

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JANUARY 6, 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 11:00 a.m.

The following were present: Commissioners Sowden, Madsen, Petillo, Dietz, Cocula, Meyer and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparron, Wastewater Superintendent Nugent, General Counsel John Napolitano, Special Counsel Prol and Recording Secretary Kronski

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, and noted that the Agenda items may followed out of order depending on the scheduled presentations of the Consulting Engineering Firms. 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 Dietz. No discussions necessary. On voice vote: Ayes (7); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the December 16, 2015 Pending Action Summary Sheet (PASS), which was emailed to the Clerk of the Freeholder Board on December 16, 2015.

PASS Report for 12-16-15 to the Clerk of the Freeholder Board						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN		x	x			
RON PETILLO			x			
WAYNE DIETZ	x		x			
ANDREA COCULA			x			
KARL MEYER			x			
JOHN DRAKE					x	

Motion passed.

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Chairman Petillo noted that there are no minutes up for approval at this meeting. The Open and Closed Minutes for the November 25th and December 2nd, 2015 meetings have been distributed to the Commissioners for their review.

7. BUSINESS

At 11:05 a.m. Chairman Petillo referred to Chief Engineer Varro to introduce T&M Associates to give their presentation to the Commissioners in response to the Authority's solicitation of Solid Waste Engineering Consulting Services for 2016. T&M Associates introduced their staff and gave a Power Point Presentation of their firm and answered questions specific to the RFQ/RFP that was advertised by the Authority. At the conclusion of their presentation questions and comments were taken and the Board thanked T&M for their time and effort on their proposal.

Chairman Petillo called for a meeting break at 12:10 p.m.

Chairman Petillo resumed the meeting at 12:35 p.m. and Chief Engineer Varro introduced CP Engineers of Sparta, New Jersey to begin their proposal to the Board in relation to the Authority's RFQ/RFP for Solid Waste Engineering Consulting Services. CP Engineers gave their presentation and took questions from Mr. Varro and the Board. At the conclusion, the Commissioners and Staff thanked the CP representatives for their submission.

Chairman Petillo called for a meeting/lunch break at 1:22 p.m.

At 1:30 p.m. Chairman Petillo resumed the meeting and continued with the Agenda asking for a motion to go into Closed Executive Session.

a. Executive Session

At 1:30 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session. Motion seconded by Commissioner Meyer. On voice vote: (7) Ayes, (0) Nays, the motion carried. Chairman noted Closed Session to be approximately 15 minutes.

#16-019 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 1:54 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Sowden. 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: Change Order #1 and NJDEP correspondence re: Solid Waste Enforcement Agreement. When the need for confidentiality of these matters no longer exists they will be opened to the public.

Chief Engineer Varro introduced Mr. Mark Swyka of Cornerstone Environmental Engineers. Mr. Swyka lead the presentation in reference to the Authority's RFQ/RFP solicitation for Solid Waste Engineering Consulting Services.

In a supplementary presentation outside the RFQ/RFP process, Mr. Swyka gave a quick report on the Solid Waste Facilities' Annual Report. He complimented the Solid Waste Facility Staff on the condition and operations of the facility, noting certain maintenance items to be scheduled to be done over the next year. Budgets and R&R funds are

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stable and there appears to be no upward pressure on tip fees. Cornerstone reps left the meeting at which time the Commissioners and Staff thanked the Cornerstone Representatives. Chairman Petillo continued with the Agenda.

b. Wastewater Program

Superintendent's Report (postponed until J. Nugent's arrival)

Chief Engineer's Report

Mr. Varro reported on the negotiations of a sampling co-op agreement for Paulinskill Project between the US Fish and Wildlife Service and the USDA and the Authority. The agreed sampling program includes obtaining background water quality data before plant start-up and Tom Varro detailed the sampling scheduled through Phases 1 & 2. He indicated proposals were solicited from two firms and noted Kleinfelder submitted a cost proposal totaling \$28,700 for Phase 1, and the proposed total budget amount was for \$45,000. Kleinfelder is well staffed and qualified to perform the required sampling. These sampling costs are eligible to be covered by USDA.

Motion: Authorization to execute co-op agreement with Kleinfelder for sampling events for Paulinskill Project as required by USF&WL						
Commissioner	1 st	2 nd	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			

The motion passed.

Mr. Varro presented a resolution to execute Change Order #1 to PRC-101 for JCP&L requirements to relocate and reduce electrical power for Paulinskill Wastewater Plant in the amount of \$28,408.00.

