

MINUTES OF REGULAR MEETING

AUGUST 11, 2015

The Regular Meeting of the Morris County Municipal Utilities Authority was held on August 11, 2015 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 Chairwoman Szwak requested a roll call.

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

Mr. James Barry entered the meeting at 7:15 p.m.

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

Also present was Glenn Schweizer, Executive Director; Andrew Holt, P.E., MCMUA Water Consulting Engineer; Larry Kaletcher, Treasurer; Marilyn Regner, Secretary; Brent Carney, Esq., Maraziti Falcon LLP; Larry Gindoff, Solid Waste Coordinator; Kathleen Hourihan, District Recycling Coordinator; Anthony Milonas, MUA Water Superintendent and A. J. Capuzzi and Frank Biank, Jacobs Engineering.

Vice Chairwoman Szwak asked for the Board's approval of the Minutes of the Regular Meeting dated July 7, 2015.

MOTION: Mr. Hudzik made a Motion to approve the Minutes of the Regular Meeting of July 7, 2015 and Mr. Plambeck seconded the Motion.

ROLL CALL: AYES: 4 NAYES: NONE ABSTENTIONS: Dr. Nusbaum & Ms. Szwak

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 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 July in which there was no activity. These reports have been incorporated in these Minutes.

Vice Chairwoman 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 Mr. Plambeck seconded the Motion.

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

Vice Chairwoman Szwak asked for the Board's approval of the vouchers:

BILL RESOLUTION NO. 15-42

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. 15-42 containing 7 pages for a total of \$3,132,139.42 dated and made a part hereof by reference.

SUMMARY

CHECK NUMBERS

CAPITAL FUNDS	1129-1131	\$ 6,772.57
WATER OPERATING FUNDS	3005-3047	291,046.45
SOLID WASTE OPERATING	5581-5669	<u>2,834,320.40</u>
	TOTAL	\$ 3,132,139.42

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 11, 2015

BOARD CHAIRMAN APPROVAL

Laura Szwak, Vice Chairwoman

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 11, 2015

DATE: August 11, 2015

Larry Kaletcher, Treasurer

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

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

Mr. Schweizer mentioned that Item Nos. 2 and 4 of the correspondence are both related to the Southeast Morris County M.U.A./Wharton agreement. Item No. 2 is a letter to the DEP confirming that based on the approval of the schedule for the well turbidity project, DEP has determined that the MCMUA is not in a water deficit, which enables the MCMUA, based on the resolution that we have adopted in May, to approve of the agreement between Southeast Morris County M.U.A. and Wharton. With regard to Item No. 4, there was some confusion about whether the MCMUA should allow expansion of the Wharton water system to allow inclusion of additional properties. Based on information submitted by Counsel from Wharton and reviewed by staff, there is no need for the MCMUA to take any formal action since there is no real expansion of the water system; essentially Wharton is taking over several neighborhoods that they already provide water to in Rockaway Township. Mr. Schweizer added that the only thing that is outstanding is the DEP approval of the contract. Mr. Carney mentioned that he received an email from Michael Rich saying that DEP approved it but has no proof beyond that statement. Mr. Schweizer mentioned it looks like things are moving ahead on that project.

Regarding Item No. 3 of the correspondence, we received a letter received from the Administrator of State Historic Preservation Office providing the MCMUA with the approval to go ahead with the auction of the Beckman house. Finally, the MCMUA has resolved all the issues with Morris Township over the Vallevue Open Space project and the Board of Adjustment did make the approvals for the subdivision that included the restrictions that we are seeking so we can proceed ahead with that project.

Mr. Schweizer mentioned the memorandum regarding the deaths in the MUA family and our thoughts and prayers go out to those folks and their families.

Mr. Schweizer mentioned that the MCMUA received a new application from a company that wants to develop a Class "A" Recycling Facility in Rockaway Borough and it is located at the yard of Cipollini, a hauler. Larry Gindoff responded back to them and provided them with information on how they need to proceed in order to get County approval.

Letter dated July 8, 2015 to Richard Merkt, Administrator, Mendham Borough, from Glenn Schweizer regarding Open Space Project – Scott Farm, Mendham Borough.

Letter dated July 9, 2015 to Diane E. Zalaskus, P.E, Chief, Division of Water System Engineering, NJDEP, from Glenn Schweizer confirming that Morris County MUA is not in a water supply deficit.

Letter dated July 13, 2015 to Glenn Schweizer from Daniel D. Saunders, Administrator, State Historic Preservation Office, regarding the sale of 86 Whitehead Road, Morris Township, New Jersey.

Letter dated July 24, 2015 to Brent T. Carney, Esq., Maraziti Falcon LLP, from George W. Johnson, Esq., Johnson & Johnson, clarifying the proposed agreement between Wharton and Rockaway Township and to obtain approval from the MCMUA should that be necessary; and

Response Letter dated July 27, 2015 to George W. Johnson, Esq. from Glenn Schweizer advising that no formal action is necessary from the MCMUA since there will be no expansion of the water system.

Memorandum dated August 4, 2015 to Timothy Quinn, Administrator, Township of Morris from Glenn Schweizer enclosing the final version of the Conservation Partnership Agreement for the Vallevue Open Space Project.

Letter dated August 3, 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 July 2015.

Letter dated August 3, 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 July 2015.

(Mr. James Barry entered the meeting at 7:15 p.m.)

ENGINEER'S REPORT:

Vice Chairwoman Szwak called on A. J. Capuzzi, Project Manager of Jacobs Engineering who gave a presentation on Phase 1 of the Asset Management Plan and their findings and results. A question and answer period followed.

Vice Chairwoman Szwak asked if there is a commitment on the part the MUA Staff to keep this information maintained and updated. Mr. Schweizer replied absolutely; for a lot of reasons. He explained that we have had two major staff people retire (Randy Stalter and John Scarmozza)

over the last few years and this is a good time to look how we manage the water system and how we approach planning for improvements into the future. We are very fortunate to have Tony Milonas here but he is not going to be here forever and it is important to manage the water system by utilizing the Asset Management Plan (AMP). Mr. Schweizer added that his impression is that the MUA system is very functional and there are some next steps that he can see the MUA doing in the next year or so to make it easier for us to utilize the new AMP. Because we have good people in our Water Division, we already know most of what we need to do in the short term, but to put it in a more systematic way and to look at these things that were uncovered by A. J. Capuzzi and put it in an organized system, it will help present and future staff.

Mr. Druetlzer commented that there wasn't very much done after the MUA did the Alamatong and since then it has grown and its modernized itself and every year we have put money to upgrade this system. This is an excellent report and to have 2% loss of water; compared to Southeast Morris County M.U.A. who has 20% loss of water and they are always working on it and a lot of other places are just as bad, so we have a lot of good things. He further commented that you are always going to have to do repairs. If you have structures, you need to fix them up and you need to keep putting capital in all the time, just like the roads. This Asset Management Plan is a great tool and it identifies everything and you got to focus on certain areas that are needed such as the Markewicz Pump Station.

Dr. Nusbaum asked do we need to discuss another phase as far as a price tag on these things; do we do it internally, do we do it through Jacobs Engineering, and when we do that, do we have to factor in the rate that we are charging and/or the rate changes that may be needed. Is there a bigger part of the Plan as far as our financials go?

Mr. Schweizer mentioned that the bottom line is it gives you a better understanding of what to put in the Operating budget and Capital budget every year. He added that we have been doing this informally every year and we have used this information to develop our Capital Budget estimate and our Five Year Plan. The advantage though is it puts it in a more systematic basis and some things may raise to the top that we may have overlooked or that we did not give as high a score but we should think about a little more.

Mr. Plambeck commented that this is also helpful information to use with our customers when we are talking to them about what the system needs and also with the Freeholders.

