

MINUTES OF REGULAR MEETING

JULY 12, 2016

The Regular Meeting of the Morris County Municipal Utilities Authority was held on July 12, 2016 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 Chairman Barry requested a roll call.

PRESENT: Mr. James Barry, Mr. Frank Druetzler, Mr. Christopher Dour, Dr. Arthur Nusbaum and Dr. Dorothea Kominos.

ABSENT: Mr. William Hudzik, Mr. Fletcher Platt and Ms. Laura Szwak.

Also present was Glenn Schweizer, Executive Director; Michael McAloon, Suburban Consulting Engineers; Larry Kaletcher, Treasurer; Marilyn Regner, Secretary; Brent Carney, Esq., Maraziti Falcon LLP; Larry Gindoff, Solid Waste Coordinator; and Kathleen Hourihan, District Recycling Coordinator.

Vice Chairman Barry asked for the Board's approval of the Minutes of the Regular Meeting of June 7, 2016.

MOTION: Mr. Dour made a Motion to approve the Minutes of the Regular Meeting of June 7, 2016 and Dr. Kominos seconded the Motion.

ROLL CALL: AYES: 4 NAYES: NONE ABSTENTIONS: Dr. Nusbaum

TREASURER'S REPORT:

Mr. Kaletcher presented the Treasurer's Report for the Solid Waste Operating, Water Operating and Capital Accounts for the month of June 2016. Also included are the Comparative Balance Reports for both the Solid Waste and Water Divisions for the first half of 2016 and the investment report in which there were no new investments for the month of June 2016. These reports have been incorporated in these Minutes.

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

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

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

Vice Chairman Barry asked for the Board's approval of the vouchers:

BILL RESOLUTION NO. 16-35

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. 16-35 containing 7 pages for a total of \$3,386,717.96 dated and made a part hereof by reference.

SUMMARY

CHECK NUMBERS

CAPITAL FUNDS		\$ 0.00
WATER OPERATING FUNDS	3389-3429	251,769.75
SOLID WASTE OPERATING	6617-6712	<u>3,134,948.21</u>
	TOTAL	\$ 3,386,717.96

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: July 12, 2016

BOARD CHAIRMAN APPROVAL

James Barry, Vice 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: July 12, 2016

DATE: July 12, 2016

Larry Kaletcher, Treasurer

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

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

CORRESPONDENCE:

In the correspondence report that was mailed to the Board, in Item No. 1, Mr. Schweizer mentioned is the annual reception held by N.J. Natural Gas where the MCMUA Board Members are invited. If anyone is interested in attending, it is Thursday, July 14th at the Parsippany Hilton from 6 to 8 p.m. Just let Marilyn know and we will RSVP for you. Mr. Druetzler said that he would like to attend.

Item No. 2 is the letter that Andrew Holt wrote to Sherwin Williams regarding the issues by which we would accept further consideration of using Sherwin Williams product of the Polycote 115. An update on that will be covered in the Engineer's Report.

We did receive the letter from Integrity Roofing for the second phase of the roof project. Receipt of this letter allows us to consider action on this project which will also be covered in the Engineer's Report.

Item No. 4 is just a follow-up to our discussion last month with regard to the shared services agreement with Parsippany where we use their front-end loaders to help us do our solid waste collections and it worked out very well for us.

Mr. Schweizer mentioned in your packet tonight is a copy of an Executive Report from a Waste Resource Foundation entitled "Residential End Users of Water". In this they studied 23 water utilities around the country and the basic conclusions were that the average indoor household water use has declined already by 22% since 1999. So from between 1999 and 2016, water use on indoor household basis has gone down 22% mostly as a result of new appliances and toilets. They

project that the continuation of the decline will continue and so they are just alerting water utilities that they should keep this trend in mind when they are doing future demand numbers and also rates because you can anticipate the amounts of water per unit will continue to decrease a little bit.

Mr. Schweizer mentioned that the MCMUA was invited a formal opening of the Community Garden at Morris Township's Vallevue Preserve on Sunday, July 24th at 11 a.m. This is the open space project that we supported last year, which also includes a community garden. We participated in this project with Morris County Open Space Trust Fund, the Trust for Public Lands and also the Township.

Regarding the leased property in Parsippany, Mr. Schweizer mentioned that Intercounty Paving asked if they could use the property for six weeks for storing their paving equipment while working on a paving project for I-280. Mr. Schweizer mentioned that our tenant, AJACO, is not on the property because they are required by Parsippany to provide a site plan for their plan to lay down some QP, put up a vegetative buffer and to store their two trucks. So we have this opportunity and everyone is in agreement and Parsippany is in favor. The Board was in agreement with this request.

Finally, Mr. Schweizer mentioned that Morris County has approved the M.U.A.'s capital budget request of \$1M for the Markewicz Tank No. 2 project.

Letter dated June 17, 2016 to Glenn Schweizer from Craig Lynch, Vice President – Energy Delivery, New Jersey Natural Gas, regarding invite to the annual Morris County Partners in Safety Reception on Thursday, July 14, 2016 from 6 to 8 p.m. at the Parsippany Hilton in Parsippany.

Letter dated June 7, 2016 to Kevin Morris, The Sherwin-Williams Company from Andrew Holt, MCMUA Consulting Engineer, regarding the requested terms and conditions for negotiated acceptance of tank alternate interior coating, Poly-Cote 115.

