

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JUNE 7, 2017 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 3:00 p.m.

The following were present: Chairman Madsen, Vice Chairman Drake, Commissioners Perez, Dietz, Cocula, Meyer and Petillo and Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Angelo Baron, General Counsel Napolitano, Special Counsel Prol and Recording Secretary Kronski

2. PUBLIC STATEMENT REGARDING SUNSHINE LAW

Chairman Madsen 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

No public comment.

4. AGENDA APPROVAL

Commissioner Drake moved the approval of the Agenda, seconded by Commissioner Cocula. Executive Session suggested to be moved to the end of the Open Agenda to accommodate public present. On voice vote: Ayes (7); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

Commissioner Drake moved the approval of the Consent Agenda, seconded by Commissioner Dietz. No discussions requested. On voice vote: Ayes (7); Nays (0). The motion carried.

6. MINUTES

Chairman Madsen requested a motion to approve/acknowledge the distribution of the May 17, 2017 Pending Action Summary Sheet (PASS), which was emailed to the Freeholder Board on May 18, 2017. Commissioner Perez moved the PASS report, seconded by Commissioner Drake. On voice vote: Ayes (7); Nays (0). The motion carried.

Chairman Madsen requested a motion to approve the Open and Closed Minutes for April 19, 2017 Authority Meeting.

Open and Closed Minutes for 4-19-17 Authority Meeting						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ					x	
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA		x	x			
KARL MEYER			x			
RONALD PETILLO			x			

The motion passed.

Distributed: Open and Closed Minutes of May 3, 2017 and May 17, 2017

7. BUSINESS

- a. Executive Session (moved to after Gen. Auth. Bus.)
- b. Wastewater Program

Superintendent's Report

Wastewater Superintendent Baron updated the Commissioners on Hampton Commons Facility flows. Mr. Baron noted a letter shall be sent to the NJDEP confirming the repairs have been made and the flows are back to normal and within Permit standards.

Chief Engineer's Report

Mr. Varro reported on the Paulinskill Project Close-out. He confirmed that correspondence was sent to Contractor Worth & Co. including notice of forthcoming progress payment which is contingent upon punch-list completion. Installation of the furnace modifications was confirmed to be early July. Discussion re: O&M Manual and time of final payment issuance.

- c. Solid Waste Program

Superintendent's Report

Mr. Sparnon reported on the recent Electronic-waste Event on Saturday, May 20th. There were 1035 residents, County Agencies, Schools and Municipalities that dropped off E-waste at the Event. ERI was the contracted vendor and gathered 44.6 tons of Electronic Waste. The next E-Waste Event date is scheduled for July 22, 2017.

Mr. Sparnon reported on the Household Hazardous Waste Day and indicated there were 760 participants, including schools, municipalities and a County Agency. MXI was the contracted vendor and approximately 30,947 lbs of Hazardous Waste was collected. The next Hazardous Waste Event is scheduled for 11/4/17.

Chief Engineer's Report

Chief Engineer Varro reviewed a proposed New Jersey Senate Bill S-771 regarding food waste recycling. Discussions ensued regarding the main concern for the Authority, which would be the removal of organic waste from the landfill. This would slow gas production to the gas-to-energy facility. The proposed legislation previously included an exemption for landfills which had an existing landfill gas to energy facility. Mr. Varro noted that other landfills/gas to energy facilities, as well as the Solid Waste Association of North America (SWANA) and Association of Environmental Authorities (AEA) are involved and shall prepare language to oppose the Bill. Mr. Varro will report back to the Board with a draft letter from the SCMUA to submit.

Mr. Varro updated the Commissioners on the Landfill Life Extension Project including Work Directives #3, 4, 5, 6. Discussions continued on the Work Directives and due to the nature of the Contract delays, the Commissioners are requesting zero days increase on project schedule. The Contractor is disputing this request. Mr. Varro reported on project progress and issue with wall installation regarding location, however, this can be rectified and Cornerstone Engineering confirmed should be a non-issue regarding installation with the grid manufacturer. Commissioners requested to discuss this project further in Executive Session.

Administrator's Report

Mr. Hatzelis reviewed Tonnages and Revenues for the first half of the Fiscal Year 2017. He reported that overall tonnages are down 0.2% compared to first half of FY2016, however, Revenues are up 0.6%.

d. General Authority Business

Administrator's Report

Mr. Hatzelis presented a resolution for Commissioners consideration for the FY2016 Audit Corrective Action Plan to be submitted to the NJDLGS. The Plan is in regard to the Landfill Closure Care Account liability. Mr. Hatzelis reviewed the history of the shortfall, which was reduced to \$212,482.00 over the past year, and noted this deficit should be rectified by the end of FY2017.

Res: #17-099: Authorizing submittal of Corrective Action Plan to NJDLGS						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
RONALD PETILLO			x			

#17-099 RESOLUTION RE: AUTHORIZING SUBMITAL OF A CORRECTIVE ACTION PLAN ON THE FY2016 FINANCIAL AUDIT FINDINGS

At 3:33 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session, motion seconded by Commissioner Perez. On voice vote: (7) Ayes, (0) Nays, the motion carried. Chairman Madsen noted Closed Session approximate time should be for 45 minutes and discussions to include: Bankruptcy Counsel Proposals and Landfill Life Extension Project #444 and buildout. Chairman noted to the public that actions may be taken after Executive Session.

#17-100 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:33 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Perez. On voice vote, Ayes (7); Nays (0); Abstain (0). The motion passed.

Chairman Madsen indicated items discussed as specifically set forth in the resolution authorizing Closed Executive Session and based on Open Session discussions shall include: Bankruptcy Counsel Proposals and Landfill Life Extension Project #444 and buildout. When the need for confidentiality of these matters no longer exists they will be opened to the public.

8. Payment of Bills

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

Res: #17-101 Financial Consent Agenda						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
RONALD PETILLO			x			

#17-101 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

Chairman Madsen opened the meeting to public comment, no public present, he closed the meeting to public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Short discussion on Lomasson Property acquisition. Commissioner Perez thanked General Counsel Napolitano on his work regarding the Bankruptcy Counsel RFPs. It was also noted by Chief Engineer Varro that the Mott MacDonald Feasibility Study for the Leachate Force Main was distributed for Commissioners review. Any questions should be forwarded to Mr. Varro to be addressed at the next Authority Meeting. Chairman Madsen commented that Mr. Varro and Mr. Hatzelis were very prepared for the meeting regarding the Mt. Creek Bankruptcy.

11. ADJOURN

Commissioner Cocula moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote: Ayes (6), the motion passed. The meeting was adjourned at 4:44 p.m.

Respectfully submitted,

Andrea Cocula, Secretary