

SUSSEX COUNTY SOLID WASTE ADVISORY COUNCIL

MINUTES

FEBRUARY 10, 2015

The meeting was opened at 7:00 p.m. by Chairman Landrith. The meeting was held in compliance with the Open Public Meetings Act, N.J.S.A. 10:4-1 of 1975, as amended, and notice has been forwarded to the newspapers and posted on the bulletin board maintained at the Sussex County Administrative Center for public announcement.

ROLL CALL:

MEMBERS PRESENT: James Landrith, Andover Borough, Chairman
William Koellhoffer, Byram Township
Gary Larson, Frankford Township
Howard Baker, Hopatcong Borough
Stephanie Pizzulo, Lafayette Township
Nina Fradl, Montague Township
Adam Vough, Town of Newton
Jo-Ann Williamson, Sandyston Township
Eric Powell, Sparta Township
Don Drake, Stanhope Borough
Christopher Fitzpatrick, At-Large
Donald Ploetner, At-Large
Richard Vohden, Freeholder Liaison

EXCUSED MEMBERS: Allan Esenlohr, Green Township
Eleanor Mensonides, At-Large, Vice Chair

STAFF MEMBERS: Alice Brees, Program Manager
Antoinette Wasiewicz, Recording Secretary
Adam Boltz, Health Department
Reenee Casapulla, Recycling Coordinator
Tom Varro, SCMUA

ALSO PRESENT: Scott Rogener, C.E.C.S.
Steve Scholanko, C.E.C.S.

MINUTES CORRECTION/APPROVAL:

A motion was made by Donald Ploetner to approve the Minutes of October 14, 2014. The motion was seconded by Howard Baker. All were in favor, with abstentions from Nina Fradl, Adam Vough, Eric Powell and Don Drake. Motion carried.

CHAIRMAN'S REMARKS:

Chairman Landrith welcomed two new members, Nina Fradl representing Montague Township and Adam Vough representing the Town of Newton.

A motion was made by Gary Larson to amend the Agenda to Reports, B. The motion was seconded by Christopher Fitzpatrick and carried unanimously.

NEW BUSINESS:

A. AMENDED APPLICATION FOR THE GRINNELL MRF, HOUSES CORNER ROAD, SPARTA TOWNSHIP:

Scott Rogener said he is the owner of Cavalier Environmental Compliance Service (C.E.C.S.) He said his application was submitted on Grinnell Letterhead because, at the present time, the permit is still in Grinnell Recycling's name. The application package also included a letter from DEP which gives his company the authority and control over the Material Recovery Facility (MRF). He said he is has control over the weighing of the trucks, what they are receiving, the process, and the disposal.

C.E.C.S. is presently permitted to take ID-13C material (Construction and Demolition waste.) They are applying for an Amendment to the Solid Waste Plan to add Bulky Waste, which is ID-13, to their permit. He said it is very common to have a crossover between ID-13C and ID-13 in this waste. He gave an example of a homeowner who orders a 30-yard container to dispose of construction debris and then they also dispose of household waste from the basement or attic. As a company, he wants to make sure he is in compliance with his permit. He said whatever materials cannot be recycled will go to the landfill.

Mr. Rogener gave SWAC some of his background information. He said he comes from New York and is trying to navigate his way around New Jersey's rules and regulations. His family's company was purchased from Waste Management in 1998 and he was the Senior District Manager with Waste Management until 2004. In that position, he controlled 22 transfer stations in down-state New York. They handled about 15,000 tons of waste per day, moving the waste by trucks and trains. They also handled co-mingled recyclables for the Department of Sanitation and 54% of the Department's waste flow as well as three MRF sites in Westchester County. Mr. Rogener said he has been in the waste business for a long time and that he is looking to continue working in the same business as his family, recycling C&D waste. The key to his business is volume and he is trying to generate more volume with this amendment.

Chris Fitzpatrick asked how many people Grinnell employed. Mr. Rogener said he did not know. He asked how many people C.E.C.S. employed. Mr. Rogener said he currently has five employees and hopes to double that number as his business grows. His intention is to get enough volume to put in a system of conveyor belts, picking stations, magnets, screening machines, etc. Volume will dictate when it is time to make that investment. Mr. Fitzpatrick asked if he kept any of Grinnell's old employees. Mr. Rogener said he did not but there did not seem to be much activity in that department. Donald Ploetner asked how long his lease with Grinnell is. Mr. Rogener said he has a 15-year lease.

