

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JUNE 6, 2018 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 John Napolitano, Special Counsel Prol and Recording Secretary Kronski.

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

No public comment.

4. AGENDA APPROVAL

Chairman Madsen asked for a motion to approve the Agenda. Commissioner Dietz moved the Agenda, seconded by Commissioner Drake. Administrator Hatzelis requested to move the report on the 2017 Audit immediately following Executive Session to accommodate Paul Cuva and to also add discussions regarding Mountain Creek Bankruptcy to Special Counsel Prol's Report in Executive Session. Commissioner Perez moved the revised Agenda, seconded by Commissioner Drake. 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 Meyer. 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 May 16, 2018 Pending Action Summary Sheet (PASS) to the County Freeholder Board. Commissioner Perez motioned to approve, seconded by Commissioner Drake. On voice vote: Ayes (7); Nays (0). The motion carried.

Chairman Madsen noted the Draft Meeting Minutes for the May 2, 2018 and the May 16, 2018 Authority Meetings have been emailed to the Commissioners for their review.

7. BUSINESS

a. Executive Session

At 3:05 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session, motion seconded by Commissioner Drake. On voice vote: Ayes (7), Nays (0), the motion carried. Chairman Madsen noted the Closed Session should be approximately 25 minutes and discussions shall include: Access

Agreement with County of Sussex, Mountain Creek Bankruptcy, Draft NJPDES Permit Appeal, Contract #454 NOVA filter unit and Personnel Item.

#18-081 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:45 p.m. Commissioner Perez moved to adjourn the Closed Session, seconded by Commissioner Dietz. On voice vote: Ayes (7); Nays (0). The motion passed.

Chairman Madsen confirmed items discussed as specifically set forth in the resolution authorizing Closed Executive Session included: Access Agreement with County of Sussex, Mountain Creek Bankruptcy, Draft NJPDES Permit Appeal, Contract #454 NOVA filter unit and Personnel Item. When the need for confidentiality of these matters no longer exists they will be opened to the public

General Authority Business (moved from end of agenda)

Administrator’s Report (Auditor Paul Cuva)

Mr. Hatzelis welcomed SCMUA Auditor Paul Cuva to the meeting to give a report and answer any questions regarding the 2017 SCMUA Audit. Mr. Cuva summarized the Audit report which was previously emailed to the Commissioners for their review. Mr. Cuva highlighted the report and he noted that there were no recommendations or findings. He reported that all facets of the SCMUA reserves are properly funded, including the Solid Waste Closure and Post Closure Care is also fully funded. The Restricted Undesignated Reserves were reported to be the following: Upper Walkkill over \$4 million, Solid Waste is \$3.2 million, Hampton Commons \$153,000, and Paulinskill is \$254,000. These funds are available for future budgets. Mr. Cuva noted that at the end of 2017 the Solid Waste Facility bonds are fully funded and is self sustaining. The Landfill Expansion Project is currently in progress and shall be fully financed by the New Jersey Infrastructure Bank. Mr. Cuva noted Staff does well on the accounting end. Mr. Hatzelis added that the Budget Reserves for each SCMUA Budget has significantly increased since 2011/2012 and we are in a much better situation financially. A resolution and Group Affidavit form was presented for Commissioners.

Res# 18-082: 2017 Audit Group Affidavit						
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			

#18-082 2017 AUDIT – GROUP AFFIDAVIT

Mr. Cuva left the meeting at 3:55 pm.

b. Wastewater Program

Wastewater Superintendent’s Report

Mr. Baron reported on another Sussex Borough force main break in front of Dunkin Donuts on Memorial Day, it was fixed and sealed by the afternoon. Since 2004, this is the 25th break along the Route 23 force main coming into the Upper Walkkill Plant.

