

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON APRIL 5, 2017 AT THE AUTHORITY'S ADMINISTRATION BUILDING, LAFAYETTE, NEW JERSEY

1. CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE

The Meeting was called to order at 3:00 p.m.

The following were present: Commissioners Perez, Drake, Madsen, Cocula (via telecom), Meyer and Petillo and Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Angelo Baron, General Counsel Napolitano, Special Counsel Prol and Recording Secretary Kronski

Absent: Commissioner Dietz

2. PUBLIC STATEMENT REGARDING SUNSHINE LAW

Chairman Madsen stated that the meeting has been duly advertised, and notice given thereof, as required by P.L. 1975, Chapter 231.

3. OPEN TO PUBLIC COMMENT

Chairman Madsen opened the meeting to public comment. No public present. Chairman Madsen closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Madsen asked for a motion to approve the Agenda. Administrator Hatzelis asked to add a resolution under Administrator's Report for Wastewater Program to authorize consulting agreement between the WRWVG and NJ Future. All information regarding agreement was previously provided to the Commissioners. Also to move the resolution re: NJEIT Landfill Expansion Project Funding from SW Chief Engineer's Report to SW Administrator's Report. Commissioner Perez moved the approval of the Agenda, as amended, seconded by Commissioner Drake. On voice vote: Ayes (6); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

Chairman Madsen requested a motion for approval of the Consent Agenda. Commissioner Drake moved the approval of the Consent Agenda, seconded by Commissioner Perez. No discussions requested. On voice vote: Ayes (6); Nays (0). The motion carried.

6. MINUTES

Chairman Madsen requested a motion to approve/acknowledge the distribution of the March 15, 2017 Pending Action Summary Sheet (PASS), which was emailed to the Freeholder Board on March 16, 2017.

Motion:PASS Report for 3-15-17 Authority Meeting to the Freeholder Board						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ		x	x			
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER					x	
RONALD PETILLO					x	

The motion passed.

Chairman Madsen asked for a motion to approve the both the Open and Closed Minutes for both the February 1, 2017 and February 15, 2017 Authority Meetings.

Motion: Approve Minutes of February 1 and February 15, 2017 Auth. Mtgs.						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	x		x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER			x			
RONALD PETILLO			x			

The motion passed.

Chairman Madsen noted that both the Open and Closed Minutes for both the March 1, 2017 and March 15, 2017 Authority Meetings were emailed to the Commissioners for their review.

7. BUSINESS

a. Executive Session

At 3:04 p.m. Commissioner Drake moved the adoption of the following resolution authorizing a Closed Executive Session, motion seconded by Commissioner Meyer. On voice vote: (6) Ayes, (0) Nays, the motion carried. Chairman Madsen noted Closed Session approximate time should be for 15 minutes and discussions include Paulinskill Project – Contract PRC-101 with Worth & Co. and Personnel Items (re: employees Hall and Delmont). Chairman noted to the public that actions may be taken after Executive Session.

#17-083 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:30 p.m. Commissioner Drake moved to adjourn the Closed Session, seconded by Commissioner Perez. On voice vote, Ayes (6); Nays (0); Abstain (0). The motion passed.

Chairman Madsen indicated items discussed as specifically set forth in the resolution authorizing Closed Executive Session included: Paulinskill Project – Contract PRC-101 with Worth & Co. and Personnel Items (re: employees Hall and Delmont). When the need for confidentiality of these matters no longer exists they will be opened to the public.

Chairman Madsen called for a short meeting break at 3:30 p.m., meeting resumed at 3:35 p.m.

b. Wastewater Program

**Superintendent’s Report**

Wastewater Superintendent Baron reported on the Hampton Commons Wastewater Facility’s recent high flow rates. Mr. Baron reported that the NJDEP was notified of the exceedances, anything over 51,000 gpd must be reported and he noted that plant is still within permit compliance. The added flows to the plant are suspected to be from sump pump activity. The management company was notified and instructed to advise Hampton Commons residents to not drain sump pump out into the water system. The SCMUA staff continued to monitor for high flows, a video inspection is

scheduled for the entire system on April 11<sup>th</sup> or 12<sup>th</sup>, which should help pinpoint the I&I flow. Discussions continued regarding notification to Lowes' Home Center of the high flows, since they are the other participant to Hampton Commons Wastewater System. Discussion further ensued regarding responsibility of fines if ever issued for the HC Facility, and since the HCCA is the owner, they would ultimately bear the costs of the fine.

