

MINUTES OF REGULAR MEETING

SEPTEMBER 13, 2016

The Regular Meeting of the Morris County Municipal Utilities Authority was held on September 13, 2016 at 7:07 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.

Chairwoman Szwak requested a roll call.

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

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

ABSENT: Mr. James Barry

Also present was Glenn Schweizer, Executive Director; Michael McAloon, Suburban Consulting Engineers; Larry Kaletcher, Treasurer; Marilyn Regner, Secretary; Joseph J. Maraziti, Jr., Esq., Maraziti Falcon LLP; Larry Gindoff, Solid Waste Coordinator; Kathleen Hourihan, District Recycling Coordinator; and Freeholder-liaison Christine Myers.

Chairwoman Szwak asked for the Board's approval of the Minutes and Closed Session Minutes of the Regular Meeting of August 9, 2016 and the Special Meeting of August 17, 2016.

MOTION: Mr. Hudzik made a Motion to approve the Minutes and Closed Session Minutes of the Regular Meeting of August 9, 2016 and the Special Meeting of August 17, 2016 and Mr. Dour seconded the Motion.

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

TREASURER'S REPORT:

Mr. Kaletcher presented the Treasurer's Report for the Solid Waste Operating, Water Operating and Capital Accounts for the month of August 2016. Also included are the Comparative Balance Reports for both Solid Waste and Water for the month of August and the investment transaction report which reflects the renewal of a Certificate of Deposit that reached maturity on August 10th and was renewed for another year. These reports have been incorporated in these Minutes.

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. Hudzik seconded the Motion.

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

Mr. Kaletcher mentioned that on August 30th, the MUA participated in a reverse online auction for electricity supply services. The auction included 7 bidders and was very competitive. When the auction was complete, the lowest bidder was Agera Energy with a rate of \$0.07591 kilowatts per hour which is \$0.0157 kilowatts per hour lower than our current price with Major Energy. Over a 2 year term, that equates to a \$170,373 savings on electricity supply costs. Additionally, the Agera \$0.07591 rate is over \$0.02 lower than the default JCP&L rate (a savings of \$225,000). So this is very good news for the MUA.

Mr. Druetzler asked where is Agera Energy from and Mr. Kaletcher replied, he did not know but could find out. Mr. Schweizer mentioned that a lot of these companies are like brokerage

companies, so they are buying energy and they are just selling pieces of supply of which they have control. As explained to us, maybe the timing was right, because some of these companies have all this capacity and they want to unload and public agencies like us, our use is very dependable, easy to understand, we pay our bills every month and they are willing to take a discount on the money that they would otherwise earn. Fortunately, we had a very good result.

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

BILL RESOLUTION NO. 16-42

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. 16-42 containing 7 pages for a total of \$2,997,750.56 dated and made a part hereof by reference.

SUMMARY

CHECK NUMBERS

CAPITAL FUNDS		\$	0.00
WATER OPERATING FUNDS	3464-3503		307,821.15
SOLID WASTE OPERATING	6713-6796		<u>2,689,929.41</u>
	TOTAL	\$	2,997,750.56

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: September 13, 2016

BOARD CHAIRMAN APPROVAL

 Laura Szwak, 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: September 13, 2016

DATE: September 13, 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: 6 NAYES: NONE ABSTENTIONS: NONE

CORRESPONDENCE:

With regard to the correspondence report, Mr. Schweizer mentioned that Item No. 1 is our monthly update on the Pondview project. It is the letter that Rockaway Township has to submit to the Court every month on the progress that we made on that particular development. The new information is with regard to the agreement to build the new water tank and once a contract was let to proceed ahead with that construction contract, then Wharton was able to tie in the Pondview development to its water system and believe that is close to being done. Mr. Druetzler asked is the tank done and Mr. Schweizer replied no, but once they let out the contract for the tank, then they were going to allow the Pondview system to be connected hydraulically to Wharton. He thinks the issue of us getting out of the case are still ripe until these things are

finalized and Mr. Maraziti concurred. He added that there is no action on our part and we are just observing what is going on with the water system.

On Items 2 and 3, they are both letters with regard to open space projects that the MUA had agreed to partner with. The one property is in Kinnelon and the other is in Washington Township and there is nothing new that has occurred in the last month on these projects. The Kinnelon project is making application to the County, and on the Washington Township project, the Land Conservancy is still waiting to hear officially back from the Park Commission on their agreement for the funding.

Item No. 4 is a memorandum to John Bonanni and others with regard to our transfer of property in Washington Valley and later on the agenda we will be taking action to support the sale and have requested that the Freeholders take similar action at their meeting on September 28th so that we can wrap this thing up and close on the project before the end of the year so they don't have to pay taxes on the property for 2017.

The next three items are letters that Larry Gindoff was involved in with DEP, as well as the Borough of Rockaway with regard to proposed recycling projects and those items are covered in his report.

Finally, a Daily Record newspaper article from last week featuring A. J. Capuzzi, who was the project manager from Jacobs Engineering who worked on our Asset Management Plan, and thought it was really neat that he helped put a project together to help bring water into Haiti.

Letter dated August 26, 2016 to Honorable Stephan C. Hansbury, P.J. Ch., Superior Court of New Jersey from Kelli L. Gallo, Esq., The Buzak Law Group, LLC submitting Rockaway Township's status report regarding its efforts to obtain additional water supplies.

Letter dated August 10, 2016 to Kathy Haake, Senior Project Manager, Trust For Public Land from Glenn Schweizer regarding Open Space Project, Untermeyer Lake in Kinnelon.

Letter dated August 10, 2016 to David Epstein, President, The Land Conservancy of New Jersey from Glenn Schweizer regarding Open Space Project, Heritage Homes in Washington Township.

Memorandum dated August 22, 2016 to John Bonanni, County Administrator, from Glenn Schweizer regarding Land Transfer of MCMUA property.

Letter dated August 16, 2016 to Scott Brubaker, Deputy Director, NJDEP, from Larry Gindoff regarding Administrative Action Request: Plan Inclusion Modification – Change in Ownership Natures Choice Corporation to Northeast Products, LLC.

Letter dated August 26, 2016 to Scott Brubaker, Deputy Director, NJDEP, from Larry Gindoff regarding Administrative Action Request: Plan Inclusion for Kirk Allen Trucking, LLC.

Letter dated August 26, 2016 to Larry Gindoff from Sheila Seifert, Borough Clerk Borough of Rockaway, regarding Morris County Solid Waste Management Plan Inclusion Request for CipCycle Processing, LLC – Class “A” Recycling Facility at 311 West Main Street.

