

MINUTES OF THE REGULAR MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON OCTOBER 16, 2013 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 3:07 p.m.

The following were present: Commissioners Madsen, Sowden, Petillo, Dietz (via teleconference), Meyer and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, Attorney Matthew Giacobbe, Special Counsel Prol and Recording Secretary Kronski

Absent: Commissioner Cocula

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

The Chairman opened the meeting to public comment. No public present. Chairman Petillo closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Petillo asked for a motion to approve the Agenda, Commissioner Sowden moved the approval of the Agenda, and Commissioner Drake seconded. On voice vote: Ayes (6); Nays (0). The motion carried.

Chairman Petillo asked for a motion to appoint a Secretary Pro Tempore for this meeting due to the absence of Secretary Cocula. Commissioner Sowden nominated Commissioner Meyer, seconded by Commissioner Drake. 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 Sowden moved the approval of the Consent Agenda, seconded by Commissioner Madsen. No discussions. On voice vote: Ayes (6); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the October 2, 2013 Pending Action Summary Sheet, which was emailed to the Freeholder Board on October 3, 2013. Commissioner Drake moved to approve the October 2, 2013 Pending Action Summary Sheet, seconded by Commissioner Meyer. On voice vote: Ayes (6); Nays (0). The motion carried.

There were no minutes for approval at this meeting.

The Chairman stated that the Open & Closed Minutes for both the September 18, 2013 and October 2, 2013 Authority Meetings have been emailed to the Commissioners for their review.

7. BUSINESS

a. Executive Session

At 3:07 p.m. Commissioner Sowden moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Madsen. On voice vote (6) Ayes, (0) Nays, the motion carried.

#13-116 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:33 p.m. Commissioner Madsen moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Sowden. On voice vote, Ayes (6); Nays (0), the motion passed.

Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were negotiations and/or litigations re: FMI Property Purchase Agreement; OMNI/KLF Design Agreement; St. Clare's/ MIC Unit Lease Agreement; Grinnell Settlement Collection Matter; Edgewater Collection Matter; KDA Agreement/Property Lien. When the need for confidentiality of these matters no longer exists they will be opened to the public.

b. Wastewater Program

Chief Engineer's Report

Mr. Varro reported that at the previous Authority Meeting, the Commissioners authorized execution by motion, with contingencies, the Treatment Works Approval for the A&P Shopping Plaza in Vernon Township. Vernon Township and the Vernon Township MUA have not endorsed to date, however it is on the Agenda for Vernon Township for their next council meeting. He has a resolution memorializing the authorization for Administrator Hatzelis to execute the application, contingent upon VTMUA and Vernon Township's endorsements. Commissioner Meyer moved the resolution, seconded by Commissioner Madsen. On roll call, the vote was as follows: Ayes (6) Commissioners Madsen, Sowden, Petillo, Dietz, Meyer and Drake; Nays (0); Abstain (0). The resolution passed.

#13-117 RESOLUTION RE: ENDORSEMENT OF VERNON VALLEY INVESTORS, LLC TWA PERMIT FOR THE CONSTRUCTION OF A SANITARY SEWER EXTENSION TO CONNECT THE VERNON A&P SHOPPING CENTER TO THE VERNON TOWN CENTER SANITARY SEWER SYSTEM

Mr. Varro reported on the Paulinskill Project Kick-off Meeting with Omni/KLF, SCMUA staff, Michael Clune of Branchville Borough and Howard Pellow, Chairman Petillo and Commissioner Sowden. He reported that the meeting was primarily to discuss preliminary design activities and KLF/Omni reviewed their proposal, including project meeting schedule; communications; work tasks; and budget numbers. Also discussed was the need to provide further project information to KLF/Omni and necessary up to date local permits. At the moment there is a delay with USDA final approvals due to a government shut down, however it was stated that Branchville has given approval through the bid phase.

Discussion held regarding project timeline and approvals. Mr. Hatzelis indicated that the Project Note is up for renewal in February 2014 in front of the Local Finance Board.

