

MINUTES OF THE ANNUAL REORGANIZATION MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON FEBRUARY 7, 2018 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.

Present: Commissioners Perez, Drake, Madsen, Dietz, Cocula (via telecom), Meyer, and Petillo, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Baron, Attorney John Napolitano, Special Counsel Prol and Recording Secretary Kronski

2. PUBLIC STATEMENT

The Chairman 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. There being no public comment, Chairman Madsen closed the meeting to public comment.

4. OATH OF OFFICE

Attorney Prol administered the Oath of Office to Wayne Dietz for a 5-year Freeholder appointed term to the Commissioner Board of the Sussex County Municipal Utilities Authority. Term for Commissioner Dietz: February 7, 2018 – January 31, 2023.

Attorney Napolitano administered the Oath of Office to Karl Meyer for a 5-year Freeholder appointed term to the Commissioner Board of the Sussex County Municipal Utilities Authority. Term for Commissioner Meyer: February 7, 2018 – January 31, 2023.

5. AGENDA APPROVAL

The Chairman requested a motion for approval of the Agenda. Commissioner Drake moved the approval of the Agenda, seconded by Commissioner Dietz. On voice vote, Ayes (7), Nays (0) the motion carried.

6. REORGANIZATION ACTIONS

Chairman Madsen passed the chair to Administrator John Hatzelis for the purpose of nominations and election of a Chairman and Vice Chairman to serve for the year from FEBRUARY 7, 2018 until the next Reorganization Meeting of FEBRUARY 6, 2019.

John Hatzelis asked for nominations for the office of Chairman of the Authority's Board of Commissioners. Commissioner Dietz motioned to nominate Thomas Madsen for the office of Chairman, seconded by Commissioner Meyer. John Hatzelis asked if there were any other nominations, there being none, he subsequently asked for a motion to close nominations. Commissioner Dietz moved to close nominations, seconded by Commissioner Meyer. On voice vote, Ayes (7), Nays (0) the motion carried to close nominations. Mr. Hatzelis requested a roll call to elect Thomas Madsen as Chairman of the Authority for 2018.

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Elect Thomas Madsen as SCMUA Board Chairman for 2018						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE			x			
TOM MADSEN					x	
WAYNE DIETZ	x		x			
ANDREA COCULA			x			
KARL MEYER		x	x			
RONALD PETILLO			x			

John Hatzelis asked for nominations for the office of Vice Chairman of the Authority's Board of Commissioners. Commissioner Perez nominated John Drake for the office of Vice Chairman of the Board, seconded by Commissioner Dietz. John Hatzelis asked if there were any other nominations, there being none, he requested a motion to close nominations, Commissioner Perez moved, Commissioner Dietz seconded. On voice vote, Ayes (7), Nays (0) the motion carried to close nominations. Mr. Hatzelis requested a roll call to elect John Drake as Vice Chairman of the Authority's Board of Commissioners for 2018.

Elect John Drake as SCMUA Board Vice Chairman for 2018						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	x		x			
JOHN DRAKE					x	
TOM MADSEN			x			
WAYNE DIETZ		x	x			
ANDREA COCULA			x			
KARL MEYER			x			
RONALD PETILLO			x			

Administrator Hatzelis began presentations of the Reorganization Resolutions for various appointments and procedures for 2018. Mr. Hatzelis followed the Agenda and presented a resolution to appoint Andrea Cocula as Secretary to the Board for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019.

Res: #18-020 - A. Cocula as Board Secretary for 2018						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE			x			
TOM MADSEN		x	x			
WAYNE DIETZ	x		x			
ANDREA COCULA					x	
KARL MEYER			x			
RONALD PETILLO			x			

**#18-020** RESOLUTION RE: APPOINTMENT OF ANDREA COCULA AS AUTHORITY SECRETARY FEBRUARY 7, 2018 to FEBRUARY 6, 2019

Mr. Hatzelis presented a resolution for adoption of establishing dates and times of the Authority Meetings. This resolution provides meeting dates to be held on the 1<sup>st</sup> and 3<sup>rd</sup> Wednesdays of each month to begin at 3:00 p.m from FEBRUARY 21, 2018 to FEBRUARY 6, 2019. Commissioner Drake moved the resolution establishing dates and times of the Regular Authority Meetings, seconded by Commissioner Dietz. **On voice vote: Ayes (7) Commissioners Perez, Drake, Petillo, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

**#18-021** RESOLUTION RE: DATES AND TIME OF REGULAR AUTHORITY MEETINGS – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

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Administrator Hatzelis reviewed the resolution that was prepared appointing himself as the Treasurer and Valerie Olm as the Assistant Treasurer. Commissioner Dietz moved the adoption of the resolution, seconded by Commissioner Drake. **On voice vote: Ayes (7) Commissioners Perez, Drake, Petillo, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-022 RESOLUTION RE: APPOINTMENT OF AUTHORITY TREASURER AND ASSISTANT TREASURER – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

John Hatzelis noted Request for Proposals/Qualifications was posted on the SCMUA website for the Fair and Open Process for the following Professional Services needed for 2018.