Daily Record Article dated August 29, 2016 entitled “Engineer works to bring clean

water to Haiti”.

Letter dated September 8, 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 August 2016.

Letter dated September 8, 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 August 2016.

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

ENGINEER'S REPORT:

Mr. McAloon reported on the following: (1) Roof Contract – The Roof Repair Project, Contract 36, the first Phase was recommended to be closed out. The final payment on that was \$49,570.00. We also processed an Administrative Cost Reduction in the amount of \$7,500 which brought the final completion cost to \$202,840.00 so we are officially done with Phase I. With regard to Contract 36A, Roof Replacement for Four MCMUA Buildings, the Pre-Construction Meeting was held on last Friday. They plan on mobilizing to the site on September 26th for completion in early December. Mr. Hudzik asked is that weather dependent and Mr. McAloon replied that there is application guidelines, 40 degrees and rising, but we previously approved a product that allows them more flexibility with the weather. The Notice To Proceed was issued on Friday.; (2) Rehabilitation of the Markewicz Pump Station Groundwater Storage Tanks – At the Water Committee Meeting, we discussed approving of the alternative coating of Polycote 115. The Water Committee approved the reduced warranty of on what we were originally requesting from Sherwin Williams. We requested 20 year material warranty and Sherwin Williams could only at most offer a 15 year material warranty and that is what they countered to us and all indications is that is a good warranty for us and we are going to proceed with that alternative coating. Dr. Nubaum asked what was the warranty if it wasn't the alternative, newer and more comprehensive and Mr. McAloon replied if it was an existing product that we already had in the specifications, it would be have been a two year warranty. Dr. Nusbaum said so it is significant and Mr. McAloon replied correct. On the tank itself, Mr. McAloon mentioned that Tony Milonas began the dewatering today and the contractor plans to start on Monday, September 19th and he will also be complete in December. He submitted his work schedule and he plans on doing interior and exterior rehabilitation at the same time. We are still holding release retainage on the first tank until he mobilizes and we anticipate that check will be released on Monday. (3) Markewicz Pump Station Switchgear - ATI is continuing that work. Mr. Hudzik asked is there a final date for ATI to have all their work done? Mr. McAloon replied that this is just a preliminary study and he anticipates getting preliminary costs and completing that before the end of the year.; (4) Well 8 Turbidity – Tony Milonas received the new proposal from PCS to do the VFD installation and they will also do the SCADA integration. Their price is a little bit higher than CV, but we are getting a full package and PCS is the systems integrator for the system and they know the ins and outs. We have discussed this and we feel even though it is a little bit more expensive, we are getting more from PCS with the system integration. Mr. Schweizer asked what was the price difference and Mr. McAloon replied two or three thousand dollars. The total project will still fall under the \$40,000 bid threshold. Tony Milonas plans on getting a purchase order and getting the equipment purchased for anticipated completion by the end of October.; (5) Clyde Potts Booster Station – We are still working on setting up a meeting with Southeast Morris County M.U.A.; (6)) Water Conservation and Drought Management Plan – Suburban is finalizing the Water Conservation and Drought Management Plan and unfortunately, we haven't sold as much water as we would have liked to date so far. Chairwoman Szwak asked how could that be since it has been so dry. Mr. McAloon replied that water conservation as we discussed in the Water Committee Meeting, Randolph has water restrictions in place and it is just not where we were compared to last year. Mr. Druetzler commented that most of the water sales are down but that is a tremendous amount. Mr. McAloon explained that Tony Milonas does calibration on the meters and he can double check with him but he believes that we are up-to-date. He added that it has just been a tough summer, not a lot of water sales.

Mr. Dour asked how often do we have to do this Water Conservation and Drought Management Plan. Mr. McAloon replied once every three years. Mr. Dour asked has it changed much in three years. Mr. McAloon replied that it is supposed to be submitted with the Water Allocation Permit, but the time we submitted that, we still had a valid Drought Management Plan on file so in the middle of the summer DEP gave us a call that we were coming to expiration and pretty much it is just updating and going through the formalities, evaluating the wells and DEP forms.

Chairwoman Szwak mentioned that the Water Committee met this evening regarding the Scrub Oaks Mine. The Highlands Council had some questions that we needed to answer and Suburban Consulting Engineers prepared a draft letter in response to the Highland's questions. Mr. Platt had some questions, so we met to talk about it. Chairwoman Szwak called on Mr. Platt to summarize.

Mr. Platt mentioned that he had a number of questions regarding the original draft letter prepared by Suburban Consulting Engineers and I suggested that more detail be included in it and also questioned whether the recommended 200 gpm well was worth it to us at a cost of an estimated 3 ½ million dollars. Mike McAloon indicated that he and Andrew have been thinking about alternatives for costs, a portable package treatment plant as an option. Mike McAloon distributed a revised letter that we are going to look at again but at the end of the discussion, I made a suggestion that we think about pilot program to demonstrate the viability of the mine. The DEP and the Highlands still had some questions and the best way to answer it is through a demonstration project if the cost is reasonable. We have asked Mike McAloon to go back and give us a cost estimate for a demonstration project with temporary treatment facilities so we can use the water and demonstrate that the mine will not collapse under our withdrawal scenario and that water quality will be maintained. So that is where we are and Mike McAloon and Andrew Holt will come back to us with additional information, costs and a revised letter to the Highlands.

Mr. Schweizer mentioned that we will be having a meeting with representatives from Mine Hill between now and next meeting with regard for their need for additional water for the Canfield project. We have not gotten any information from them about what their needs are, how many units are being built, but we will sit down with them and go through that conversation.

PROJECT STATUS

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

A. The Contractor has submitted payment application #3 in the amount of \$40,513.20 as well as payment application #4 which includes project closeout and release of retainage. The Contractor has submitted all required closeout documents including but not limited to maintenance bond, product warranties, and release of liens. As part of the Contract, an allowance for gypsum repair was included in the bid pricing but was not utilized during construction. We recommended and processed an administrative cost reduction contract change order which reduced the final contract amount by \$7,500.00 resulting in a final completion cost of \$202,840.00.

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

The Pre-Construction meeting with the Contractor (Integrity Roofing) and D&B Engineering and Architects is scheduled for Friday September 9th at which the anticipated schedule will be reviewed and discussed. It is anticipated work will begin in fall.

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. The Pre-Construction meeting for the remaining portion of the work, the rehabilitation of Tank #1 was held on August 23rd. The Contractor indicated they would begin mobilization of equipment to the site and begin abrasive blasting of the tank exterior prior to dewatering the tank and then proceed to complete the tank interior rehabilitation.