Mr. Schweizer advised the Board that he has already asked A. J. Capuzzi of Jacobs to give the MUA a proposal to prepare the cost improvements, the assets spreadsheet and the timetable. He also mentioned that he is very pleased with Jacobs' work; they have done an excellent job and very thorough. Dr. Nusbaum asked if that it will be an objective overview of a risk list and the costs involved so that you can make intelligent decisions. A. J. Capuzzi replied exactly.

Vice Chairwoman Szwak asked if the pipe assessment is part of the current scope and A. J. Capuzzi replied yes, that is part of the current scope. Mr. Capuzzi commented that he will add in the Board's comments on the Plan. The Board thanked A. J. Capuzzi for the presentation.

Mr. Holt commented that he was pleased with Jacobs Engineering's preparation of the document and thoroughness of their evaluation as well. At a minimum, it can be used as an annual budget planning tool. As improvements are made and projects completed, the AMP can be updated on an on-going basis.

Mr. Holt reported on the following: (1) Re-Bid of the Roof Repair Contract 36: I did yesterday receive updated plans and specs for going out to re-bid on the three roofs project. I am just making sure they addressed all my comments and in the next two weeks, we will be able to advertise that project for bid and move forward.; (2) Markewicz Water Storage Tanks: We did receive bids on the tanks on July 30th. Four bids were received so there was good competition. The pricing did range from below our estimate to above our estimate which is not uncommon. It is a large scale project rehabilitating two 3MG tanks. We were basically \$1.1M each tank and we combined the two contracts as one bid in an attempt to attract bidders and get their best pricing which to an extent it worked, unfortunately Brent Carney can share with us the contents of his memo which is very thorough in review of the bids. The low bidder and the second lowest bidder had fatal flaws with paperwork and other qualifications in their bid document so we are not in a position to recommend award to either of them. The third lowest bidder was actually the contractor who

successfully did your Dover Chester Road Tank Project a year ago but his bid is greater than the Engineer's estimate for the project. At this stage I am in a position not to want to recommend award of the project as it stands and I think we will be better served to attempt to solicit competitive bids again in a very similar format and maybe there will be more bidders next time or maybe we can address a few minor issues in the contract document to make sure we get the best competition. If after that point we are still unsuccessful in achieving what we want to do with these tanks for the budget we have established, there is another mechanism available to us to try to get the projects done through a negotiation process.

Mr. Druetzler asked of those two bidders that were disqualified, are there fatal flaws and in the next bid can they correct their deficiencies? Mr. Carney replied that there were fatal flaws. Mr. Druetzler asked have we made this bid so difficult that there is only a few people that are going to be able to bid on it? Mr. Carney said he does not think so; the basis for rejecting Pro-Spec Painting is they failed to submit a letter from a paint manufacturer that certifies that they have the ability to complete the work described in the specifications which is a material requirement specification. So if they were to rebid with such a letter from a paint manufacturer, that would have corrected that fatal flaw. The bid of U.S. Tank Painting was rejected because they did not contain the Society of Protective Coatings QP1 and QP2 certifications which were material requirements of the bid document and in our understanding that they have applied to get those certifications, they just don't have them. So if they have them at the time of bid, they will also qualify.

Mr. Holt explained that they have written the specification with these requirements in there where a bidder must align with a paint manufacturer and basically be pre-qualified by the paint manufacturer to be the applicator of his product; he wants the paint manufacturer to stand behind his warranty and not point to the contractor. This is a mechanism that he has used successfully in the past to weed out that finger pointing, whether it is the contractor's application method or the paint product itself that is inferior that created a problem on a tank going forward. Mr. Holt said that he is a strong proponent of having that requirement in the job and it was just Pro-Spec's oversight in their bid document preparation. He would assume in a rebid that they would not overlook that again having lost out on a \$860,000 project.

With respect to this QP1 and QP2 National Society of Protective Coatings, as an industry group that many qualified contractors participate in the program. It is like many other industries that have a qualification step or a certification process. It is elective, you don't have to do it, but we use that as a tool to weed out those painters who maybe don't regularly do work on water storage tanks, maybe they paint a lot of bridges and they don't go through the paperwork and documentation necessary to keep track of their workers' records and their methods that they use on equipment and maintenance. It is all indicators to us as to the quality of work that we are going to get from a contractor. If he is diligent in his industry, he is going to maintain and hold these credentials that we are using as criteria to help weed out anybody who is not qualified to do the work on our project.

Mr. Plambeck asked was there delays in being able to get a successful bid in place; are we running out of the season for being able to work this year? Mr. Holt replied that shortly after we advertised the project, we got some feedback from some potential bidders that said we can't get this job done in the timeline that you specified so we actually issued an Addendum that elongated the allowable completion time in an attempt to try to lessen the burden. We didn't tell them they had to get a tank painted this Fall, we were allowing them to take their time if they need to and come in next Spring and do one and do the second one in the Fall next year. It was going to be a 16 month window for them to get the jobs done.

Mr. Holt mentioned that the rebid process he is recommending would be the same project and it would allow the same times of completion. We would take bids late September early October and be in a position to hopefully award then but the paint work would not be starting until the break of the season in March of 2016.

Mr. Druetzler asked if all the bidders bid on both alternates and Mr. Holt replied yes, all bidders furnished prices on the base bid and the alternate price. Mr. Holt explained that the alternate price is for an alternate paint system that he was anxious for the MUA to try on at least one of our tanks. It is 100% solids epoxy applied in one coat as opposed to a three-coat process. It is a process that a lot of the private water utilities are using now and it seems to be very effective.

As an aside, Mr. Holt reported that Suburban just conducted our annual anniversary inspection on the Dover Chester Road Tank and he has never seen a better looking tank on the interior after a one year anniversary. This tank was picture perfect. He added that this just goes to show that the specifications we prepared for you were effective in achieving a good desired end result.

(3) Clyde Potts Pump Station Upgrade: Southeast Morris County M.U.A. does intend to advance a technical project on the front lawn of their treatment plant to achieve the required detention time that they have to before they deliver water through our pump station. So now we know what we have to deal with in terms of designing improvements to that pump station, what delivery pressure we can expect and how to implement a redundant pump station at that site. This is going to be a challenging project. Mr. Holt explained that what the MUA has now is a temporary facility and we have one pump in a below-grade vault. Below-grade facilities are first problematic because of confined space and access but just as problematic for securing approvals for an above-grade structure in the front lawn of the Clyde Potts Reservoir Treatment Plant in Mendham Township. We are trying to evaluate for the MUA what the best approach would be. We are talking to DEP about low grade pump stations; is there a way to retrofit or amend this existing facility and still achieve the goal with a reliable, serviceable pump station without hazards and issues or do we fight the battle and design an above grade facility.

(4) Asset Management Plan: He mentioned that the Asset Management Plan is a tool which will be regularly updated. It is an on-going working document and between Tony, Larry and myself we will be able to generate the record document. Tony has a good inventory of files on every project that ever got done here so that we integrate it into our budget planning every year.

(5) Well # 8: He mentioned that Well 8 turbidity assessment is obviously tied to our deficit conclusion with DEP and now we are under a timeline to make sure that we deliver what we need to to get the beneficial use of the water that is currently wasted because of the higher turbidity. So we are assessing some of the environmental constraints that you have at the Well 8 site in terms of how we implement a pressure filter and where we discharge the back wash. So far we are getting good cooperation from the State on potential permitting issues and we will in a position to give Larry a good budget recommendation by this year's budget season so you know what to prepare for spending in the next year or two on the project.

(6) Scrub Oaks Well: He mentioned that we are all in agreement that at a minimum we want to make some progress on it and secure through the allocation permit process, if DEP is willing to allocate water to us through this new source, we owe it to ourselves to at least apply for that request and see how far it goes and ultimately develop the costs associated with it.

