

MINUTES OF THE REGULAR MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON SEPTEMBER 5, 2012 AT THE AUTHORITY'S ADMINISTRATION BUILDING, LAFAYETTE, NEW JERSEY

1. CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE

The Chairman called the meeting to order at 3:00 p.m.

The following were present: Commissioners Sowden, Petillo, Dietz, Meyer, Cocula and O'Halloran, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, Attorney Giacobbe, Recording Secretary Kronski

Absent: Commissioner Madsen

2. PUBLIC STATEMENT

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 opened the meeting to public comment, no public in attendance. Chairman Petillo closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Petillo requested a motion to approve the Agenda. Commissioner Dietz moved the approval of the Agenda, Vice Chairman Sowden seconded. No additions or deletions. On voice vote (6) Ayes, (0) Nays, the motion carried.

5. APPROVAL OF CONSENT AGENDA

The Chairman requested a motion for approval of the Consent Agenda. Commissioner O'Halloran moved the approval of the Consent Agenda, seconded by Commissioner Dietz. No discussion necessary. On voice vote (6) Ayes, (0) Nays, the motion carried.

6. MINUTES

Chairman requested a motion to approve the distribution of the August 1, 2012 Pending Action Summary Sheet, which was submitted to the Freeholder Board on August 2, 2012. Commissioner Dietz moved to approve the August 1, 2012 Pending Action Summary Sheet, seconded by Commissioner O'Halloran. No discussions. On voice vote (6) Ayes, (0) Nays, the motion carried.

Chairman Petillo advised that the Open & Closed Meeting Minutes for July 18, 2012 and August 1, 2012 have been emailed to the Commissioners for their review and comment.

7. BUSINESS

a. Executive Session

Chairman Petillo asked for a motion to go into Closed Executive Session at 3:04 p.m. Commissioner Dietz moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Meyer. On voice vote (6) Ayes, (0) Nays, the motion carried.

September 5, 2012

#12-109 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 4:32 p.m. Commissioner Cocula moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Vice Chairman Sowden. On voice vote, the motion passed.

Chairman Petillo called for a short recess.

The Open Session was reconvened at 4:50 p.m. and Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were negotiations and/or litigations re: Grinnell Settlement Agreement; Edgewater Associates; Sparta Pump Station Odor Complaint; PNC Bank's Investment Practices re: Landfill Closure/Post Closure Escrow Account; Paulinskill Project Status; United Water Release; and Personnel Meeting Update. When the need for confidentiality of these matters no longer exists they will be opened to the public.

b. Wastewater Program

Superintendent's Report

Mr. Nugent indicated that the Wastewater Facility has a vehicle that is no longer safe or needed for work purposes and presented a resolution to remove the 1998 Chevy Pick-up Truck from the fixed assets inventory list. No further discussions, Commissioner Cocula moved the resolution, seconded by Commissioner Meyer. On roll call, the vote was as follows: Ayes (6) Commissioners Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-110 SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY DECLARING CERTAIN PROPERTY NO LONGER NEEDED FOR PUBLIC USE, AND AUTHORIZATION TO DISPOSE OF IN THE LEAST COSTLY METHOD AVAILABLE PURSUANT TO N.J.S.A. 40A:11-36

Chief Engineer's Report

Mr. Varro reported on the Frankford Town Center Wastewater Management Plan Amendment. He indicated that the Plan Amendment was prepared by CP Engineers and a request for endorsement has been requested. Mr. Varro reviewed the Amendment and he indicated the issues/comments concerning language and corrections that shall be presented at the September 12th Public Hearing at Frankford Township. Mr. Varro provided a resolution for consideration endorsing the Plan Amendment contingent upon the commentary being satisfactorily addressed by the NJDEP. Commissioner Cocula moved the resolution, seconded by Commissioner O'Halloran. On roll call, the vote was as follows: Ayes (6) Commissioners Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-111 SCMUA CONSENT TO PROPOSED SUSSEX COUNTY WATER QUALITY MANAGEMENT (WQM) PLAN AMENDMENT ENTITLED: FRANKFORD TOWN CENTER (ROSS'S CORNER)

Administrator's Report

Mr. Hatzelis reported on a meeting between the SCMUA and Borough of Sussex Officials regarding allocation. He indicated the many points of discussion including the current SCMUA/Sussex Borough Service Agreement, recent I&I issues, and surcharges. It was acknowledged that increasing the user base would be more advantageous to Sussex Borough than selling allocation, because a decrease in allocation could cause more flow exceedances. Commissioners and Staff discussed potential service area customers for Sussex Borough, and pipe corrosion concerns.

c. Solid Waste Program

Chief Engineer's Report

Mr. Varro indicated he was contacted by Graduate Students of the Massachusetts Institute of Technology as recommended by Cornerstone Engineering Associates to conduct a pilot program regarding the monitoring of landfill gas wells. Mr. Varro explained that the pilot program will be in 2 phases, the first phase will be to install equipment and collect/check data. The second phase will be to electronically adjust the wells remotely as needed at an offsite location. Commissioners questioned the technology used and data sharing concerns, also advised Mr. Varro to have the Authority held harmless on the SCMUA site and to inquire regarding technology rights. Commissioner Cocula moved to authorize Phase 1 of Pilot Program and to get more information before proceeding with Phase 2. Commissioner Meyer seconded. On roll call, the vote was as follows: Ayes (6) Commissioners Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The motion was approved.