Howard Baker asked if he expects the growth of his business to come from gaining the ID-13 waste. Mr. Rogener said he did not expect the growth of business to come from ID-13 directly. The ID-13 waste is part of the dynamics of open-top, roll-off containers. Those boxes have a lot of material that can be recycled.

Tom Varro said that the application shows "Materials Recovery" checked off under "Type of Facility" but that it could also be a Transfer Station. He said a Transfer Station is not required to recycle at all. Under their proposal, they can take in ID-13 and send it out. Mr. Rogener said he feels obligated to recycle and that's what he is doing. His goal is not to take in waste and act as a Transfer Station. He thought he was permitted as an MRF first and wondered why there is a designation of MRF/Transfer Station. Mr. Varro said that is a DEP designation and they are one and the same.

Mr. Varro said the letter (in the application package) states that the waste type makes up a relatively small percentage of the County waste stream. He said that the County waste stream is approximately 18% and it will have quite an impact in terms of revenue. Mr. Varro also questioned the statement that ID-13 is essentially the same type of material as ID-13C. He said ID-13 is a whole separate waste class and would involve a different recycling market. He asked Mr. Rogener what he would do with a refrigerator. Mr. Rogener said there are vendors who do that. They are not on the list of recyclers because he is not taking that type of material right now. Mr. Varro said the application will need to be amended to show those recyclers. Mr. Rogener asked Mr. Varro if the 18% includes the residential bulk drop-off. Mr. Varro said it did. Mr. Rogener said that is not something they are considering. Mr. Varro said once the amendment is approved, the County cannot prevent residential bulk drop-off. Mr. Rogener said it is not his goal to have residents coming to the facility. Mr. Varro said that Mr. Rogener should understand that the owners of this facility were not exactly stewards of the environment and were not adherent to the third party agreement. Mr. Rogener said he would hate to be judged for something he wasn't involved in. He understands it, but it is unfair. He said he is only interested in what gets put into a roll-off box. He added that when he said it is a small amount of waste, he wasn't trying to discount what the County has been able to recover from that class. It's what he thinks is available to him.

Mr. Varro said the proposal discussed what DEP would classify as a mixed load, C&D and bulky items. He said if C.E.C.S. receives approval, it would allow them to take solely containers containing ID-13. Mr. Rogener said it would make things easier for

the consumer and gave an example of someone clearing a commercial site where there are shelving and pallets to be disposed of, along with roofing material. Mr. Varro asked if Mr. Rogener was aware there is a permit for any other waste class other than ID-13C. Mr. Rogener said he was aware of the need for the permit but that DEP said that SWAC was the first step in that process.

Mr. Varro asked Mr. Rogener if he looked to see whether such a determination might affect status of flow control in the County. Sussex County has a Solid Waste Management Plan that directs all of the remaining waste to the SCMUA facility because it is a public facility. The MUA has difficulty in recycling C&D which is why the current facility made sense. The MUA currently does a good job with ID-13. Mr. Rogener asked Mr. Varro why the MUA is not able to recycle C&D as well. Mr. Varro said much of the waste they receive is hard to separate and goes right out to the landfill. Mr. Rogener said perhaps he categorized it incorrectly, but the part of the ID-13 that he is referring to is what would be in an open box and that would probably be going to the landfill, similar to C&D.

Renee Casapulla asked if Mr. Rogener had a tonnage amount for the ID-13C that he is currently accepting at his facility. Mr. Rogener said he collects about 700-800 tons for the month. She asked him if he has anticipated what the tonnage amount would be for ID-13. Mr. Rogener said he does not but that he is not looking for an increase to his allowed tonnage. He is permitted for 400 tons per day and that he is not even close to that figure. Mr. Rogener said the processing upgrades he mentioned would allow him to separate more efficiently. It is more about separation, identifying and then retrieving from the same stream than it is processing the next level of recycling. Ms. Casapulla asked how the separation is being done now without the conveyor system. Mr. Rogener said recycling isn't done by conveyors; it's ultimately done by people and machinery together. Right now, they are just picking it the old fashioned way. This is possible because they are bringing in very little tonnage.

Donald Ploetner asked Tom Varro what financial impact this amendment would have to the landfill. Mr. Varro said it will range according to whether or not they were a direct competitor and if they have a lower fee. The financial impact could potentially be up to a couple of million dollars a year.