Mr. Hudzik asked if Mr. Holt suggests that we periodically check with the DEP on this matter. Mr. Holt replied yes; we will be talking to the DEP in the preparation of this application permit and there will be on-going dialogue with DEP before the application is submitted to let them know that we are serious about moving ahead.

Mr. Schweizer mentioned that we have not forgotten Fletcher Platt's request to adopt a Resolution to take official action on Rockaway and will be working with Brent Carney on that and expects that will be on next month's meeting. Mr. Platt asked if we should officially withdraw the application on the Rockaway well and Mr. Schweizer replied that the application has been rejected.

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

RESOLUTION NO. 15-43
RESOLUTION REJECTING ALL BIDS FOR
THE REHABILITATION OF THE MARKEWICZ 3MG WATER
STORAGE TANKS 1 & 2 CONTRACT NOS.: 5R-15 AND 23R-15

WHEREAS, the Morris County Municipal Utilities Authority (MCMUA) authorized an advertisement for the receipt of public bids for the "Rehabilitation of the Markewicz 3MG Water Storage Tanks 1 & 2, Contract Nos.: 5R-15 and 23R-15"; and

WHEREAS, the MCMUA received four (4) bids on July 30, 2015 from the companies listed below at the price shown:

	<u>Base Bid Tank #1</u> <u>Contract 5R-15</u> <u>(Items 1.1-18.1)</u>	<u>Base Bid Tank #2</u> <u>Contract 23R-15</u> <u>(Items 1.2-18.2)</u>	<u>Alternate Bid Pricing</u> <u>A-5.1</u> <u>A-5.2</u>	
Pro-Spec Painting, Inc. Vineland, NJ	\$820,000	\$805,000	\$75,250	\$75,250
US Tank Painting, Inc., Millstone Township, NJ	\$1,086,900	\$1,069,900	\$40,000	\$40,000
Scaturro Bros., Inc. t/a Alpine Painting & Sandblasting Contractors Paterson, NJ	\$1,190,550	\$1,156,950	\$42,300	\$42,300
RML Construction, Inc. Carlstadt, NJ	\$1,481,000	\$1,469,000	\$775,000	\$775,000

WHEREAS, correspondence dated July 30, 2015, was received from the third lowest bidder, Scaturro Bros., Inc. t/a Alpine Painting & Sandblasting Contractors (Alpine Painting) which remains on file at the administrative offices of the Authority and is incorporated herein by reference, alleging that the bid of the apparent lowest bidder, Pro-Spec Painting, Inc. is not qualified to perform welding work, named a subcontractor in the bid, CorrTech, Inc., that did not possess a Public Works Contractor Registration Certificate, failed to provide a letter from the paint manufacturer certifying the contractor's ability to complete the work described in the specifications, failed to provide a schedule of values, together with such other alleged defects as contained in said letter, and further alleging that the apparent second lowest bidder, US Tank Painting, Inc. does not have Society of Protective Coatings QP1 and QP2 certifications as required in the Instructions to Bidders (IB-3), but rather has applied for such certifications; and

WHEREAS, counsel for the Authority, by memorandum dated August 6, 2015, which remains on file at the administrative offices of the Authority and is incorporated herein by reference, advises that: (1) the bid of Pro-Spec Painting, Inc. must be rejected as non-responsive and invalid because it contains material defects including, failure to submit a letter from the paint manufacturer certifying the contractor's ability to complete the work described in the specifications and Pro-Spec Painting's named subcontractor does not possess a Public Works Contractor Registration Certificate at the time of bid; and (2) the bid of US Tank Painting, Inc. must be rejected as non-responsive and invalid because it does not contain Society of Protective Coatings QP1 and QP2 Certifications as required pursuant to the Bid Documents, but rather

states that it has applied for such certifications, which is a material defect that cannot be waived by the Authority; and

WHEREAS, the remaining bids of Alpine Painting and RML Construction, Inc. substantially exceed the cost estimate for the goods or services based on the pre-bid engineer's estimate prepared by Suburban Consulting Engineers, Inc.

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

1. The bid of Pro-Spec Painting, Inc. is determined to be non-responsive and invalid for the reasons set forth the memorandum from counsel for the Authority and is hereby rejected.

2. The bid of US Tank Painting, Inc. is determined to be non-responsive and invalid for the reasons set forth in the memorandum from counsel for the Authority and is hereby rejected.

3. The bid of Scuturro Bros., Inc. t/a Alpine Painting & Sandblasting Contractors and the bid of RML Construction, Inc. are hereby rejected for substantially exceeding the cost estimates for the goods or services, based on the engineer's pre-bid estimate prepared by Suburban Consulting Engineers, Inc.

4. The Executive Director is authorized and directed to forward notice of rejection to all bidders and return the bid security of all bidders.

5. The Rehabilitation of the Markewicz 3MG Water Storage Tanks 1 &2 for Contract Nos. 5R-15 and 23R-15 shall be advertised for rebid.

6. The Executive Director, staff and consultants are authorized to take all other actions necessary or desirable to effectuate the terms and conditions of this Resolution.

7. 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 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Platt made a Motion to reject all bids for the Rehabilitation Of The Markewicz 3MG Water Storage Tanks 1 & 2, Contract Nos. 5R-15 and 23R-15 and Mr. Hudzik seconded the Motion.

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

RESOLUTION NO. 15-44
RESOLUTION AUTHORIZING PROCUREMENT OF EMERGENCY SERVICES
TO REPLACE FAILED WELL PUMP

WHEREAS, the Morris County Municipal Utilities Authority (hereinafter the "Authority") owns and operates a system for the distribution of potable water located within the district of the Authority; and

WHEREAS, an emergency situation developed with respect to the operation of Alamatong Well No. 8 in Randolph, New Jersey by virtue of a failed well pump on July 1, 2015; and

WHEREAS, upon the recommendation of the Chief Engineer, the Executive Director authorized the acquisition of emergency services and equipment in order to provide for the replacement and continued operation of the well which is essential for the distribution of water in the Authority's service area; and

WHEREAS, under the Local Public Contracts Law, N.J.S.A. 40A:11-6, a contract may be awarded without public advertising for bids and bidding when an emergency affecting the public health, safety or welfare requires the immediate performance of the services; and

WHEREAS, the Authority is satisfied that, for the reasons articulated in the written requisition from the Executive Director, attached hereto and made a part hereof, the proposed emergency procurement is justified and meets the requirements of the Local Public Contracts Law and N.J.A.C. 5:34-6.1.

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 August, 2015 as follows:

1. The Authority hereby confirms the actions taken to meet the emergency condition and the award of a contract for the procurement of emergency services and equipment by A. C. Schultes, 664 South Evergreen Avenue, Woodbury Heights, New Jersey 08097 at a cost not to exceed the amount of \$45,740.00.
2. 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 August 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

TREASURER'S CERTIFICATION

I hereby certify that there are sufficient funds in the Equipment Repairs appropriation, Account No. 5-02-6-600-602-325 listed to cover the expenditures included in the Resolution Authorizing Procurement of Emergency Services To Replace Failed Well Pump; dated August 11, 2015.

DATE: August 11, 2015

Larry Kaletcher, Treasurer

MOTION: Mr. Druetzler made a Motion to authorize procurement of emergency services to replace failed well pump and Mr. Platt seconded the Motion.

Mr. Holt mentioned that this well pump is six years old and his opinion is it failed a little prematurely. As soon Tony Milonas detected it and saw that it failed, we did procure competitive quotes from three qualified well pump installers and concluded that A.C. Schultes was the lowest of all three quotes not to exceed \$45,740.00 for the complete work.

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

PROJECT STATUS:

1. Roof Repair Project, Contract No. 36 Re-Bid

A. We are awaiting final design documents from D&B Engineers. D&B reported they will deliver documents in early August, after addressing some minor final edits and detail adjustments on the bid documents provided by this office. We have conducted follow-up communications with D&B, and the actual delivery date of the final edits is scheduled to be later this week. We have begun the process of preparing the front end of the bid documents. Once D&B completes their portion, we can advertise this project for bid. Fall construction is still anticipated.