Letter dated June 17, 2016 to Glenn Schweizer from George Fabre, Vice President, Integrity Roofing, Inc. acknowledging that Integrity will hold the price of their original proposal at \$250,340.00, including the \$10,000.00 allowance, for an additional 60 days from today's date.

Letter dated June 9, 2016 to Ellen Sandman, Business Administrator, Township of Parsippany-Troy Hills from Glenn Schweizer regarding Shared Services Agreement.

Letter dated July 6, 2016 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 June 2016.

Letter dated July 6, 2016 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 June 2016.

ENGINEER'S REPORT:

Mr. McAloon reported on the following: (1) Roof Contract – On Friday, June 3rd, Integrity completed punch list items, as well as put an end to some roof infiltration. They performed a flood test and we determined the infiltration was not due to faulty installation or manufacture of the

materials, so we were able to get Flanders Valley No. 2 roof taken care of and the remaining punch list items. For Roof Repair Project 36A, we had rejected the low bidder due to incorrect paperwork. So now being able to take care of the punch list items, we are in a position to recommend award for the Four Roofs to Integrity Roofing in the amount of \$250,340.00, including \$10,000 allowance.

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

RESOLUTION NO. 16-36
RESOLUTION AWARDED CONTRACT NO. 36A "ROOF
REPLACEMENT FOR FOUR MCMUA BUILDINGS"
TO INTEGRITY ROOFING, INC.

WHEREAS, the Morris County Municipal Utilities Authority (the "Authority") authorized an advertisement for the receipt of public bids for Contract No. 36A "Roof Replacement for Four MCMUA Buildings" and received four (4) bids on May 6, 2016 from the companies listed below at the bid price shown:

P. Cipollini, Inc. Dover, New Jersey	\$230,000.00
Integrity Roofing, Inc. Rahway, New Jersey	\$250,340.00
Dell-Tech, Inc. Trenton, New Jersey	\$253,000.00
Cypreco Industries, Inc. Neptune, New Jersey	\$273,823.00

WHEREAS, the lowest bid did not identify subcontractors for plumbing, heating and ventilating, and electrical work; and

WHEREAS, in response to a letter requesting clarification as to the certified in-house personnel that would provide such work, the lowest bidder, by letter dated May 13, 2016, stated, in relevant part: "In reference to the above bid, our proposal did not include proper licenses and/or certifications for Plumbing, Heating & Ventilating, and Electrical disconnections and reinstallations as per part of this bid and contract. P. Cipollini, Inc. is not certified or licensed for the above trades."; and

WHEREAS, pursuant to N.J.S.A. 40A:11-23.2, the failure to provide the listing of subcontractors for plumbing, heating and ventilating, and electrical work at the time of the receipt of bids is a material fatal defect that renders the bid proposal of P. Cipollini, Inc. unresponsive; and

WHEREAS, the second lowest bid, submitted by Integrity Roofing, Inc. does not contain any material defects and the bid price is less than the engineer's pre-bid estimate; and

WHEREAS, by letter dated June 17, 2016, Integrity Roofing, Inc. agreed to hold its bid price for an additional sixty days from the date of said letter, thereby extending the time to award in accordance with N.J.S.A. 40A:11-24.

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

1. The bid of P. Cipollini, Inc. is rejected in accordance with N.J.S.A. 40A:11-23.2 for failure to provide a listing of subcontractors at the time of bid as required by N.J.S.A. 40A:11-16.
2. The Authority exercises its discretion to waive all immaterial omissions, if any, with respect to the bid of Integrity Roofing, Inc., received on May 6, 2016.
3. The Authority awards Contract No. 36A “Roof Replacement for Four MCMUA Buildings” to Integrity Roofing, Inc., having a business address of 1385 Witherspoon Street, Rahway, New Jersey 07065, as the lowest responsible and responsive bidder, in the amount not to exceed the bid price of \$250,340.00.
4. The Executive Director is authorized to execute Contract No. 36A “Roof Replacement for Four MCMUA Buildings” with Integrity Roofing, Inc., having a business address of 1385 Witherspoon Street, Rahway, New Jersey 07065, in the amount not to exceed the bid price of \$250,340.00.
5. The Contract awarded herein to Integrity Roofing, Inc. shall commence after the execution of the Contract, the submission of the performance guarantees and all required insurance certificates required by the Contract, in a form acceptable to the Risk Manager of Morris County, and after the issuance of a Notice to Proceed signed by the Executive Director.
6. The Executive Director is hereby authorized and directed to execute any other necessary documentation and to take all other actions necessary or desirable to effectuate the terms and conditions of this Resolution.
7. The Executive Director is hereby authorized to release the bid security submitted by all other bidders for Contract No. 36A “Roof Replacement for Four MCMUA Buildings.”

8. Funds are available for this Contract and a copy of this Resolution shall be submitted to the Authority's Treasurer and kept on file in the offices of the Authority.

9. 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 July 12, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
James Barry, Vice Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Druetzler made a Motion to Contract No. 36A, Roof Replacement For Four MCMUA Buildings, to Integrity Roofing in the amount of \$250,340.00 and Mr. Dour seconded the Motion.

