

MINUTES OF THE RESCHEDULED AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON DECEMBER 13, 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: Chairman Madsen, Vice Chairman Drake, Commissioners Perez, Dietz, Cocula, Meyer and Petillo, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Angelo Baron, General Counsel Napolitano, Special Counsel Prol and Recording Secretary Kronski.

Also in attendance: Consulting Engineers John Scheri and Maria Bausch of Mott MacDonald

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. Mr. George Graham from Sandyston Township addressed the Board and spoke in favor of the Leachate Force Main Project. He noted the positive economical savings the County would gain by hooking the County Technical School up to the force main, which would allow for the decommissioning of their aging wastewater plant. Mr. Graham advocated that the Commissioner Board vote to keep the project moving and would be a good thing for Sussex County. Chairman Madsen closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Madsen asked for a motion to approve the Agenda. Administrator Hatzelis recommended to move Executive Session to the back of the Agenda after #9 Public Comments, to accommodate public and professionals present. Commissioner Drake moved the approval of the Agenda, as recommended, seconded by Commissioner Dietz. On voice vote: Ayes (7); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

Commissioner Drake moved the approval of the Consent Agenda, seconded by Commissioner Dietz. No discussions requested. On voice vote: Ayes (7), Nays (0). The motion carried.

6. MINUTES

Chairman Madsen requested a motion to approve/acknowledge the distribution of the November 29, 2017 Pending Action Summary Sheet (PASS), which was emailed to the Freeholder Board on November 30, 2017.

PASS Report for 11-29-17 Mtg to 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 November 1, 2017 Open and Closed Meeting Minutes. Commissioner Drake moved the minutes, seconded by Commissioner Dietz. On voice vote: (7) Ayes, (0) Nays, the motion carried.

Minutes for Distribution: None

7. BUSINESS

- a. Executive Session (moved to back of Agenda after Public Comments Section)
- b. Wastewater Program

Superintendent's Report

Superintendent Baron reported on the Paulinskill Wastewater Facility Operations and indicated that a sugar additive is still required to maintain good testing results for ammonia. However, there have been a few additional hookups and heavier flow could alleviate the need for the additive. Mr. Hatzelis noted USDA funding is spent and complete, the financial project closeout with USDA is set for December 31, 2017.

Chief Engineer's Report

Chief Engineer Varro reported on the progress in completing the Cell Tower Bid Documents and noted that the previous recommendations from the Commissioners have been included. Discussions regarding the stated minimum of 2% and maximum based on CPI Index. Commissioners motion to authorize preparation of Bid Advertisement, including Specifications for the lease of property for the construction of a cell tower on the Authority's U.W. Facility Property.

Motion: Authorize preparation of bid specs for cell tower lease to include min/max range 2% / CPI if greater than 2%						
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 presented a resolution that memorializes the motion made at the last meeting with contingencies. The contingencies have been met and this resolution authorizes release of the final payment, including retainage to Worth & Company for project number PRC-101.

Res #18-001: Authorize last contract payment for PRC-101 including retainage to Worth & Co. for PRC-101						
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			

#18-001 RESOLUTION RE: RELEASE OF RETAINAGE TO WORTH & COMPANY, INC. CONTRACT NO. PRC-101, PAULINSKILL BASIN WATER RECLAMATION FACILITY PROJECT, BY THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY

Administrator's Report

Mr. Hatzelis reported on the Estimated Sewer User Charges for FY2018 for the Upper Wallkill Participants, Hampton Commons Facility and Paulinskill Facility per the Proposed and Adopted Operating Budgets for FY2018. Resolutions for U.W., H.C. and Paulinskill Systems have been prepared to authorize issuance of certificates to the participants to advise of upcoming charges for 2018. Commissioner Cocula moved all three resolutions, seconded by Commissioner Meyer.