A proposal was received from General Counsel Matthew Giacobbe from the firm of Cleary Giacobbe Alfieri Jacobs, LLC for General Legal Counsel Services. Commissioner Drake moved the adoption of the following resolution appointing Matthew Giacobbe as Authority's General Legal Counsel for the period February 7, 2018 To February 6, 2019. Commissioner Madsen seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Petillo, Dietz, Cocula, Meyer and Petillo. The resolution passed.**  
**The resolution carried.**

#18-023 RESOLUTION RE: APPOINTMENT OF MATTHEW GIACOBBE OF CLEARY GIACOBBE OF ALFIERI & JACOBS, LLC AS AUTHORITY GENERAL LEGAL COUNSEL - FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

An RFP was received from Thomas H. Prol of Laddey, Clark & Ryan as is recommended for Special Counsel Services for Environmental Matters. Commissioner Perez moved the adoption of the following resolution appointing Thomas H. Prol as Authority's Special Counsel for Environmental Matters for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Drake seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Petillo, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-024 RESOLUTION RE: APPOINTMENT OF THOMAS H. PROL, ESQ. AS AUTHORITY SPECIAL COUNSEL ON ENVIRONMENTAL MATTERS – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

Mr. Hatzelis reported that Special Counsel for matters related to NJPDES Permit and Watershed Management was also requested for RFP which was posted on the Authority's website for Special Counsel, the recommendation is for appointment of Hall and Associates. Commissioner Drake moved the adoption of the following resolution appointing the firm of Hall and Associates as the Authority's Special Counsel for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Dietz seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Petillo, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-025 RESOLUTION RE: APPOINTMENT OF JOHN HALL, ESQ. OF HALL AND ASSOCIATES AS SPECIAL COUNSEL FOR MATTERS RELATED TO SOLID WASTE FACILITIES AND WASTEWATER FACILITIES NJPDES PERMITS AND WATERSHED MANAGEMENT PROGRAM – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

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John Hatzelis reported Bond Counsel Services RFP and the recommendation is to appoint Archer Greiner, P.C. Commissioner Drake moved the adoption of the following resolution appointing the firm of Archer & Greiner, P.C. as Authority Bond Counsel for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Meyer seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Petillo, Dietz, Cocula, Meyer and Petillo; Nays (0); Abstain (0). The resolution passed.**

#18-026 RESOLUTION RE: APPOINTMENT OF JOHN CANTALUPO OF ARCHER & GREINER, P.C. AS AUTHORITY BOND COUNSEL – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

A proposal was received from Ferraioli, Wielkotz, Cerullo & Cuva, P.A for Auditing Services, and is recommended for appointment. Commissioner Meyer moved the adoption of the following resolution appointing the firm of Ferraioli, Wielkotz, Cerullo & Cuva, P.A. as the Authority Auditors for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Dietz seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-027 RESOLUTION RE: APPOINTMENT OF FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A. AS AUDITORS TO THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – FEBRUARY 1, 2017 TO FEBRUARY 6, 2019

Mr. Hatzelis reported that an RFP was posted on the Authority's website for Continuing Disclosure Agent and Financial Advisory Services, and a proposal was received from Phoenix Financial Advisors for services that include advisement regarding security exchange requirements for disclosure and certain financial services. Commissioner Dietz moved the resolution for appointment of Phoenix Financial Advisors for Financial Advisor Consulting Services for FEBRUARY 7, 2018 to FEBRUARY 6, 2019, seconded by Commissioner Drake. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-028 RESOLUTION RE: APPOINTMENT FOR CONTINUING DISCLOSURE AGENT SERVICES/FINANCIAL ADVISOR SERVICES TO PHOENIX FINANCIAL ADVISORS, LLC - FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

Chief Engineer reported on the next recommended appointments. First is for Mott MacDonald as the Authority's General Wastewater Consulting Engineers, as per RFP submittal. Commissioner Dietz moved the adoption of the following resolution appointing the firm of Mott MacDonald for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Perez seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-029 RESOLUTION RE: APPOINTMENT OF MOTT MACDONALD AS AUTHORITY'S GENERAL CONSULTING ENGINEER FOR WASTEWATER FACILITIES–FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