2. Rehabilitation and Recoating of the F.J. Markewicz Pumping Station Ground Storage Water Tanks 1 and 2 (Contracts 5R-15 and 23R-15)

A. Bids were received on July 30, 2015 with Pro-Spec Painting, Inc. from Vineland, NJ as the low bidder at a total base bid price of \$1,625,000.00. The second lowest bidder is U.S. Tank Painting, Inc. from Millstone, NJ at a total base bid price of \$2,156,800.00, and third lowest bidder being Alpine Painting & Sandblasting Contractors from Paterson NJ at a total base bid price of \$2,347,500.00. Currently both the lowest bidder, Pro-Spec Painting, and second lowest bidder, US Tank bids are under protest by Alpine Painting & Sandblasting Contractors citing failure to provide all required documents, and a lack of qualifications. Currently the MCMUA attorney is reviewing the bid documents and preparing recommendations to the MCMUA for consideration at the upcoming Board meeting.

3. Clyde Potts Pumping Station Pump Upgrade

A. The SMCMUA has advised their approach to achieve the required 30-minutes of chlorine contact time from the Clyde Potts treatment facility before MCMUA point of connection is to install a large diameter pipe located within the property of the Clyde Potts treatment facility. The increase in large diameter will create enough contact time to ensure conformance with requirements.

B. We have performed a project design kick-off meeting with MCMUA Operating personnel and conducted a site visit to examine the current conditions of the existing pump station. Preliminary design concept development and evaluation of the existing system is being performed to determine if construction of a new pump station is feasible or if re-use of the existing below-grade chambers is permitted and feasible. We are also investigating local land use and environmental permitting constraints.

Under all scenarios, maintaining operating function of the existing booster pump station during construction will be required.

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

- A. Jacobs Engineering has completed its preparation of the asset management plan and is scheduled to present an overview to the Board at the August Board meeting.

5. Alamatong Well No. 8 Turbidity Preliminary Design

- A. We have performed a site visit and began the initial evaluation and preliminary design of treating and enabling the beneficial use of nearly all the Well 8 gallons divert from the ground. We are in communication with filter vendors and performed preliminary sizing of filter systems, performed footprint analysis, evaluating existing building structural components, and are currently evaluating environmental regulations for the proposed filter location, filter discharge, and back wash discharge requirements. Preliminary design concept and cost estimates are expected by mid-September.

6. Scrub Oaks Allocation Evaluation

- A. SCE has finalized the feasibility study which evaluated permitting, designing, constructing, operating, and connecting this new source to our system. In accordance with the Board's direction last month, SCE is beginning the process of applying for the water allocation permit, which involves the evaluation and updating of information which has been previously provided to NJDEP. An application is anticipated by the end of this year.

SOLID, HAZARDOUS & VEGETATIVE WASTE REPORT:

Mr. Gindoff reported that solid waste sales are down this month; but we are going pretty steady to achieve the rates that we did for last year and is predicting that we will dispose of almost the same amount of garbage as last year at this point.

With respect to our roof repair, we came closer this time but didn't quite hit the mark. We did receive our second round of bids on the roof repair and we did have one bid that was in the area of our Engineer's estimate, unfortunately it had a fatal flaw and it is considered a non-bid in our world of Local Public Contracts Law. We looked at the other four bids which were substantially higher than our Engineer's estimate so we are recommending that we don't accept any of those four bids and go out for a negotiation process at this point which we are permitted to do based on Local Public Contracts Law.

Mr. Hudzik asked if we will be negotiating only with those bidders who don't have fatal flaws and Mr. Gindoff replied that is correct. He explained that we have to negotiate with the four responsible bidders, except for the fact that their bids were higher than the Engineer's estimate. Mr. Carney mentioned that after the MUA negotiates with the four bidders that were responsible but were over the Engineer's estimate, then you can open it up to the world and we would recommend that you include that bidder along with at least one other. Mr. Gindoff mentioned that this is the process we are recommending and asked for the Board's approval of the following Resolution which implements that:

RESOLUTION NO. 15-45
RESOLUTION REJECTING ALL BIDS RECEIVED ON REBID FOR
ROOF RENEWAL AT MCMUA TRANSFER STATIONS CONTRACT 2015-1
AND AUTHORIZING NEGOTIATION OF
ROOF RENEWAL AT MCMUA TRANSFER STATIONS CONTRACT 2015-1
IN ACCORDANCE WITH N.J.S.A. 40A:11-5(3)

WHEREAS, the Morris County Municipal Utilities Authority (MCMUA) authorized an advertisement for the receipt of public bids for the "Roof Renewal at MCMUA Transfer

Stations” on a second occasion after the only bid received on June 4, 2015 was rejected because it substantially exceeded the cost estimate for the goods or services, based on the engineer’s pre-bid estimate prepared by Richard A. Alaimo Engineering Company; and

WHEREAS, as a result of the rebid, the MCMUA received five (5) bids on July 29, 2015 from the companies listed below at the price shown:

	<u>Base Bid</u> <u>(Items 1-9)</u>	<u>Alternate A</u> <u>Stage I</u> <u>(Item A-1)</u>	<u>Alternate B</u> <u>Stage II</u> <u>(Item A-2)</u>
JP Patti Tecta America, LLC Saddle Brook, NJ	\$442,450.00	\$51,000.00	No Bid Price Provided
Park Roofing & Sheet Metal Co. South River, NJ	\$575,500.00	\$85,000.00	\$38,000.00
MTB, LLC Neptune City, NJ	\$631,500.00	\$83,000.00	\$41,350.00
Arco Construction, Inc. West Caldwell, NJ	\$699,500.00	\$45,000.00	\$54,300.00
Arch-Concept Construction, Inc. Haledon, NJ	\$1,049,000.00	\$74,000.00	\$29,000.00

WHEREAS, counsel for the Authority, by memorandum dated July 31, 2015, which remains on file at the administrative offices of the Authority and is incorporated herein by reference, advises that the bid of JP Patti Tecta America, LLC must be rejected as non-responsive and invalid because it contains a material defect for failing to provide bid pricing for Alternate B and the bid specifications required bidders to quote on all items and “failure to do so will disqualify the bid.”; and

WHEREAS, the remaining bids of Park Roofing & Sheet Metal Co., Inc.; MTB, LLC; Arco Construction, Inc.; and Arch-Concept Construction, Inc. substantially exceed the cost estimate for the goods or services based on the pre-bid engineer’s estimate prepared by Richard A. Alaimo Engineering Company; and

WHEREAS, counsel for the Authority, by memorandum dated July 31, 2015 opines that rejecting the non-responsive submission of JP Patti Tecta America, LLC due to a material defect and rejection of the aforementioned remaining bidders for substantially exceeding the pre-bid cost estimate would allow the Authority to negotiate the Roof Renewal at MCMUA Transfer Stations Contract No. 2015-1 in accordance with the strict limitations and requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-5(3) and as explained in said memorandum; and

WHEREAS, all bids were reviewed by Richard A. Alaimo Engineering Company and the Authority's counsel for conformance with the bid specifications and the bids of Park Roofing & Sheet Metal Co., Inc.; MTB, LLC; Arco Construction, Inc.; and Arch-Concept Construction, Inc., while substantially exceeding the pre-bid cost estimate, do not contain material defects; and

WHEREAS, the written summary of the review and findings provided by Richard A. Alaimo Engineering Company are set forth in its memorandum dated August 6, 2015 which remains on file at the administrative offices of the Authority and is incorporated herein by reference.

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

1. The bid of J.P. Patti Tecta America is determined to be non-responsive and invalid and is hereby rejected for the reasons set forth in the memorandum from the Authority's counsel and for the reasons set forth in the memorandum from Richard A. Alaimo Engineering Company.

