

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON NOVEMBER 28, 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, Meyer, Cocula, and Petillo, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Angelo Baron, General Counsel Napolitano, Special Counsel Prol and Recording Secretary Tara Kronski.

Also in attendance: SCMUA Bond Counsel John Cantalupo, John Ursin, Esq., David Romano, James Scott (Ronetco Attorney)

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. No comments.

4. AGENDA APPROVAL

Chairman Madsen asked for a motion to approve the Final Agenda. Commissioner Drake moved the Agenda, seconded by Commissioner Meyer. On voice vote: Ayes (7); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

Chairman Madsen asked for motion to approve the Consent Agenda, which was previously emailed to the Commissioners. Commissioner Dietz moved the approval and seconded by Commissioner Drake. No discussions were requested. On voice vote: Ayes (7), Nays (0). The motion carried.

6. MINUTES

Chairman Madsen requested a motion to approve the distribution of the November 7, 2018 Pending Action Summary Sheets (PASS) to the County Freeholder Board. Commissioner Perez motioned to approve, seconded by Commissioner Drake. On voice vote: Ayes (7), Nays (0), Abstain (0). The motion carried.

Commissioner Drake motioned to approve Open and Closed Meeting Minutes for October 3, 2018, seconded by Commissioner Dietz. On voice vote: Ayes (7), Nays (0), Abstain (0). The motion carried.

Commissioner Perez motioned to approve Open and Closed Meeting Minutes for October 17, 2018, seconded by Commissioner Meyer. On roll call: Ayes (5), Commissioners Perez, Madsen, Cocula, Meyer and Petillo. Nays (0), Abstain (2) Commissioners Dietz and Drake. The motion carried.

7. BUSINESS

a. Executive Session

At 3:04 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 Madsen noted the Closed Session should be approximately 15-20 minutes and discussions shall include: NOVA Filter U.W. Contract #454, Vernon Township 3<sup>rd</sup> Sewer User Charges Collection Matter, and Personnel Items.

**#18-119** RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:50 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Perez.

Chairman Madsen confirmed items discussed as specifically set forth in the resolution authorizing Closed Executive Session included: NOVA Filter Unit U.W. Contract #454, Vernon Township 3<sup>rd</sup> Quarter Sewer User Charges Collection Matter, and Personnel Items. When the need for confidentiality of these matters no longer exists they will be opened to the public.

b. Wastewater Program

**Attorney's Report**

Attorney John Ursin, Esq., representing Ronetco Company spoke to the Board regarding a connection fee for a proposed Shoprite in Sussex Borough. Mr. Ursin previously sent correspondence to the Authority requesting negotiations concerning EDU criteria and credits, and the Authority's legal counsel invited him to the November 28<sup>th</sup> meeting for discussion. Mr. Hatzelis reported that the Authority staff and counsel had reviewed actual flow data at the property for a one year period (using data provided by Mr. Ursin) and based on that analysis, the Authority offered a substantial EDU credit against the connection fee for a supermarket; that offer was not accepted by Ronetco. Mr. Romano and an in-house attorney for his company James Scott, also spoke to the Board regarding their request on EDU credit. The Commissioners and Staff discussed EDU calculations as defined by the NJDEP and inability to "project" sewer usage. Commissioners spoke about the importance of exploring every option to accommodate the Applicant and business development in the County while treating all ratepayers fairly & equally, as well as, remaining in compliance with NJDEP requirements. At this point, the Commissioners felt they should go into Executive Session to consider and discuss further.

Mr. John Ursin, Mr. Romano and Mr. Scott left the meeting at 4:27 p.m.

Commissioner Cocula moved the Board go into Closed Executive Session to discuss Sussex Borough Shoprite Connection Fee, seconded by Commissioner Meyer. On voice vote: Ayes (7), Nays (0). The motion carried. Chairman Madsen noted the session should be approximately 10-15 minutes long with discussions to included Sussex Borough Shoprite Connection Fee.

At 4:45 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Perez.

Chairman Madsen confirmed items discussed included **Sussex Borough Shoprite Connection Fee.** When the need for confidentiality of these matters no longer exists they will be opened to the public.

Chairman Madsen called for a short meeting break at 4:45pm

Meeting resumed at 4:50 p.m.

