

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JULY 20, 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 3:01 p.m.

The following were present: Commissioners Perez, Madsen, Petillo, Dietz, Cocula, Meyer and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent John Nugent, Assistant Wastewater Superintendent Angelo Baron, General Counsel Giacobbe, Special Counsel Prol and Recording Secretary Kronski.

Also in attendance: Auditor Paul Cuva

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 Drake moved the approval of the Agenda, seconded by Commissioner Madsen. Executive Session shall be moved to the back of the Agenda to hear Auditor's Report on FY2015. On voice vote: Ayes (7); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

The Chairman requested a motion for approval of the Consent Agenda. Commissioner Madsen moved the approval of the Consent Agenda, seconded by Commissioner Meyer. No discussions necessary. On voice vote: Ayes (7); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve/acknowledge the distribution of the July 6, 2016 Pending Action Summary Sheet (PASS), which was emailed to the Freeholder Board on July 7, 2016.

PASS Report for 7-6-16 transmittal to the Freeholder Board						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ	x		x			
ANDREA COCULA			x			
KARL MEYER			x			
JOHN DRAKE		x	x			

The motion passed.

Chairman Petillo asked for a motion to approve the Open and Closed Meeting Minutes for the June 1, 2016 Authority Meeting.

Approval of 6-1-16 Authority Meetings						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ					x	
ANDREA COCULA			x			
KARL MEYER		x	x			
JOHN DRAKE	x		x			

The motion passed.

Chairman Petillo noted that the Open and Closed Minutes for the June 15, 2016 and July 6, 2016 Authority Meetings have been emailed to the Commissioners for their review.

7. BUSINESS

- a. Executive Session (moved to after second Public Comments section of the Agenda due to Auditor Report)

**General Authority Business – Administrator’s Report**

Mr. Hatzelis introduced SCMUA Auditor Paul Cuva who reviewed the FY2015 overall Audit for the Authority. A copy was previously provided to the Commissioners to review. Mr. Cuva reported on the details of the Authority’s FY15 Audit and noted a separate Audit was conducted on the Paulinskill Project. He began the report with the net pension liability totals for the Authority which, he also reviewed the rules and regulations regarding unrestricted funds in relation to debit and credited funds. He reviewed numbers associated with the future of the pension contributions. Mr. Cuva explained that the Cell Closure fund has a \$10,808,000 shortfall, which is anticipated to be rectified with the Solid Waste Landfill Expansion generating continued future revenue. This was the only comment on the audit report. Paul answered questions regarding future pension funding. The Audit shall be published on the SCMUA website.

Paul Cuva left the room 3:13 pm

- b. Wastewater Program

**Superintendent’s Report**

Mr. Nugent reported on a leak discovered along the Vernon Reclaimed Effluent Force Main line. An air release fitting was repaired by SCMUA employees and the NJDEP hotline was notified, Mr. Nugent stressed that this was treated wastewater and was no threat to contamination in the area. SCMUA staff shall check all air relief valves at all locations and may remove them if no longer necessary.

Mr. Nugent reported that there was a NJDEP inspection of the Upper Walkkill Plant and the Homestead Facility. NJDEP reviewed all pertinent documentation, including maintenance and operations records and also conducted a walkthrough. No deficiencies were noted and a written report will be submitted by the NJDEP. Mr. Nugent added at an unannounced inspection for the Wastewater’s Underground Storage Tanks, all documentations and visuals were in check and passed on all issues.

**Chief Engineer’s Report**

Mr. Varro gave a status update on the Paulinskill Projects and reviewed a spreadsheet on finances on each project and how contingency funds have been utilized to date. Mr. Varro reviewed the past change orders for the projects. Discussions continued regarding project change orders for Contract PRC-101 including entrance modification; fiberglass door installation and pay responsibility for additional traffic control for Contract PRC-103. Tentative wastewater flow test set for August 13<sup>th</sup> with final project completion by September 2<sup>nd</sup>. Discussions turned to notice to connect issuance to Branchville residents and Mr. Varro will report back after speaking with Kleinfelder.

c. Solid Waste Program

**Superintendent’s Report**

Superintendent Sparnon indicated that the 2015 Recycling Report has been completed and was sent to the Commissioners with the Consent Agenda for review. It shall be posted on the SCMUA website and it was noted that these figures only reflect recyclables brought to the SCMUA and are not County totals.

Mr. Sparnon indicated that the Soil Cover Material Contract will be ending December 2016 and asked for authorization to advertise specifications for bids for 2017, with the option to extend to 2018.

Motion to authorize advertisement of Specs for Contract 17-04 Cover Soil Material						
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			

d. General Authority Business

Under General Authority Business Commissioner Perez requested discussions on the practice of taping Executive Session at Authority Meetings. He explained his concerns and opened the discussions to the Board. Discussions ensued regarding the Authority’s By-laws and reasons for the session taping, including meeting minutes and certain potential litigation situations. General Counsel Giacobbe reviewed statute regarding destruction of meeting tapes, and suggested a standing order of approval from DARM to erase tapes per statute. Commissioners recommended to research further and felt this was acceptable practice without changing the Authority’s By-laws.

8. Payment of Bills

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

FCA for 7-20-16						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN	x		x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#16-099 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

Chairman Petillo opened the meeting to Public Comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners welcomed Mr. Nugent back and mentioned the favorable "clean" Audit.

8a. Executive Session

At 3:53 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session. Motion seconded by Commissioner Drake. On voice vote: (7) Ayes, (0) Nays, the motion carried. Chairman noted Closed Session to be approximately 10 minutes.

#16-100 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 4:09 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Drake. On voice vote: Ayes (7); Nays (0). The motion passed.

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

Commissioner Cocula moved to authorize advertisements to fill the positions of Administrative Assistant, Solid Waste Facility Heavy Equipment Operator for Class A and Class B Licensed and Wastewater Maintenance Mechanic Position, seconded by Commissioner Dietz. On voice vote: (7) Ayes, (0) Nays, the motion carried.

11. ADJOURN

Commissioner Drake moved to adjourn the meeting, seconded by Commissioner Madsen. On voice vote: Ayes (7), the motion passed. The meeting was adjourned at 4:10 p.m.

Respectfully submitted,

Andrea Cocula, Secretary