Gary Larson asked if that concern factors into a decision. He understands the amendment would mean competition but it's also not a monopoly. Mr. Varro said it is a monopoly in the County. They've established flow control that essentially directs all solid waste, with the exception of C&D, to the MUA. This ensures that they can charge the rate needed to sustain itself. When the discussion turned to the landfill debt, Mr. Varro said they've paid off the principal debt at the end of 2013. Now they are paying off remaining phases of the landfill that were bonded out. This debt service will go through the end of 2016. In 2016 they anticipate, with approval from DEP, going forward with the expansion plan. So there will be new bonds issued with payments started in 2017.

Christopher Fitzpatrick said back in the 1980's there was talk about whether the landfill should be privately owned or owned by government. It was decided that the

landfill should be government owned. He asked if this monopoly has benefited the taxpayer or should we be considering private entities being far more involved than they presently are. Mr. Varro said the County has an approved plan going forward to 2062 and it locks in the status quo. He said the MUA existed prior to the Solid Waste crisis and at the request of the County, they took the landfill on as an additional responsibility. There is a legacy now involved with the landfill in terms of having enough funds to properly close it and go through a 30-year post-closure care period. There are a lot of different aspects than to say somebody else can do it cheaper. Jim Landrith said when you go to a private facility, enforcement costs go up. Mr. Varro said this discussion was unfair to the applicant because he is doing a presentation. He said it is good for everybody to understand the issues, but he has to discuss this with the SCMUA Board of Commissioners and come out with a position, most likely in time for the next meeting. While the applicant is here, time would be better spent with questions directly related to the application, their facility, their plans and the overall proposal. Mr. Ploetner said he would be interested in seeing the analysis and asked if he would forward it.

Mr. Fitzpatrick said what he likes about this application is that it would funnel activities to private entities, which reduces the overall cost to the taxpayer. Mr. Baker said on one hand we need to support SCMUA and its existence appropriately, and at the same time, SWAC is here to support the overall handling of solid waste in a responsible fashion. He would like to encourage private businesses that are involved with the recycling effort in ways that don't significantly damage SCMUA's interest.

Nina Fradl said she thought she heard Mr. Varro say that SCMUA does not recycle the materials that C.E.C.S. is proposing to take in. Mr. Varro said SCMUA does not recycle a lot of C&D waste; but they do recycle quite a bit of ID-13. He said there are boxes at the landfill where residents can drive up to and workers divert materials from going into the boxes. Ms. Fradl said that C.E.C.S.' focus is on material coming to him in containers. Mr. Rogener said he will not be set up for residential drop-off. He would be permitted for the ID-13 category but his facility would not be set up logistically to handle residents coming in. Ms. Fradl asked what he does with waste that cannot be recycled. Mr. Rogener said if the waste originated in Sussex County, it will go back to SCMUA. Ms. Fradl then confirmed that the SCMUA would still be getting some revenue. Mr. Varro said that SCMUA would be getting a limited amount of revenue.

Mr. Baker asked Mr. Rogener if he were to change his facility's setup, would he need to come before SWAC and DEP. Mr. Rogener said he believes he would need to apply to DEP for any changes he makes and also believes he would also need to receive approval from SWAC. Mr. Varro said a private owner can accept over the scale vehicles from people that come in off the road. This was allowed and accepted not only by their permit but in their operations and maintenance plan.

Donald Ploetner asked Mr. Rogener how crucial is this amendment to his business and what his backup plan is. Mr. Rogener said he does not have a projected number at this time because he has only been operating since October and then winter set in. He would like the opportunity to look into that. He went on to say that he feels this Amendment is crucial because every ton that he is able to receive, process and recycle

creates incremental volume. Mr. Ploetner asked if he based his Business Plan on getting the Amendment approved. Mr. Rogener said he based his Business Plan on getting a certain amount of tonnage. He said he comes from New York where they do not have this distinction. He said he would be more successful with the Amendment than without it.

Eric Powell said he had a statement from the Township of Sparta. He said this facility is in Sparta and that the previous owner had a "host agreement" with Sparta to contribute a certain amount of money, based on the tonnage that was taken in and processed. As of today, his Chief Financial Officer indicates that the previous owner (Grinnell) is behind in their payment by seven quarters. Sparta cannot agree to move this application forward until those host fee issues are cleared up. Sparta has asked that this application be tabled until the previous operator makes good on all those host fees. He added that C.E.C.S. has paid their host fees without being asked. Mr. Powell said a component of the host fee is the maintenance of Houses Corner Road which is used by the facility.