**Administrator’s Report**

Mr. Hatzelis gave a status report on the Vernon 3<sup>rd</sup> Quarter Sewer User Payment, in which a voucher was received from Vernon Township for the remaining 66% overdue. Voucher was signed and returned, a check is expected next week.

c. Solid Waste Program

**Superintendent’s Report**

Mr. Sparnon reported on the recent Compactor issues and indicted that Foley, Inc. sent technicians who were unable to make a quick fix. The Compactor was taken out of service and according to the contract documents replacement equipment should be provided or liquidated damages will begin to accrue.

Mr. Sparnon indicted that the bids for Contract #19-04 Furnish and Delivery of Landfill Cover Soil have been reviewed by General Counsel and a recommendation has been made to award to the lowest responsive/responsible bidder. A resolution was prepared to award contract to Braen Stone of Lafayette at \$3.67 per ton.

Res #18-120: Award of Contract #19-04 Furnish and Delivery of Landfill Cover Soil						
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			

**#18-120** RESOLUTION RE: AUTHORIZING AWARD TO THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER TO FURNISH AND DELIVER LANDFILL COVER SOIL (CONTRACT NO. 19-04) FOR THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY

**Chief Engineer’s Report**

Mr. Varro updated the Commissioners on Contract #443D Well Replacement/Landfill Gas Improvements. He noted that 75% of the wells have been completed and the remainder should be done by the end of the week. The Staff is assisting with the pipe connections. Mr. Varro is also keeping Lafayette Township updated with regard to calls regarding odors.

Commissioner Meyer left the meeting at 5:00 p.m.

d. General Authority Business

**Administrator’s Report**

Mr. Hatzelis opened discussions on amendment to the SCMUA Bylaws regarding Commissioner Protocol. A draft version was previously provided to Commissioners for consideration. A lengthy discussion ensued regarding clarification and necessity, as well as, consequences/penalties. Attorney Prol gave example regarding social media and policy for newly appointed Commissioners. Further discussions included whether to form a Committee to review bylaws and amendments thereto and to discuss Amendment in Executive Session.

Motion: To refer Commissioner Protocol Amendment to Committee and to discuss details in Executive Session						
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 did NOT pass.

Mr. Hatzelis provided a resolution to adopt the SCMUA’s Schedule of Rates, Fees and Charges, which were reviewed at the Public Hearing on November 7, 2018.

Res #18-121: Adoption of FY2019 Schedule Rates Fees and Charges						
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			

**#18-121** RESOLUTION RE: ADOPTION OF SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY’S SCHEDULE OF RATES, FEES AND CHARGES FOR FY2019

Mr. Hatzelis also prepared a resolution for final Adoption of the FY2019 Authority Budget, which has been reviewed and approved by the New Jersey Division of Community Affairs.

Res #18-122: Adoption of the Authority’s Budget for FY2019						
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			

**#18-122** RESOLUTION RE: ADOPTION OF FY2019 AUTHORITY BUDGET

Administrator Hatzelis reviewed a resolution to remove bad debts from the Solid Waste Revenue account after all options for collection have been exhausted; totaling \$92.00

Res #18-123: Delete Bad Debts from the S.W. Revenue Acct for FY2018						
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			

**#18-123** RESOLUTION RE: AUTHORIZATION FOR THE TREASURER TO DELETE CERTAIN BAD DEBTS FROM THE SOLID WASTE REVENUE ACCOUNT

Mr. Hatzelis reported that the Request for Proposals for 2019 Professional Services is posted on the Authority’s Website. They will be opened on Thursday, December 13<sup>th</sup> and a report will be prepared for the December 19<sup>th</sup> Authority Meeting.

8. Payment of Bills

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

Res #18-123: 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			

**#18-124** RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

Commissioners further discuss Cornerstone Engineering PO#12049 on the Financial Consent Agenda for landfill drainage project consulting services totaling \$2,660.00. Commissioner Cocula moved to remove PO#12049 (Cornerstone Environmental Services) from the Financial Consent Agenda for landfill drainage project consulting services totaling \$2,660.00, seconded by Commissioner Dietz. Commissioners are questioning why the Authority should pay for consultations related to the drainage fix, when it was an original design flaw in the Landfill Extension Project. On voice vote: Ayes (6), Nays (0) the motion passed. Mr. Varro will notify Cornerstone Environmental Services.

9. PUBLIC COMMENT  
None

10. COMMISSIONERS COMMENTS/REQUEST  
None

11. ADJOURN

Commissioner Cocula moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote: Ayes (6), the motion passed. The meeting was adjourned at 5:40 p.m.

Respectfully submitted,

Andrea Cocula, Secretary