

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JUNE 15, 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 3:18 p.m.

The following were present: Commissioners Perez, Petillo, Dietz, Meyer, Cocula, and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparron, Wastewater Superintendent Nugent, General Counsel Napolitano, Special Counsel Prol and Recording Secretary Kronski. Also in attendance: Wastewater Employee James Cathcart and Wastewater Operator Angelo Baron and Freeholder George Graham

Absent: Commissioner Madsen

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, Commissioner Drake moved the approval of the Agenda, seconded by Commissioner Dietz. No changes. On voice vote: Ayes (6); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

The Chairman requested a motion for approval of the Consent Agenda. Commissioner Dietz moved the approval of the Consent Agenda, seconded by Commissioner Drake. No discussions necessary. On voice vote: Ayes (6); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve/acknowledge the distribution of the June 1, 2016 Pending Action Summary Sheet (PASS), which was emailed to the Freeholder Board on June 2, 2016.

PASS Report for 6-1-16 transmittal to the Freeholder Board						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

The motion passed.

JUNE 15, 2016

Chairman Petillo requested a motion to approve the Open and Closed Minutes from the May 18, 2016 Authority Meeting and the May 4, 2016 Authority Meeting.

Minutes approval for 4-20-16 & 5-4-16 Authority Meetings						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ		x	x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER			x			
JOHN DRAKE	x		x			

Chairman Petillo noted there are no minutes for distribution at this meeting.

## 7. BUSINESS

### a. Executive Session

At 3:20 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session. Motion seconded by Commissioner Drake. On voice vote: (6) Ayes, (0) Nays, the motion carried. Chairman noted Closed Session to be approximately 30 minutes.

**#16-087 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION**

At 4:03 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Drake. On voice vote: Ayes (6); Nays (0). The motion passed.

Chairman Petillo called for a meeting break at 4:03 p.m.

Meeting reconvened at 4:10 p.m.

Chairman Petillo indicated items discussed as specifically set forth in the resolution authorizing Closed Executive Session were included: re: Kleinfelder Contract Negotiations and Personnel Items. 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 reported on a property damage incident at the Hampton Commons Facility, where a sewage overflow occurred due to a pump station failure. Mr. Nugent explained how a fuse blew in the electrical panel box which also caused the alarm to fail. The generator would not have helped in this situation, because the blown fuse disabled the entire panel, per manufacturer design. Mr. Nugent reviewed the two different panels for the pump station and why and what steps should be take for future issues that may occur. Discussions on further clarification on what went wrong and how to rectify.

**Chief Engineer's Report**

Mr. Varro reviewed the discussions and concerns at the June 1<sup>st</sup> Authority Meeting regarding the Vernon Township approval of a Hardship Payment Agreement with Albina LaBar. The Commissioners were concerned with Vernon Township's inconsistency in this case in regard to their previously approved resolution describing certain parameters for hardship applications. Mr. Varro reported on his discussions with Vernon Township and reviewed the Vernon Township Board's request for the Authority to approve the Hardship Case for the SCMUA connection fee and reviewed the payment schedule. Commissioner Drake moved the approval of the resolution noting it is Vernon's precedent, not ours, seconded by Commissioner Meyer.

Resolution re: LaBar Hardship Approval for SCMUA connection fees						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ				x		
TOM MADSEN						x
RON PETILLO				x		
WAYNE DIETZ				x		
ANDREA COCULA					x	
KARL MEYER		x	x			
JOHN DRAKE	x		x			

The resolution/motion did not carry.

Discussions continued regarding determinations for hardship at the municipal level and Vernon Township's hardship policy resolution regarding residential properties qualifying for hardships, as well as setting precedents for such.

Commissioner Perez moved to table the resolution and refer back to Vernon Township MUA to further explain their reason for granting this hardship to residential property contrary to their approved hardship policy resolution, seconded by Commissioner Drake.

Request to table resolution for further explanation for granting local hardship from Vernon Twp.						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	x		x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA					x	
KARL MEYER			x			
JOHN DRAKE		x	x			

The motion passed.

Chief Engineer Varro reviewed the Bentley Assisted Living/Evermay TWA Application, which is requesting connection to the Branchville sewer system and then to the SCMUA Paulinskill Water Reclamation Facility. The building is located in Frankford Township and a gravity sewer line shall be installed to the local system for GPD of 8200 – 39 EDUs. Mr. Varro reviewed the application and his comments thereon, he indicated a review letter has been sent for the pump station and force main which was agreed upon, in writing, by Engineer Dykstra Walker Design Group. Mr. Varro indicated he had a resolution to approve application contingent upon additional information to be received and authorizes Administrator John Hatzelis to execute. Discussions continued regarding Bentley responsible for construction of the sewer line.

Resolution #16-088: Approval of TWA applications for sanitary sewer extension facilities to serve Bentley Assisted Living						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

The resolution passed.