2. The bids of Park Roofing & Sheet Metal Co., Inc.; MTB, LLC; Arco Construction, Inc.; and Arch-Concept Construction are hereby rejected for substantially exceeding the cost estimates for the goods or services, based on the engineer's pre-bid estimate prepared by Richard A. Alaimo Engineering Company.

3. The Executive Director is authorized and directed to forward notice of rejection to all bidders and return the bid security of all bidders.

4. The Roof Renewal at MCMUA Transfer Stations Contract No. 2015-1 shall be negotiated in accordance with the requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-5(3).

5. The Executive Director, staff and consultants are authorized to take all other actions necessary or desirable to effectuate the terms and conditions of this Resolution.

6. 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 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Barry made a Motion to reject all bids received on Rebid For Roof Renewal At The MCMUA Transfer Stations, Contract No. 2015-1 and Authorizing Negotiations of Roof Renewal at the MCMUA Transfer Stations, Contract No. 2015-1 in accordance with N.J.S.A. 40A-11-5(3) and Mr. Plambeck seconded the Motion.

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

Mr. Gindoff gave an update on the application for a Class “A” Recycling Facility which was included in the correspondence. He advised that they asked the MUA to be included in the Plan under an Administrative Action which we have done in the past for certain types of facilities or for minor changes to the Plan. But for a facility like this, our Solid Waste Plan has something called a “Blanket Inclusion Process” which spells out the process that an applicant has to go through which is a more expedited process than the standard plan inclusion process including SWAC approval and Freeholder approval. Mr. Gindoff anticipates getting an application from this company and then sending it out to the municipality of Rockaway Borough, and asking for their opinion on it and then assessing it from there.

Mr. Gindoff explained that the following Resolution is for awarding a contract for oil and used motor oil that we accept at the Household Hazardous Waste facility for recycling. He mentioned that our prices were not quite as good as they were last year; recycling oil is at a zero price and the recycling of oil filters went up just a little. Mr. Gindoff asked for the Board’s approval of the following Resolution:

RESOLUTION NO. 15-46
RESOLUTION AWARDED MARKETING OF
CLASS D RECYCLABLE MATERIALS CONTRACT
(USED MOTOR OIL AND OIL FILTERS)

WHEREAS, on June 25, 2015, 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 17, 2015, which was submitted by Lorco Petroleum Services, 450 South Front Street, Elizabeth, New Jersey, 07202, which quotes a price per gallon of \$0.00 to the MCMUA, for the used motor oil portion of the contract and a price per drum of \$89.00 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 8, 2015; and

WHEREAS, the MCMUA Treasurer has certified that funds are available in the following line item: Household Hazardous Waste 5-01-1-600-800-726 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 \$267.00 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 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Dr. Nusbaum made a Motion to award marketing of Class D Recyclable Materials Contract (Used Motor Oil and Oil Filters) to Lorco Petroleum Services

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

TRANSFER STATIONS

Tonnage – For the month of July 2015, the tonnage of solid waste accepted at the two transfer stations was 35,414 tons. This monthly tonnage for July 2015 is 5.2% less than the 37,324 tons accepted a year ago in July 2014. Based on tonnage accepted for the first seven months of the year, for 2015 the annual total tonnage is currently projected to be 381,278 tons which would be 0.39% less than the 382,757 tons accepted in 2014. Please refer to the Transfer Station Disposal Report by Month for additional information.

Transfer Station Roof Repair – On July 29, 2015, the MCMUA received bids for the roofing repair and replacement re-bid for both solid waste transfer stations. In comparison to the June 4, 2015 original bid opening when only one bidder, Park Roofing and Sheet Metal, Inc. (Park Roofing), provided a proposal, there were five proposals submitted on July 29, 2015. The bidders were required to provide a base bid for the majority of the work in addition to two alternates for optional add-ons to the project. The base bid proposal submitted by JP Patti Tecta Amercia, LLC (JP Patti) was just slightly over the engineer’s estimate but combined with the proposed cost of Alternate “A”, their bid was below the engineer’s estimate. The issue with the JP Patti proposal was they did not provide pricing for Alternate “B” which was a requirement for the bid and as such, their bid must be disqualified. The bids submitted by the remaining four companies were all substantially above the engineer’s estimate and therefore, it is not recommended that the MCMUA award a contract based any of these proposals.

Rather than trying a publically advertised re-bid for the third time, the MCMUA may now choose to “negotiate” in accordance with limitations provided by the Local Public Contracts Law (LPCL). This is based on the facts that the MCMUA bid the project on two occasions without change to the bidding specifications without being able to award the bid. It should be noted that LPCL requires a two-thirds affirmative vote of the MCMUA at the time of awarding a contract based on such negotiations.

sWith respect to the “negotiation” process, the MCMUA must first provide an opportunity to negotiate exclusively with all bidders that did not have any material defects in their July 29, 2015 bids, but were not accepted since their proposals were over the engineer’s estimate. If the MCMUA cannot successfully negotiate a contract with any of these bidders for the same project specifications that it can award at a reasonable price, interpreted to be the engineer’s estimate, then the MCMUA can negotiate with other entities, such a JP Patti or other proposers, whose submissions were deemed non-responsive because of material defects.

The four bid submissions received above the engineer’s estimate are being reviewed to determine if they contain any material defects. This is in order to define the group of proposers with whom to initially negotiate. For the August 11, 2015 MCMUA Board meeting, a resolution will be provided for the Board’s consideration which finds the bid of JP Patti non-responsive and also rejects the four remaining bids for exceeding the engineer’s estimate and authorizes the negotiation of this contract in accordance with Local Public Contract Law, N.J.S.A. 40A:11-5(3). This may slightly change if the review of submissions identifies other bids to be non-responsive in addition to the bid of JP Patti.

Transfer Station - Parsippany Air and Solid Waste Facility Permits – The MCMUA has been working on revisions with the NJDEP staff regarding the Administrative Consent Order (ACO) to be executed regarding upgrading the air pollution control system at the Parsippany Transfer Station. There are still some issues work out regarding some timing issues in the proposed ACO which can be discussed with the MCMUA at the August 11, 2015 meeting.

HOUSEHOLD HAZARDOUS WASTE MANAGEMENT

Program Participation and Events - During July 2015, a total of 218 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 2015, when 267 participants used the facility and it is also down in participation compared to July 2014, when 233 participants used the permanent facility. The next one-day HHW event will be on September 12, 2015, also at the Public Safety Training Academy. The final day of the year will be at the Jefferson Township DPW on October 18, 2015.

Renewal of Contracts for HHW Programs - On June 25, 2015, 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 17 due date and it was from Lorco Petroleum Services of Elizabeth, NJ. Lorco’s quotation proposed to pay the MCMUA \$0.00/gallon for used motor oil and for the MCMUA to pay \$89.00/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 has been pleased with their performance. A resolution recommending the award of a contract to Lorco in an amount not to exceed \$267/year will be presented to the MCMUA Board for its consideration at the August meeting.

VEGETATIVE WASTE MANAGEMENT – July 2015

Facility Report – The vegetative waste figures for July 2015 were provided in the Vegetative Waste Management Report. Sales of unscreened compost helped July 2015 beat July 2014 figures. Residential delivery of truckloads of mulch and compost are scheduled to continue through September 25, 2015.

RECYCLING REPORT:

Ms. Hourihan gave an update on the Curbside Program and mentioned that from time to time we give proposals to prospective towns and we had submitted a proposal to the Township of Pequannock at the end of April. We expect to hear from them in the very near future and hope to have a more definite update on that at the September meeting. Pequannock went out to bid and had their bid opening a couple of days ago.