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The next appointments are for the Authority's Specialized Wastewater Facilities Consulting Engineers both Kleinfelder and Paulus Sokolowski and Sartor, LLC, are recommended. Commissioner Drake moved the adoption of the following resolution appointing the firm for Specialized Wastewater Facilities Consulting Engineer for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Meyer seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-030 RESOLUTION RE: APPOINTMENT OF PAULUS SOKOLOWSKI AND SARTOR (PS&S) AS AUTHORITY'S SPECIALIZED WASTEWATER FACILITIES CONSULTING ENGINEER – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

#18-031 RESOLUTION RE: APPOINTMENT OF KLEINFELDER, LLC AS AUTHORITY'S SPECIALIZED WASTEWATER FACILITIES CONSULTING ENGINEER – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

The appointments for Surveying Services are Gardell Land Surveying and Louis J. Weber and Associates, based on their RFPs submitted, the appointment is for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Drake moved the adoption of the following resolutions, Commissioner Dietz seconded the motion. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-032 RESOLUTION RE: APPOINTMENT OF GARDELL LAND SURVEYING SERVICES AS THE AUTHORITY'S SURVEYING PROFESSIONAL – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

#18-033 RESOLUTION RE: APPOINTMENT OF LOUIS J. WEBER AND ASSOCIATES, INC. AS THE AUTHORITY'S SURVEYING PROFESSIONALS – FEBRUARY 7, 2018 – FEBRUARY 6, 2019

The last appointment is for Energy Consultants and the recommendation for Gabel Associates to provide consultations from FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Dietz moved the resolution, seconded by Commissioner Drake. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-034 RESOLUTION RE: APPOINTMENT OF GABEL ASSOCIATES AS THE AUTHORITY'S ENERGY CONSULTANTS – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

Mr. Hatzelis presented a resolution to designate the Authority's Official Newspapers of record. Mr. Hatzelis noted that the Authority uses the New Jersey Herald, the New Jersey Sunday Herald and the Daily Record to advertise legal and public notices in conformance with the Open Public Meetings Act for the period of FEBRUARY 7, 2018 to FEBRUARY 6, 2019. Commissioner Drake moved the resolution, seconded by Commissioner Perez. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-035 RESOLUTION RE: DESIGNATION OF OFFICIAL AUTHORITY NEWSPAPERS – FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

Administrator Hatzelis indicated that the next resolution designates the banks used by the Authority and other corresponding accounts that the Authority utilizes for services for various banking transactions, and signature authorizations thereof. Commissioner Drake moved the adoption of the following resolution regarding banking and financial transactions for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019 seconded by Commissioner Meyer. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-036 RESOLUTION RE: BANKING AND FINANCIAL  
TRANSACTIONS FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

Mr. Hatzelis requested a motion for adoption of a resolution regarding appointment of a Certifying Officer to be Marguerite Nemeth for DMV Records, PERS, and State Benefits Program. Patricia Korger shall be named as Alternate Certifying Officer. Commissioner Drake moved to appoint Marguerite Nemeth as the Certifying Officer for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019, seconded by Commissioner Perez. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-037 RESOLUTION RE: APPOINTMENT OF MARGUERITE  
NEMETH AS SCMUA CERTIFYING OFFICER

Mr. Hatzelis reviewed a resolution for approval of a Cash Management Plan and Investment Policy for 2018, as required by the NJDEP State Guidelines. Commissioner Drake moved the adoption of the following resolution approving a Cash Management and Investment Policy for the Authority, seconded by Commissioner Meyer. **On voice vote: Ayes (7) Commissioner Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-038 RESOLUTION RE: APPROVING SCMUA CASH MANAGEMENT  
AND INVESTMENT POLICY

Mr. Hatzelis prepared a resolution establishing formal written internal control procedures for accounting practices for 2018, as per Local Finance Board rules. Mr. Hatzelis reported that these policies have been in effect, and this is provided for each year review and is a written reference as recommended by the Auditor. Commissioner Drake moved resolution, seconded by Commissioner Meyer. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-039 RESOLUTION RE: ESTABLISHING FORMAL WRITTEN  
INTERNAL CONTROL PROCEDURES – FY2018

The next resolution authorizing issuance of Officer's Certificates related to Authority Bonds. John Hatzelis advised that this resolution is required by the Bond Resolution and authorizes Chairman Madsen, Vice Chairman John Drake, Authority Secretary Andrea Cocula, Authority Administrator/Treasurer John Hatzelis and Assistant Treasurer Valerie Olm are hereby designated to provide Officers Certificates to the Authority's Trustee relating to all Authority Note and Bond Issues. Commissioner Drake moved the adoption of the following resolution authorizing issuance of Officers Certificates related to Authority Bonds for the period FEBRUARY 7, 2018 to FEBRUARY 6, 2019, seconded by Commissioner Dietz. **On voice vote: Ayes (7) Commissioner Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