B. We have received a draft copy of the Sherwin Williams Limited Warranty in response to correspondence requesting an extended warranty for the application of the Poly-Cote 115 coating. We have reviewed the warranty and would like to discuss this

further at the Water Committee Meeting scheduled before the regular board meeting on September 13th.

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)		Completed
Milestone 2 – Tank #1 (Front Tank)	90	Calendar Days
Milestone 2 – Completion Date		TBD
Days Elapsed:	250	55%
Days Remaining:	200	45%

Project Financial Summary

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	\$0.00

4. Markewicz Pump Station Switchgear and Electrical Upgrades

ATI has continued development of the proposed upgrade configuration, and continued survey of the existing equipment. ATI is currently developing preliminary pricing to be used for MCMUA Capital Improvement Budgets. ATI is continuing coordination with JCP&L on providing specific electrical service characteristics and requirements.

5. Scrub Oaks Well Allocation Evaluation

We have received, reviewed, and addressed the comments which we have been received from board members following distribution of the draft copy of the Highlands Response letter at the August meeting. Prior to submission to the Highlands Council, we would like to review the response at the Water Committee meeting on September 13th.

6. Alamatong Well No. 8 Turbidity Preliminary Design

We have received several proposals for the direct purchase of the VFD from Franklin Electric through certified vendors. The company with the lowest proposal is Connecticut Winpump Co. in the amount of \$19,950.70. MCMUA has received a proposal from CV Electric to complete the electrical work, VFD startup, and personnel training. The total project cost for the direct purchase of the VFD and the electrical work required to complete the installation is below the \$40k bid threshold but will require a purchasing agent. Upon discussion with system superintendent, it was determined the work would begin once the system demands were reduced, due the down time associated with the VFD installation and the criticality of Well #8 during dry weather demands. The NJDEP has been contacted and confirmed the installation of a VFD will be acceptable to NJDEP as a means to reduce the volume and frequency of blow-off events at Well #8.

7. Clyde Potts Booster Station

We have been in correspondence with SMCMUA to setup a meeting to review and discuss the Clyde Potts Booster Station. SMCMUA has previously indicated the desire and opinion the pumps shall be located inside the water treatment facility.

GENERAL

1. SYSTEM

- A. We are currently finalizing the Water Conservation and Drought Management Plan for Public Supply Systems as required by NJDEP.
- B. We have reviewed the total water sales to through August, and currently show water sales are down approximately 30 Million Gallons or 2.6% from where they were the previous year.

SOLID, HAZARDOUS & VEGETATIVE WASTE REPORT:

Mr. Gindoff gave the following updates: (1) We had a very successful Household Hazardous Waste Program this Saturday at the Police Academy. It was the second of our three events for this year and it was one of our busiest where we had 1,088 participants.

Mr. Platt asked when the third event is and Mr. Gindoff replied October 1st in Chatham. Chairwoman Szwak asked if anything different was done in terms of advertising? Mr. Gindoff replied that we have been using the County's social media outlet that Larry Ragonese has been very effective in getting the word out on these things but we have been doing that for the last five to eight years. Mr. Druetzler mentioned that they said that the cars were very full and that people have trouble getting rid of electronics. Mr. Gindoff said that our electronic number was not that big. He reported that 597 had household hazardous waste only, and 340 had both household hazardous waste and electronics. He reported that for the first time we removed three tractor trailer loads of household hazardous waste.

Mr. Schweizer asked has anyone noticed the number of real estate transfers that have been going on and mentioned that his observation is that there are a lot more now than there was earlier this year and last year. Real estate transfers tend to increase the need for disposal of household hazardous waste and electronics. Mr. Druetzler said that he noticed that too; it seems to be active.

Mr. Gindoff reported that solid waste was up 10 percent over last month. He added that we had an excellent household hazardous waste day and both vendors did a tremendous job. We are one of the few counties that still does electronics at these disposal days and MRM, being our vendor, provided at no charge to us, is still a tremendous benefit and virtually nowhere else in New Jersey is getting at this point. He feels very fortunate to have them on board.

Mr. Gindoff reported figures at the Mt. Olive facility. We had 208 participants this month compared to last month we had 217. So our numbers are pretty high up there also.

(2) He prepared the Vegetative Waste Report figures which are included in the packet. He mentioned at the bottom line numbers from a financial standpoint, we are pretty much in line with what we had last year but in the middle, you will notice that our outbound commercial sales are still a little behind from what they were last year and we are still making a concerted effort to try to get that material moved off site to get the site prepared for the leaf season coming up. We have been contacting various vendors to see what they need, see if it helps if we do some additional screening of the material or whether additional discounts are needed so we are currently active in moving that remaining material off site. Likewise, we are closing up our residential delivery season on September 23rd.

Mr. Gindoff mentioned that next Wednesday he will be representing the M.U.A. on the Open Space Committee for the County. We will be receiving our packets that we will have to begin reviewing for the year and our site visits will occur very shortly thereafter. Mr. Druetzler asked how many sites there are and Mr. Gindoff said he will not know and next month he will be able to give an update.

Finally, we have been talking about the need to enter into a Joint Management Agreement with J.P. Mascaro for the operation of our transfer station being a DEP requirement that they are making us enter into this Agreement. So after discussions with DEP and the DAG's office, we are going to agree to do that at this point but we crafted a Resolution, which is included in your packets, that provides a limited consent for this Agreement in case for whatever reason that there are additional regulations that come in the future that we don't want to waive our rights to argue the point that this Joint Management Agreement is necessary. This Resolution provides the consent to enter this Agreement but at a limited level so it protects our rights to potentially fight this matter at a future date on this contract, or a future contract or procurement, if this matter is raised.

Mr. Druetzler mentioned that last month everyone was under the opinion that we were not going to do this; what has changed. Chairwoman Szwak said that was her recollection too.

Mr. Maraziti mentioned that after talking to Brent Carney what has changed from his perspective is he had a conversation with the Deputy Attorney General and they went back and forth over the regulations and the way they are now interpreting them. We don't agree with their interpretations of the regulations. The issue is do we go the mat on this or do we put on the record our disagreement and our willingness to go forward with it but on a limited basis that we are not waiving our right to object to the validity of this at sometime in the future. And what is the debate center around? It centers around what a management agreement defines to be as set forth in this Resolution. We feel we do not fit this definition and that is why we laid this all out here. Mr. Maraziti read the definition. We go on to point out here that this agreement does not do either of these things and we are basically going along with this under protest because he doesn't think you want to have a legal battle and spend the legal costs to fight this when it doesn't appear that there is any consequence to enter into this now. The main consequence it gets DEP off your back at this point. We have gone through this multi-page Resolution in order to lay out the case should it ever be necessary to make it that we object to the applicability of this regulation to this agreement. Mr. Maraziti mentioned that the worry is that at some point maybe next year or five years from now, they will piggyback a new requirement on any entities that have a management agreement and so we want to go on record and say wait a minute we are doing this under protest.