Regarding our staffing for our Curbside Program, Ms. Hourihan mentioned that the MUA has a very fluctuating schedule and it alternates every other week since we do most of our collection on an every other week basis. Some days are heavy days and other days are light days, so due to that we have different demands for how many people we need on staff. We tried to not have all full time helpers. We do have a set number of full time drivers but on the helper side, we have tried to use some part time helpers and then that necessitated us to have a minimum of 24 hours a week per person. That is three days a week that we have to commit to that person and one week is a little lighter than the other, so then we don't need as many people and on our heavy days we need more people but not enough to warrant another part time person. So we tried hiring part time helpers, and we felt using a temporary staffing agency would better suit our needs where we have more flexibility to get people when we need them. We would only be using the temporary staffing agency for sanitation workers so we would like to try out a contract on a trial basis for about 15 weeks not to exceed \$17,500 because that is our bid threshold and then in the meantime while we are testing that out, we are preparing a bid specification that would allow us to go out for a longer term for that type of contract. At this point, we have solicited quotes for it and we do have one company, Labor Ready, that provides that type of temporary staffing labor and they provide this service to other companies in the waste industry. We are putting forth the Resolution that allows us to begin a temporary contract to start that in the next couple weeks and one aspect of that is next week there is going to be a meeting of the Morris County Insurance Commissioners where Risk Management wanted to put this before them since this is a new type of contract that hasn't been used before. Approval of this contract is contingent upon the Insurance Commissioners' approval next week.

Mr. Hudzik asked how much will the worker get if Labor Ready is charging \$14.89 per hour? He said that the Insurance Company will be asking that because it has to do with the bonding involved. Ms. Hourihan replied that Labor Ready pays about \$9-\$10 dollars an hour.

Dr. Nusbaum asked if this temporary agency assures that these temporary workers have some OSHA considerations and training in such that they follow guidelines that our own employees would have to follow so that they don't hurt themselves? Ms. Hourihan replied yes; there is a section in the contract where we have outlined some of the training that we require that any employee have before they send that person to us.

Ms. Hourihan asked for the Board's approval of the following Resolution:

**RESOLUTION NO. 15-47
RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT
FOR THE PROVISION OF STAFFING FOR THE MORRIS COUNTY
CURBSIDE RECYCLING PROGRAM**

WHEREAS, Sanitation Workers are needed by the Morris County Municipal Utilities Authority (MCMUA) to load recyclable materials set out for collection into collection vehicles, and;

WHEREAS, the MCMUA has determined that the procurement of a contract with an employment services agency would best supplement the staffing needs; and

WHEREAS, the MCMUA solicited quotes from fourteen (14) staffing agencies during July 2015 and received one quote from Labor Ready at \$14.89 per hour, as the other 11 agencies which responded did not provide staffing for the type of work sought; and

WHEREAS, the quote from Labor Ready, being the only quote received, was accepted subject to receipt of a certificate of insurance in a form acceptable to the County's Risk Manager; and

WHEREAS, the execution of this contract is subject to approval by the Morris County Insurance Commission of utilizing a staffing agency to supply Sanitation Workers; and

WHEREAS, the MCMUA Treasurer has certified that funds sufficient for the performance of the contract are available in the 2015 budget in line item 5-01-3-600-623-001,-Temp Workers, in an amount not to exceed \$17,500.

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

1. The MCMUA hereby awards the contract to Labor Ready at the rate of \$14.89 hourly per worker straight time for a duration not to exceed a total contract cost of \$17,500.
2. The Executive Director is authorized and directed to execute a contract with Labor Ready in accordance with the terms of this resolution subject to approval by the Morris County Insurance Commission of utilizing a staffing agency to supply Sanitation Workers; certificate of insurance in a form acceptable to the County's Risk Manager; and all documents as required by law.
3. A copy shall be submitted to the MCMUA Treasurer and kept on file in the offices of the Authority.
4. This resolution shall take effect as provide 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 August 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Hudzik made a Motion to authorize the execution of an Agreement for the provision of staffing for the Morris County Curbside Recycling Program and Mr. Barry seconded the Motion.

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

With regard to the flyer on Illegal Dumping provided in the Recycling Report, Vice Chairwoman Szwak asked how is that flyer on going to be distributed? Ms. Hourihan replied it is primarily for Mike Flora, who is our Solid Waste Inspector but also works with the County Health Department. Mr. Flora was asked to give a presentation at an upcoming Clean Communities meeting so he is going to be distributing it there but he wants to have it with him when he is out

on the road meeting with people and doing investigations. Vice Chairwoman Szwak recommended that this flyer be distributed to the Environmental Commissions.

Mr. Plambeck asked Kathleen to explain about the new pricing and methodology on the contract for the marketing of recyclable materials. Kathleen explained that the current contract is based on what ReCommunity ships each month, and what prices they get paid on the individual commodities. Then they come up with an average of all the commodities and we call it the average revenue commodity per ton. So all of the numbers are based on what is being shipped out of the facility which fluctuates greatly each month and the prices they get per ton which means we are relying upon them for all the information. This contract has been greatly affected because of the roof collapse in 2014 which has affected half of the term of this five year contract since they are not shipping single commodities on bottles and cans out of Mine Hill; they have to ship mixed loads out to a facility in Beacon, New York to be sorted so we don't know the numbers that are coming out of our facility so they have to rely on 12 month averages from the year before. She added that it has had an impact on this contract. So going forward the MUA would like to use an independent index for the pricing and this would not rely on what is being shipped out of the facility, it would be just what we would give them and we would come up with a blended average commodity price. The average commodity price would not come from ReCommunity but would come from the independent index. Ms. Hourihan mentioned that the market is not necessarily crazy about using the independent index because they feel it doesn't represent the numbers that they are getting at that point in time. She added that the MUA has discussed this and we are going to try to proceed in that direction. Ms. Hourihan showed a graph which compared the index to ReCommunity's pricing for the last four years.

Mr. Plambeck handed out the 2015 MCMUA Recycling Rates per Capita (Jan. through July) which he prepared. He commented it shows how the towns are doing with their recycling and the numbers are close to last year. Currently there are only two towns that are actually exceeding last year. Most of the towns are coming up to the year end average of last year.

Recycling Operations

Revenue and Tonnage – During July, the May statement was finalized and the preliminary June statement was received on July 21 in the amount of positive \$12,060, which means it is a payment from ReCommunity to the MCMUA.

The tonnage collected by the MCMUA for recycling during July was 1,333 tons. The monthly tonnage is shown by material and by customer on the attached report.

Staffing for the Curbside Collection Program – Staff has prepared a resolution for presentation to the Board at the August meeting requesting approval to execute a contract with a staffing agency to provide Sanitation Workers to work at the back of our collection vehicles, loading recyclables placed at curbside. This contract is anticipated to run for approximately 15 weeks for an amount not to exceed \$17,500. Staff is preparing a bid specification for this type of work and if this type of contract is satisfactory during this initial trial period, staff plans to solicit bids for longer term contract.

Contract for the Marketing of Recyclable Materials – Our current five (5) year contract for the marketing of recyclable materials with ReCommunity ends in January 2016. Staff is preparing a request for proposals for a new contract. Staff plans to use a new pricing methodology, different from the one used in the current contract and has been researching new pricing.

Covering Open-Top Roll-off Containers – On July 1, staff emailed the towns which are serviced by the MCMUA with open-top roll-off containers about the problems caused by snow in these containers and some possible options for covering the containers. Staff ordered sample plastic covers and is in the process of showing them to towns along with another plywood/2x4 option. Since each recycling center is different some options may work better in some locations.

Auction of Roll-off Containers – The auction for the 14 roll-off containers was conducted from July 9 to July 21. All 14 containers sold for a total of \$18,443 plus GovDeals fees to be paid by the buyers. Staff is in the process of collecting the payments and the certificates of insurance

prior to arranging for the removal dates. As of August 5, seven of the containers have been removed.

