUTION NO. 15-24
RESOLUTION REJECTING BIDS FOR CONTRACT 36 (REVISED RE-BID),
NEW ROOF STRUCTURE AND ROOF AT THREE PUMPNG STATIONS,
NEW ROOF INSTALLATION PROJECT

WHEREAS, the Morris County Municipal Utilities Authority ("the Authority") received bids on January 29, 2015 for Contract 36 (Revised Re-Bid), New Roof Structure And Roof At Three Pumping Stations, New Roof Project; and

WHEREAS, the Authority received five bids which were submitted by:

- a. Helios Construction, Inc., Ocean, NJ - \$346,000
- b. GL Group, Bloomingdale, NJ - \$371,300
- c. Northeast Roof Maintenance Inc., Perth Amboy, NJ - \$405,000
- d. Double Tree Structures, Inc., New Holland, PA - \$413,015
- e. Arista Builders & Designers Inc., Jackson, NJ - \$480,000

WHEREAS, the Authority has received a report from the Chief Engineer advising that all bids received exceed the Engineer's estimate and budget;

WHEREAS, the Authority finds that all bids should be rejected on account of the fact that all exceed the Engineer's estimate and budget for this project.

NOW, THEREFORE, BE IT RESOLVED, by the Morris County Municipal Utilities Authority in the County of Morris and State of New Jersey on this 10th day of March, 2015 as follows:

1. All of the bids are hereby rejected for the reason herein above stated.
2. The project to retrofit the pumping stations with sloped roofs is cancelled.
3. The Executive Director shall return the bid security to the aforesaid bidders.
4. The Executive Director is authorized and directed to re-bid the project through the public advertisement for bids pursuant to the Local Public Contracts 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 10, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Christopher Dour, Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Druetzler made a Motion to reject the bids for Contract 36 (Re-Bid) and Dr. Nusbaum seconded the Motion.

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

SOLID, HAZARDOUS & VEGETATIVE WASTE REPORT:

Mr. Gindoff reported that it was a very slow month with respect to garbage with all the weather issues we had but our transfer stations do remain open throughout all these snow storms. With respect to the transfer station bids, we executed those contracts but we still have not implemented that contract and will be discussing this in closed session. He advised the Board that we will start taking appointments for compost and mulch orders on March 16, 2016 and the prices remained the same as last year. Deliveries start on April 13th through September 25th.

TRANSFER STATIONS

Tonnage – For the month of February 2015, 22,588 tons of solid waste was accepted at the two transfer stations for disposal. The February 2015 tonnage was 4.59% less than the 23,674 tons accepted a year ago in February 2014. Based on tonnage accepted for the first two months of the year, for 2015 the annual total tonnage is projected to be 353,381 tons which would be 7.67% less than the 382,757 tons accepted in 2014. Please refer to the Transfer Station Disposal Report by Month for additional information.

Transfer Station Re-Bid – The MCMUA adopted Resolution #15-21 at the February 10, 2015 MCMUA meeting directing the Executive Director to execute an agreement with J.P. Mascaro and Sons based on the proposal it submitted with respect to the transfer station re-bid. On February 27, 2015 the contracts were executed and distributed back to the Mascaro. The NJDEP contacted the MCMUA shortly after the award of the Mascaro contract informing the MCMUA

of the need to amend the Solid Waste Management Plan to include this new contract. This matter is still being investigated. Additionally, a copy of the contract and completed OSC Form C was forwarded to the Office of State Comptroller. This is in accordance with the state's requirement to notify the OSC of all contracts entered into which have a contract valued at more than \$10 million.

Transfer Station Re-Permitting – The MCMUA permit for the Mount Olive transfer station expired on February 28, 2015. In early February, Alaimo Engineering submitted the permit renewal application for the transfer station on behalf of the MCMUA to the NJDEP for its review and approval. As there were no proposed changes to the operation of the transfer stations between this current permit renewal and the one submitted five years ago, it is anticipated that the NJDEP should be able to issue a notice of administrative completeness and/or the actual permit renewal shortly.

HOUSEHOLD HAZARDOUS WASTE MANAGEMENT

Program Participation and Events - The snow and general bad weather has resulted in a real slow down in participation at the HHW facility in February. During February 2015, a total of 70 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 2015, when 169 participants used the facility. As bad as the weather was this February, it should not be forgotten how bad the weather was in February 2014 when the facility only accepted material from 58 participants.