Dr. Nusbaum asked does this document or this Resolution in any way compromise the M.U.A. and/or the County of Morris with this contractual agreement with Mascaro. There is nothing in this document that is going to hamper, halt or cause a change with our contract with them. Mr. Maraziti replied no; it does not change that contract in any way, shape or form. It is way of defining the contract, not changing the contract. So it doesn't give them any powers that they don't otherwise have. Mr. Schweizer mentioned that it also gives the utility arm of DEP the opportunity to approve our contract. Mr. Maraziti replied yes, although they have already approved the Solid Waste Management Plan. Mr. Maraziti added that what we try to do here is articulate all of our concerns about what we think is at stake and we are trying to get the best of both worlds. Mr. Schweizer mentioned there is no financial implications to the M.U.A. and as you recall from the history of this, when Mascaro was called down by DEP initially on this point, the effort by the utility branch of DEP was to charge them fees like they charge us for operating the transfer stations. Mascaro negotiated an arrangement with them where they will only pay them fees on the operational part of the transfer stations where in the end it is a relatively small amount of money. It was worth their while to do that and we didn't think we were in this decision path. However, it became clear when Brent Carney had his discussions with the DAG that they are going to back the DEP staff and policy makers on this so our best course was to reluctantly agree to the joint management agreement and register as many conditions that would protect our interest in the future.

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

RESOLUTION NO. 16-43

RESOLUTION CONDITIONALLY CONSENTING TO PETITIONING NJDEP FOR APPROVAL *NUNC PRO TUNC* THE EXISTING CONTRACT DATED FEBRUARY 20, 2015 BY AND BETWEEN THE MORRIS COUNTY MUNICIPAL UTILITIES AUTHORITY AND SOLID WASTE SERVICES, INC. D/B/A J.P. MASCARO & SONS FOR THE OPERATION OF MCMUA TRANSFER STATIONS AND TRANSPORTATION AND DISPOSITION OF COUNTY SOLID WASTE AS A MANAGEMENT AGREEMENT FOR PURPOSES OF N.J.A.C. 7:26H-3.6

WHEREAS, by Resolution dated October 16, 2012, the Morris County Municipal Utilities Authority (the “Authority”) awarded to J.P. Mascaro & Sons (“Mascaro”), the lowest responsible bidder, the Contract for the Combined Operation of the Two Transfer Stations, Transportation of Solid Waste to Final Disposal Facilities Via Over-the-Road Transfer Trailers, and Disposal of Solid Waste From the MCMUA’s Two Transfer Stations for a Period of Five (5) Years (hereinafter, the “Original Contract”); and

WHEREAS, the award of the Original Contract was contested by two (2) of the bidders which resulted in Applications for Temporary Restraints being filed against the Authority in the Superior Court of New Jersey on or about October 23, 2012; and

WHEREAS, the Trial Court denied both Applications for Temporary Restraints; and

WHEREAS, by Order of the Appellate Court dated February 26, 2013, the Trial Court’s determinations were reversed and the Original Contract was stayed pending the resolution of the litigation; and

WHEREAS, in order to provide uninterrupted solid waste services to the residents and businesses in Morris County which rely upon the Authority, by Resolution dated March 6, 2013, the Authority entered into an Emergency Contract for the Combined Operation of the Two Transfer Stations, Transportation of Solid Waste to Final Disposal Facilities Including Providing Transfer Trailers, and Disposal of Solid Waste Received at the Transfer Stations with Mascaro (the “Emergency Contract”); and,

WHEREAS, the Emergency Contract was permitted by the Appellate Court to remain in effect through the resolution of the litigation and, pursuant to Resolution No. 14-14 dated February 11, 2014, the Authority affirmed the award of the Emergency Contract to Mascaro and resolved to keep the Emergency Contract in effect through the resolution of the litigation accordingly; and

WHEREAS, following the issuance of the February 26, 2013 Appellate Court Order, and following certain motion practice, on June 17, 2014, the Trial Court ordered the Authority to re-bid the Original Contract and to continue to operate under the Emergency Contract pending

the re-bidding process; and

WHEREAS, after the review and approval of the Bid Specifications by the New Jersey Office of State Comptroller (“OSC”) and in accordance with timeframes set forth in the Order, on October 27, 2014, the Authority advertised its solicitation of bids for the Operation of the Two Morris County Solid Waste Transfer Stations Including Transportation and Disposal of All Solid Waste Received at the Transfer Station Facilities, with three (3) Addenda being issued on November 25, 2014, December 15, 2014, and December 27, 2014, respectively; and

WHEREAS, on January 9, 2015, the Authority received sealed bids from Advanced Enterprises Recycling, Inc., having an address of 540 Doremus Avenue, Newark, New Jersey; J.P. Mascaro & Sons, having an address of 2650 Audubon Road, Audubon, Pennsylvania; and Waste Management of New Jersey, Inc., having an address of 107 Silvia Street, Ewing, New Jersey; and

WHEREAS, the bid price received from Mascaro was the lowest and on February 10, 2015 the Authority adopted Resolution No. 15-21 awarding the five year contract to Mascaro for “Operating the Two Morris County Solid Waste Transfer Stations, Including Providing Transportation and Disposal of All County Solid Waste Received at the Transfer Station Facilities” as the lowest responsible bidder in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. and the same was fully executed on February 20, 2015 (the “2015 Contract”); and

WHEREAS, at the time of the award of the 2015 Contract, the Morris County District Solid Waste Management Plan included the three final disposal facilities identified in the 2015 Contract, but the term for the use of those out-of-state disposal facilities would have expired on January 28, 2018, based on the Certification as approved by the New Jersey Department of Environmental Protection on July 19, 2013; and

WHEREAS, on March 9, 2016 the County Freeholders adopted an amendment to the Morris County Solid Waste Management Plan for the inclusion of the 2015 Contract, the extension of the use of the three out-of-state final disposal facilities through February 20, 2020, and continued waste flow control of all solid waste generated within Morris County to the Authority’s Transfer Stations for the term of the 2015 Contract; and

WHEREAS, on July 27, 2016, the New Jersey Department of Environmental Protection Certified the Approval of the March 9, 2016 Amendment to the Morris County District Solid

