

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON MARCH 16, 2016 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 3:05 p.m.

The following were present: Commissioners Perez, Madsen, Petillo, Cocula, Meyer and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, General Counsel John Napolitano, Special Counsel Prol (w/ firm member, Tiffany Heineman), and Recording Secretary Kronski

Absent: Commissioner Dietz

2. PUBLIC STATEMENT REGARDING SUNSHINE LAW

Chairman Petillo 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 Petillo opened the meeting to public comment. No public comment. Chairman Petillo closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Petillo asked for a motion to approve the Agenda, Commissioner Perez moved the approval of the Agenda, seconded by Commissioner Drake. Administrator Hatzelis requested two additions one under General Authority Business, discussion re: April 6<sup>th</sup> scheduled Authority Meeting and under Wastewater, he would like to give a status update and resolution on the 2008 Series Bond Refunding. On voice vote: Ayes (6); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

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

6. MINUTES

Chairman Petillo requested a motion to approve/acknowledge the distribution of the March 2, 2016 Pending Action Summary Sheet (PASS), which was emailed to the Freeholder Board on March 3, 2016.

PASS Report for 3-3-16 transmittal to the Freeholder Board						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA	x		x			
KARL MEYER		x	x			
JOHN DRAKE			x			

Motion passed.

There are no minutes up for approval at this meeting and noted that the Open and Closed Minutes for the February 17, 2016 meeting have been emailed to the Commissioners for their review.

7. BUSINESS

- a. Executive Session (moved to after #9. Public Comments)
- b. Wastewater Program

**Chief Engineer’s Report**

Mr. Varro reviewed the Draft letter he penned, as requested, to Sussex Borough regarding the multiple force main breaks along the Route 23 corridor. He distributed the letter for Commissioners and staff to review and discuss. Discussions included number of breaks, the superfluous cost to the Authority, existing utilities, the use of forensics on current force main and original construction and specifications. Mr. Varro will include suggested revisions and issue as soon as possible.

Mr. Varro gave an update on the Paulinskill Projects. He noted that Contract PRC-103 is approximately 90% complete, substantial completion by June 20<sup>th</sup>. He continued with an update on PRC-101 which is 65% complete. Commissioners discuss the control connection timeframe and Mr. Varro will updated completion status for all contracts.

**Administrator’s Report**

Administrator Hatzelis reviewed the latest Liquid Waste Hauler Revenues for the first quarter of FY2016, which are above projections. He reported on connection fee revenues currently 35% projected revenue for the year.

Mr. Hatzelis reviewed the Upper Walkkill Series 2008 bond refunding process and noted an application, per previous Board authorization was submitted to the Local Finance Board. A resolution was received from the Authority’s Bond Counsel for Commissioners consideration, which begins the 30 day estoppels period.

Res #16-069 Supplemental Resolution of issuance of WW 2008 Bonds						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#16-069 RESOLUTION RE: SUPPLEMENTAL RESOLUTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY AUTHORIZING THE ISSUANCE OF WASTEWATER FACILITIES REVENUE REFUNDING BONDS, SERIES 2016

- c. Solid Waste Program

**Superintendent’s Report**

Superintendent Sparnon reported on the opening of bids for Contract 16-01 & 17-01 for Household Hazardous Waste Events. The bid opening occurred on March 3<sup>rd</sup> with four bidders participating. The low bid was with Care Environmental and all bids are currently under Attorney Review

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and an award recommendation should be ready for the next Authority Meeting.

Mr. Sparnon gave an update on the Underground Storage Tank NOV which was cited by NJDEP in April 2015 for a faulty wire. He reminded the Commissioners that the subject tank was inspected a month earlier by SCMUA's vendor and it was found to be in working order at that time. NJDEP and the Authority agreed on a settlement amount of \$2,500, with no admission of fault; the agreement was signed and the check is in the Financial Agenda for this meeting. Discussions ensued regarding if our contracted vendor has any responsibility for the violation, but it was determined that the loose wire occurred after the tank inspection. It was noted that the wire was repaired immediately and the system is in working order.

