

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JANUARY 21, 2015 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 Sowden, Madsen, Petillo, Dietz, Meyer, Cocula, and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparron, Wastewater Superintendent Nugent, John Napolitano of Cleary Giacobbe Alfieri Jacobs as General Counsel, Special Environmental Counsel Thomas Prol, and Recording Secretary Kronski

Absent: Attorney Giacobbe

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

The Chairman opened the meeting to public comment. No Comments. 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 Sowden. 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 Drake. On voice vote: Ayes (7); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the January 7, 2015 Pending Action Summary Sheet (PASS), which was emailed to the Clerk of the Freeholder Board on January 8, 2015. Commissioner Meyer moved the PASS report, seconded by Commissioner Cocula. On voice vote: Ayes (7); Nays (0); Abstain (0). The motion carried.

Chairman Petillo asked for a motion to approve the Open & Closed Minutes from the December 3, 2014 Authority Meeting. Commissioner Sowden moved to approval, seconded by Commissioner Drake. On voice vote: Ayes (7); Nays (0); Abstain (0). The motion carried.

Chairman Petillo asked for a motion to approve the Open & Closed Minutes from the December 17, 2014 Authority Meeting. The motion carried.

Minutes for 12-17-14 meeting						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN	x		x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA		x	x			
KARL MEYER					x	
JOHN DRAKE					x	

There are no minutes for distribution at this meeting.

7. **BUSINESS**

a. Executive Session

At 3:03 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Drake. On voice vote: (7) Ayes, (0) Nays, the motion carried. Chairman Petillo noted the approximate time of Executive Session to be approximately 15 minutes.

#15-028 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:20 p.m. Commissioner Meyer moved to adjourn the Closed Executive Session and reconvene in Open Session seconded by Commissioner Cocula. On voice vote, Ayes (7); Nays (0), the motion passed.

Chairman Petillo called for a short meeting break 3:21 pm.

The meeting resumed at 3:29 p.m.

Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were personnel items and negotiations and/or litigations re: Landfill Gas to Energy Contract. When the need for confidentiality of these matters no longer exists they will be opened to the public.

b. Wastewater Program

Attorney's Report

Mr. Varro reported on behalf of Attorney Giacobbe, who was absent from the meeting. He gave the Commissioners an update on the Paulinskill Property Acquisition, in which he noted that Sal Alfieri of General Counsel's Firm is finalizing the closings on the Cowan and Willco Properties. There does not appear to any issues with the title searches, etc. and a further update will be given at the next meeting.

Wastewater Superintendent’s Report

Mr. Nugent reported on the Delaware River Basin Commissioner Renewal Application, which is a Docket that is required every 5 years at a cost of \$500 for the Hampton Commons Facility. Roll Call...the motion passed.

Submittal of renewal application for DRBC Docket						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN	x		x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA		x	x			
KARL MEYER			x			
JOHN DRAKE			x			

Administrator’s Report

Mr. Hatzelis reported that the Property Agreement was executed by William Cowan for the purchase of real property to be the location of the pump station for the Paulinskill Water Reclamation Project. He summarized a resolution authorizing the Chairman and Board Secretary to execute Property Agreement.

Res: #15-029 Authorizing execution of Cowan Prop. Agrmt.						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER		x	x			
JOHN DRAKE			x			

#15-029 AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH WILLIAM H. COWAN JR. FOR THE PURCHASE OF REAL PROPERTY LOCATED AT BLOCK 705, LOT 22, BOROUGH OF BRANCHVILLE

Mr. Hatzelis summarized a recent Senate Bill #72, which puts a cap of 2% increase on user charges. Discussions ensued regarding this Bill and the issues that the Authority will encounter implementing into the various Service Contracts and problems related to bond covenant requirements, budget preparations, as well as, covering costs to adhere to potential NJDEP limits on phosphorus and nitrate discharge. The Association of Environmental Authorities is also against this legislation and are involved with the rebuttals; more information will be available for the next Authority Meeting.

Administrator Hatzelis gave a report on an analysis that compares Upper Walkkill Sewer User Charges with and without assigned minimum flows. Currently, Upper Walkkill Participants are billed according to their Service Contracts with the Authority, some are based on actual flows, other are guaranteed minimum flows. He reported on the data if each participant was billed on actual flows, which resulted in an increase for most participants. Service Contracts were individually prepared as to not affect other participants.

c. Solid Waste Program

Superintendent's Report

Superintendent Sparnon reported on the bids for Household Hazardous Waste Events, which are for a two year cycle. Clean Venture was awarded Contract #14-01 and he reported that they performed well for the two events for 2014. Mr. Sparnon asked for Commissioners authorization to extend contract to #15-01 for 2015 Household Hazardous Waste Events.

Res: #15-030 Contract #15-01 for HHW Services for 2015						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN		x	x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE			x			

#15-030 RESOLUTION RE: AUTHORIZING THE RENEWAL OF CONTRACT #14-01 WITH CLEAN VENTURE, INC. FOR HOUSEHOLD HAZARDOUS WASTE SERVICES IN 2015 WITH THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY; CONTRACT #15-01

Administrator's Report

Administrator Hatzelis reported on tonnage data from the Grinnell MRF for the past 6 years, the facility is now operated by Cavalier Environmental Services. Over the past 6 years, under the operation and ownership of Grinnell, only 5,400 tons out of a total of 71,000 tons or 7.6% was declared as originating in Sussex County. Cavalier assumed the facility two and a half months ago and already has declared 55.5% Sussex County Waste. This information shows significant potential loss of revenue to the Authority, which was discussed further among the staff and Commissioners.

Mr. Hatzelis reviewed the tonnage data, by municipality for 2013 compared to 2014 and noted a 2.8% drop in ID10 Household Hazardous Waste. He reviewed the increase/decrease for each municipality and noted perhaps slight errors in reporting for neighboring towns, but overall reduction in tonnage continues. Discussions ensued regarding this data and providing the information to the County Health Department for enforcement program.

d. General Authority Business

Administrator's Report

Mr. Hatzelis distributed a sheet of FY2015 Goals and Objectives and asked for Commissioners' input before the next Authority Meeting.

8. Payment of Bills

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

Res: #15-031 Financial Consent Agenda						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#15-031 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

No public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners commended SCMUA Staff and Consultants for their knowledge, input and preparation for the meeting with Energenic regarding landfill gas contract negotiations.

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Cocula. On voice vote: Ayes (7), the motion passed. The meeting was adjourned at 3:58 p.m.

Respectfully submitted,

Andrea Cocula, Secretary