Res# 18-002: Authorize issuance of certificates for estimated charges FY2018 – U.W. Res# 18-003: Authorize issuance of certificates for estimated charges FY2018 – H.C. Res# 18-004: Authorize issuance of certificates for estimated charges FY2018 - PAUL						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER		x	x			
RONALD PETILLO			x			

#18-002 RESOLUTION RE: AUTHORIZATION FOR CHAIRMAN TO ISSUE CERTIFICATE OF ESTIMATED CHARGES FOR FY2018, UPPER WALLKILL SYSTEM

#18-003 RESOLUTION RE: AUTHORIZATION FOR CHAIRMAN TO ISSUE CERTIFICATE OF ESTIMATED CHARGES FOR FY2018, HAMPTON COMMONS

#18-004 RESOLUTION RE: AUTHORIZATION FOR CHAIRMAN TO ISSUE CERTIFICATE OF ESTIMATED CHARGES FOR FY2018, PAULINSKILL BASIN WATER RECLAMATION SYSTEM

Mr. Hatzelis reviewed the Final Sewer User Calculations for FY2017 for both the Upper Wallkill Facility and Paulinskill Facility. These are based on either Guaranteed Minimum Flows or on Actual Flows according to the individual participant's Sewer Service Contract. Mr. Hatzelis distributed a data sheet and reviewed flows and indicated a credit or charge for each participant.

Res #18-005: Approve/ adopt of FY17 sewer user charges for U.W. Sys. Participants						
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			

#18-005 RESOLUTION RE: APPROVAL AND ADOPTION OF CALCULATION OF ACTUAL ANNUAL CHARGES FOR SEWER SERVICE FOR FISCAL YEAR 2017 – UPPER WALLKILL SYSTEM

Mr. Hatzelis reported on the Paulinskill Water Reclamation System's Actual Sewer User Charges for FY2017 for both Branchville Borough and Frankford Township. He presented a resolution for the approval/adoption of Actual Annual charges for Paulinskill System.

Res #18-006: Approve/ adopt fFY17 sewer user charges for Paulinskill System						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ		x	x			
ANDREA COCULA	x		x			
KARL MEYER			x			
RONALD PETILLO			x			

#18-006 RESOLUTION RE: APPROVAL AND ADOPTION OF CALCULATION OF ACUTAL ANNUAL CHARGES FOR SEWER SERVICE FOR FISCAL YEAR 2017 – PAULINSKILL BASIN WATER RECLAMATION SYSTEM

Administrator Hatzelis reviewed the grant award for the Wallkill River Watershed Management Group for a total amount of \$800,000 for restoration and stewardship initiatives for Sussex County Watersheds. This resolution authorizes the execution of the grant agreement between the SCMUA-WRWWMG and NJDEP.

Res #18-007: authorize execution of grant agreement with SCMUA-WRWWMG and NJDEP for \$800,000 for watershed initiatives						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE	X		x			
TOM MADSEN			x			
WAYNE DIETZ		X	x			
ANDREA COCULA			x			
KARL MEYER			x			
RONALD PETILLO			x			

#18-007 RESOLUTION RE: GRANT AGREEMENT BETWEEN SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY AND THE NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION RE: IMPLEMENTATION OF THE SUSSEX COUNTY RESTORATION AND STEWARDSHIP INITIATIVE

c. Solid Waste Program

Chief Engineer’s Report

Chief Engineer Varro reviewed the final items and punch list in regard to Contract #444 Landfill Life Extension Project. Discussions included reduction in payment #9 for Contractor, final contract amount of \$6.9 million, which included Proposed Change Order No. 2, but not including credits back to the SCMUA. Projected credits to SCMUA are approximately \$78,000 subject to negotiations. Therefore, final contract amount will end up being about \$6.8 million to \$6.9 million. Also discussed correspondence from NJDEP certifying as-builts, solid waste operations schedule and retainage amount. Chairman Madsen thanked Mr. Varro and Staff in their efforts to get this project reviewed by the NJDEP in a timely manner in order to keep landfill operations uninterrupted.

Consulting Engineer’s Report

Chief Engineer Varro introduced John Scheri and Maria Bausch from Mott MacDonald, SCMUA’s Consulting Engineers to review and answer any questions regarding the SCMUA proposed Leachate Pump Station and Force Main Project. Mr. Scheri reviewed the leachate pump line has two possible route alignments, one along Route 94, the other along a County owned railway right-of-way. It is their recommendation to go along the Railroad right-of-way due to multiple factors being considered. Mr. Scheri reviewed all the pros and cons of each option, including cost analysis, length of pipe, hydraulic necessities, landscape of each. The positives for choosing the railroad right-of-way included lower cost, minimal road repaving and traffic control expenses, and landscape of railway is more of an even grade, etc. The cost would run approximately \$7.1 million and would have the potential for the aging Sussex Technical School Wastewater Plant to hookup to system. The Route 94 alignment is projected to cost \$10.1 million. Discussions ensued regarding project timeline, potential cost overruns and financing options with the New Jersey Environmental Infrastructure Trust. Mr. Hatzelis explained the project review process with the NJEIT, which would have to include Freeholder approval and DCA approval. Commissioner Dietz moved to authorize staff and professionals to take the necessary steps to prepare and give a presentation on the Leachate Force Main Project at a meeting of the Sussex County Freeholder Board for their consideration.