Motion to approve settlement agreement with NJDEP for UST NOV						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ						
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

The motion passed.

### Chief Engineer's Report

Mr. Varro provided a status report on the recent meeting with local legislatures regarding Electronic Waste collection/recycling in New Jersey. The local Sussex County municipalities have ended their E-Waste collection programs. Tom Varro reported that the meeting went well and the Assemblypersons and Senator Oroho will consider support for the bill that is currently up for vote in the Legislature to deem manufacturers responsible to help recycling these materials. Mr. Sparnon reported on the SCMUA's program which continues to accept E-Waste materials at the rate of Bulk Waste (ID13). He also noted that further negotiations regarding amnesty days are ongoing with a vendor that previously submitted a proposal. Discussions continued regarding communication to municipalities and how the Authority is involved and how it can further notify the public that the Authority has not suspended acceptance of E-Waste, only that the Free Events are on hold. If unresolved, a Press Release shall be prepared for commissioners and staff to review.

### Administrator's Report

Administrator Hatzelis presented a resolution to formally authorize reimbursement to identifiable customers for Asbestos Disposal overcharge for FY2014, FY2015, FY2016 totaling \$2,349.80.

Res#16-070 Reimbursement to SW Customers for ID27 Asbestos Disposal						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN					x	
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#16-070 RESOLUTION RE: AUTHORIZING THE REIMBURSEMENT TO SCMUA SOLID WASTE CUSTOMERS FOR DISPOSAL OF ID27 ASBESTOS IN FY2014, FY2015, FY2016

d. General Authority Business

**Administrator's Report**

Administrator Hatzelis noted that there will be a conflict for a few Commissioners for the next scheduled meeting of April 6, 2016. Discussions continued and Commissioner Cocula moved to reschedule the April 6, 2016 Authority Meeting to 2:00 pm and notice such, Commissioner Madsen seconded. On voice vote: Ayes (6); Nays (0). The motion carried.

8. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Petillo asked for a motion to approve the Financial Consent Agenda (FCA). Mr. Varro notified the Commissioners of a change in the Preliminary FCA that in the Air Permit Fees have been reduced by \$1,250 due to an overcharge by the NJDEP.

FCA for 3-16-16						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN		x	x			
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE			x			

#16-071 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

Chairman Petillo opened the meeting to public comment. No Comments. Mr. Petillo closed the meeting to public comment.

Chairman Petillo called for a 5 minute meeting break at 3:36pm

Meeting reconvened at 3:44 pm

At 3:44 p.m. Commissioner Madsen 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 noted Closed Session to be approximately 15 minutes.

#16-072 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 4:23 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Meyer. On voice vote: Ayes (6); Nays (0). The motion passed.

Chairman Petillo indicated items discussed as specifically set forth in the resolution authorizing Closed Executive Session were included: re: Solid Waste Enforcement Agreement. When the need for confidentiality of these matters no longer exists they will be opened to the public.

Commissioner Cocula moved to authorize to send a letter to the County of Sussex for recommendation/appointment of Special Counsel for Solid Waste Enforcement and prepare a Memorandum of Understanding for reimbursement of counsel's fees. Also, direct to prepare a letter to NJDEP summarizing their meeting of March 14<sup>th</sup>. Commissioner Meyer seconded motion. On voice vote: Ayes (6); Nays (0). The motion carried.

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10. COMMISSIONERS' COMMENTS/REQUEST

Commissioner wished Mr. Hatzelis, Mr. Drake and Ms. Cocula a Happy Birthday.

Commissioner Cocula made a motion to give Commissioner Dietz an excused absence, seconded by Commissioner Madsen. On voice vote: Ayes (6); Nays (0). The motion carried.

11. ADJOURN

Commissioner Cocula moved to adjourn the meeting, seconded by Commissioner Meyer. On voice vote: Ayes (6), the motion passed. The meeting was adjourned at 4:25 p.m.

Respectfully submitted,

Andrea Cocula, Secretary