Ms. Fradl said she is a Real Estate Agent and that when a property is sold, a lien gets dealt with at closing. She asked why the Township of Sparta didn't impose a lien. Mr. Powell said they are not a party to their lease agreement. Mr. Varro said the property wasn't sold. Grinnell still owns the property; there is just a new operator. Gary Larson questioned if this was the forum to do this. Shouldn't the town go after Grinnell for the host fees? Mr. Powell said they are but they do not want the new operator to get approval to bring in more waste and then fall back into the same pattern as the previous operator. Mr. Larson asked if Sparta has contractual obligations with the owner. Mr. Powell said yes and that the facility cannot operate without meeting its host fee requirements. The host fee is currently delinquent and technically the facility shouldn't be operating. Sparta can't stop them from operating because it is a DEP controlled operation. Sparta has written letters to DEP regarding the modification of the permit and they did bring up the host fee issues. DEP ignored it and approved the permit. Mr. Larson asked if Sparta can put a lien against Grinnell. Mr. Powell said they are putting it against the facility. Mr. Ploetner asked if they can put a lien against the property. Mr. Powell said they cannot as a whole because the facility is only one piece of it. C.E.C.S. is leasing the MRF, which is what is delinquent. Mr. Landrith asked if the town attorney is involved. Mr. Powell said he is. Mr. Ploetner asked what the total delinquent host fees were. Mr. Powell said he does not know because it is based on tonnage and they do not have tonnage reports.

Mr. Ploetner asked Mr. Rogener if he was aware of this issue. Mr. Rogener said he was not. He said he feels like his future will be impacted even though he is proving so far to be a good custodian. He feels it is unfair to be limited in his operations because of the activities of a previous operator. Over the past seven quarters, mechanisms could have used to rectify the situation. They could have been shut down after two quarters. Mr. Powell said this debt will probably not affect the amendment, but it needed to be stated in a public forum. The Town Manager and Council asked him to make the statement to this forum. They need to know what the operators of their facility, public and private, are doing and not doing. He said based on what they've already done, he doubts the new operators are going to act the same as the old operators. But he had to

bring up what the previous operator was doing. There were also issues with truck traffic completely disregarding signage and riding down residential roads. All of those things go to the facility as a whole. Sparta needs certain understanding as a host township that the rules are going to be followed, the truck traffic will go in the right direction and the host fees are going to be paid.

Gary Larson said the Township should have come forward a long time ago as opposed to now. Mr. Powell said the only time the operator ever came in was when they proposed the mulch/food waste facility and then they never heard from them again. He would have had to go before the Planning Board because it was a change in operation. Mr. Powell suggested that Mr. Rogener discuss this with Grinnell. Mr. Rogener said he will have that conversation with Grinnell; however, he does not have the leverage for them to write checks. Mr. Varro said it is unfortunate for Mr. Rogener, but that it is applicable because they are the applicant. Mr. Rogener said Grinnell is the applicant because they own the permit but the DEP letter takes the authority away from them. He said the permit will be in his name as soon as he is able to do so.

Mr. Larson said that Amendments are a slow-moving process. SWAC can take the Statement from Sparta under advisement, rather than tabling the Amendment and putting it on hold. Mr. Powell said SWAC will be waiting for information from SCMUA anyway and the information will not be available until at least next month. If the town and Grinnell can come to an agreement with the host fees before the next meeting, this issue may be completely moot. Mr. Larson said Mr. Varro can work on the information SWAC requested and at least we're moving forward. Mr. Powell said the town did not want to see an approval this evening. Mr. Varro said according to the By-Laws, the Amendment request could not have been acted on tonight. The By-Laws prohibit an action during the same meeting as the presentation. Mr. Rogener thanked SWAC for the opportunity to make his presentation.

OLD BUSINESS:

None

REPORTS:

A. SCMUA UPDATE:

Tom Varro said it is still too early in the year to talk about tonnage, so he will not have a report this evening. At the next meeting he will report on the first quarter of 2015. He did say that the weather has an impact on the amount of tonnage they receive.