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

Mr. McAloon advised that at this point D&B Engineers will be taking over Construction Administration on that project and on July 25th, there will be a project hand-off meeting with D&B and members of the MCMUA and Suburban Consulting Engineers. We anticipate that in late August, early September, mobilization from Integrity.

(2) Rehabilitation of the Markewicz Pump Station Groundwater Storage Tanks – We have scheduled a project kick-off for the front tank for August 23rd with anticipation beginning that work following the Labor Day holiday of September 6th. In response to our correspondence with Sherwin Williams regarding Polycote 115, we are still awaiting their formal response. We anticipate cooperation from their part with a comparable warranty.

Dr. Nusbaum asked how does this expand the length of this project? Is this high quality paint going to bide more time? Mr. McAloon replied that the application of the coating should reduce the overall duration which the tank is out-of-service. They are able to apply it at a faster rate. There is only one application with this paint inside the tank as opposed to the current systems, there are multiple applications. Dr. Nusbaum commented that it is an efficiency factor using this different paint system versus the longevity of the guarantee afterwards. Mr. Schweizer mentioned that Andrew Holt addressed this last month and the guarantee is going to be the same but the expectation is greater than the other products based on history of using Polycote 115 on pipes and other uses.

Mr. McAloon mentioned that Alpine Painting, who is our current contractor, will also be applying Polycote 115 coating on the Suez Water Tank in Haverstraw, New York and once we get the details on the schedule, Suburban Consulting Engineers will be willing to coordinate a site visit for any Board members who might be interested.

(3) Markewicz Pump Station Switchgear – As you are aware ATI has continued the work on the Markewicz Pump Station electrical upgrades. There was a meeting on site with JCP&L which they reviewed the design concept and preliminary plans. JCP&L is on board with our intent to upgrade and recognize the risk of the current electrical switchgear as identified in Jacobs' Asset

Management Plan. ATI is currently working on feasibilities and concepts and we are working on load letters to JCP&L and they are coordinating that with Suburban Consulting Engineers, as well as working with Plant Superintendent Tony Milonas.

(4) Scrub Oaks Well Project – We continued assembling our packet for the Highlands Council and we anticipate submission prior to the next Board meeting.

(5) Well 8 Turbidity – We reviewed the pump performance evaluation testing which we reported on earlier in the Spring and we have identified a potential solution with the installation of a Variable Frequency Drive in order to reduce the speed of that pump on start-up. We are working with ATI and several manufacturers to get pricing for this equipment. Our bid threshold is \$40,000, so to expedite this installation, receive multiple pricing from manufacturers and vendors and make sure we could be under that \$40,000 so we can get this equipment. If we find our quotes are above \$40,000, we are prepared to go out to bid if necessary. Mr. Druetzler commented that is a great improvement compared to what we thought we might have to do there and Mr. McAloon replied correct. Mr. McAloon mentioned there will be some testing and start-up of this Variable Frequency Drive, several operation parameters which we do now, for example, partially closing valves and orifice plates, so we are able to eliminate the quick fixes but we are confident that installation of the Variable Frequency Drive will help reduce the volume of blow-off.

Mr. McAloon commented some other good news is that as reported last month we were approximately five percent below where we were in water sales. We have reached out to neighboring water systems with varied success. Overall it has been a mild summer so demand has been low. Jefferson developed three new wells this past winter, so they are gaining an additional 100 gpm, as well as Mt. Arlington has indicated that their overall demand is down. Mr. McAloon is pleased to report that we had a very good month and we are only at two percent deficit compared to last year. We hope with this warmer weather that we can increase water sales.

Mr. McAloon reported that we have submitted our draft of the revised total coliform rule for NJDEP. We were able, with communication and working with the folks there, we reduced our sampling locations to eight locations, a reduction from 40 locations. They revised the rules and we were able to evaluate the new rules and being a bulk sale water system, we were exempt. In the past we had to take 40 samples and we were able to work with DEP and they recognized our status as a bulk water sale system and reduced the sample locations to eight. He added the two of our wells, Alamatong Wells No. 1 and 2, are seasonal so for the period between November and March they are not in operation, so we don't have to take samples. So in the winter months, we will be down to six.

(6) Clyde Potts Booster Station – We completed the Construction Complete Certificate.

PROJECT STATUS:

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

- A. The Contractor has continued the project close out procedures which include release of liens, certification of product warranties, submission of final payment and release of retainage. Final payment and release of retainage is anticipated for the next board meeting.
- B. On Friday June 3rd Integrity completed the installation of the exterior light at the Mt. Arlington Booster Station, as well as unclogging the roof leaders at Flanders Valley #2 roof. A flood test was performed and it was determine the roof membrane was watertight, and the unclogging of the rain leader allowed water to freely drain from the roof.

2. Roof Repair Project, Contract No. 36A (Four MCMUA Roofs)

Following the successful repairs on Flanders Valley #2 roof, Integrity Roofing provided formal correspondence indicating they would hold pricing for an additional 60 days to allow the MCMUA to recommend award of the Four (4) roofs. We recommend award of the Four (4) MCMUA Roof Replacement Project, Contract No. 36A to Integrity Roofing, Inc. from Rahway, in the amount of \$250,340.00 including a \$10,000.00 allowance.