**#16-088 RESOLUTION RE: APPROVAL OF TWO (2) APPLICATIONS FOR THE CONSTRUCTION OF ON-SITE AND OFF-SITE SANITARY SEWER EXTENSION FACILITIES TO SERVE BENTLEY ASSISTED LIVING (EVERMAY AT BRANCHVILLE) IN FRANKFORD TOWNSHIP**

Mr. Varro gave a status report on the Paulinskill Project PRC-101, which is 85% complete and the motor control center has been received and extra electricians are on hand to expedite the installation. Water testing of the facilities should occur by the end of this month. He noted a change order that was approved for \$8,200 for a relocated service water line to be installed into the EQ Basin/filter building to deter freezing. Final completion date is 9-2-16. Mr. Hatzelis report on the financial side and indicated he is coordinating with Auditor Paul Cuva to close on the loan by September we would get a favorable interest rate of 2.75% on one of the USDA loans and about 2.25% on the other two remaining loans. Mr. Hatzelis noted a letter that has been drafted to the USDA regarding updates and funding requests.

c. Solid Waste Program

**Superintendent's Report**

Mr. Sparnon reported on the June 4<sup>th</sup> Household Hazardous Waste Day and noted the busy day went well, with one exception of a picric acid drop-off which could be explosive in crystallized form. MXI, the vendor secured an area to hold the acid and the NJDEP Hotline was contacted by the County Health Department, and the NJDEP denied the request to pick up the acid and came on Tuesday to dispose of it. Otherwise normal operations were ongoing and MXI did an excellent job of handling the 35,517 lbs of material at a cost of \$28,334

**Chief Engineer's Report**

Mr. Varro gave an update on the recent Solid Waste Advisory Council's meeting for June 14<sup>th</sup>. One action was taken for transfer of Permit from Grinnell to Cavalier, and issue shall now go to Freeholders and then a letter to NJDEP. Mr. Varro reviewed the history of this Permit renewal. A tonnage report was given at the SWAC meeting by Mr. Varro and the SWAC bylaws are being reviewed/reworked and Mr. Varro is part of that committee.

**Administrator's Report**

Mr. Hatzelis reported on the Authority's Solid Waste Enforcement Program's meeting with Acting County Administrator Tappan, County Health Department Reps Siebold and McDonald and County Counsel, Tom Varro and Mr. Hatzelis. The discussions included operations procedure for potential violations and bi-weekly submittals to the Health Department for further investigations. The SCMUA shall be copied on all correspondence

JUNE 15, 2016

in order to keep up to date on progress, NOV cases shall be forwarded to an appointed Special Counsel.

d. General Authority Business

**Administrator's Report**

Mr. Hatzelis reported on the Authority's FY2015 Audit, which was prepared by SCMUA Auditor Paul Cuva and was provided to the Commissioners for review. Mr. Cuva will attend a meeting to review and answer any questions the Commissioners may have. Mr. Hatzelis reviewed the recommendations and noted an affidavit and resolution has been prepared by the Auditor acknowledging Commissioners review of the General Comments and Recommendations sections of the Audit.

Res#16-088: FY2015 Annual Financial Audit/Affidavit						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#16-089 RESOLUTION RE: FY2015 ANNUAL FINANCIAL AUDIT/AFFIDAVIT

Mr. Hatzelis opened discussions for summer meeting schedule and Commissioners will not make any changes to the advertised meeting dates at this point.

e. Personnel Items

**Wastewater Superintendent's Report**

Mr. Nugent presented two resolutions for one to promote Angelo Baron as Assistant Wastewater Superintendent in anticipation of his own retirement, Mr. Baron has the ability and expertise to fill this position, the other resolution is for the hire of a Heavy Equipment Operator to fill an open position at the Solid Waste Facility. Commissioner Cocula moved both resolutions, seconded by Commissioner Drake.

Res# 16-090 Promotion of Angelo Baron Res# 16-091 Heavy Equipment Operator – George Landgraff						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#16-090 RESOLUTION RE: APPOINTMENT OF ASSISTANT SUPERINTENDENT OF WASTEWATER FACILITIES – ANGELO BARON

#16-091 RESOLUTION RE: APPOINTMENT OF SOLID WASTE HEAVY EQUIPMENT OPERATOR I, GEORGE LANDGRAFF

JUNE 15, 2016

Administrator Hatzelis noted, in regard to the Disciplinary Hearing in Executive Session discussions, to dismiss Mr. James Cathcart.

Motion to Authorize to send a Notice of Termination to Wastewater Employee James Cathcart						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

The motion passed.

Mr. Hatzelis reported on a resolution prepared for a 5-year employment contract between himself and the SCMUA through May 31, 2021.

Res# 16-092: J. Hatzelis employment contract execution thru 5/2021						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ	x		x			
ANDREA COCULA			x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#16-092 RESOLUTION RE: AUTHORIZING EXECUTION OF EMPLOYMENT CONTRACT WITH JOHN HATZELIS, SCMUA ADMINISTRATOR

Mr. Hatzelis prepared a Declaration of Appreciation resolution for Robert Caton, Jr. for recognition on his retirement after 27 years with the Authority.

Res# 16-093: Declaration of Appreciation for retirement – Robert Caton, Jr.						
Commissioner	1 <sup>st</sup>	2 <sup>nd</sup>	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE		x	x			

#16-093 RESOLUTION RE: DECLARATION OF APPRECIATION FOR ROBERT CATON, JR.

8. Payment of Bills

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

JUNE 15, 2016

FCA for 6-15-16						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
TOM MADSEN						x
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER		x	x			
JOHN DRAKE	x		x			

#16-094 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

Chairman Petillo opened the meeting to Public Comment, no public present, he closed the meeting to public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioner Cocula moved to give Commissioner Madsen an excused absence, seconded by Commissioner Meyer. On voice vote: Ayes (6), the motion passed. Commissioner Cocula congratulated Mr. Hatzelis' and thanked him on his 25 years of service at the Authority. Commissioner Dietz noted that the upcoming E-Waste should be a very busy one since the municipalities have stopped taking E-Waste and our last event was last year.

11. ADJOURN

Commissioner Cocula moved to adjourn the meeting, seconded by Commissioner Meyer. On voice vote: Ayes (6), the motion passed. The meeting was adjourned at 5:13 p.m.

Respectfully submitted,

Andrea Cocula, Secretary