Mr. Baron reported on the status of the Paulinskill Water Reclamation Facility Operations and according to Branchville Borough Construction Official, 167 connections are complete and there are approximately 339 total connections expected from the Branchville System. Discussions regarding waiver of connection fee deadlines to hookup to the sewer systems, which tentatively is end of May for Branchville System and end of 2017 for SCMUA.

**Administrator's Report**

Mr. Hatzelis reviewed the meeting held with the Hampton Commons Condominium Association Board and their Management Company, Wilkins Management Group. This meeting was held to review and discuss Wastewater Facility's Operations and Maintenance Contract, recent repairs and cost/payment obligations. Meeting was very productive and all parties are up to date and informed of contract responsibilities.

Mr. Hatzelis summarized a resolution for consideration to authorize execution of a Service Agreement between the Walkkill River Watershed Group and New Jersey Future. New Jersey Future is to provide the SCMUA WRWMG planning and engineering consulting funding to assist in the development of green infrastructure and stormwater projects at the McKeown School in Newton, NJ. The funding is not to exceed \$8,500.

Res #17-084: New Jersey Future and WRWMG Consulting Agreement						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	x		x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER			x			
RONALD PETILLO			x			

The motion passed.

#17-084 RESOLUTION RE: AUTHORIZING EXECUTION OF A CONSULTING AGREEMENT BETWEEN THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY/WALKKILL RIVER WATERSHED MANAGEMENT GROUP AND NEW JERSEY FUTURE FOR SERVICES RELATED TO NEW JERSEY FUTURE'S GREEN INFRASTRUCTURE DEMONSTRATION SHOWCASE FOR WORK AT THE MARIAN E. MCKEOWN SCHOOL

c. Solid Waste Program

**Superintendent's Report**

Mr. Sparnon reported on the 3 quotes he received for the purchase of an additional truck scale, as requested. He noted the lowest quote he received was from Gerhardt Scale and Commissioners agree to go ahead with the installation thereof with Gerhardt.

Motion: Begin procedures to install a 3 <sup>rd</sup> outbound scale						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA	x		x			
KARL MEYER			x			
RONALD PETILLO			x			

The motion passed.

### Chief Engineer's Report

Mr. Varro gave a status report on the Landfill Life Extension Project, in which a Notice to Proceed as issued on March 13<sup>th</sup> and final completion November 22<sup>nd</sup> per contract documents. First project meeting held on March 23<sup>rd</sup> and the Contractor is currently on-site. Mr. Varro reviewed and presented a resolution for contract execution for Construction Quality Assurance Services with SCS Engineers, as previously appointed per RFP submitted.

Res #17-085: Contract execution with SCS Engineers for CQA Services – Landfill Life Extension Project Stage 1						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER		x	x			
RONALD PETILLO			x			

#17-085 RESOLUTION RE: AUTHORIZATION TO EXECUTE PROFESSIONAL SERVICES AGREEMENT WITH SCS ENGINEERS FOR REQUIRED CONSTRUCTION QUALITY ASSURANCE ENGINEERING SERVICES

### Administrator's Report

Administrator Hatzelis reviewed the latest Tonnage and Revenue report for the months of December 31, 2016 through March 31, 2017. Compared to the same time period from last year, total tonnage is down 1.5%, however ID13 Bulky Waste has increased. He reported that the downward trend seems to be for the ID10 Household Waste, and the SCMUA Enforcement Program shall focus more on packer truck activity.

Mr. Hatzelis reported that the SCMUA and the County of Sussex Skylands Ride have agreed to a Shared Services Agreement to provide the SCMUA with transportation services for tours of the Solid Waste Facilities/Recycling Facilities. Mr. Hatzelis presented a resolution to execute Shared Services Agreement.