VEGETATIVE WASTE MANAGEMENT – February 2015

Facility Report – The vegetative waste figures for February 2015 are provided as an attachment to this report. Much like the hazardous waste program, the weather in February impacted the amount of material managed at the compost sites. This downtime was utilized at the Parsippany compost site to repair the Scarab windrow turner whose 4-track system was rebuilt by Binder Machinery. In addition, several worn parts replaced during this repair. This Scarab now runs very well. This work was performed in accordance with resolution #14-63 adopted at the end of 2014.

The vegetative waste division was able to secure the use of dump truck # 95-5 once again for the 2015 compost and mulch delivery season. The MCMUA borrowed this dump truck from the Morris County Building and Grounds Department in 2014 and they have made it available for the MCMUA's use once again for 2015 delivery season. The compost and mulch delivery season is scheduled to run from April 13, 2015 through September 25, 2015 and the MCMUA will begin scheduling delivery orders on March 16, 2015. The prices for deliveries in 2015 remain at the prices charged in 2014.

RECYCLING REPORT:

Ms. Hourihan updated the Board on snow covered and wet loads. She advised the Board that there are two types of covers that we are trying out: plywood and plastic. The cost of these covers range from \$250 to \$1,000. The two municipalities that have tried these covers have reported back that they have helped to keep the loads dry. ReCommunity personnel continue to remind us that snow and moisture are a problem.

Recycling Operations

Revenue and Tonnage – For the remainder of 2014, the October, November and December statements have been finalized at \$26,227, \$18,698 and \$23,067 respectively. The January 2015 statement was received on February 20 and is almost finalized at \$9,114.

The tonnage collected by the MCMUA for recycling during February through the 26th was 932 tons. The monthly tonnage is shown by material and by customer on the attached report. Additional tonnage was collected in February, but was snow covered and did not get recycled. See further explanation about snow covered loads below.

Snow Covered Loads in Open-top Roll-off Containers – During this winter, the first open-top roll-off container loads that were rejected by ReCommunity began January 28, 2015. During January, a total of 14 loads were rejected for a total of about 20 tons. Loads continued to be

rejected in February as snow continued. During February, a total of 59 loads, with 102 tons, were rejected or redirected to the transfer stations. Not every load was rejected by ReCommunity, since our drivers were using their judgment based on previous loads that had been rejected. In addition to snow causing problems for ReCommunity's sorting equipment, the MCMUA experiences operating difficulties with open-top roll-off containers as well. It is very common for portions of loads to become frozen inside the container. When it is being off-loaded at ReCommunity, that frozen portion of the load remains in the container. When the MCMUA was operating our recycling facility, we were able to extract the frozen portion with a skid steer. Since we no longer have that ability, we either leave the container somewhere to thaw or bring the frozen portion back inside the container. This leads to extra time being spent per load.

Staff along with the Borough of Netcong have been working together to test a plywood cover system. The MCMUA bought the materials from Home Depot and Netcong put it together and started testing it the weekend of February 21. So far, they have positive comments. One downside is that the system requires two people to put it on and take it off and the snow needs to be removed before taking it off. The Town of Boonton plans to purchase and test another system that the MCMUA suggested. The other system is plastic covers vs. plywood. We look forward to seeing that system and to hearing their comments on using it.

Meeting with ReCommunity – Staff plans to meet with ReCommunity on March 13 to discuss a potential new plastic pesticide container collection program and other issues including an update on rebuilding the facility that experienced a roof-collapse last winter.

2014 Rebates to Municipalities – During January and February, staff worked to finalize all of the ReCommunity statements for 2014 which had to be done in order to calculate rebates for municipalities based on revenue received. Rebates for single-stream, fiber and commingled bottles and cans are based on five-year averages. A new five-year average was calculated for each stream for 2010 to 2014. Based on the calculations, each of the 2014 prices was below the five-year averages, which means that no rebate is paid. Other materials, including rigid plastics, corrugated cardboard and scrap metal did yield rebates. As a result a total of \$12,760 will be paid to 13 municipalities for 2014 tonnage.

Events/Education/Miscellaneous

Clean Communities – Educational Programs: In February, the MCMUA funded 13 educational program at various schools throughout the county. Road Clean-ups: The MCMUA curbside crews did not do any road clean-ups.

Awards Event for 2015 – This year's event will be smaller than past awards events. It will be a luncheon held on April 30 at the Frelinghuysen Arboretum. Seating will be limited to 100

people. Staff was busy during February visiting with potential awards recipients on Friday, February 6 and Tuesday, February 17 and making all the plans for the event.

Recycling Inspections/Outreach – A total of 17 transfer station loads suspected of improperly containing mandated recyclable materials were photographed and written-up by MCMUA tipping floor inspectors.