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

- A. We have scheduled the project kick-off meeting for Tank #1 (Front Tank) for August 23rd in preparation for the anticipated dewatering of the beginning Tuesday September 6th following the Labor Day Holiday.
- B. We are currently awaiting the response from Sherwin Williams with regard to the formal letter to Sherwin Williams outlining the Boards warranty requirements following the May Water Committee meeting in order to proceed with the alternative interior tank coating. The later summarized the responsibilities of each party, and requested a five (5) year workmanship warranty to protect against incorrect application methods, as well as a twenty (20) year materials warranty to protect against coating failure.
- C. Alpine Painting and Sandblasting will be applying the Poly-Cote 115 coating on the Suez Haverstraw Tank at a date to be determined. SCE will coordinate a field visit to the tank site available to Board Members shall they desire to observe.

Project Completion Summary

Original Contract Completion Time		April 1, 2017
Approved Time Extensions	0	Calendar Days
Current Contract Completion Time		April 1, 2017
Milestone 1 – Tank #2 (Rear Tank)	90	Calendar Days
Milestone 1 – Extension	14	Calendar Days
Milestone 1 – Completion Date		May 10, 2016
Days Elapsed:	152	34%
Days Remaining:	298	66%

Original Contract	\$2,145,100.00
Recommended Change Orders	
#1 Tank #2 100% Solids Alternate Bid Item	\$32,300.00
#2 Tank #2 Cathodic Protection Steel Plates and Vent Removal	\$7,400.00
#3 Tank #1 Cathodic Protection Steel Plates	\$14,500.00
#4 Tank #1 Time Extension	<u>NO COST</u>
Total Recommended Change Orders	\$54,200.00
Current Total Value of Contract:	\$2,199,300.00
Total Value of Work Complete:	\$1,130,190.00
Percent of Work Complete:	51.4%
Total Retainage to Date	\$22,603.80

4. Markewicz Pump Station Switchgear and Electrical Upgrades

ATI has continued review of the historical site usage records, and began development of the proposed upgrade configuration. ATI plans to continue survey of the existing switchgear on Tuesday, July 5th. ATI plans to survey the outdoor equipment during a separate visit either the week of July 5th or July 11th. ATI and SCE attended a meeting with JCP&L to review the preliminary evaluation for the switchgear replacement and electrical upgrade project. A design review meeting was held with Suburban Consulting Engineers and ATI. ATI has been in communication with JCP&L representatives to establish the engineering design project numbers which are required to further advance the design from the Utility side. Also, a project review meeting was held with JCP&L to kick-off the project from the Utility side. JCP&L will provide reliability information for the existing pumping station as well as feasibility information for providing two separate circuits (Mt Vernon and Kenville Circuits). A load summary is presently in progress, and will be reviewed with Suburban Consulting Engineers once completed, and prior to issuance to JCP&L. Upon receiving the load summary to JCP&L, JCP&L will work on providing specific electrical service characteristics and requirements.

5. Scrub Oaks Well Allocation Evaluation

We have continued assembling background information from the previous reports and investigations to prepare our formal response to the Highlands Council with regard to their May 2nd, 2016 letter which requested further information. We are currently working on finalizing and anticipate submission to Highlands Council prior to the August Board Meeting.

6. Alamatong Well No. 8 Turbidity Preliminary Design

We have reviewed the pump testing program results, and have determined the system restrictions are preventing well #8 from performing at a reduced flow rate. We have been working with ATI on evaluating the installation of a Variable Frequency Drive (VFD) to reduce the operating speed of the pump and reduce the velocities through the aquifer. We are currently evaluating several manufacturers which design and manufacture VFD's. Those companies include Franklin Electric and ABB (ASEA Brown Boveri) among others. We are currently finalizing the design parameters and will solicit proposal for the procurement, installation, and testing of a VFD for the pump. This will require system integration to perform to the desired capabilities. We are also confirming the installation of a VFD will be acceptable to NJDEP which previously determined the blow-off events of Well No. 8 upon start-up shall be eliminated.

GENERAL

1. SYSTEM

- A. As reported last month, the MCMUA water sales are down overall approximately 5%. We have contacted the purchasing water systems to discuss the drop in sales. Not all systems responded to our correspondence, but the system which did provided the following:
- Parsippany-Troy Hills indicated demand was overall down from the previous year, and indicated they were proactively responding to leaks upon discovery.
 - Jefferson indicated they redeveloped three (3) wells this past winter and now getting an additional 100 gpm more than the previous year. He also indicated overall demand was down.
 - Mt. Arlington indicated overall demand is down from previous years, and also advised they have repaired several leaks in the system.

With recent weather it is anticipated the demand will increase and catchup to the volumes of the previous year.

- B. We have been in communication with NJDEP with regard to the Revised Total Coliform Rule Sampling Plan and discussed MCMUA being a bulk purchaser with no customers of their own, they have committed to reducing the number of required monthly samples. NJDEP has reviewed the MCMUA system requirements and have reduced the overall number of sample locations to eight (8) locations per month. The sample locations would be at each of the production well facilities.
- C. We have completed the Construction Complete Certificate for the Clyde Potts Booster Station which was not previously completed, and identified in the annual DEP inspection.