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#18-040 RESOLUTION RE: AUTHORIZING ISSUANCE OF OFFICERS  
CERTIFICATES RELATED TO AUTHORITY BONDS – FEBRUARY  
7, 2018 TO FEBRUARY 6, 2019

A resolution regarding the establishment of a Purchasing Board including John Hatzelis, Karl Meyer, Ron Petillo, Angelo Baron, Thomas Varro, Jim Sparnon, Shane Zappa of the SCMUA to attend bid openings of submitted proposals. Commissioner Drake moved the resolution, seconded by Commissioner Meyer. **On voice vote: (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-041 RESOLUTION RE: ESTABLISHMENT OF A PURCHASING  
BOARD IN ACCORDANCE WITH N.J.S.A. 40A:11-9 FOR THE  
PERIOD FROM FEBRUARY 7, 2018 TO FEBRUARY 6, 2019

Last resolution for consideration for Reorganization purposes is to appoint a Records Custodian for the Authority, in conformance with the Open Public Records Act. Mr. Hatzelis is recommended to continue as the Records Custodian for 2018. Commissioner Perez moved the resolution, seconded by Commissioner Drake. **On voice vote: Ayes (7) Commissioners Perez, Drake, Madsen, Dietz, Cocula, Meyer and Petillo. The resolution passed.**

#18-042 RESOLUTION RE: APPOINTMENT OF A SUSSEX COUNTY  
MUNICIPAL UTILITIES AUTHORITY RECORDS CUSTODIAN –  
2018

Committee Appointments for 2018, Commissioners shall notify Chairman Madsen of their Committee requests. Further discussions and appointments shall be made at the next Authority Meeting.

7. APPROVAL OF CONSENT AGENDA

Chairman Madsen requested a motion for approval of the Consent Agenda. Commissioner Meyer moved the approval of the Consent Agenda, seconded by Commissioner Drake. No discussions. On voice vote: Ayes (7), Nays (0), Abstain (0), the motion carried.

8. MINUTES

Chairman requested a motion to approve the distribution of the January 17, 2018 Pending Action Summary Sheet which was emailed to the Freeholder Board on January 18, 2018. Commissioner Perez moved to approve, seconded by Commissioner Dietz. On voice vote: Ayes (7), Nays (0), Abstain (0), the motion passed.

Chairman Madsen asked for a motion to approve the Open and Closed Meeting Minutes for the January 3, 2018 Authority Meeting. Commissioner Drake moved the approval of the Consent Agenda, seconded by Commissioner Meyer. On voice vote: Ayes (7), Nays (0), Abstain (0), the motion carried.

Chairman Madsen noted the Open and Closed Minutes for the January 17, 2018 Authority Meeting have been emailed to the Commissioners for their review.

9. BUSINESS

- a. Closed Executive Session  
No Closed Session necessary
- b. Wastewater Program  
  
No Wastewater Reports
- c. Solid Waste Program

**Chief Engineer's Report**

Mr. Varro reported that the Change Order #2 for Contract #444 Landfill Expansion Project has been prepared and is on the bill paying list for today's meeting. He reported that the Contractor did a very satisfactory job and final payment is for \$252,159.15, which includes retainage amount. Project is complete with receipt of As-builts pending. Total contract cost \$6,874,957.65, NJDEP performed a final inspection and was complimentary with completion and all requirements met.

Discussions switched to Leachate Force Main Project, in which it was reported that a presentation shall be made before the Sussex County Freeholder Board on February 14<sup>th</sup> at 7:00 p.m.

10. FINANCIAL TRANSACTIONS

- a. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Madsen asked for a motion to adopt the Financial Consent Agenda.

Res: #18-043 – Financial Consent Agenda						
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			
RONALD PETILLO	x		x			

#18-043 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

11. Open To Public Comment

No public present.

12. Commissioners' Comments/Requests

Commissioners congratulated Mr. Meyer and Mr. Dietz on their re-appointments to the Board, and to Chairman Madsen and Vice-Chairman Drake on their Chair re-appointments, as well.

Commissioner Dietz opened discussions regarding request from Lafayette Township Preservation Foundation to allow use of SCMUA property along Route 15 (Silo location) for a town celebration. Commissioners discussed liability concerns and agreed to forward request to the Authority's Risk Management provider.



13. Adjourn

Commissioner Drake moved to adjourn the meeting, seconded by Commissioner Dietz. On voice vote, the motion passed. The meeting was adjourned at 3:35 p.m.

Respectfully submitted,

Andrea Cocula, Secretary