

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON DECEMBER 3, 2014 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 3:04 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, General Counsel Matthew Giacobbe, Special Environmental Counsel Thomas 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

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 Madsen moved the approval of the Agenda, seconded by Commissioner Drake. 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. On voice vote: Ayes (7); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the November 5, 2014 Pending Action Summary Sheet, which was emailed to the Freeholder Board on November 6, 2014. The motion carried.

Recognition of November 5, 2014 PASS Report to Freeholder Board						
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					x	
JOHN DRAKE	X		x			

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Chairman Petillo asked for a motion to approve the Open & Closed Minutes from the October 1, 2014 Authority Meeting.

Approval of Minutes for 10-1-2014 Authority Meeting						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN	x		x			
RON PETILLO			x			
WAYNE DIETZ					x	
ANDREA COCULA			x			
KARL MEYER			x			
JOHN DRAKE		x	x			

Chairman Petillo asked for a motion to approve the Open & Closed Minutes from the October 15, 2014 Authority Meeting.

Approval of Minutes for 10-15-2014 Authority Meeting						
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			

Chairman Petillo noted the Open & Closed Minutes for the November 5, 2014 Authority Meeting has been emailed to the Commissioners for review.

7. **BUSINESS**

a. Executive Session

At 3:06 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Sowden. On voice vote: (7) Ayes, (0) Nays, the motion carried. Chairman Petillo noted the approximate time of Executive Session to be approximately 20 minutes.

#15-001 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:47 p.m. Commissioner Drake moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Sowden. On voice vote, Ayes (7); Nays (0), the motion passed.

Chairman Petillo called for a short meeting break at this time.

The meeting resumed at 3:58 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: Title V Permit; Landfill Gas to Energy Contract; Property Acquisition for Paulinskill Project. When the need for confidentiality of these matters no longer exists they will be opened to the public.

Commissioner Dietz stepped out of the meeting room at 4:01 p.m.

b. Wastewater Program

Chief Engineer's Report

Mr. Varro gave a report on the status of the Paulinskill Project, which included preparing required forms for grant/loan application submittal to USDA and revisions to the Service Agreements for Frankford and Branchville to reflect the change in allocation. Commissioner Dietz stepped out of meeting room.

Mr. Varro reported that the 3 project low bids have been reviewed by staff and counsel and recommended bid awards for PRC-101; PRC-102; PRC-103 for the Paulinskill Basin Water Reclamation Project, an authorizing resolution for SCMUA award has been received by Branchville Borough.

Mr. Varro reported that the low bid award for PRC-101 for the Water Reclamation Facility was from Worth & Co. for a bid price of \$6,198,000.

#15-002 PRC-101 for Water Reclamation Facility						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN		x	x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ						x from mtg rm
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE			x			

#15-002 RESOLUTION RE: AWARDING PAULINSKILL PROJECT FOR CONTRACT PRC-101

Mr. Varro reported that the low bid award for PRC-102 for the Paulinskill Basin Reclaimed Water Recharge Fields was from Coppola Services, Inc. for a bid price of \$377,290.

#15-003 PRC-102 for Paulinskill Basin Reclaimed Water Recharge Fields						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN		x	x			
RON PETILLO			x			
WAYNE DIETZ						x from mtg rm.
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE			x			

#15-003 RESOLUTION RE: AWARDING PAULINSKILL PROJECT FOR CONTRACT PRC-102 PAULINSKILL BASIN RECLAIMED WATER RECHARGE FIELDS

Mr. Varro reported on the PRC-103 low bid for Paulinskill Basin Wastewater Transmission Facilities was from Montana Construction Corp. in the amount of \$997,233.00.

#15-004 PRC-103 for Paulinskill Basin Water Transmission Facilities						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ						X from mtg rm
ANDREA COCULA	x		x			

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KARL MEYER			x			
JOHN DRAKE		x	x			

#15-004 RESOLUTION RE: AWARDING PAULINSKILL PROJECT FOR CONTRACT PRC-103 PAULINSKILL BASIN WASTEWATER TRANSMISSION FACILITIES

Administrator’s Report

Mr. Hatzelis reported on the estimated sewer user charges certificates to be issued to the participants of the Upper Walkill and Hampton Commons sewer systems. They are based on the budgets that were presented at the Rate Hearing. Commissioner Cocula moved both resolutions.