SOLID, HAZARDOUS & VEGETATIVE WASTE REPORT:

Mr. Gindoff gave the following updates: (1) With regard to my report, the HHW number of residents was incorrect. There were 176 participants this month.; and (2) With regard to a new facility that has asked for plan inclusion, it is called Kirk Allen Trucking. This is a landscaper who sells vegetative waste product much like we do, compost and mulch, and is located at Continental Drive and Waterloo Road in Mt. Olive area, near the International Trade Zone. They are applying for an exempt vegetative waste facility that does some wood grinding and composting. Most of those activities are a very small scale and the DEP allows you to do those with just a notice saying that you are going to be operating under these small levels and therefore, DEP doesn't require any general approval for that operation. So Kirk Allen Trucking went before the Township of Mt.

Olive Planning Board for a variance to allow this composting operation, as well as the vegetative waste operation and got that approved. Now they are asking us for plan inclusion which could be accomplished with an Administrative Action so that process was started just yesterday. He mentioned the Town was asked to send us a resolution with the Town's opinion on this project and that is due in three months. He will provide a summary on this in next month's report.

Dr. Nusbaum asked if they have to follow via the DEP's guidelines on composting so if there are any residences nearby that would experience odors? Mr. Gindoff replied yes, there are major restrictions if you operate under this exemption which means there are minimum property buffer distances.

Mr. Gindoff reported he corresponded with the Clerk of Roxbury regarding Nature Choices' administrative action and we should expect a resolution from them before the next meeting. We hope to approve that since it is simply a name change.

Mr. Gindoff mentioned that Glenn and he have continued to participate in the Emerald Ash Borer plan as the County is starting to think about that, as written about in my report. The Freeholders are probably going to have a meeting where they are going to hear from the County people who have been addressing this and what this issue is for the County.

Mr. Druetzler asked how is the tonnage? Mr. Gindoff mentioned that the tonnage is down this quarter, but it is up for the year so it is on target for what we did last year.

Mr. Druetzler asked if we have a per unit report on garbage practices. Mr. Gindoff replied there is an EPA composition study that they provide every year. That is a general generation report across the country. Mr. Gindoff will find the current status on that. Mr. Dour commented that he thought that we did something that had the solid waste generation going to the transfer station, the recycling numbers and then we did a per capita number at one point. Mr. Gindoff mentioned that we did do that as part of our solid waste plan when we did our plan update in 2008 when we were trying to figure out how we were going to achieve our 50% recycling level. We have not looked at it at a County level since then and that was based on census data and that is not as accurate as the per capita number. From the recycling perspective, it is easier because we have control over how many units we are picking up from. Mr. Gindoff said that he will put something together for next month's meeting.

TRANSFER STATIONS

Tonnage – For the month of June 2016, the quantity of solid waste accepted at the two transfer stations for disposal was 35,501 tons. The June 2016 tonnage is 4.26% less than the 37,082 tons accepted a year ago in June 2015. Based on tonnage projected from the first six months of the year, for 2016 the annual total tonnage is currently projected to be 389,647 tons which would be 1.80% more than the 382,920 tons accepted in 2015. Please refer to the Transfer Station Disposal Report by Month for additional information.

Permits – Regarding the air pollution control (APC) system and the administrative consent order (ACO) with NJDEP with respect to its installation at the Parsippany transfer station, Alaimo Engineering submitted a required bi-monthly status report, dated June 30, 2016, to NJDEP itemizing progress achieved on the project. It provides milestones such as the April 26, 2016 issuance of the APC permit, received May 16, 2016, and the requirement to maintain the facility in compliance with the approved APC permit within 350 days of the permit approval. Alaimo is now preparing detailed design plans and specifications to be incorporated into bidding documents. In the status report, Alaimo states compliance with the ACO date for installation and operation of the APC system in mid-2017 is achievable.

Transfer Station Roof Repair – ARCO Construction, the contractor for the transfer station roof renewal project, has been working to repair the corroded steel at the Parsippany transfer station in accordance with the change order approved at the MCMUA's June meeting and at this point, ARCO is done with the additional change order work. Still remaining at Parsippany to complete are the welding of braces and installation of blocking for the gutters. This final work is scheduled to be complete within the next two weeks. Everything at the Mount Olive transfer station is complete pending final walkthrough and punch list. Alaimo will schedule final walkthrough and punch list generation for each site when all the work is complete in about two

weeks. This month, the first payment to ARCO on this project, in the amount of \$332,808 is being placed on the list of vouchers to be paid. This leaves \$276,592 remaining to pay ARCO on this \$609,400 project.

SOLID WASTE MANAGEMENT PLAN

Administrative Action Modification – Natures Choice (former Stump Factory) in Roxbury - Change in Ownership to Northeast Products, LLC

Roxbury Township has still not responded to the MCMUA's April 27, 2016 letter seeking Roxbury's opinion, as the host municipality, regarding a request for modification to the Morris County Solid Waste Management (Plan) with respect to the Natures Choice Class B recycling facility. This facility is located in the Ledgewood section of Roxbury Township. The requested modification would change the ownership listed in the Plan from Natures Choice Corporation to Northeast Products, LLC. while retaining all the conditions of the existing NJDEP general approval. The April 27, 2016 letter provides Roxbury Township three months to send a Council resolution setting forth the Township's position on the proposed Plan modification, so the target for receipt is not until July 27, 2016. Staff will remind Roxbury of the pending due date.