Motion: Authorize SCMUA Consulting Engineer and Staff to give a presentation to the Sussex County Freeholder Board regarding the proposed Leachate Pump Station/Force Main Project						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ	x		x			
ANDREA COCULA			x			
KARL MEYER		x	x			
RONALD PETILLO			x			

The Motion passed.

Administrator’s Report

Mr. Hatzelis reviewed the tonnages and revenues for FY2017 and noted that compared to FY2016, tonnages are up 3.7% and revenues are up 4.5%. Household Waste (ID10) has remained consistent, however Bulky Waste and Construction Debris are up 31%. The success of the Solid Waste Enforcement Program is the most likely the reason for the increase in ID13 tonnage.

- d. General Authority Business

Administrator’s Report

Mr. Hatzelis prepared a resolution for the authorization to execute an Indemnity Agreement with Statewide Insurance Fund. The Agreement is for 3 years for workers’ compensation insurance and all-lines insurance.

Res# 18-008: Authorizing execution of Indemnity Agreement with Statewide Ins.						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ					x	
ANDREA COCULA	x		x			
KARL MEYER		X	x			
RONALD PETILLO			x			

#18-008 RESOLUTION RE: AUTHORIZING EXECUTION OF INDEMNITY AGREEMENT WITH STATEWIDE INSURANCE FOR WORKERS' COMPENSATION THROUGH 2021

Mr. Hatzelis reported that a Fund Commissioner needs to be appointed for the Statewide Insurance Fund. A resolution was prepared to appoint John Hatzelis as the Fund Commissioner.

Res#: 18-009 – appoint J. Hatzelis as Fund Commissioner for 2018						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	X		x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER		x	x			
RONALD PETILLO			x			

#18-009 RESOLUTION RE: APPOINTMENT OF FUND COMMISSIONER TO THE STATEWIDE INSURANCE FUND

e. Personnel Matters

Administrator's Report

Mr. Hatzelis reported that the 2018 Personnel Policy has been updated with recommendations from the Personnel Committee and a resolution has been prepared that adopts the policy with the incorporated updates.

Res#18-010: adoption of personnel and employee policies						
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			

#18-010 RESOLUTION RE: ADOPTION OF AMENDED SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY ORGANIZATIONAL STRUCTURE, STAFF POSITION DESCRIPTION, SALARY STRUCTURE AND PERSONNEL AND EMPLOYEE POLICIES (EFFECTIVE JANUARY 1, 2018)

Mr. Hatzelis presented a resolution re: 2018 Salary Adjustments and indicated all Department Head employee reviews were taken into consideration by the Personnel Committee for recommendations.

Res#18-011: 2018 Salary Adjustments						
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			

#18-011 RESOLUTION RE: FY2018 SALARY ADJUSTMENTS AND PERSONNEL ACTIONS FOR SCMUA EMPLOYEES

8. Payment of Bills

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

Res: #18-012 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	x			
KARL MEYER			x			
RONALD PETILLO			x			

#18-012 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

No public comment.

7. EXECUTIVE SESSION (moved from beginning of Agenda)

At 4:27 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session, motion seconded by Commissioner Dietz. On voice vote: (7) Ayes, (0) Nays, the motion carried. Chairman Madsen noted the Closed Session should be approximately 10 minutes and discussions to include: Update on Lomasson Property Acquisition and no actions shall be taken after Closed Session.

#18-013 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 4:35 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Meyer. Roll call: Ayes (7); Nays (0). The motion passed.

Chairman Madsen confirmed items discussed as specifically set forth in the resolution authorizing Closed Executive Session included: Lomasson Property Acquisition. When the need for confidentiality of these matters no longer exists they will be opened to the public.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners wished everyone a Happy Holiday and thanked Administrator Hatzelis and Staff on their work/analysis regarding the Leachate Force Main Project

11. ADJOURN

Commissioner Cocula moved to adjourn the meeting, seconded by Commissioner Perez. On voice vote: Ayes (7), the motion passed. The meeting was adjourned at 4:37 p.m.

Respectfully submitted,

Andrea Cocula, Secretary