Weighing Large Residential Curbside Containers – On July 17, staff weighed large residential containers in a section in Chatham Borough. Staff weighed containers at 27 addresses that had been pre-determined to have large containers. Of those 27 containers that were weighed, two (2) were over 50 pounds.

Plastic Pesticide Container Collection Program – On Thursday, July 23, the third collection program was held for pesticide container recycling. Once again, no participants showed up for the program. The next program is scheduled for Thursday, August 20.

Events/Education/Miscellaneous

Clean Communities – On July 10, Liz Sweedy was interviewed for an article which appeared in the July 16 Daily Record. The article titled *New Jersey Clean, NJCCC recognizes Liz Sweedy for creative approach to litter*, featured Liz and her creative educational creations and also discussed the state's litter abatement program. See article attached. During July, staff assisted municipal coordinators with submitting their annual Clean Communities grant spending reports which were due on July 30. Educational Programs: In July, the MCMUA funded 9 educational programs at summer camps, libraries and the 4H Fair. Road Clean-ups: On July 20, MCMUA curbside crews cleaned a section of Howard Boulevard in Roxbury and Mount Arlington for a total 5 miles counting both sides.

New Flyer for to Address Illegal Dumping – Staff worked with Mike Flora to create a flyer to address illegal dumping. While the flyer was created by the MCMUA, it has the Morris County Department of Law and Public Safety, Office of Health Management contact information on it, since enforcement falls under that department. See flyer attached.

2015 Food Waste, Tire Clean-up & Public Space Bonus Recycling Grant – This grant fund is being administered by the NJDEP. Some aspects include:

- Applications may be for any grant amount, not to exceed \$25,000
- Applicants must match the grant amount provided by the Department
- Deadline was originally June 30, 2015

Staff wrote a letter dated June 12, 2015 to the NJDEP requesting an extension of at least five (5) months to the deadline in order to do further research on food waste projects, potentially for the Morris View Healthcare Facility and for County College of Morris before a grant application could be filed.

An email was sent to County Recycling Coordinators by the NJDEP dated July 15, 2015 stating that the deadline for this grant was extended to October 30, 2015. On July 31, the Association of New Jersey Recyclers sent an email on behalf of the NJDEP, requesting information pertaining to public space recycling containers. That email disclosed that, to date, the NJDEP has received about 50 applications for the Bonus Grant with the total request for funds exceeding \$600,000. The total available is only \$400,000. Of the 50 applications, all, but 3 are for public space recycling containers.

Staff plans to contact the NJDEP to see if additional grant applications will be considered. Staff also reached out to the County to discuss doing a food waste audit, but has not heard back yet. During August, staff plans to work with the County College to plan for a food waste audit in September, once classes begin again.

Recycling Inspections/Outreach – During July, a total of 2 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 and phone calls with generators included:

- On Tuesday, June 30, staff met with the Project Manager for Gilbane Construction which is renovating a 4 story office building at 400 Campus Drive in Florham Park. The

meeting was at the request of the Project Manager who called our office regarding recycling at construction projects.

- On Wednesday, July 8, staff visited Cavalier Environmental Compliance Services, located in Sparta, at the same site with Grinell and Reliable Wood Products. The meeting came about due to confusion about waste flow, source separation and construction debris recycling. Staff worked with Evergreen Recycling Solutions, a hauler with a MRF, with a customer at 100 Passaic Avenue in Florham Park, to address a load with recyclables.
- Staff also worked with Greenbiar at Fox Ridge in Rockaway Township to address corrugated mixed with construction debris. The load turned out to be from a container the complex had ordered for corrugated cardboard from new residents, but had gotten contaminated.
- On Tuesday, July 14, staff and the Parsippany Recycling Coordinator met with the Director of Facilities for GAF, the largest manufacturer of commercial and residential roofing in North America. There had been a load received at the transfer with corrugated, which should have been only garbage from their product testing division.
- On Thursday, July 23, staff and the Rockaway Township Recycling Coordinator met with representatives working at Bath and Body Works, The White Barn Candle Company and Nordstrom on construction projects at the Rockaway Mall. The contractor for the first two sites, said the construction company may have received information about recycling when the permit was issued, but he had started with the company only 3 weeks ago and had not been advised of the regulations. The contractor at the Nordstrom project had already been visited by staff in June about recycling, however he didn't fully grasp the idea that the recyclables have to be source separated and thought the hauler was sorting out the recyclables.

Inspection of County Buildings – On Wednesday, July 1, staff inspected the garbage and recycling dumpsters at the following county buildings: Administration Building, Court House, Weight and Measures, County Library, Arboretum and a visit to Mennen Arena and found that at several locations, recyclables are being sorted inside the building, but those sorted recyclables, in clear bags, are collected by the cleaning staff and put into black bags with garbage. The black bags with garbage and recyclables are then put in the garbage dumpster. Staff is addressing the problem with the appropriate people.

2014 Municipal Recycling Tonnage Reports – As of August 4, a total of 37 of the 39 municipal recycling tonnage reports for 2014 have been received. The reports were due to the NJDEP on April 30, 2015. The two towns that have not yet submitted a copy of their report to the MCMUA are Madison and Rockaway Borough.

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

Miscellaneous Presentations/Meetings/Conference Calls/Correspondence

- On July 16, staff logged on to an EPA webinar called "The Wrap Recycling Action Program: Best Practices to Boost Plastic Film Recycling in Your Community," about a new public awareness campaign designed to empower motivated stakeholders to contribute to a common goal: to make plastic film packaging a commonly recycled material with a strong and ever-growing recycling rate. The webinar emphasized keeping plastic bags and film out of MRF's and landfills.
- Friday and Saturday, July 17 and 18, staff attended the 4H Fair in Chester as an exhibitor.
- On Tuesday, July 21, staff met with the Park Commission at the new fields in Central Park to see if there is anything to be done to improve the quality of recyclables at that location. The Park Commission has done a nice job of equipping the fields with garbage and recycling containers that are paired next to each other.

PUBLIC PORTION:

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

OLD BUSINESS:

Mr. Schweizer mentioned that the first Resolution is to authorize the lease of three vacant lots in Parsippany-Troy Hills. He explained that even though we are not selling the lots, we still have to do it through the mechanism of a public auction. So this Resolution is setting forth the provisions to allow us to do that and asked for the Board's approval of same:

RESOLUTION NO. 15-48
RESOLUTION TO LEASE LAND OWNED BY THE AUTHORITY
BY OPEN PUBLIC SALE AT AUCTION

WHEREAS, the Morris County Municipal Utilities Authority (hereinafter "Authority") is the owner in fee simple of certain real property located on New Road in the Township of Parsippany-Troy Hills, County of Morris, State of New Jersey, Block 770, Lot 17, 18 and 19 on the tax maps of the Township of Parsippany-Troy Hills (the "Property"); and

WHEREAS, the Authority has determined that the Property is not necessary at this time for the purposes of the Authority; and

WHEREAS, the Authority intends, as owner of the Property, to lease the Property; and

WHEREAS, the Local Lands and Buildings Act, N.J.S.A. 40A:12-1 et seq., requires that the Authority adopt a resolution authorizing the lease of municipal lands no longer necessary for the purposes of the Authority by open public sale at auction;

NOW, THEREFORE, BE IT RESOLVED by the Authority as follows:

1. The Property is not necessary at this time for the purposes of the Authority.
2. The Authority is hereby authorized to lease the Property in accordance with the Local Lands and Buildings Act, by open public sale at auction to the highest bidder.
3. The Authority reserves the right to, upon completion of the bidding:
 - i. To reject the bids;
 - ii. To accept the highest bid; and
 - iii. To reject all bids where the highest bid is not accepted.
4. All notices required by Local Lands and Buildings Act, specifically 40A:12-13(a) shall be printed in the Daily Record and the Star Ledger.
5. The Authority hereby authorizes and directs Glenn Schweizer, Executive Director to conduct a public auction to receive bids for the Property in accordance with the terms and conditions of this Resolution and the terms of the Notice of Lease.
6. The Authority shall determine by Resolution to accept or reject the bid or bids received at the public auction.
7. The Authority hereby authorizes and directs Glenn Schweizer, Executive Director to execute any documents necessary to effectuate the purposes of this Resolution.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at a Regular Meeting held on August 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Barry made a Motion to lease land owned by the Authority By Open Public Sale At Auction (New Road, Parsippany-Troy Hills) and Mr. Druetzler seconded the Motion.