HOUSEHOLD HAZARDOUS WASTE MANAGEMENT

Program Participation and Events – During June 2016, a total of 162 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 May 2016, when 174 participants used the facility. June 2016's participation also represents a big decrease from last year when 267 participants used the facility in June 2015. There are two remaining one-day HHW events scheduled for 2016. The first will take place at the Public Safety training academy on September 10 and the final disposal day of the year on October 1, 2016 at Chatham High School. MXI will be the HHW contractor for these events and MRM will provide E-waste collection and recycling.

Renewal of Contracts for HHW Programs – Staff is preparing a request for quotations (RFQ) for the recycling of used oil and oil filters generated at the permanent HHW facility. It is expected that this RFQ will be issued in July and a recommendation on selecting a recycling vendor will be provided for the MCMUA's consideration at the August meeting. As opposed to most other recyclable materials the MCMUA markets from the HHW facility which we typically enter into one-year contracts with two optional one-year extensions, the MCMUA seeks only one-year quotes for the recycling of used motor oil and oil filters annually due to the volatility in the value of used motor oil.

VEGETATIVE WASTE MANAGEMENT – June 2016

Facility Report – As of the writing of this report the monthly vegetative waste data for June 2016 was still be compiled and therefore, the Vegetative Waste Report will be provided to the

Board at the July 12 meeting. In June, the MCMUA sent out press releases advertising the availability of bulk purchase of compost and mulch and we have had some new and promising interest in the purchase our material from this effort.

Emerald Ash Borer (EAB) Beetle - At the June meeting the Board was apprised that MCMUA staff met with county representatives to discuss planning for an anticipated EAB beetle infestation. While the MCMUA has not yet identified the presence of the EAB at our sites, we are keeping all ash trees delivered segregated from other trees and they are being accumulated and tagged in accordance with the municipality they are generated in in case evidence of the EAB is discovered in the future. Additional planning meetings with the County are being scheduled for later in July.

RECYCLING REPORT:

Ms. Hourihan reported that the M.U.A. started weekly recycling collection in Morris Plains on July 5th. We did our second weekly collection today and it seems to be going well. She can give some preliminary numbers in the July report because that will be a full month's worth of data. Morris Plains is the first town that we switched from every other week to weekly. We started

some new towns with weekly service but this is the first town that we switched. The other update is that we are still continuing in a positive direction with the payment from ReCommunity for the value of single stream. We were at \$0.69 per ton for May and we are at \$2.33 per ton for the preliminary June number. So we are still trending positively, it's going slowly, but it is going in the right direction.

Ms. Hourihan mentioned the following resolution is for a contract with the Township of Roxbury to provide them with roll-off transportation, which is just servicing their recycling center, and asked for the Board's approval:

RESOLUTION NO. 16-37
RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT FOR
TRANSPORTING AND MARKETING RECYCLABLE MATERIALS
(Township of Roxbury)

WHEREAS, the provisions of the "New Jersey Statewide Mandatory Source Separation and Recycling Act," (N.J.S.A. 13:1E-99.11 et al.) (the "Act"), require every municipality in this State to provide for the source separation and recycling of marketable materials generated from residential premises within its jurisdiction; and

WHEREAS, pursuant to the Act, the Township of Roxbury has adopted and enforces a mandatory source separation ordinance for Recyclable Materials; and

WHEREAS, the MCMUA desires to assist municipalities in meeting their recycling goals pursuant to the Act by providing transportation services and providing markets for disposition of Recyclable Materials; and

WHEREAS, pursuant to the Municipal and County Utilities Authority Law N.J.S.A. 40:14B-1 et seq., the MCMUA may enter into contracts with municipalities for the provision of recycling services; and

WHEREAS, the MCMUA is authorized pursuant to the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1 et seq., to enter into a contract with any other local unit for the provision of any service which that local unit is empowered to render within its own jurisdiction; and

WHEREAS, uniform shared services agreements are exempt from the bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

WHEREAS, the MCMUA and the Township of Roxbury wish to execute a new four 2(4) and a half year agreement commencing on July 1, 2016.

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

1. The Executive Director of the MCMUA is hereby authorized and directed to execute said Agreement in substantially similar form as that on file in the office of the MCMUA.
2. This contract is awarded without competitive bidding pursuant to 40A:11-5(2) of the Local Public Contracts Law.
3. This resolution shall take effect immediately.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on July 12, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
James Barry, Vice Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Druetzler made a Motion to authorize the execution of an Agreement for transporting and marketing recyclable materials with the Township of Roxbury and Dr. Kominos seconded the Motion.

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

Recycling Operations

Revenue and Tonnage – The preliminary May statement was received June 6 and finalized on June 28 at +\$224. This positive amount is owed to the MCMUA. This is the first month so far in 2016, with a positive value.

The tonnage collected by the MCMUA for recycling during June was 1,592 tons. The monthly tonnage is shown by material and by customer on the attached report.

Delivery of Two New Trucks – Our two new rear-load compactor trucks, which were ordered in December 2015 were delivered on Tuesday, June 7. They were put into service on June 21.