During the month, staff worked with generators and haulers to inform them of the recycling requirements in Morris County. Some of the meetings with generators included:

- Safelite Auto Glass - Staff met with the warehouse manager in follow-up to receiving a load of garbage with cardboard at the transfer station. The warehouse manager said he was not aware of recycling mandates, but that he will contact headquarters to set up a recycling program.
- Oakwood Village - Staff met with the Property Manager for this apartment complex located in Mount Olive as result of a phone call that Mike Flora received from the Township Health Department, that garbage was spilling out of the complexes dumpsters. The complex did not completely remove snow from around the dumpsters, so residents started mixing garbage and recycling into whatever dumpsters were available. The situation has improved since then.

Event Containers – The MCMUA's event containers for recycling and garbage were not lent to any organizations during February.

Miscellaneous Presentations/Meetings/Conference Calls/Correspondence

- On Tuesday, February 3, staff met with a representative of New Legacy Books and a representative of County College of Morris to discuss placement of book bin on the campus in Randolph. New Legacy Books accepts hard and soft cover books in their bins and they have about 21 bins located around Morris County. Hard cover books are not accepted for recycling at ReCommunity, so New Legacy Books has provided a reuse option for them.
- On Wednesday, February 4, staff, along with the Boonton Township recycling coordinator, did a recycling inspection at the Rockaway Valley School and provided a detailed follow-up letter with recommendations for improvement.
- Also, on February 4, staff signed into a webinar hosted by Keep America Beautiful about a study done by the State University of California on ways to improve recycling via bin type and placement.
- On Thursday, February 5, staff toured Green Vision, a non-profit organization that demanufactures a variety of items including ewaste. Their mission statement is “GreenVision Inc. is organized to give students and adults with developmental disabilities the opportunity to learn and work in real life job situations. We have chosen Reverse Supply Chain with a focus on electronics recycling.” The facility is located in Randolph, in the same building where the Morris Habitat ReStore is located.
- Also on February 5, staff attended a Swap and Share meeting hosted by the Association of New Jersey Recyclers at the Bergen County Utilities Authority’s offices.
- On Friday, February 6, staff attended the one-day class on Preparing Tonnage Reports taught by Joe Davis of the New Jersey DEP.
- On Monday, February 9, staff met with representatives from Morris County Youth Shelter, part of the County recycling program, as follow-up to the inspection done in November.
- On Thursday, February 19, staff met with a representative of Millennium International Textiles, Inc. located in Mt Olive. This company is a broker for used clothing and shoes that they collect. They were looking to get the word out about their company.

PUBLIC PORTION:

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

OLD BUSINESS:

Mr. Schweizer advised the Board that due to the weather and the snow cover and the need to increase the opportunities for people interested in making a bid on the Black House, we moved the auction back a couple weeks to Tuesday, April 28th at 7 p.m. at the Cultural Center. We hope to get a good response to this auction and we will have only one left.

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

NEW BUSINESS:

Mr. Schweizer mentioned that the Trust For Public Land (TPL) is represented here tonight by Kathy Haake who has worked for them for many years and who I have also worked with on a number of open space projects not only in Morris County but in Sussex County. Kathy does a real good job in putting partnerships together to try to get these projects done.

Mr. Schweizer mentioned that the MUA was approached by TPL to make up a shortfall in the project funding. An application was made before the County Committee, which was partially funded, and Morris Township was also a partner and contributor. It was suggested that the Township needed to increase its participation in this project which they have done. Mr. Schweizer mentioned that he had a conversation with Kathy and told her if she can bring a project close to completion, let us know and we will see if we can close the gap. Kathy came back to me and said the project is \$100,000 short of the \$1.6M purchase price and would the MUA be willing to participate?

Mr. Schweizer said there may be some issues and questions about the project so I thought it best for her to be here to speak more about the project and answer any questions the Board has. Mr. Druetzler commented that he called Mr. Schweizer up and said he was not going to support the project. Mr. Druetzler said he wasn’t crazy about how the project came and there are these strips of land around other people’s property or the center piece of property that seemed to make it more valuable but I could have probably lived with that; but then when I read in the paper and saw that

property is for Sheriff's Sale and the Sheriff's Sale asks that they are in arrears of \$1,107,000. If this was going to Sheriff's sale and someone offered me \$1.5M, I would take it quick, I wouldn't be asking for \$1.6M so I cannot vote for something like that.

