

POLLUTION CONTROL FINANCING AUTHORITY
OF WARREN COUNTY

MINUTES OF REGULAR MONTHLY MEETING
October 10, 2007

Chairman, Angelo Accetturo called the regular monthly meeting of the Pollution Control Financing Authority of Warren County to order at approximately 4:12 PM

Authority Members present: Angelo Accetturo, Everett Chamberlain, Dave Dech and Laurel Napolitani.

ROLL CALL:	Mr. Accetturo	-	Present
	Mr. Chamberlain	-	Present
	Mr. Dech	-	Present
	Ms. Napolitani	-	Present

Also present: James Williams, Acting Executive Director, Charles L. Houck, Chief Financial Officer, Joseph J. Bell, Esquire, General Counsel; Bruce Jones, Special Counsel and Margaret Rogers, Recording Secretary.

Pledge of Allegiance / Introductory Statement

MINUTES

The minutes of the regular meeting of September 12, 2007 were presented for approval. Mr. Chamberlain moved for acceptance of the minutes as presented, seconded by Ms. Napolitani.

ROLL CALL:	Mr. Accetturo	-	Abstain
	Mr. Chamberlain	-	Yes
	Mr. Dech	-	Yes
	Ms. Napolitani	-	Yes

The minutes of the Executive Session of September 12, 2007 were presented for approval. Ms. Napolitani moved for acceptance of the minutes as presented; seconded by Mr. Dech. Mr. Chamberlain requested an irrelevant paragraph be deleted.

ROLL CALL:	Mr. Accetturo	-	Abstain
	Mr. Chamberlain	-	Yes
	Mr. Dech	-	Yes
	Ms. Napolitani	-	Yes

CORRESPONDENCE

None.

REPORTS OF STANDING COMMITTEES

Facilities and Environmental Compliance Committee

Mr. Williams reported on the following:

- Waste Inspections – 1,142 truck waste inspections; 9,817 to date with issues of non-compliance.
- Landfill Operations - ran smoothly.
- Landfill Gas Collection and Control System Operations - moving along fairly well.
- Landfill Gas Sulfur Scrubbing System Update - GTP continuing to work on system; additional components will arrive next week to retrofit it. Still waiting for report how they feel we can reduce electrical fees.
- Landfill Gas to Energy System Update – fairly well still enough gas contractually to keep that system operational. Changes made help improve and hope the retrofit will work.
- Landfill Permit Modification and Closure Plan - Hatch Mott MacDonald is moving forward with closure plan and expansion application.
- Landfill Flare Permitting/Compliance – SCS has submitted comments on the Authority's behalf regarding air permit. We found out last week they issued the permit in July. We do not have a copy in-house; SCS never received a copy. Marcus Scrimgemore of SCS is here to brief us on this issue. One important comment is that they will allow us to turn off the flare to get more gas over to DCO's engines so we're not into a contractual issue with them. Marcus has received a copy and we received a copy late last week; a copy of which was provided to Mr. Bell. Marcus will describe a couple of steps that we can take to get more comments back in there.

Marcus stated that there are two paths we can follow to get the permit revised with everything we want in there. The preferred method is to submit an appeal of the permit. Typically we have to submit within sixty days of the permit being issued. We didn't get a copy until after the sixty days. We did submit a letter notifying them to supply us with a copy hopefully giving us some legal ground to appeal the permit.

There are a number of important items that the Authority cannot meet or would be hard pressed to meet. Certain conditions that we recommended against back in May of this year were not incorporated into the permit.

One item that may cause a problem is the daily weighing of the sulfur cake produced by the sulfur scrubber. They want to use the amount of sulfur produced on a daily basis as a means of measuring the performance of the sulfur scrubber system which we feel is inappropriate. The true method to determine the performance of the sulfur system is to measure hydrogen sulfide. It's completely impractical to weigh this on a daily basis.

There are several examples, some of which are based on our experience with permits and what we feel is in the best interest of the Authority to have changed, and we feel they're responsible changes. So, I think the permit definitely should be changed.

The second way is to submit for a permit revision. This permit took 3-1/2 years for the DEP to issue it. It has been very expensive. I do not know what the fees for appeals are but in terms of time to get it done so we are in compliance; it will probably take just as long as it would to appeal. For the appeal basically we're saying this permit is wrong. We can operate under the permit they've given us.

Some of the things in here are going to be very hard to comply with and it may be wise at this point to state that you issued against our comments and you told us do it anyway and we're not going to do it.

Mr. Chamberlain asked if we would be fined if we did not follow the permit and Marcus indicated that they could. He corresponded with them to no avail. We were told we'll have to go through a permit revision process.

We have 13 comments on the final permit, some of which are partially included in the permit.

Mr. Chamberlain motioned to file an appeal with DEP on our permit that was just issued in July as soon as possible. Mr. Dech seconded the motion.

ROLL CALL:	Mr. Accetturo	-	Yes
	Mr. Chamberlain	-	Yes
	Mr. Dech	-	Yes
	Ms. Napolitani	-	Yes

A handout of the issues remaining will be distributed to members.

- Lined Leachate Lagoon – Liquidated damages – Mr. Bell stated that we filed a counter claim and he is confident we can resolve through mediation.
- Landfill Leachate Pre-treatment - Hatch Mott MacDonald moving along on schedule to be completed and operational by December of next year.