B. RECYCLING COORDINATOR:

Renee Casapulla gave an update on the Trex Recycling Challenge. This is the program that is being done at five Sussex County schools to collect plastic bags and plastic film. The program began on November 15, 2014 and runs through April 22. Ms. Casapulla said she contacted the towns where the schools are located in hopes of getting their Municipal Recycling Coordinators involved. Participating Sussex County

Schools are Pope John XXIII, Frankford Township School, Helen Morgan School, Ogdensburg School and Halsted Middle School.

Ms. Casapulla also reported that Newton High School is doing a Robotics Program with a "Recycle Rush" theme. The students made a robot out of recycled material for this annual high school program.

SCMUA is having its monthly paper shredding event on February 20 from 9:00 am-12:00 noon. There is a minimum charge of \$6.00 and the charge increases based on the volume brought in.

Municipal Recycling Coordinators prepare Recycling Tonnage Reports annually, based on the previous calendar year for recycling that's been collected or diverted within their towns. These reports must be submitted by a certified recycling professional. Ms. Casapulla said she is contracted through the MUA to help about 13 municipalities submit their report to DEP. There is a Municipal Recycling Coordinators meeting scheduled for March 3, 10:00 a.m. at the MUA.

SCMUA is having their first of four free E-Waste Recycling Events on Saturday, March 21. Municipalities and schools are permitted to come in the Friday before.

The agenda returned to New Business-A.

C. STATE LIAISON:

The State Liaison did not attend this evening's meeting, nor did she provide a report.

DIRECTOR'S REPORTS:

A. ERIC SNYDER:

Eric Snyder was not present at this evening's meeting.

B. HEALTH DEPARTMENT:

Adam Boltz said since the last SWAC meeting, the Health Department inspected 63 solid waste containers, seven were closed for January. They've documented seven garbage truck routes, five have been closed. To date three Notices of Violation have been issued, two for container labeling and one for an expired decal.

There were two NJDEP Referred Investigations for solid waste. One was for a leaf recycling operation in Sparta. Mr. Boltz said he received a complaint about this facility and visited the site. The operator said he was told if he stockpiled the leaves they would degrade better and make a better fertilizer for his farm. Mr. Boltz said he had a discussion with the owner and that he has already started spreading the leaves. He issued an NOV to the owner for that violation. The owner has 30 days to comply and Mr. Boltz said he should be in compliance by then. He believes the owner didn't understand the process.

The second NJDEP Referred Investigation was for an odor complaint at a facility on Brighton Road in Andover. Mr. Boltz said he visited the site and that he only detected a faint odor of cinnamon. This was an anonymous complaint, and therefore, unenforceable. There was one CEHA Solid Waste complaint for a salvage operation at the Schering Plough facility in Lafayette and there have been 24 recycling inspections at the SCMUA landfill.

Mr. Boltz said the Health Department is doing DPW Solid Waste storage inspections this year and that they should be done at the end of the first half of this year. He will be visiting Municipal DPWs, especially those that do not have convenience centers. He will be looking to see how they are storing solid waste on-site. Most DPWs have solid waste that is brought in off the roads.

Mr. Boltz also reported that Sanico is absorbing Gary Grey's front-load business. Sanico has already taken over the Balbi operation.

CORRESPONDENCE:

- A. REQUEST FOR AMENDMENT TO COUNTY SWP FOR CAVALIER ENVIRONMENTAL SERVICES, INC. (C.E.C.S.) GRINNELL RECYCLING, 1/7/15:
- B. SOLID WASTE MONTHLY DISPOSAL AND MATERIALS RECOVERY REPORTS FOR DECEMBER 2014, SCMUA, 1/15/15:
- C. SOLID WASTE FACILITY MONTHLY DISPOSAL AND MATERIALS RECOVERY REPORTS FOR DECEMBER 2014, C.E.C.S./KEYSTONE LANDFILL, 1/15/15;
- D. SOLID WASTE TRANSPORTER MONTHLY DISPOSAL REPORT FOR OCTOBER 2014, EQ NORTHEAST, 1/28/15:
- E. SOLID WASTE TRANSPORTER MONTHLY DISPOSAL REPORT FOR NOVEMBER 2014, EQ NORTHEAST, 1/30/15:
- F. E-MAIL RE: EXEMPTION NOTIFICATION FOR KOZDEBA FARMS, NJDEP, 2/3/15:

PUBLIC COMMENT:

None

ADJOURNMENT:

All business having been completed, a motion to adjourn the meeting was made by Howard Baker. The motion was seconded by Donald Ploetner and carried unanimously. The meeting adjourned at 8:20 p.m.