Res #17-086: Contract execution with Sussex County Skylands Ride for transportation services						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER		x	x			
RONALD PETILLO			x			

#17-086 RESOLUTION RE: AUTHORIZING EXECUTION OF A SHARED SERVICES AGREEMENT WITH COUNTY OF SUSSEX SKYLANDS RIDE

Mr. Hatzelis reviewed the financials for the funding of the Landfill Expansion Project. He provided a handout and reviewed the schedule of the funding and reimbursement schedule from the New Jersey Environmental Infrastructure Trust. Mr. Hatzelis indicated the loan from the NJEIT program shall be for \$8.5 million, in which 75% is at zero interest rate and 25% is at market rate. He analyzed three different scenarios for potential interest rates, for purposes of projection of Debt Service. A resolution was prepared by Bond Counsel to begin execution and delivery of Note in conformance with NJEIT requirements for financing program

Res #17-087: Approval of Note issuance for landfill expansion project in accordance of NJEIT requirements						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER	x		x			
RONALD PETILLO			x			

#17-087 RESOLUTION RE: RESOLUTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY, DETERMINING THE FORM AND OTHER DETAILS OF ITS "NOTE RELATING TO THE CONSTRUCTION FINANCING PROGRAM OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST, TO BE ISSUED IN THE PRINCIPAL AMOUNT OF UP TO \$11,500,000, AND PROVIDING FOR THE ISSUANCE AND SALE OF SUCH NOTE TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST, AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH NOTE BY THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY IN FAVOR OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST, ALL PURSUANT TO THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST CONSTRUCTION FINANCING PROGRAM

d. General Authority Business

**Administrator's Report**

Mr. Hatzelis reported that information was received for the Department of Community Affairs indicated that Financial Disclosure Statements cannot be filed until April 10<sup>th</sup> and can only be done through their website.

Mr. Hatzelis reported to the Commissioners that an Open Public Records Request has been made which requires review by General Counsel. A response was sent to the requester acknowledging the request and time to fulfill said request. Discussions ensued regard OPRA and potential reimbursement for Attorney's fees for review.

e. Personnel Matters

**Solid Waste Superintendent's Report**

Mr. Sparnon presented a resolution as discussed in Executive Session to promote Andrew Delmont from part time to full time Solid Waste Employee.

Res #17-088: Authorization to promote PT Employee to FT for the needs of operations at the Solid Waste Facility.						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	x		x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER			X			
RONALD PETILLO			x			

#17-088 RESOLUTION RE: REASSIGNMENT OF ANDREW DELMONT TO FULL-TIME SOLID WASTE SITE ATTENDANT

Mr. Sparnon reported on request of George Hall to extend leave of absence, as discussed in Executive Session. A resolution was presented for approval of 90 day extension.

Res #17-089: Authorization to extend leave of absence for Solid Waste Employee George Hall						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ		x	x			
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER			X			
RONALD PETILLO			x			

#17-089 RESOLUTION RE: AUTHORIZATION TO EXTEND "OFFICIAL LEAVE OF ABSENCE WITHOUT PAY FOR PERSONAL ILLNESS, FOR AN ADDITIONAL 90 DAY PERIOD" FOR GEORGE HALL, SOLID WASTE OPERATOR I

**Administrator's Report**

Current Board Chairman Madsen presented former Board Chairman Ronald Petillo with a plaque for appreciation and recognition for his service as Board Chairman from 2009 - 2016. Commissioner Petillo was appreciative of this accolade for his time a Chairman.

8. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Madsen asked for a motion to approve the Financial Consent Agenda (FCA).

Res: #17-090 Financial Consent Agenda						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ						x
ANDREA COCULA			X			
KARL MEYER		x	x			
RONALD PETILLO			x			

#17-090 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

APRIL 5, 2017

9. PUBLIC COMMENT

Chairman Madsen opened the meeting to public comment, no public present, he closed the meeting to public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners congratulated and thanked Ron Petillo for his years of service as Chairman of the Board. Commissioners wished all a Happy Easter.

Commissioner Cocula moved to give an excused absence to Commissioner Dietz, seconded by Commissioner Perez. On voice vote: Ayes (6); Nays (0); Abstain (0).

11. ADJOURN

Commissioner Perez moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote: Ayes (6), the motion passed. The meeting was adjourned at 4:20 p.m.

Respectfully submitted,

Andrea Cocula, Secretary