Waste Management Plan, which includes the 2015 Contract; and

WHEREAS, notwithstanding the aforementioned approvals, the New Jersey Department of Environmental Protection, Utilities Program, has advised that it considers the 2015 Contract to be a Management Agreement that requires the Authority to petition for its approval pursuant to N.J.A.C. 7:26H-3.6; and

WHEREAS, N.J.A.C. 7:26H-3.6 states, in relevant part: “No solid waste collection or disposal utility shall enter into a management agreement with any person without filing a Notice of Intent and obtaining Department approval if such management agreement contains any of the following terms and conditions: (1) grants general operational control to the managing company including but not limited to, the authority to hire or fire employees, purchase equipment, or maintain the books and records of the utility; or (2) delegates to the managing company the responsibility of make any filings with the Department; and

WHEREAS, the 2015 Contract does not authorize general operational control to Mascaro nor does it authorize Mascaro to: (1) hire or fire any Authority employees, purchase any equipment for the Authority to own, maintain any books and records of the Authority; or (2) delegate to Mascaro the responsibility of making any filings with the Department for the Authority; and

WHEREAS, the Authority, among other things: (1) performs oversight of Mascaro; (2) employs a Site Manager at each transfer station that oversees the actions of Mascaro and ensures that Mascaro has competent employees which can be replaced by request of the Authority; (3) utilizes its staff to operate the scale house; (4) provides bookkeeping functions, which start at the scale house through the entry of each waste hauler and the tonnage tipped; (5) employs inspectors to inspect the solid waste on the tipping floor at each transfer station; (6) oversees and manages all permitting and site improvements at the transfer stations; (7) employs an accounting staff that is responsible for collecting and managing all of the escrow accounts for all the solid waste haulers, payment of invoices, and fees; (8) makes payment to NJDEP of the recycling tax; (9) makes payment of all permitting fees; (10) files and executes all permit applications for the Authority; (11) determines on a monthly basis whether Mascaro should be paid for the amounts invoiced; (12) makes all filings on behalf of the Authority to NJDEP; (13) employs a Solid Waste Coordinator that among, other things, prepares monthly solid waste reports to the Board regarding the amount of solid waste processed at each transfer station and is in charge of the

Authority's staff at the transfer stations; (14) employs an Executive Director that is in charge of the entirety of the operations of the Authority, including ensuring that the Authority's Transfer Stations are being properly operated and maintained; and

WHEREAS, until this year, the New Jersey Department of Environmental Protection has never interpreted N.J.A.C. 7:26H-3.6, which pertains to management agreements, to apply to the Authority's contracts for the operation of its transfer stations and transportation and disposal of solid waste to out-of-state landfills, said contracts having been previously approved and included by the New Jersey Department of Environmental Protection in their 1993, 1998, 2002, 2008, 2013 and 2016 certifications and approvals of amendments to the Morris County District Solid Waste Management Plan; and

WHEREAS, notwithstanding the foregoing and the prior approvals from the New Jersey Department of Environmental Protection, its Utilities Program interprets the 2015 Contract to be a Management Agreement within the purview of N.J.A.C. 7:26H-3.6 for the following reasons: (1) Article II, Section 2.1 of the 2015 Contract states that Mascaro agrees to furnish and deliver all the materials, to do and perform all the Work and labor required to be furnished and deliver, done and performed for the operation of the two transfer stations; (2) Article XI, Section 11.2 of the 2015 Contract provides the right to the Authority to inspect Mascaro's out-of-state disposal records, which the New Jersey Department of Environmental Protection suggests is a record-keeping function being performed by Mascaro; (3) N.J.A.C. 7:26H-3.6 doesn't require that Mascaro have exclusive control and does not limit "general operational control" to the "ability to hire or fire employees, purchase equipment, or maintain the books and records of the utility"; and (4) in an annual report filed by Mascaro within its 2015 annual utilities report, Mascaro stated that it is responsible for the physical operation of the two transfer stations; and

WHEREAS, at a meeting, without representatives from the Authority present, counsel for Mascaro met with representatives from the New Jersey Department of Environmental Protection in March 2015 and was advised that the Utilities Program was interpreting the 2015 Contract as a Management Agreement that required prior approval pursuant to N.J.A.C. 7:26H-3.6; and

WHEREAS, on July 14, 2016, Mascaro submitted to the New Jersey Department of Environmental Protection, without the consent of the Authority, a document entitled "Joint Petition of Morris County Municipal Utilities Authority and Solid Waste Services, Inc. d/b/a J.P.

Mascaro & Sons, for DEP Approval of a Management Agreement to Operate Two Morris County-Owned Transfer Stations” which included the 2015 Contract; and

WHEREAS, by letter dated July 26, 2016, the Authority advised the New Jersey Department of Environmental Protection that the Authority never consented to the submission of a Joint Petition for approval of a Management Agreement and that “[a]lthough the Authority does not believe that a management agreement as described by N.J.A.C. 7:26H-3.6 is applicable to the contract that was awarded pursuant to the procurement procedures of the Local Public Contracts Law to J.P. Mascaro & Sons, [the Authority is] presently evaluating this matter.”; and

WHEREAS, following the July 26, 2016 letter, conference calls occurred as between the Authority and the New Jersey Department of Environmental Protection, including as between their respective legal counsel; and

WHEREAS, pursuant to e-mail correspondence from Ray Lamboy, DAG to Brent Carney, Esq., dated August 12, 2016, Mr. Lamboy concluded: “So in sum, DEP’s position is that MCMUA and Mascaro entered into the equivalent of a ‘management agreement’ (as DEP interprets the contract) without prior approval. This can be remedied with a petition *nunc pro tunc*.”

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

1. Consent is hereby granted to petition the New Jersey Department of Environmental Protection for the *nunc pro tunc* approval of the 2015 Contract as a “Management Agreement” for purposes of N.J.A.C. 7:26H-3.6, but the consent granted herein is limited in that it does not include a waiver of the Authority’s rights to advance in any forum that any contract that the Authority has procured or may procure in the future for the operation of its transfer stations and transportation and disposal of solid waste to out-of-state facilities is not a management agreement nor does it include any waiver of rights in the future to advance in any forum that N.J.A.C. 7:26H-3.6, or any amendments thereto, is not applicable to any contract that the Authority has procured or may procure in the future for the operation of its transfer stations and transportation and disposal of solid waste to out-of-state facilities.

2. 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.
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 a Regular Meeting held on September 13, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Platt made a Motion to adopt Resolution No. 16-43 and Mr. Hudzik seconded the Motion.

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

TRANSFER STATIONS

Tonnage – For the month of August 2016, the quantity of solid waste accepted at the two transfer stations for disposal was 35,836 tons. The August 2016 tonnage is 10.29% more than the 32,493 tons accepted a year ago in August 2015. Based on tonnage projected from the first eight months of the year, for 2016 the annual total tonnage is currently projected to be 388,393 tons which would be 1.52% more than the 382,920 tons accepted in 2015. Please refer to the Transfer Station Disposal Report by Month for additional information.

Permits – Alaimo Engineering has been working on the design parameters for the air pollution control system to be installed at the Parsippany transfer station. During this effort the structural integrity of the tipping building was inspected and it was determined that some structural girts are deteriorated and need to be repaired. The deteriorated girts are in addition to the girts that were recently replaced as part of the gutter and roof repair. These damaged girts will need to be replaced during the APC installation to ensure structural integrity and air tightness of the wall panels. As such, the release of the RFP for this project has been delayed a few weeks to include this matter regarding the girts, from what was reported in August. The current schedule for the issuance of this RFP is or about September 29, 2016 with receipt of proposals scheduled for October 27, 2016 and anticipated award of contract at the November MCMUA Board meeting.

This schedule and additional information on our progress was provided to NJDEP’s Bureau of Air Compliance and Enforcement in a bi-monthly status report prepared by Alaimo Engineering which is required as part of our ACO with the Department. While this is going on, Alaimo has also been preparing the solid waste facility permit renewal for the Parsippany transfer station which is required to be submitted in coordination of the APC submissions. It is scheduled that the solid waste facility permit renewal will be submitted to NJDEP on or about September 16, 2016.

Joint Management Agreement – MCMUA and J.P. Mascaro – As explained in the August Solid Waste Report, the MCMUA and NJDEP and each other’s counsels have been having discussing the requirement of the MCMUA and J.P. Mascaro to execute a joint management agreement with respect to the operations contract the MCMUA has with J.P. Mascaro for our

transfer station system. After review of the matter, the MCMUA has determined it would be in interest of the MCMUA to execute the joint management agreement, as is currently being require by NJDEP, with provisos to protect the MCMUA from unknown and future impacts of entering into such a joint management agreement that could materialize from future regulations currently unknown to us. A resolution authorizing the execution of such a joint management agreement will be presented to the Board for its consideration at the September meeting.

SOLID WASTE MANAGEMENT PLAN

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

In a resolution adopted August 9, 2016, the Roxbury Township Council provided a positive endorsement of the requested modification to the County Plan to change the ownership listed in the Plan from Natures Choice Corporation to Northeast Products, LLC. All other conditions of the existing NJDEP general approval would remain as provided under Nature's Choice ownership. The MCMUA submitted an August 16, 2016 administrative action request to NJDEP requesting the name change in the Plan and in an August 25, 2016 letter, NJDEP approved the MCMUA's request.

Administrative Action Modification – Kirk Allen Trucking Inclusion of Exempt Composting Operation in Mt. Olive

In a resolution, also adopted August 9, 2016, the Mount Olive Township Council provided a positive endorsement of the requested modification to the County Plan to include the proposed Kirk Allen Trucking, LLC (KAT) grass and leaf composting operation as an exempt from general approval recycling activity. KAT operates a business located at 20 Continental Drive in Mount Olive Township where a variety of landscape products are sold to the general public. KAT has provided notice of several exempted vegetative waste operations at this location but its proposed small scale composting operation in accordance with N.J.A.C. 7:26A-1.4(a)(13), first requires Plan inclusion. This can be accomplished by means of an administrative action request provided by the MCMUA and in a letter dated August 26, 2016, the MCMUA submitted the administrative action request to NJDEP regarding the inclusion of the exempted KAT composting operation at this location. The MCMUA is currently waiting for NJDEP approval of this request.

Administrative Action Modification – CipCycle Inclusion of Class A Recycling Facility in the Borough of Rockaway

Similar to the facility inclusion request for KAT described above, CipCycle Processing LLC (CipCycle) has submitted a request for Plan inclusion of a proposed class "A" recycling facility to be located at 311 West Main Street in the Borough of Rockaway. This site is currently used by Cipollini Disposal for truck storage and maintenance and CipCycle is proposing to enhance the existing building and install a paper shredder and baler so it could accept and process up to 350 tons per day of class "A" recyclable materials (fiber materials and containers, e.g. glass, aluminum, steel and plastic containers). Inclusion in the Plan of a class "A" recycling facility can also be accomplished with an administrative action request pursuant to N.J.A.C. 7:26-6.11(b)3. To start this Plan inclusion process, a letter dated July 29, 2016 was sent the Clerk of Rockaway Borough with a copy of the CipCycle's inclusion submission along with a request to have the Borough's Council adopt a resolution within three months setting forth its position on this Plan inclusion request. In an August 26, 2016 letter response, Rockaway Borough stated its Land Use Board still needs to conduct a public hearing on a site plan submitted by CipCycle earlier in the year and requested holding off on providing the Governing Body's opinion of the matter until the matter is heard and resolved by the Borough's Land Use Board. The conclusion of this matter before the Land Use Board wouldn't be until October or November which would potentially be about a month after the three month timeframe for a response request by the MCMUA in its initial letter to Rockaway Borough. The MCMUA typically allows for minor extensions like this one requested by Rockaway Borough as long as the municipality is actively reviewing an application.

HOUSEHOLD HAZARDOUS WASTE MANAGEMENT

Program Participation and Events – As of the writing of this report the monthly participation totals for the permanent HHW were still being entered and compiled and will therefore be provided to the Board at the September meeting as an update. Additionally, the next HHW one-day event will take place at the Public Safety Training Academy on September 10. The Board will be provided with an update on the participation levels at this event. The last disposal day of the year is scheduled for October 1, 2016 at Chatham High School. It should be noted that MXI will be the HHW contractor for these events and MRM will provide E-waste collection and recycling.

VEGETATIVE WASTE MANAGEMENT – August 2016

Facility Report – As of the writing of this report the monthly vegetative waste data for August 2016 was still being compiled and therefore, the Vegetative Waste Report will be provided to the Board at the September meeting.

Mr. Schweizer mentioned that he was driving up West Hanover Avenue last week and he was very proud because the preparation work for the 9/11 ceremony and there were these beautiful stock piles of mulch and they looked so good so he asked Buildings and Grounds where they got it from and they said the M.U.A. As you remember, we supplied the mulch when they first developed the site. He just wanted the Board to know that we provide good services to the County.