Mr. Chamberlain made a statement concerning previous Board's poor performance in negotiating with the energy plant. Instead of PCFA and Warren County benefiting from the plant, it is costing us money. The energy produced is going to the casinos in Atlantic City at a discount rate versus negotiating with the host municipality.

Mr. Williams next discussed the issue of Bird Flu. Several weeks ago we had an informal discussion with the DEP. They wanted to know how PCFA would handle it if brought to the landfill. Would it be done by contractor; would it be a 24/7 operation, etc? They were discussing with other landfills as well.

Mr. Chamberlain wanted to know if the birds could be landfilled or incinerated. Was Covanta approached; did they ask about a combination with both facilities. We should try to develop a policy.

The last item Mr. Williams discussed was Closure Plan and Expansion Application. We could have it submitted by next week if the Board has no questions. Also, the State will hold a public hearing on our application.

Finance Committee

Ms. Napolitani asked if there were any questions on the bill list. Mr. Chamberlain asked in the bill for Russo was paid to which Ms. Napolitani replied it was being held.

A - 2 - A motion was made by Ms. Napolitani, seconded by Mr. Accetturo to adopt the Resolution to Pay Bills in the amount of \$437,067.54.

ROLL CALL: Mr. Accetturo - Yes
 Mr. Chamberlain - Yes
 Mr. Dech - Yes
 Ms. Napolitani - Yes

A - 3 - Resolution to Amend 2007 Budget

Mr. Houck stated that the budget is based on a projected volume of 70,000 tons @ \$68.00 ton which includes fixed and variable costs that are non-negotiable. Any surplus is dedicated to capital. He feels it is a very realistic budget; fair and balanced in relation to expenditures.

A motion was made by Mr. Chamberlain to approve the Amended 2007 Budget, seconded by Mr. Dech.

ROLL CALL: Mr. Accetturo - Yes
 Mr. Chamberlain - Yes
 Mr. Dech - Yes
 Ms. Napolitani - Yes

A – 4 - Draft 2008 Budget - on Hold

A – 5 - 2008 Disposal Fee Pricing Structure - on Hold

A – 6 - RFP for Closure Escrow Trust Fund -

Mr. Houck was informed by the State that the County cannot act as trustee. Therefore we have filed a Request for Proposal to find another custodian bank to be trustee. These RFPs are due at 2:00 PM on November 14, 2007, our next monthly meeting. We have to contact the current custodian bank and terminate the agreement. We have a 90-day opt out clause.

A motion was made by Mr. Chamberlain to solicit proposals, seconded by Ms. Napolitani.

ROLL CALL: Mr. Accetturo - Yes
 Mr. Chamberlain - Yes
 Mr. Dech - Yes
 Ms. Napolitani - Yes

Personnel Committee

A special meeting was suggested to allow additional time for review of the proposed Restructure of the Administrative/Landfill Depts. and organizational chart.

A motion was made by Mr. Chamberlain to hold a special meeting on October 24, 2007 at 4:00 pm to discuss the reorganization of the administrative/landfill staff. Seconded by Mr. Accetturo.

ROLL CALL: Mr. Accetturo - Yes
Mr. Chamberlain - Yes
Mr. Dech - Yes
Ms. Napolitani - Yes

Recycling Committee

Nothing to report.

Management Committee

Nothing to report.

Host Community

Nothing to report.

NEW BUSINESS

Mike Grossman to discuss insurance. (handout). Mr. Grossman stated he did a cursory review of insurance information of the PCFA. He discussed a few of his findings: previous CFO name to be removed; previous Executive Director also to be removed as he still appears as an officer; it's time to renew and remarket policies; control losses on Workers Comp.; coverage for lost records; excess officers policy. Further review is required.

Mr. Chamberlain presented a flyer of open house on refurbished building to house Health Dept.

Ms. Napolitani brought up the issue of a public relations newsletter on the PCFA, perhaps quarterly. Mr. Chamberlain indicated he would be willing to serve on such a committee.

EXECUTIVE DIRECTOR'S REPORT

Previously reported.

GENERAL COUNSEL

Mr. Bell suggested we continue with the interlocal services agreements for a term of 5 years. Board of Chosen Freeholders need to adopt first.

OTHER BUSINESS

None.

PUBLIC COMMENT

None.

EXECUTIVE SESSION

Mr. Chamberlain moved to enter into Executive Session, seconded by Ms. Napolitani at 5:10 pm to discuss Litigation, Permitting and Financing issues.

ROLL CALL: Mr. Accetturo - Yes
 Mr. Chamberlain - Yes
 Mr. Dech - Yes
 Ms. Napolitani - Yes

Regular Session resumed at 5:40 pm.

ROLL CALL: Mr. Accetturo - Yes
 Mr. Chamberlain - Yes
 Mr. Dech - Yes
 Ms. Napolitani - Yes

Mr. Chamberlain motioned to Adjourn at 5:42 pm, seconded by Mr. Dech.

ROLL CALL: Mr. Accetturo - Yes
 Mr. Chamberlain - Yes
 Mr. Dech - Yes
 Ms. Napolitani - Yes

Respectfully submitted by:

Margaret Rogers
Recording Secretary

Approved: