

PLAINFIELD MUNICIPAL UTILITIES AUTHORITY

Minutes of a Board of Commissioners Regular Meeting Thursday, November 4, 2010

127 Roosevelt Avenue
Plainfield, New Jersey

I. OPEN PUBLIC MEETINGS LAW (STATEMENT OF COMPLIANCE)

Commissioner Mitchell, Chairperson, called the meeting to order at 6:00 p.m. by reading the Statement of Compliance.

II. SALUTE TO THE FLAG

The Pledge of Allegiance was said by all.

III ROLL CALL

Present

Commissioner Harold Mitchell
Commissioner David Beck
Commissioner Carol Ann Brokaw
Alt. Commissioner Tracey Brown
Alt. Commissioner Eugene Dudley @ 6:05 pm

Also Present

Mr. Eric Watson, Executive Director
Mr. James Perry, Chief Financial Officer
Mr. Duane Young, Comptroller
Mrs. Lana Carden, Manager of Human Resources
Ms. Leslie London, Board Attorney
Mrs. Roslyn Mathis, Board Secretary
Mr. Joseph Gemmell, T&M Associates
Mr. Mike Dziubeck, CME Associates
Staff and Public

Commissioner Alex Toliver absent Mr. David Ervin, Assistant Executive Director absent

IV. APPROVAL OF MINUTES (10/5/10 Regular Board Meeting Minutes)

Commissioner Brokaw moved the minutes be approved with a correction on page 6 that the meeting adjourned at 6:45 p.m. and not 6:15, seconded by Alt. Commissioner Brown. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**October 5, 2010 Regular Board Meeting Minutes**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
David Beck	X				
Carol Ann Brokaw	X				
Harold Mitchell	X				
Alex Toliver					X
<u>Alternate</u> Rev. Tracey Brown	X				
<u>Alternate</u> Eugene Dudley					X

V. COMMUNICATIONS

None.

VI. REPORT OF COMMITTEES

None.

VII. EXECUTIVE DIRECTOR'S REPORT**A. Attorney's Report**

Ms. London shared an item of interest that was in the Home News. There was an article "Bay City makes trash rules tougher," and it concerned Perth Amboy. She thought it was interesting because it involved similar issues that were part of the lawsuit that was filed against the PMUA. It mentioned that with the November 22nd garbage collection, there is a limit put on the weight of the containers, they can't weigh more than 50 pounds; the containers will have to be tight fitting lids to prevent spills and leaks. Residents will be asked to put the containers at the curb no earlier than an hour before sunset the day before collection and remove them by 8 pm the day of collection. The changes unanimously approved by City Council are aimed at cleaning up the City and preventing residents and landlords from emptying the contents of the apartment or home onto the street for removal by City workers. At times 20 garbage bags have been left at the curb for disposal. It talks about how the lid is important because of water. If no lids were required the containers would fill with water on rainy days, weighing them down and possibly causing injuries to the sanitation workers.

Alt. Commissioner Brown indicated that Perth Amboy and other cities are modeling themselves after what Plainfield has already implemented. She commended the Executive Board for having the vision of doing what was needed.

(Alt. Commissioner Dudley arrived here at 6:05 p.m.)

Commissioner Mitchell indicated that he was approached by a Councilman from Rahway who said he was interested in some of the things Plainfield was doing and Commissioner Mitchell referred him to Mr. Watson.

The other item Ms. London had was that the Union County Utilities Authority (UCUA) is seeking to amend the long-term waste disposal agreement that the PMUA has with them. That agreement was entered with them in July of 1998 and the UCUA has provided a standard form of resolution to be adopted by the PMUA. It wasn't ready for this meeting, but it's to be adopted by all of the public entities that have current contracts with the UCUA. In addition to Plainfield, there are contracts with Elizabeth, Garwood, Hillside, Kenilworth, Linden, New Providence, Rahway, Roselle, Roselle Park, Springfield, Summit, Union and Winfield. These are all of the Union County municipalities that have the long-term agreement with the UCUA. Those municipalities that don't have a long-term agreement in Union County will be given the option to enter into a long-term agreement and they will get the discounted price. It's unlikely they will do so, according to the attorney for the UCUA, because they have private haulers and they can't make that commitment without it being controlled by the towns. All of this has come about because the UCUA has negotiated new terms with Covanta who leases the facility in Rahway. Covanta is refinancing its debt over a longer period of time and taking advantage of lower interest rates. UCUA is going to pass that onto the contract municipalities effective January 1, 2011.

There are several approvals that still need to be acquired by the UCUA from DEP and even if those approvals aren't in place by January 1 they will apply the reduction retroactively. What they are looking for the PMUA, as well as the other municipalities to do, is amend their long-term agreement. The agreement the Authority has with the UCUA is a 25-year term agreement and it expires in 2023; there's 13 years left on that term. The UCUA is seeking to expand that term up to December 31, 2045. That would coincide with the new term between the UCUA and Covanta.

The Authority would need to review this again in December. Right now it appears to be a minimum decrease of \$12 per ton. The Authority is also being asked, as part of the amendment, to revise their tonnage numbers because if they go over the tonnage amount they have guaranteed, the Authority would pay a higher price, so it's better to have a number that's realistic so the PMUA won't have to pay a higher rate for it. Right now the tonnage number the PMUA uses for billing purposes is 11,000 tons.

Ms. London stated that for the next meeting or the meeting right after that the Board will have a copy of the resolution and also a copy of the amendment. The only things that are changing are the terms of the contract, tonnage numbers, and the price decrease. Everything else is staying the same.

B. Finance Report and Bills List Approval

Mr. Perry gave a summary of where the money has gone in the last couple of months; salary and wages, \$505,000, disposal fees, \$258,000; Rock Ave. Pump Station construction \$166,000; health benefits \$150,000; and professional services \$78,000. All of those total up to about 85 percent of the Authority’s total disbursements to keep the operation functioning.

The bills list was discussed at the Committee Meeting, but he would be happy to answer any further questions the Commissioners might have.

Ms. London presented **resolution #86-2010 authorizing the payment of bills**. Commissioner Brokaw moved, seconded by Alt. Commissioner Dudley, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE Resolution #86-2010 Payment of Bills

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
David Beck	X				
Carol Ann Brokaw	X				
Harold Mitchell	X				
Alex Toliver					X
<u>Alternate</u> Rev. Tracey Brown	X				
<u>Alternate</u> Eugene Dudley	X				

C. Resolution authorizing introduction of the PMUA CY 2011 Sewer & Solid Waste Budget

Mr. Perry stated that the Sewer Budget is ready for submission to the State after it is introduced this evening. There is no increase in rates for sewer or solid waste and appropriations meet the revenues.

Ms. London presented **resolution #87-2010 Solid Waste Operations 2011 Authority Budget Plainfield Municipal Utilities Authority**.

WHEREAS, the annual Budget and Capital Budget for the Plainfield Municipal Utilities Authority for the fiscal year beginning January 1, 2011 and ending December 31, 2011 has been presented before the governing body of the Plainfield Municipal Utilities Authority at its open public meeting of November 4, 2010, and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$12,424,854 Total Appropriations, including any Accumulated Deficit if any of \$12,424,854 and Total Unrestricted Net Assets utilized of \$-0-, and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$2,500,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$-0-, and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements, and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law,

NOW THEREFORE BE IT RESOLVED, by the governing body of the Plainfield Municipal Utilities Authority, at an open public meeting held on November 4, 2010 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Plainfield Municipal Utilities Authority for the fiscal year beginning January 1, 2011 and ending December 31, 2011 is hereby approved.

Commissioner Brokaw moved that the 2011 Solid Waste Budget be approved, seconded by Alt. Commissioner Brown. Commissioner Beck stated to that in the Committee Meeting Mr. Watson indicated that PARSA is in the middle of doing some things that might affect the Authority's rates. Mr. Watson replied not PARSA but MUA which is where PARSA sends the regional area sewer waste and they have finally completed a \$200,000,000 project and those fees are starting to flow down to PARSA, and from PARSA they will flow to the PMUA. The Authority hasn't received them yet but according to one of PARSA's Commissioners they will probably see them sometime in May or June. At that time if it's warranted they will probably have a rate increase, but at this time there is no rate increase. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**Resolution #87-2010 CY 2011 Solid Waste Operations Budget**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
David Beck	X				
Carol Ann Brokaw	X				
Harold Mitchell	X				
Alex Toliver					X
<u>Alternate</u> Rev. Tracey Brown	X				
<u>Alternate</u> Eugene Dudley	X				

Ms. London presented **resolution #88-2010 Sewer Operations 2011 Authority Budget Plainfield Municipal Utilities Authority.**

WHEREAS, the annual Budget and Capital Budget for the Plainfield Municipal Utilities Authority for the fiscal year beginning January 1, 2011 and ending December 31, 2011 has been presented before the governing body of the Plainfield Municipal Utilities Authority at its open public meeting of November 4, 2010, and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$11,050,00 Total Appropriations, including any Accumulated Deficit if any of \$11,050,000 and Total Unrestricted Net Assets utilized of \$-0-, and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$200,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$-0-, and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements, and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law,

NOW THEREFORE BE IT RESOLVED, by the governing body of the Plainfield Municipal Utilities Authority, at an open public meeting held on November 4, 2010 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Plainfield Municipal Utilities Authority for the fiscal year beginning January 1, 2011 and ending December 31, 2011 is hereby approved.

Commissioner Beck moved, seconded by Alt. Commissioner Brown, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**Resolution #88-2010 CY 2011 Sewer Operations Budget**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
David Beck	X				
Carol Ann Brokaw	X				
Harold Mitchell	X				
Alex Toliver					X
<u>Alternate</u> Rev. Tracey Brown	X				
<u>Alternate</u> Eugene Dudley	X				

Ms. London had one more resolution authorizing the late introduction of the budgets. Mr. Perry indicated that they are four days late because they didn't have a meeting.

Ms. London presented **resolution #89-2010 regarding the delayed introduction of the 2011 Budget.**

WHEREAS, the Plainfield Municipal Utilities Authority is required to prepare an operating and capital budget on an annual basis, and

WHEREAS, pursuant to N.J.A.C. 5:31-2.3 said budget is required to be introduced no later than 60 days prior to the commencement of the Authority's fiscal year, and

WHEREAS, the Authority prepared its 2011 Budget and introduced said budget on November 4, 2010, and

WHEREAS, the introduction of the Authority's budget was delayed, and

WHEREAS, the Division of Local Government Services requires that the Authority set forth the reason(s) for any delay in the required budget introduction,

NOW THEREFORE BE IT RESOLVED, in accordance with the requirements of the Division that the record show that the Authority delayed the introduction of the 2011 Budget for the following reason:

1. The Authority delayed the introduction of the Budget pending verification of certain revenues to be anticipated for the 2011 year. Such information was needed for inclusion in the Authority's 2011 budget calculations in order to determine the user rates and rate structure necessary to support the appropriations contained in the 2011 Budget. This information was not available for the Authority's meeting held on October 5, 2010 and the Authority's next scheduled meeting was not held until November 4, 2010.

Alt. Commissioner Brown moved, seconded by Alt. Commissioner Dudley, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE

Resolution #89-2010 Delayed Introduction of the 2011 Budgets

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
David Beck	X				
Carol Ann Brokaw	X				
Harold Mitchell	X				
Alex Toliver					X
<u>Alternate</u> Rev. Tracey Brown	X				
<u>Alternate</u> Eugene Dudley	X				

VIII. UNFINISHED BUSINESS

None.

IX. PUBLIC HEARING

Commissioner Mitchell stated they have come to the portion of the meeting where the public is allowed to speak. He asked anyone wishing to do so should stand, give their name, address, and they will be given two minutes speak.

Rev. Danielle Bush, 1439 Linbarger Ave. Rev. Bush indicated that she is new to the area. She received an invitation to attend the meeting. She tried to make the last one but she was too late. She formerly resided in Newark before moving to Plainfield and presently owns property in Newark and works in Newark.

Seeing how the waste is picked up here in Plainfield she welcomes it. Currently Newark has only a one-day garbage pickup and it's horrible. There's an increase in rodents, one day she came home from work and there was garbage all over the street. She welcomes the way the Authority handles their operation, it's an asset to the area in comparison with the City of Newark. She is not criticizing Newark, she is good friends with Mayor Booker, but she does welcome what the PMUA is doing in her community and her area. The Board will be seeing her more. She wants to understand a little bit more about the PMUA.

Alt. Commissioner Dudley moved, seconded by Commissioner Brokaw, to close the public session of the meeting. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE To Close the Public Session

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
David Beck	X				
Carol Ann Brokaw	X				
Harold Mitchell	X				
Alex Toliver					X
<u>Alternate</u> Rev. Tracey Brown	X				
<u>Alternate</u> Eugene Dudley	X				

X. NEW BUSINESS

Commissioner Mitchell stated that he would like to bring up a subject regarding an individual who has worked for the PMUA ever since it's been established. Something very special has been planned for him. He told Mr. Watson – "gotch ya." He let Commissioner Brokaw take it over.

Commissioner Brokaw stated to Mr. Watson that we here at the PMUA believe it's important for us to give you your roses while you can smell them. She indicated that in appreciation for his service and in recognition of their feelings and affection for him, they wanted to let him know that they are commemorating his 15 years of service here at the PMUA. They know how difficult it was for them in the early days when it was just him, a couple of guys in a truck and a cell phone and under his leadership the Authority has grown to be a professional organization. They thank him for his abilities and his dedication to service and in that regard a number of people have recognized his service. She wasn't going to read everything, but she did want to take time to read the list. Also, there is a resolution that she is going to read from the Authority and a presentation.

She wanted Mr. Watson to know that he received proclamations from Senator Menendez, Assemblyman Green, a resolution from the Union County Board of Freeholders, Mayor Sharon Robinson Briggs, a letter from your Assistant Executive Director Dave Ervin, who is on vacation, from Mr. Perry, Chief Financial Officer; Mr. Pierson, Solid Waste Consultant; McManimon and Scotland, legal counsel; Lerch, Vinci & Higgins, accountants; T & M and Associates, engineers; Reliance Insurance Group; Councilman William Reid; and CME Associates. She read the proclamations from Senator Menendez and from Commissioner Mitchell, Chairman, and the Board of Commissioners. Ms. Hamlin read a letter that was sent by Mr. Ervin. Mr. Watson was presented a plaque by Ms. Hamlin and a clock was presented to him by Mr. Perry. Commissioner Mitchell also gave congratulatory remarks and recognition to Mr. Watson. Mr. Watson, who was surprised, responded and gave thanks for all of the accolades.

No Executive Session was necessary. Commissioner Brokaw moved, seconded by Alt. Commissioner Dudley and unanimously approved by the Board, to adjourn the meeting at 6:40 p.m.

Recorded by:

Roslyn Mathis, Board Secretary