RECYCLING REPORT:

Ms. Hourihan reviewed some of the attachments to her Recycling Report. The DEP finalized the 2014 recycling numbers for all the counties and also for the municipalities so she was able to compute the municipal solid waste recycling rates for all the municipalities, so that is included in the report. Last month she gave you the 2012 and 2013 so now she is all caught up with those rates and the numbers got better. For Morris County, we went up a little bit. We are getting very close to that 50% goal; we are at 49.4% and we are still the third highest in the State. The way DEP reported their numbers, it looks like we are tied with Gloucester County. Also attached is a bar chart that shows how close we are to that 50% goal and where we came from. Ms. Hourihan was happy to see that and mentioned that we are beyond all that Hurricane Sandy debris that came out of that and added a lot to the numbers, so she was happy to see that we didn't decline.

Ms. Hourihan mentioned that she, Glenn, and Larry took a visit to ReCommunity on August 30th. They have had no equipment or building to do the sorting of bottles and cans since that February 2014 storm that collapsed the roof at their building. It ruined all their equipment, they had it taken out, the building was torn down so they were waiting until we executed our new contract to go ahead and rebuild that site. The building is owned by John Crimi and he rebuilt the building and they are now just installing all the equipment. So all the equipment has arrived and it was being put together while we were there on the 30th. They were a couple of weeks in on it and still had a couple more weeks to go and then they are going to test run it with all bottles and cans. One thing that is going to be a little bit different about their set up is the material that is going into the new building is the aluminum, the steel cans and the plastics. The glass gets separated out at the first building. They are also going to be adding some optical sorters to help do some of the sorting on the plastics so I am excited that we will have a state-of-the-art facility here for the bottles and cans. This should get running sometime in October. Mr. Schweizer added that there will be opportunities to visit the facility.

Ms. Hourihan mentioned that the following three Resolutions are essentially the same but for different municipalities. She mentioned that our contract with ReCommunity is for the sale of the recyclable material that we deliver, but it allows other municipalities the opportunity to join on to our marketing terms and they deliver their own material directly to ReCommunity. They get the benefit of the pricing terms we have. So the towns that have signed up in the past and they want to continue with the new agreement are Harding, Randolph, and Rockaway Township.

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

RESOLUTION NO. 16-44
RESOLUTION REGARDING SHARED SERVICES AGREEMENTS BY AND
BETWEEN THE MCMUA AND HARDING TOWNSHIP FOR THE
MARKETING OF RECYCLABLE MATERIALS

WHEREAS, the MCMUA desires to assist municipalities in meeting their recycling goals pursuant to the "New Jersey Statewide Mandatory Source Separation and Recycling Act," (N.J.S.A. 13:1E-99.11 et al.) by providing an outlet for disposal of recyclable materials; and

WHEREAS, on January 25, 2016, the Authority entered into an Agreement with FCR Morris, LLC for the marketing of Recyclable Materials ("FCR Contract"), which contract provides the Authority with certain rates for the Recyclable Materials delivered to FCR by the Authority; and

WHEREAS, the FCR Contract extends those rates to municipalities which execute contracts with the Authority ("Supplemental Municipal Contracts") pursuant to which the municipality agrees to direct its Fiber Mix and/or Container Mix and/or Single Stream Recyclables, as specified in each Supplemental Municipal Contract, to FCR; 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 a contract with a municipality for the provision of recycling services; and

WHEREAS, pursuant to the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, (L.2007, c.63, s.2.) a Municipal Corporation and a County Utility Authority in the State of New Jersey are considered "Local Units." Local Units are encouraged and authorized to enter into agreements which promote the sharing and/or consolidation of services; and

WHEREAS, both shared services agreements and contracts for the cooperative marketing of recyclable materials recovered through a recycling program are exempt from the public bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.-

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

1. The Executive Director of the MCMUA is authorized to execute an agreement entitled "Agreement for Marketing of Recyclable Materials" with Harding Township for the marketing of Recyclable Materials to FCR Morris, LLC in substantially the same form as the Agreement on file in the office of the MCMUA.

2. This Resolution shall take effect immediately.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on September 13, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Chairwoman

ATTEST:

Marilyn Regner, Secretary

RESOLUTION NO. 16-45
RESOLUTION REGARDING SHARED SERVICES AGREEMENTS BY AND
BETWEEN THE MCMUA AND RANDOLPH TOWNSHIP FOR THE
MARKETING OF RECYCLABLE MATERIALS

WHEREAS, the MCMUA desires to assist municipalities in meeting their recycling

goals pursuant to the "New Jersey Statewide Mandatory Source Separation and Recycling Act," (N.J.S.A. 13:1E-99.11 et al.) by providing an outlet for disposal of recyclable materials; and

WHEREAS, on January 25, 2016, the Authority entered into an Agreement with FCR Morris, LLC for the marketing of Recyclable Materials ("FCR Contract"), which contract provides the Authority with certain rates for the Recyclable Materials delivered to FCR by the Authority; and

WHEREAS, the FCR Contract extends those rates to municipalities which execute contracts with the Authority ("Supplemental Municipal Contracts") pursuant to which the municipality agrees to direct its Fiber Mix and/or Container Mix and/or Single Stream Recyclables, as specified in each Supplemental Municipal Contract, to FCR; 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 a contract with a municipality for the provision of recycling services; and

WHEREAS, pursuant to the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, (L.2007, c.63, s.2.) a Municipal Corporation and a County Utility Authority in the State of New Jersey are considered "Local Units." Local Units are encouraged and authorized to enter into agreements which promote the sharing and/or consolidation of services; and

WHEREAS, both shared services agreements and contracts for the cooperative marketing of recyclable materials recovered through a recycling program are exempt from the public bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.-

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

1. The Executive Director of the MCMUA is authorized to execute an agreement entitled "Agreement for Marketing of Recyclable Materials" with Randolph Township for the marketing of Recyclable Materials to FCR Morris, LLC in substantially the same form as the Agreement on file in the office of the MCMUA.

2. This Resolution shall take effect immediately.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on September 13, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Chairwoman

ATTEST:

Marilyn Regner, Secretary

**RESOLUTION NO. 16-46
RESOLUTION REGARDING SHARED SERVICES AGREEMENTS BY AND
BETWEEN THE MCMUA AND ROCKAWAY TOWNSHIP FOR THE
MARKETING OF RECYCLABLE MATERIALS**

WHEREAS, the MCMUA desires to assist municipalities in meeting their recycling goals pursuant to the "New Jersey Statewide Mandatory Source Separation and Recycling Act," (N.J.S.A. 13:1E-99.11 et al.) by providing an outlet for disposal of recyclable materials; and

WHEREAS, on January 25, 2016, the Authority entered into an Agreement with FCR Morris, LLC for the marketing of Recyclable Materials ("FCR Contract"), which contract

provides the Authority with certain rates for the Recyclable Materials delivered to FCR by the Authority; and

WHEREAS, the FCR Contract extends those rates to municipalities which execute contracts with the Authority (“Supplemental Municipal Contracts”) pursuant to which the municipality agrees to direct its Fiber Mix and/or Container Mix and/or Single Stream Recyclables, as specified in each Supplemental Municipal Contract, to FCR; 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 a contract with a municipality for the provision of recycling services; and

WHEREAS, pursuant to the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, (L.2007, c.63, s.2.) a Municipal Corporation and a County Utility Authority in the State of New Jersey are considered “Local Units.” Local Units are encouraged and authorized to enter into agreements which promote the sharing and/or consolidation of services; and

WHEREAS, both shared services agreements and contracts for the cooperative marketing of recyclable materials recovered through a recycling program are exempt from the public bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.-

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

1. The Executive Director of the MCMUA is authorized to execute an agreement entitled “Agreement for Marketing of Recyclable Materials” with Rockaway Township for the marketing of recyclable materials to FCR Morris, LLC in substantially the same form as the Agreement on file in the office of the MCMUA.

2. This Resolution shall take effect immediately.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on September 13, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Dour made a Motion to approve shared services agreements between the MCMUA and the Township of Harding, Township of Randolph and Rockaway Township for the marketing of recyclable materials and Mr. Hudzik seconded the Motion.

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

Ms. Hourihan mentioned that the following Resolution is to auction off some additional equipment that has been determined to be in poor condition and asked for the Board’s approval of same:

RESOLUTION NO. 16-47
RESOLUTION AUTHORIZING THE AUCTION/SALE/DISPOSITION
OF EQUIPMENT

WHEREAS, the Morris County Municipal Utilities Authority (MCMUA) owns Equipment, as further described below:

Four (4) open-top, roll-off containers from the Curbside Department:

- 1) MUA GO2-1 (20 cubic yards)
- 2) MUA GO3-12 (30 cubic yards)
- 3) MUA GO3-36 (30 cubic yards)
- 4) MUA GO4-8 (40 cubic yards)

Three (3) vehicles from the Curbside Department:

- 1) 99-45 Jeep Cherokee
 - 2) 93-10 Rear-Loading Compactor
 - 3) 98-11 Rear-Loading Compactor
- ; and

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

WHEREAS, the MCMUA desires to sell/dispose of the Equipment, as is, where is; and

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

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

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

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on September 13, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Druetzler made a Motion to authorize the auction/sale/ disposition of equipment and Mr. Dour seconded the Motion.

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

PUBLIC PORTION:

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

OLD BUSINESS:

Mr. Schweizer mentioned that the following Resolution is to authorize the execution of the contract for sale of real estate. This is the property that we are transferring to the County as open space. This property is the last we have remaining in Washington Valley and asked for the Board's approval of the following Resolution:

RESOLUTION NO. 16-48
RESOLUTION AUTHORIZING THE SALE OF
REAL PROPERTY TO THE COUNTY OF MORRIS

WHEREAS, the Morris County Municipal Utilities Authority (hereinafter "the Authority") has the power to sell real property no longer necessary for the purposes of the Authority by virtue of the provisions of N.J.S.A. 40: 14B-20(5); and

WHEREAS, the Authority is authorized to sell real property to a political subdivision of the State of New Jersey without the necessity to engage in a public auction by virtue of the provisions of N.J.S.A. 40A:12-13(b)(1); and

WHEREAS, the Authority owns land commonly known as Block 3202, Lot 7 and part of Lot 4 in the Township of Morris; and

WHEREAS, the Authority is willing to sell the foregoing real property to the County of Morris for park purposes based upon its determination, and subject to the reservation of certain rights hereinafter described, that it no longer needs to retain ownership of the said property for public use.

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

1. The Executive Director is authorized and directed to execute a Contract For Sale substantially in the form annexed hereto subject to such modifications as may be negotiated between the parties which, in the opinion of the Authority Attorney, do not modify the terms thereof in any significant respect which is detrimental to the Authority.
2. The principal terms of the transaction are as follows:
 - A. Property - Block 3202, Lot 7 and part of Lot 4 in the Township of Morris.
 - B. Purchase Price - \$1.00 and other good and valuable consideration.
 - C. The Authority shall deliver a Deed and Affidavit of Title to the County of Morris.
 - D. Closing shall occur on or about November 30, 2016.
 - E. The Authority reserves all right, title and interest to all water in, upon, under and throughout the Property, including the right to utilize the same in the public interest by all reasonable means permitted under the

Municipal and County Utilities Authorities Law N.J.S.A. 40:14B-1 et seq.), exercisable at any and all times hereafter.

3. Resolution No. 15-82 - Resolution Authorizing The Sale of Real Property to the County of Morris is hereby rescinded.
4. This Resolution shall take effect as provided by law.

CERTIFICATION

I hereby certify that the foregoing Resolution was adopted by the Morris County Municipal Utilities Authority at the Regular Meeting held on September 13, 2016.

MORRIS COUNTY MUNICIPAL
UTILITIES AUTHORITY

By: _____
Laura Szwak, Chairwoman

ATTEST:

Marilyn Regner, Secretary

MOTION: Mr. Dour made a Motion adopt Resolution No. 16-48 and
and Mr. Druetzler seconded the Motion.

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

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

NEW BUSINESS:

Chairwoman Szwak asked for an update on the temporary access agreement matter with John Crimi (Wharton Woods). Mr. Schweizer mentioned that in the morning of the following day after the August 17th meeting, with our staff present, Mr. Crimi's workers installed the concrete blocks around our well and they painted the edge of them orange so you could see it in both directions. Mr. Schweizer distributed photos of the concrete blocks around the well site. They also provided us with the insurance certificate in the morning of the following day and they did sign the temporary access agreement. The only thing remaining, in addition to our best hope that the well is not comprised in any way, is that a restoration plan be established. Mr. Schweizer said he would work with Andrew Holt, Mike McAloon and Tony Milonas in the next couple weeks to develop our desired plan. Mr. Crimi mentioned at the meeting was that he would do anything that we want to restore the woods roads and we want to review and pick what is best for us.

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

There being no further Business, Chairwoman Szwak asked for a Motion to adjourn the meeting at 8:07 p.m.

MOTION: Dr. Kominos made a Motion to adjourn the meeting at 8:07 p.m.,
seconded by Mr. Hudzik and carried unanimously.

Marilyn Regner
Secretary

/mr