#15-005 & 15-006 Certificates of Estimated Charges for U.W. & H.C.						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ						X from mtg rm.
ANDREA COCULA	x		x			
KARL MEYER		x	x			
JOHN DRAKE			x			

#15-005 RESOLUTION RE: AUTHORIZATION FOR CHAIRMAN TO ISSUE CERTIFICATE OF ESTIMATED CHARGES FOR FY2015, UPPER WALLKILL SYSTEM

#15-006 RESOLUTION RE: AUTHORIZATION FOR CHAIRMAN TO ESTIMATED CHARGES FOR FY2015, HAMPTON COMMONS

c. Solid Waste Program

Administrator’s Report

Mr. Hatzelis reviewed the latest tonnage data and indicated 99,259 tons were received for FY2014 which is a reduction of 3.1% from last year. The biggest drop in tonnage is with ID10 Household Waste, which contributed to revenues being reduced by \$300,000 from last year.

Commissioner Dietz reentered the meeting at this time 4:05 p.m.

Mr. Hatzelis indicated that the Authority’s Counsel was contacted by Grinnell Recycling, Inc. to remove the property lien imposed by the Authority on the MRF Facility for arrears due. Discussions continued regarding Grinnell business and 3 Party Agreement/Settlement Agreement between the SCMUA, County and Grinnell. There is a balance of \$4,808.15 that is due the Authority for undelivered residual waste as per the Settlement Agreement. Commissioners discuss further with Counsel Giacobbe and direct him to write Grinnell a letter notifying them the property lien shall be removed when final payment for residuals has been received.

d. General Authority Business

Administrator's Report

Mr. Hatzelis presented a resolution for the adoption of the FY2015 Schedule of Rates, Fees and Charges that were proposed at the Rate Hearing held on November 5, 2014. Commissioners had no adjustments.

#15-007 FY2015 Schedule of Rates, Fees and Charges						
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			

#15-007 ADOPTION OF SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S SCHEDULE OF RATES, FEES AND CHARGES

Mr. Hatzelis presented FY2015 operating and capital budget adoption resolutions for the Upper Wallkill Facilities, Hampton Commons Facility, Solid Waste Facilities and Wallkill Watershed Program. The budgets were approved by the Commissioners in September 2014 and were sent to the Division of Local Government Services in November and are now up for formal adoption by the Authority.

Adoption of FY2015 Operating and Capital Budgets for the UW, HC,SW & WRWVG						
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			

#15-008 RESOLUTION RE: ADOPTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S UPPER WALLKILL FACILITIES FY2015 OPERATING AND CAPITAL BUDGETS

#15-009 RESOLUTION RE: ADOPTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S HAMPTON COMMONS FACILITY'S FY2015 OPERATING AND CAPITAL BUDGETS

#15-010 RESOLUTION RE: ADOPTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S SOLID WASTE FACILITIES FY2015 OPERATING AND CAPITAL BUDGETS

#15-011 RESOLUTION RE: ADOPTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S WALLKILL RIVER WATERSHED PROGRAM FY2015 OPERATING BUDGET

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Mr. Hatzelis reported on the need for the deletion of certain fixed assets from the Upper Wallkill Facility and Solid Waste Facility for the end of the fiscal year as listed on the resolution, four items in total are unserviceable.

#15-012 Removal of fixed assets no longer need for public use						
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			

#15-012 RESOLUTION RE: 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

Mr. Hatzelis reported on the transfer of a Dodge Utility Truck, which is no longer of use to the U.W. Program and to the Solid Waste Facility for on-site use. A \$500 transfer of funds shall be made to the U.W. Program.

#15-013 Transfer of vehicle to S.W. program from the U.W. Program						
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			

#15-013 RESOLUTION RE: TRANSFER OF SCMUA WASTEWATER PROGRAM VEHICLE TO SCMUA SOLID WASTE PROGRAM

8. Payment of Bills

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

# 15-014 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			
KARL MEYER		x	x			
JOHN DRAKE	x		x			

#15-014 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

The Chairman opened the meeting to public comment. Ms. Linda Masson questioned the Branchville-USDA Grant/Loan Agreement. Mr. Varro explained the base of the agreement is 45% grants/55% loans, however it depends on a supplemental amount that has not been approved to date. The loan portion is the responsibility of the Branchville system users. The total project final numbers are not known at this time, due to a pending supplemental amount.

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10. COMMISSIONERS' COMMENTS/REQUEST
Commissioner had no comments.

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote: Ayes (7), the motion passed. The meeting was adjourned at 4:14 p.m.

Respectfully submitted,

Andrea Cocula, Secretary