Curbside Proposal for the Borough of Kinnelon – On June 15, at the request of the Borough, staff submitted a proposal for curbside recycling services to the Borough of Kinnelon. The Borough is currently out to bid for these services, as they entered into a 1 year contract at the end of 2015. Services would need to start January 2017.

Shared Services Agreement for the Marketing of Recyclable Materials through the MCMUA/ReCommunity Contract – On June 20, staff sent updated shared services contracts to the following 3 municipalities: Harding, Randolph and Rockaway Township. These contracts allow for these municipalities to join onto the marketing terms of the MCMUA/ReCommunity contract as they have been doing for the past few contracts. Each of the shared services contracts ended with the last ReCommunity contract. Staff has not received any feedback since sending the contracts and so will follow-up with each town.

Roxbury Township – The remaining minor details of the new contract with Roxbury were worked out. The Township introduced the new contract at their last meeting and will vote on it at their next meeting in July. Staff plans to present a resolution to the MCMUA Board at the July meeting for the approval of this new contract with the Township.

Bicycle Collection Program – This year’s bicycle collection program was held on Saturday, June 11, at the County College of Morris. Boy Scout Troop 173 from Parsippany assisted once again with preparing the bikes. This was their 15th year helping. A total of 23 bicycles and 3 sewing machines were collected. This number is much lower than in past years and staff is considering skipping a year for this collection event.

Boat Shrink Wrap Program – This year’s boat shrink wrap recycling collection program began April 2 and was advertised to run until June 13. The container was left in place for an extra week, until June 20, to catch any last minute stragglers. In April, the MCMUA delivered 7 loads, for a total of 5.25 tons, to Global Recycling, located in Andover. Starting in May, Global

Recycling provided a container and began transporting the boat shrink wrap to their facility at no additional cost to the MCMUA. In May, the MCMUA transported 1 load and Global transported 8 loads for a total of an additional 8.55 tons. In June there were only two more pulls done by Global, for a total of 18 pulls and 16.02 tons collected this year. For comparison, below is a summary of each year's tonnage total collected from Lee's Marina:

2008	11.08 tons
2009	7.84 tons
2010	12.52 tons
2011	13.98 tons
2012	11.53 tons
2013	14.13 tons
2014	15.26 tons
2015	16.79 tons
2016	16.02 tons

Events/Education/Miscellaneous

Clean Communities – On Wednesday, June 22, staff attended a Clean Communities County Coordinator meeting in Trenton. Then on Thursday, June 23, staff helped out a Clean Communities Coordinator in Andover Township in Sussex County, by giving a presentation for a Girl Scout camp in order to show the coordinator how to do presentations. For the Keep Morris County Clean (Slam Dunk the Junk) program, a total of 15 schools completed clean-ups and one school requested to do the clean-up in September. Additionally, 9 schools submitted 22 posters for the poster contest. This year, staff picked 7 winners, 3 more than the usual 4 winners, due to the fact that we received increased funds for the Clean Communities grant. Educational Programs: The MCMUA funded 12 educational programs in June at schools in Montville, Morris Township, and Morristown, and at libraries in Hanover, Madison, Mt Olive, Pequannock and Washington and at Pyramid Mountain County Park. Road Clean-ups: The MCMUA hired Adopt a Highway Litter Removal Service to do road clean-ups on June 1, 9 and 29. The clean-ups took place in Jefferson, Mt Arlington and Roxbury. Each section was 2.5 miles or 5 miles counting both sides of the road. From the 3 clean-ups there was a total of 83 bags of trash collected and 63 bags of recycling collected and many other large bulky items, including among other things, a shopping cart, tires, wood, and even a toilet bowl.

Recycling Inspections/Outreach – During June, a total of 47 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 June 20, in follow-up to a May 10 meeting, staff met again with representatives of the Morristown Medical Center and toured the hospital. The Medical center staff said some of the recommendations from the last meeting had been implemented, however MCMUA staff found several places still in need improvement.
- On June 22, staff met with Novel Ingredients, which is located in East Hanover. This company employs about 75 people and uses natural products to make vitamins. In May and June, the company delivered two loads to the transfer station with corrugated cardboard. Staff learned that there is no recycling program in place at this company. Staff provided the Vice President of Operations a lot of good information about recycling and he will speak to his haulers about setting up a proper recycling program.
- On June 24, staff met with SafeLite Services Auto Glass of Montville which employs about 200 people. Staff had previously met with this company in February 2015, but now there have been 6 new violations from this company since April. The warehouse manager said that after the meeting in February 2015, Waste Management (WM), their hauler, had set-up a single-stream recycling program, but that WM stopped the program because they were getting corrugated with wood glued to it. The manager will go back to WM and speak to them about restarting the recycling program and omitting the corrugated with the wood.

M.O.R.E. (Morris Office Recycling Excels) Recycling Program – On June 4, staff revisited Homeless Solutions after having worked with them in prior months to clean-up their recyclables. Staff had inspected the recyclables on February 4 and then held a meeting with the

administrators on February 22. This visit on June 4th, revealed the effort that has been made by Homeless Solutions to keep the recyclables and the shed clean. All the materials were prepared properly, they were clean and the floor of the shed was also clear of debris. Staff noted that the improvements were remarkable.