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

Mr. Schweizer mentioned that the following Resolution is related to Resolution No. 15-48 and it is officially establishing that we will be using Coldwell Banker to conduct the public auction for both the Beckman house and the three vacant lots in Parsippany which is scheduled for September 2nd at the Cultural Center. Mr. Schweizer asked for approval of same:

RESOLUTION NO. 15-49
RESOLUTION AUTHORIZING A CONTRACT FOR THE
PERFORMANCE OF PROFESSIONAL REAL ESTATE AUCTION SERVICES

WHEREAS, the Morris County Municipal Utilities Authority ("MCMUA") has resolved to sell and lease surplus properties located in Morris and Parsippany-Troy Hills Townships; and

WHEREAS, the MCMUA plans to hold an open public sale at auction and desires to utilize the services of a professional realtor to market the property and conduct the auction; and

WHEREAS, the MCMUA Staff has determined that the proposal submitted by Coldwell Banker, Auction Division, for the performance of said real estate and auction services by letter of August 5, 2015, is in the best interest of the MCMUA; and

WHEREAS, these services are "Professional Services" as defined in N.J.S.A. 40A:11-5(a)(i), as these services must be rendered or performed by a person appropriately licensed by the State of New Jersey, Real Estate Commission. The performance of these services requires specific knowledge and resources to structure the auction in conformance with public bidding laws and to maximize the potential for obtaining the highest fair market price.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Executive Director is authorized to enter into a contract with Coldwell Banker to provide real estate auction services associated with the sale and lease of surplus properties.
2. A copy of the Proposal and Contract shall be kept available for public inspection at the MCMUA Offices.

3. A Notice of Contract Award shall be published in the Daily Record, as required by law within ten (10) days of the adoption of this Resolution.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on August 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Plambeck made a Motion to authorize a contract for the Performance of professional real estate auction services to Coldwell Banker and Mr. Hudzik seconded the Motion.

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

Mr. Schweizer asked for the approval of the following Resolution for the Vallevue Project:

RESOLUTION NO. 15-50
RESOLUTION AUTHORIZING CONSERVATION PARTNERSHIP AGREEMENT
BY AND BETWEEN THE MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY
AND THE TOWNSHIP OF MORRIS AND THE CONTRIBUTION OF \$100,000
FROM THE MCMUA SHARE OF THE MORRIS COUNTY OPEN SPACE FUND

WHEREAS, the Morris County Municipal Utilities Authority ("MCMUA") having been established by the Morris County Board of Chosen Freeholders pursuant to N.J.S.A. 40:14b-1 et. seq., is empowered to take such steps as it deems necessary and appropriate to protect and preserve the water resources of the County of Morris; and

WHEREAS, in keeping with the implementation of such goals, the MCMUA seeks to enter into partnerships with other public entities and non-profit organizations in order to acquire land for such conservation and preservation purposes; and

WHEREAS, the Township of Morris desires to purchase a tract of land comprised of approximately 21 acres known as the Vallevue Farm property, to be protected in accordance with the terms and conditions of the Conservation Partnership Agreement by and between the Morris County Municipal Utilities Authority and the Township of Morris, in substantially the same form attached hereto (the "Protected Property"); and

WHEREAS, pursuant to a Resolution adopted by the Board of Adjustment of the Township of Morris on July 27, 2015, three remaining lots of the Vallevue Farm property (Lot 1, Block 4601; Lot 1.02, Block 4601; and Lot 1.03, Block 4601) which consist of approximately 36.5 acres will be retained by the property owner and shall be deed restricted against any further subdivision, with the exception that these three remaining lots may be further subdivided only for the purpose of additional open space acquisition or protection (the "Remaining Property"); and

WHEREAS, the parties acknowledge that the acquisition and conservation of the Protected Property is necessary and desirable given that it drains to the Category 1 Whippany River which supplies the environmentally significant wetlands of Washington Valley; and

WHEREAS, the parties acknowledge that the acquisition and conservation of the Protected Property will conserve the woodlands and riparian values of the Protected Property; and

WHEREAS, the parties desire to retain the Protected Property in its natural state; and

WHEREAS, the MCMUA determines that it is in the best interest of the residents of Morris County and it is in furtherance of the purpose of the MCMUA to contribute the sum of \$100,000 (One Hundred Thousand Dollars) from its share of the Morris County Open Space Trust Fund toward the acquisition of the Protected Property, subject to this Resolution and the terms and conditions of the Conservation Partnership Agreement by and between the Morris County Municipal Utilities Authority and the Township of Morris ("Conservation Partnership Agreement") in substantially the same form and content as set forth on Schedule A, attached hereto and made a part hereof and provided that the deed restrictions as provided by MCMUA counsel to Richard Oller, Esq., on June 4, 2015 for the purpose of prohibiting further subdivision of the Remaining Property (with the exception of such subdivisions for the sole purpose of additional open space acquisition or protection) be contained in the Deed creating the restrictions upon transfer of title of the Protected Property to the Township of Morris, which restrictions shall run with the land, and be publically recorded.

NOW, THEREFORE, BE IT RESOLVED by the MCMUA as follows:

1. Subject to approval and execution of the Conservation Partnership Agreement no later than August 31, 2015 by the Township of Morris, the Vice Chairwoman and Executive Director are hereby authorized to execute the Conservation Partnership Agreement in substantially the same form and content as set forth in Schedule A
2. The Executive Director, staff and consultants are hereby authorized to take all necessary administrative actions as are necessary to provide for the contribution of the sum of \$100,000 (One Hundred Thousand Dollars) from the MCMUA share of the Morris County Open Space Fund, upon all of the terms and conditions set forth in the Conservation Partnership Agreement and provided that the deed restrictions prohibiting further subdivision of the Remaining Property, as set forth in this Resolution, are contained in the Deed creating the restrictions upon transfer of title of the Protected Property to the Township of Morris, which restrictions shall run with the land and be publically recorded.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at a Regular Meeting held on August 11, 2015.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Vice Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Dr. Nusbaum made a Motion to authorize Conservation Partnership Agreement between the MCMUA and the Township Of Morris and the Contribution of \$100,000 from the MCMUA Share of the Morris County Open Space Fund and Mr. Platt seconded the Motion.

Mr. Schweizer mentioned that because of timing, Morris Township will be taking action on this agreement at their meeting on August 26th. We will be signing it tonight, then they will sign the agreement and we will be forwarding it to the Freeholders to authorize the funding and the closing will take place in September.

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

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

NEW BUSINESS:

Mr. Schweizer mentioned that the MUA is exploring doing a shared services with the Morris County Park Commission to use their qualified Purchasing Agent. If you have a qualified Purchasing Agent, that raises the limit of the bid threshold from \$17,500 to \$40,000. This will give us better flexibility and allow us to get things done more efficiently. Mr. Schweizer will keep the Board apprised. Mr. Schweizer mentioned that if the MUA does this with the Park Commission, there will be a shared services agreement.

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

There being no further Business, Vice Chairwoman Szwak asked for a Motion to adjourn the meeting at 8:48 p.m.

MOTION: Dr. Nusbaum made a Motion to adjourn the meeting at 8:48 p.m. seconded by Mr. Hudzik and carried unanimously.

Marilyn Regner
Secretary

/mr