Res #16-020: SCMUA Contract No. PRC-101 authorization to execute Change Order #1						
Commissioner	1 st	2 nd	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			

The resolution passed.

#16-020 RESOLUTION RE: AUTHORIZATION FOR CHAIRMAN TO EXECUTE CHANGE ORDER NUMBER 1 TO SCMUA CONTRACT NO. PRC-101, WORTH AND COMPANY

Administrator's Report

Administrator Hatzelis reported on the grant agreement for the Paulinskill Project regarding USDA-RUS financing the project. He reported \$5,629,500 of project costs shall be through grants from the USDA and \$7,846,000 shall be covered through loans for a total of \$13,475,500. John reviewed the favorable interest rates, and prepared a resolution for approval to execute the grant agreement. Discussions continued regarding

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interest rates and Mr. Hatzelis offered to contact Bond Counsel John Cantalupo to get the most beneficial rate.

Res# 16-021 Authorize execution of grant agreement with USDA-RUS for Paulinskill Project financing						
Commissioner	1 st	2 nd	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			

The resolution passed.

#16-021 RESOLUTION RE: AUTHORITY EXECUTION OF USDA-RUS GRANT AGREEMENT FOR THE PAULINSKILL PROJECT

Counsel John Napolitano and Wastewater Superintendent John Nugent arrived the meeting at 2:50 p.m.

Superintendent's Report

Mr. Nugent gave a status report on the Hampton Commons Plant Repairs and noted an insurance check was received for partial reimbursement. Discussions continued on what costs were covered and it was indicated that there is an ongoing debate with the insurance company to dispute engineering investigation costs and repairs. Mr. Hatzelis noted it would have been irresponsible to repair the piping in the exact same way it was originally designed and risk another failure, an upgrade was necessary for the safety of Authority Staff and HC community. Discussion original as-built drawings and the current bracket size and the need for replacement.

Mr. Nugent reported on another Sussex Borough sewage force main break that occurred December 24, 2015. He also reviewed a chart noting all the reported leaks and pipe breaks that have occurred in the system since 2004, which total 19. Discussion was held on problems of the system and that Hardyston DPW is no longer providing services to Sussex Borough.

c. Solid Waste Program

Superintendent's Report

Mr. Sparron reported that the Household Hazardous Waste contract with Clean Venture has expired and is asking for authorization to prepare and advertise for disposal services for 2016 & 2017 Household Hazardous Waste Events.

Motion: Authorize to advertise for bids for HHW Services						
Commissioner	1 st	2 nd	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			

The motion passed.

Mr. Sparnon asked Commissioners to consider renewing the Christmas Tree Amnesty Program, where the Authority allows for the free disposal of one free Christmas tree, per vehicle.

Motion: Renew the Christmas Tree Amnesty Program						
Commissioner	1 st	2 nd	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			

The motion passed.

Administrator's Report

Mr. Hatzelis reported on December 2015 tonnage and distributed a handout. It was noted that tonnage is up 3% compared to last year for the same time period. Bulky waste to the landfill (ID13) and C&D Waste (ID13C) are both down 6.1% and 4.9%, respectively, hopefully the Enforcement Program with held those numbers and trend will turn around. Discussions held on enforcement and weather to explain final tonnage number being a positive.

d. General Authority Business

Administrator's Report

Mr. Hatzelis gave a status report on the RFQ/RFP for Professional Services. They shall be opened tomorrow at 11:00 am. Discussion on submittals and when Risk Manager needs to be appointed. Mr. Hatzelis will report on the results at the next Authority.

8. Payment of Bills

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

Res: #16-022 Financial Consent Agenda						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN		x	x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER						Out of mtg room
JOHN DRAKE	x		x			

#16-022 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

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

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Chairman Petillo called for a meeting break at 3:10 p.m. to wait for SCS Consulting Engineers that are scheduled for a presentation at 4:00 p.m.

At 4:20 p.m. meeting resumed with Chief Engineer Varro introducing SCS Engineers for their presentation in relation to the RFQ/RFP submission for Consulting Engineering Services. At the conclusion of the presentation, Chief Engineer Varro asked questions and Commissioners thanked Mr. McCarron and Mr. Marcus Scrimgeour.

10. COMMISSIONERS' COMMENTS/REQUEST

No comments.

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Madsen. On voice vote: Ayes (7), the motion passed. The meeting was adjourned at 5:24 p.m.

Respectfully submitted,

Andrea Cocula, Secretary