

Meeting of March 19, 2015 Maintenance

A meeting of the Joint Meeting was held on the above date at the Maplewood Municipal Building at 4:00 p.m. Chairperson Florio in the Chair.

The Executive Director read the following statement:

Pursuant to Section #5, Chapter 231, P.L. 1975, notice of this meeting has been provided to the public by posting and maintaining the annual notice of the regular meetings of the Joint Meeting on the bulletin board of the Maplewood Municipal Building; by mailing the annual notice of the regular meetings for 2015 to the Star Ledger, The Home News Tribune and to the offices of the Municipal Clerks of the 11 member municipalities of the Joint Meeting and to the City Clerk of the City of Elizabeth and to the County Clerks' Office of the Counties of Essex and Union, all on December 29, 2014.

On roll call the following members were present: Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Leventhal and Spango. Ms. Burgess arrived at 4:05, Ms. Chaneyfield-Jenkins arrived at 4:10 p.m. and Mayor Tillotson arrived during Executive Session at 4:45 p.m. Mr. McTernan notified the office that he would be unable to attend today's meeting.

Also in attendance were Messrs. McGhee, Dowhan, Terrezza, Phillips, Barry, and Ms. DeFrancis of Joint Meeting; E. Webster, J. Noble and O. Weaver Esq. Inglesino, Webster, Wyciskala & Taylor, LLC, Joint Meeting's Consultants CME Associates (CME), AVA Consulting LLC (AVA), Global Logistics Group (GLG) and Eric D. McCullough, Esq., Waters, McPherson, McNeill, P.C.

The Chairperson led the pledge of allegiance.

On motion by Mr. Levison, seconded by Mr. Hughes, the minutes of the last meeting were approved as printed. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Leventhal and Spango; nays, none.

On motion by Mayor Hokanson, seconded by Mr. Leventhal, the **Treasurer's Report** having been mailed to the Board members was received and ordered printed. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Leventhal and Spango; nays, none.

The following verbal report was given:

Personnel & Procurement Committee: Ms. Leventhal stated that the Committee had met, discussed and recommends authorization of the following: award of a contract for Furnishing and Delivering Exhaust Catalyst Elements (R-038); Purchase Order for Repairs to the Journal Ends on a Komline Sanderson Gravabelt (R-039); Change Order #2 to Allied Construction Group, Inc. for Replacement of Exhaust Heat Exchangers (R-040); Change Order #1 to MBE Mark III Electric, Inc. for SCADA Phase I Project (R-041); Loan and Escrow agreements Pursuant to the 2015 New Jersey Environmental Infrastructure Trust Financing Program (NJEITFP) (R-042); Retention of Izenberg Appraisal during the Billboard Tax Appeal (R-043) and Amending of Purchase Order to Nichem Company for Iron Sponge Media Removal, Disposal and Cleaning of Vessel #302 (R-045).

On motion by Ms. Leventhal, seconded by Mayor Hokanson, Resolution 038, authorization to award a contract to Miratech for furnishing and delivering Exhaust Catalyst Elements was adopted. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Leventhal, and Spango; nays, none.

On motion by Mr. Levison, seconded by Ms. Saxton, Resolution 039, authorizing a Purchase Order to Motion Industries for Repairs to the Journal Ends on a Komline Sanderson Gravabelt

was adopted. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Leventhal and Spango; nays, none.

On motion by Mr. Hughes, seconded by Ms. Leventhal, Resolution 045, Amending Purchase Order to Nichem Company for Iron Sponge Media Removal, Disposal and Cleaning of Vessel #302 was adopted. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Leventhal, and Spango; nays, none.

It now being 4:05 p.m. Ms. Burgess arrived.

On motion by Mr. Levison, seconded by Ms. Spango, Resolution 040, authorizing Change Order #2 to contract with Allied Construction Group, Inc. for Replacement of Exhaust Heat Exchangers was adopted. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, and Spango; nays, none.

On motion by Ms. Saxton, seconded by Mr. Hughes, Resolution 041, authorizing Change Order #1 to contract with MBE Mark III Electric, Inc. for SCADA Phase I Project was adopted. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, and Spango; nays, none.

It now being 4:10 p.m. Ms. Chaneyfield-Jenkins arrived.

With regard to Resolution 043, Counsel Weaver explained last year Elizabeth imposed a real property tax on the billboard located on Joint Meeting site which in the past they have not treated as real property and Elizabeth can only impose a tax assessment on real property. A complaint is being filed challenging the assessment on two (2) grounds, 1) that it's unconstitutional because the billboard does not qualify as real property, and 2) that if it does quality as real property the assessment is above and beyond the market value of the billboard. The appraisal is needed both for evaluation of the market value and because it is admissible before the Union County Board of Taxation

On motion by Ms. Leventhal, seconded by Mr. Levison, Resolution 043, authorizing Retention of Izenberg Appraisal for use during the Billboard Tax Appeal was adopted. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

Counsel Webster requested a change of order to the agenda with regard to Resolution 042 in order for the professionals to explain the projects.

Messrs. Johnson and Towers of CME Associates explained that there are three (3) projects involved; 1) the Digester #1 Tank Cleaning and Modifications which includes cleaning of the interior of the Tank; inspection and repair of the Digester floating gas holder cover; and inspection and repair to the Digester and mixing system; replacement of a digester mixing system compressors, installation of a 2nd digester gas withdrawal line; replacement of all internal piping with stainless steel piping and replacement of a gas pipe housing; 2) is the aeration equipment upgrade Phase I which includes replacement of 16 mechanical aerators; the installation of dissolved oxygen sensing and control system equipment; concrete repairs in Tanks #2 and #2A; replacement of serpentine weirs; rehabilitation of the sluice gates in Tanks #2 and #2A; replacement of the motor control centers for the aerators and replacement of miscellaneous process valves in the aeration gallery; and 3) the Dewatering Facility Upgrades which includes replacement of three (3) sludge dewatering centrifuges; modifications to two (2) reverse belt conveyors to bypass the lime system; replacement of the magnetic flow meters for centrifuge flow monitoring; replacement of the instrumentation and the control systems; replacement of the two (2) liquid sludge mixers; replacement of the City water booster system; replacement of the existing polymer makeup system; replacement of two (2) roof top HVAC units and replacement of the roof. The total for the projects is approximately \$9,500,000.00 and is funded under the NJEITFP.

Bond Counsel McCullough explained that the NJEITFP is a State program that allows governmental entities to receive loans at low interest rates or possibly no interest. As Joint Meeting does not have the power to bond, eight (8) of the member municipalities are making their contribution borrowing through the NJEITFP. Each municipality issues a bond to the NJEITFP and the DEP which they pay back over the term of the projects. The closing of the bonds is set for May 28, 2015 with some pre-closings for several municipalities around April. He has received notice from the NJEITFP's bond counsel that this project qualifies for principle forgiveness which means some component of the amount that the municipalities will be borrowing will not have to be repaid which has happened in the past. Resolution 042 authorizes the execution of the loan documents on behalf of Joint Meeting who has to signed because Joint Meeting is the owner of the facility and has to make certain covenants such as that the funds received from the NJEITFP are used for the particular project they are intended for.

The Director of Administration and Finance explained that Joint Meeting pays the contractor and then files with the State for reimbursement. Then the State will bill each individual municipality for their portion until the work is completed and the last payment is made.

In answer to a question as to whether or not there is going to be principle forgiveness, Counsel McCullough explained that the loan agreement has to be revised to reflect the principle forgiveness and he does not know how much or if the principle forgiveness figure is in the document.

Counsel Webster requested that the figure be sent to him when it is known so the information can be forwarded to the municipality although he is sure the municipal bond counsels will know what the figure is.

In answer to a question as to whether there will be another bill for the Capital projects in the future, AVA Consultant explained that on the Capital Plan we anticipated that the money would be due for these projects on July 1, 2014. However, the Board chose to postpone that by two (2) years. Joint Meeting's engineering staff and AVA periodically meet and review the Plan. However, nothing is done without a suggested plan being presented to the Board for approval and being voted on. At this time it is estimated that the next Capital assessment would be some time in 2017.

In answer to a question as to the deadline on the ordinances that the municipalities have to pass, Counsel McCullough explained that the NJEITFP wants everything done prior to the escrow closing which varies from each municipality but basically is the 1st or 2nd week of April. The local bond counsels are aware of that and have been pursuing getting everything approved.

Counsel Webster stated that all the municipal bond counsels are aware of deadlines but he will check to make sure the dates are known.

On motion by Ms. Chaneyfield-Jenkins, seconded by Ms. Burgess, Resolution 042, authorizing Execution and Delivery of Several Loan Agreements and further authorizing the Execution and Delivery of Several Escrow Agreements all Pursuant to the 2015 New Jersey Environmental Infrastructure Trust Financing Program was adopted. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

In answer to a question on the power generation reduction in January, CME Associates explained that primarily it was because of the temperature. It was so cold we were put on a natural gas restriction which means that the preferred route for natural gas is home heating which restricted what we could do with our own fuel oil. Instead of using digester gas for fuel, we had to buy fuel oil and use digester gas to generate electricity and since we cannot generate 100% of the electricity needs with the digester gas we had to buy electricity which was expensive during January. Since we generated less electricity we had to buy and pay more for it. We won't see the fuel oil cost until the end of the year.

The Executive Director read the following statement which on motion by Ms. Leventhal, seconded by Mr. Levison, was received and ordered printed. On roll call; ayes, Messrs. Hughes, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

In accordance with Section 7 & 8 of the Open Public Meeting Act, Chapter 231, P.L. 1975, permitting the exclusion of the public from a meeting in certain circumstances and as the Joint Meeting is of the opinion that such circumstances presently exist as the general nature of the subject matter to be discussed is Litigation and Personnel and it is anticipated at this time that this subject matter will be made public upon reconvening.

Upon reconvening it should be noted that Mayor Tillotson arrived at 4:45 p.m. during Executive Session.

On motion by Ms. Saxton, seconded by Ms. Chaneyfield-Jenkins, the **2014 Annual User Charge Apportionment, 2014 Surplus (Schedules 5 & 6), Treatment Plant, Industrial Pretreatment, Counsel, Conflict Counsel (no report), Special Labor Counsel (no report) and the Engineering Reports** having been mailed to the Board members were received and ordered printed. On roll call; ayes, Messrs. Hughes, Tillotson, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

The Chairperson asked if there was anyone wishing to address the Board on any Joint Meeting matter with a five-minute limit. Hearing no one the Public Session was declared closed.

On motion by Mr. Hughes, seconded by Ms. Burgess, Resolution 044, Approving an Amended and Restated Employment Agreement for the Executive Director was adopted. On roll call; ayes, Messrs. Hughes, Tillotson, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

On motion by Mr. Levison, seconded by Mr. Hughes, Resolution 036, approving payment of Bills was amended to remove (void) City of Elizabeth's check #8705 in the amount of \$1,116,880.50 and replaced with check #008840 payable to Inglesino, Webster, Wyciskala & Taylor Attorney Trust Acct. was adopted. On roll call; ayes, Messrs. Hughes, Tillotson, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

On motion by Ms. Chaneyfield-Jenkins, seconded by Mr. Levison, Resolution 037, Assessment for Second Quarter 2015 was adopted. On roll call; ayes, Messrs. Hughes, Tillotson, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

There being no further business on motion by Mr. Hughes, seconded by Ms. Burgess, the meeting then adjourned to meet again on Thursday, April 16, 2015, at the Maplewood Municipal Building at 4:00 p.m. unless called earlier by the Chair. On roll call; ayes, Messrs. Hughes, Tillotson, Hokanson, Levison, Florio, Ms. Saxton, Burgess, Leventhal, Chaneyfield-Jenkins and Spango; nays, none.

Respectfully submitted,

Howard Levison
Secretary