Chief Engineer’s Report

Mr. Varro distributed information and gave a report on the Upper Walkkill System Participants’ flows. Sussex Borough has, by far, the highest I&I flows compared to monthly averages and peak monthly flows. Sussex Borough peak flows are double its average flows. Discussion ensued regarding I&I work done by the Borough and if and when they plan to complete. Wastewater Baron explained why the higher flows are an issue for the U.W. Plant and the impact on other system users, he also confirmed the Plant has not exceeded permit limits. Commissioners direct to send correspondence to Sussex Borough to request update on I&I improvements and to advise of excessive flows compared to other participants.

c. Solid Waste Program

Superintendent’s Report

Mr. Sparnon reported on the Recycling Enhancement Act for 2017 and the entitlement amount is for \$143,320.00. NJDEP requires the submittal of a spending plan and Mr. Sparnon prepared a resolution authorizing the submission of the REA Spending Plan.

Res: #18-083: REA 2017 Spending Plan						
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			

#18-083 RESOLUTION RE: ENABLING RESOLUTION AUTHORIZING THE FILING OF A SPENDING PLAN FOR A 2017 RECYCLING ENHANCEMENT ACT TAX FUND ENTITLEMENT PURSUANT TO P.L. 2007 C.113 ET SEQ. HEREINAFTER, THE ACT

Mr. Sparnon reported on a letter he received from a customer, which was previously sent to the Commissioners. The customer paid for a load delivered by hauler, Roselle which had water logged debris. He requested that the Authority refund a portion of the ticket due to water weight. Commissioners discussed with Staff and noted that other customers also paid for any water weight that day due to heavy rains, and did not want to set a precedent for refunds for excessive water.

Mr. Sparnon reported on the Household Hazardous Waste Day that took place on June 2, 2018 and he noted that it was a very busy day and all went well. There were no issues to report and the final tonnage report should be received shortly from MXI.

Chief Engineer’s Report

Mr. Varro reported that he received a notification from the County Planning Department that the Golden Dome Quarry in Sparta has been approved by the NJDEP to accept large amounts of Kaofin. Mr. Varro described the Kaofin as a byproduct from Marcal Paper Mills, Inc. which is a claylike substance, and which may contain hazardous materials. Sparta Township does not want to receive such material and is concerned about potential groundwater contamination. SWAC will discuss at their next meeting.

Mr. Varro gave a status report on the Leachate Pump Station/Force Main Project and noted that Mott MacDonald has been conducting survey work and review of wetlands. There were discussions on how to clear heavy overgrown portions of the right of way. Mr. Varro will suggest the use of a forestry mower to Mott MacDonald to expedite. Commissioners requested update of Mott MacDonald weekly reports to show percentages of progress.

Administrator’s Report

Mr. Hatzelis reported on the Tonnages and Revenues from December 1st to May 31st. Chart was previously provided that showed tonnages are up 3.1% compared to the same time period from 2017. Revenues up 3.3% from last year, as well.

d. General Authority Business

Administrator’s Report

Report on 2017 Audit was moved to the beginning of the Agenda.

e. Personnel Matters

Superintendent’s Report

Mr. Sparnon presented a resolution, as discussed in Executive Session to grant a 90-day leave of absence for Solid Waste Employee Ronald Shea.

Res: #18-084 Leave of absence w/o pay for 90 days						
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			

#18-084 RESOLUTION RE: AUTHORIZATION TO GRANT A 90 DAY “OFFICIAL LEAVE OF ABSENCE WITHOUT PAY” FOR RONALD SHEA

Mr. Sparnon also discussed staff needs for the Solid Waste Facility and requested authorization to advertise for a Part-time position. Discussion on number of applications currently on file and Commissioners agreed to advertise. Mr. Sparnon will report back to the board before hiring.

8. Payment of Bills

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

Res: #18-085 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			

#18-085 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

None.

10. COMMISSIONERS COMMENTS/REQUEST

Commissioners wished all June Birthdays a Happy Birthday and complimented Staff on the well run Household Hazardous Waste Day while conducting normal operations on June 2nd.

11. ADJOURN

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

Respectfully submitted,

Andrea Cocula, Secretary