Mr. Varro presented an option in conjunction with Cornerstone for the Solid Waste Facility which he demonstrated the process of changing the slope grade analysis to a steeper slope. He noted that this would create a steeper slope without changing the landfill footprint, which is ideal because it would require only a minor permit revision. Mr. Varro explained that changing the slope grade to 3 to 1 would optimize the use of air space within the landfill limits. Mr. Hatzelis explained that the slope grade change does not affect costs, but will increase revenues for additional tonnage revenues, which is a win-win scenario. Mr. Varro explained a second option for extending the landfill life via construction of a perimeter berm, and distributed pictures of a wall extension around the perimeter of the landfill for containment. Mr. Varro explained that this process is already approved by NJDEP in Cape May County and Atlantic County. This wall perimeter and the change to a 3 to 1 slope could extend the landfill life up to 10 additional years. Commissioners questioned and discussed operating cost vs. tonnage revenues and leachate/liner issues. Mr. Varro explained and demonstrated the anchoring system for the liner. Commissioners would like more information on projected engineering and capital costs. Commissioners agree the process is worth being explored further and for Mr. Varro to notify the Freeholder Crabb who is the liaison to the Authority. Commissioners also advised Chief Engineer Varro to ask Cornerstone to give a formal presentation at the October 3th Authority Meeting and invite Freeholder Crabb to attend.

Mr. Varro reported that the Authority has a Professional Services Agreement for Land Surveying with both Gardell and Weber. He indicated both agreements have expired and asked the Commissioners if the Authority could extend both contracts. Mr. Varro reported that Gardell has agreed to hold the current hourly rates. Discussions ensued regarding services used and how often. Commissioners instruct Mr. Varro to ask Weber if they will continue with their current rates, if so, they agree to extend both contracts.

Administrator's Report

Mr. Hatzelis distributed a data sheet on to review Tonnages and Revenues for 2012 compared to 2011 for the period of December 1st thorough August 30th. Mr. Hatzelis reviewed the waste classes and is still concerned regarding the ID10 household waste reduction in tonnage which is down 5.2% and has been the trend for the entire year.

d. General Authority Business

Administrator's Report

Mr. Hatzelis indicated that the Budget Committee has met to discuss and reviewed the 2013 Budgets for the Solid Waste, Upper Walkkill, Administrative and Hampton Commons Budgets. He reported that the proposed Solid Waste Facility budget is up 23.5% due to a debt service payment; otherwise it is an increase less than 1% from 2012. He indicated that the Upper Walkkill Budget is down .5% from the 2012 budget, Hampton Commons is down 1.3% and Administrative Budget is up 1.3%. Mr. Hatzelis advised the Commissioners that once an EDU number is confirmed for the Branchville Project, a Capital Budget will need to be prepared. The Walkkill Watershed Program's budget still needs to be reviewed. Mr. Hatzelis advised that he will provide a packet and review the budget for the Board at the September 19th Authority Meeting.

e. Personnel

Administrator's Report

Regarding Personnel discussions in Executive Session, Commissioner Dietz moved a resolution for the re-assignment of Clifford J. Morgan to a full time Solid Waste Heavy Equipment Operator I position. Commissioner Meyer seconded, on roll call the Ayes (6) Commissioners Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran. Nays (0), Abstain (0). The resolution passed.

#12-112 RESOLUTION RE: REASSIGNMENT OF CLIFFORD J. MORGAN TO FULL-TIME SW HEAVY EQUIPMENT OPERATOR I

Commissioner Cocula moved to give an excused absence to Commissioner Madsen, seconded by Commissioner Dietz. On voice vote (6) Ayes, (0) Nays, the motion carried.

8. FINANCIAL TRANSACTIONS

a. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Petillo asked for a motion to approve the Financial Consent Agenda with the removal of P.O. # 66887 & #67009 from the Solid Waste Facility E. portion. Commissioner Cocula moved the approval of bill paying resolution, as amended, seconded by

September 5, 2012

Commissioner Dietz. No discussions. On roll call, the vote was as follows: Ayes (6) Commissioners Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-113 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL
CONSENT AGENDA

Chairman requested a motion to approve Solid Waste Operating Fund, Section E PO#66887 & #67009 for overtime portion of payroll. Commissioner Dietz moved, seconded by Commissioner O'Halloran. On roll call the Ayes (6) Commissioners Sowden, Petillo, Dietz, Meyer and O'Halloran. Nays (1) Commissioner Cocula, Abstain (0). The motion was approved.

11. PUBLIC COMMENT

The Chairman opened the meeting to Public Comment, no public comment. The Chairman closed the meeting to public comment.

12. COMMISSIONERS' COMMENTS/REQUEST

Commissioner Dietz commended Administrator Hatzelis and the Authority Staff responsible for the discovery regarding PNC Bank's questionable investment practices that stray from NJDEP strict guidelines for the Authority's Landfill C/PCC Escrow Account.

12. ADJOURN

Vice Chairman Sowden moved to adjourn the meeting, seconded by Commissioner Cocula. On voice vote, the motion passed. The meeting was adjourned at 5:50 p.m.

Respectfully submitted,

Andrea Cocula, Secretary