Additionally, on June 22, staff inspected the following county offices: Office of Health Management, Sheriff's Legal Services and the Public Safety Training Academy. The recycling bins at the Public Safety Training Academy and at the Office of Health Management were very good, however, the recycling dumpster at Sheriff's Legal needs much improvement. Conversely, the trash dumpster at Sheriff's Legal had almost no recyclables in it, while the trash dumpster at the Health Department had a lot of cardboard in it that should've been in the recycling dumpster. Staff will follow-up with the proper personnel about each location.

Curbside Recycling Inspections – Since inspecting residents' material on May 5 in the Town of the Boonton, staff has received a good deal of response from both the Recycling Coordinator and the Mayor about additional educational efforts. The Recycling Coordinator went door to door to talk to residents on a particular street. He also posted an electronic sign at the recycling center with a message about not including plastic bags. Additionally, he worked with the Mayor to include and emphasize recycling information in the Town's July newsletter.

2016 Municipal Recycling Tonnage Reports – As of June 30, a total of 37 of 39 reports have been received by the MCMUA. The deadline for submittal is April 30 each year and most towns do not submit by the deadline. The two outstanding reports are from Madison and Rockaway Borough. At this time, having only two remaining to be submitted is well ahead of previous years' submittals.

Event Containers – The MCMUA's event containers for recycling and garbage were lent to the following organization during June:

- Chester Craft Show – June 4 & 5
- Dog Agility Trial held at St Hubert's – June 4 & 5
- Wharton Carnival – June 8 to 11
- County of Morris – Wellness Fair – June 14 & 15

Additionally, on June 21, the Park Commission called to reserve all of our event containers for a fireworks event on Sunday, July 3, however, Montville had already reserved all of the containers for their Independence Day weekend. We quickly decided that it would make sense to order event containers for the Park Commission for all the events they have in the parks. We were able to place the order, using Clean Communities grant funds and get the new containers delivered in one week, so they arrived with plenty of time for the Park Commission to use them on July 3. The Park Commission has also agreed that if they are not using the container and if we have multiple requests for the same weekend, then we can send groups to them to borrow those containers.

Miscellaneous Presentations/Meetings/Conference Calls/Correspondence

- On Thursday, June 2 and Monday, June 6, Liz Sweedy gave presentations to the Copeland Middle School Ecology Club and PTA, respectively. The Copeland Middle School is located in Rockaway Township. Staff, along with the Rockaway Township recycling coordinator had previously done a waste audit at this school and was able to share the results of the audits with the club and PTA. They felt they were doing a good job with recycling and were surprised by some of the results of the waste audit which showed that there is room for improvement.
- On Friday, June 3, staff attended the Unity Charter School's Green Festival as an exhibitor. The event, held in Morristown, was held for students and parents.
- Also on Monday, June 6, staff met with the Principal, Director of Facilities and 10 teachers who comprise the Green Team of the Pequannock High School. The group walked around the school and talked about placement of containers, decals, posters, etc. Staff will provide a list of recommendations in follow-up to the visit.
- On Tuesday, June 7, Liz Sweedy spoke at the Association of New Jersey Recyclers (ANJR) workshop at a central Jersey location. The workshop is titled, "*Working Together to Clean Up the Curbside Mix.*" Liz filled in for Chris Vidal who was on vacation for this workshop presentation. Chris had prepared a power point presentation and will give the same presentation two more times at north and south locations.

- On Monday, June 20, staff met with a representative of GovDeals, the auction website, to go over some updates.

PUBLIC PORTION:

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

OLD BUSINESS:

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

NEW BUSINESS:

Mr. Schweizer mentioned that the following resolution is for the annual renewal of the Dover Armory and asked for the Board's approval:

RESOLUTION NO. 16-38
RESOLUTION AUTHORIZING RENEWAL OF USE AGREEMENT
WITH DEPARTMENT OF MILITARY AND VETERAN AFFAIRS

WHEREAS, the Morris County Municipal Utilities Authority ("MCMUA") entered into a Use Agreement with the Department of Military and Veteran Affairs ("Department") for the lease of the motor services building and parking area at the Dover Armory; and

WHEREAS, the MCMUA desires to renew the Use Agreement for one year; and

WHEREAS, the MCMUA Treasurer has certified that funds are available in line item 6-01-3-600-626-612.

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

1. The Executive Director of the MCMUA is authorized and directed to renew the Use Agreement with the Department for the lease of the motor services building and parking area at the Dover Armory for an additional one year.
2. A copy of the Resolution shall be submitted to the MCMUA Treasurer.
3. This Resolution shall take effect immediately.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on July 12, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
James Barry, Vice Chairman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Dour made a Motion to authorize renewal of Use Agreement and Mr. Druetzler seconded the Motion.

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

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

Vice Chairman Barry read the following Resolution for the meeting to go into closed session at 7:38 p.m. for discussion regarding pending litigation of 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 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 7:38 p.m. and Mr. Dour seconded the Motion.

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

The meeting returned to open session at 7:45 p.m. with a Motion made by Mr. Druetzler, seconded by Mr. Dour and carried unanimously.

There being no further Business, Vice Chairman Barry asked for a Motion to adjourn the meeting at 7:47 p.m.

MOTION: Mr. Dour made a Motion to adjourn the meeting at 7:47 p.m., seconded by Dr. Kominos and carried unanimously.

Marilyn Regner
Secretary

/mr