Kathy Haake responded that TPL is a facilitator and we bring together landowners, funding sources and stewardship partners and bring projects together so we can have open space acquisitions. This project is one that has been floating around for years. The landowner has worked with the Township on trying to sell portions of the property, they've worked with the County, and they've talked to the County Farmland Program. The landowner is on the difficult side and he is in financial difficulties right now but we are close to getting some of the property preserved at the moment. They are working on the subdivision right now and the property that is going to be purchased is appealing to Morris Township is because it provides trail corridors. She mentioned that the MUA might be interested in this property because it flows to the Whippany River, a Category 1 stream. The landowner is agreeing to restrict the additional lots to three lots and is agreeing not to ever subdivide these two lots. So the majority of the property will remain at two lots. Purchasing this property, part of the deal is that he is restricting the inner portion of the property so it won't ever turn into that subdivision. Mr. Druetzler said can you guarantee that? Ms. Haake said she can if we go through the Planning Board and once we get to the Board of Adjustments, it will be put on the Deed. The property is in a high recharge area and there is a lot of preserved land around the property. A bit part of this acquisition is to prevent future development and impervious coverage and is something that is important to the MUA right now.

Ms. Haake mentioned that Morris Township has a large balance left in their Open Space Trust Fund right now and they keep a balance because they occasionally have properties that come up that the landowners are not willing to wait the time it takes to make an application to the County and they purchase the properties outright. Mr. Plambeck asked if there is any wetlands on this property and Ms. Haake replied no. Is it technically feasible to put in a trail on these strips and Ms. Haake replied yes.

Ms. Szwak asked if the price is backed up by appraisal and Ms. Haake replied yes and said the \$1.6M is for four lots (\$400,000/lot). Mr. Druetzler asked if they are subdivided and Ms. Haake said that two are and two are not. The agreement is that the subdivision will take effect before closing. Ms. Szwak said she would support this to prevent the building of 13 houses, and it is steep terrain which would result in all that storm water run-off going into that stream that drains into Washington Valley.

Chairman Dour said the Sheriff's Sale is March 26th and Ms. Hague said you get an automatic delay of four weeks and the Sheriff's Sale is being put off at this moment until April 23rd.

Mr. Schweizer saw this project as an opportunity for MCMUA to help put a project over the edge as a partner with the Township and the County and the Trust For Public Land to acquire this property.

After the presentation, Chairman Dour asked if there is any interest on the part of the Board to pursue the funding of \$100,000 to fund this project and mentioned that we will need to get the language for the subdivision so our attorneys can review it and make sure it is as tight as it can be.

Mr. Schweizer commented that we should have a vote to determine whether the Board is in favor of this project or not so I can formally get back to Kathy and the Township. Mr. Schweizer asked the Board for a Motion to support the Vallevue project by contributing \$100,000 of our Open Space Trust Funds.

MOTION: Ms. Szwak made a Motion to support the Vallevue project by contributing \$100,000 of our Open Space Trust Funds and Mr. Hudzik seconded the Motion.

Mr. Plambeck asked that the Motion be amended to assure that we are going to have access to the agreement with the subdivision because without the subdivision in place he is worried that they could put more than that in there and I think we have to have it contingent upon that subdivision language being acceptable and that the conservation easements that we would require for that land for us to participate would be a part of that.

Ms. Haake asked if Mr. Plambeck would allow a Community Garden on the property and he replied he had no problem with that. Mr. Schweizer added that we have done that before.

Chairman Dour advised that this Motion just indicates that we are interested in funding the project and eventually we would have a resolution that would actually allocate that money, which Mr. Schweizer added, would be in the form of a Conservation Partnership Agreement with all the parties.

Ms. Szwak and Mr. Hudzik agreed to the amendment of the Motion.

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

Chairman Dour read the following Resolution for the meeting to go into closed session at 8:18 p.m. for discussion regarding pending litigation of Waste Management of New Jersey, Inc. v. MCMUA et al., No. A-111-14T2, as well as Morris Commons LLC vs. MCMUA et als.

**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 discussion regarding pending litigation of Waste Management of New Jersey, Inc. v. MCMUA et al., No. A-111-14T2, as well as Morris Commons LLC vs. MCMUA et als.

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: Dr. Kominos made a Motion for the meeting to go into closed session at 8:18 p.m. and Mr. Hudzik seconded the Motion.

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

The meeting returned to open session at 8:36 p.m. with a Motion made by Mr. Hudzik, seconded by Mr. Plambeck and carried unanimously.

There being no further Business, Chairman Dour asked for a Motion to adjourn the meeting at 8:37 p.m.

MOTION: Mr. Plambeck made a Motion to adjourn the meeting at 8:37 p.m., seconded by Mr. Hudzik and carried unanimously.

Marilyn Regner
Secretary

/mr