Administrator's Report

Watershed Coordinator Nathaniel Sajdak entered the meeting at 3:42 p.m. to report on the Watershed's involvement in the Upper Paulins Kill Watershed Restoration Plan. Mr. Sajdak reviewed the grant award process and detailed the project into 3 programs that allow the Watershed Division to begin on-ground work/activities. The first is the Agricultural Outreach and Assistance Program for the Upper Paulins Kill Watershed, which is a program set up to identify and coordinate overall efforts to implement agricultural Best Management Practices (BMP) and Water Quality Improvement Projects. These efforts are created to identify and eliminate non-point pollutants (i.e. phosphorus; fecal coliform; nitrates) going into the river. The second program is the "Urban" Stormwater Management Outreach and Assistance Program, which includes the implementation of stormwater management programs and improvement projects including rain gardens, infiltration, and bio-infiltration projects along the Paulins Kill mainstream and tributaries with the initial emphasis on the urban headwaters in the Town of Newton. Lastly, Mr. Sajdak noted the last program is the Riparian Ecosystem Enhancement Program for the Upper Paulins Kill Watershed. This program includes implementation of vegetative streambank stabilization and riparian buffer enhancement projects along the Paulins Kill mainstem. He indicated examples of the accomplishments that have been done by the riparian enhancements, including a 2 mile stretch ending behind the Chatterbox Restaurant. There are many participants and agencies that are working together to make these projects so successful including the NRCS, the Nature Conservancy, NJDEP, USDA and many other volunteers and stakeholders. The Commissioners thanked Mr. Sajdak for his presentation and praised him on a job well done with his efforts in obtaining this grant funding and preparing the ground work to make it happen. Discussions continued on relationships between WRWMG and local farmers and the good reputation of the program which allows the partnerships to begin.

c. Solid Waste Program

Superintendent's Report

Mr. Sparnon reported on the recent E-Waste Event on October 5, 2013, he indicated that it was the final event for Vintage Tech for 2013 and over 900 customers were unloaded between 7am – 2 pm. Vintage Tech did an exemplary job getting the line moving. Mr. Sparnon also indicated that the Contract with Vintage Tech has a one year extension through 2014, he recommended that the Authority extend the contract based on the past successful events, the pricing to remain the same. Commissioner Madsen moved to extend the Contract through 2014, Commissioner Sowden seconded, on voice vote: Ayes (6); Nays (0) Abstain (0). The motion passed.

Chief Engineer's Report

Mr. Varro reported on the recent Solid Waste Advisory Council meeting and noted that the County is proceeding with a codification of the County's Solid Waste Management Plan. He explained that there has been previous plan amendments and Mr. Eric Snyder, the County Solid Waste Planner, will be the lead preparer. Information from the Authority will be provided upon request being the disposal entity. SWAC also held

discussions regarding AG Choice's pending application for a food composting operations permit. Mr. Varro reported that a formal application has not been submitted to date and many factors need to be rectified including leachate disposal; odor controls; permit conditions and renderings. He will report further next month when the application is received.

d. General Authority Business

Administrator's Report

Mr. Hatzelis reported that Mr. John Cantalupo, SCMUA Bond Counsel has recently changed firms and the Commissioners discussed the many ongoing bond issues. The Commissioners agreed to stay with Mr. Cantalupo and a resolution has been prepared for execution of an agreement with his new firm, Archer & Greiner, P.C. of Shrewsbury, NJ. He indicated the agreement will be active until the Authority's Reorganization Meeting on February 5, 2014 and RFPs will then be considered for Professional Services including bond Counsel. The rates will remain the same and all disclosure paperwork has been received. Commissioner Meyer moved the resolution, seconded by Commissioner Dietz. On roll call: Ayes (6); Nays (0); Abstain (0). The resolution passed.

#13-118 RESOLUTION RE: AUTHORIZING THE RETENTION OF JOHN CANTALUPO OF ARCHER & GREINER, P.C. FOR THE FURNISHING OF BOND COUNSEL SERVICES FOR THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY - OCTOBER 16, 2013 TO FEBRUARY 5, 2014

Administrator Hatzelis reminded the Commissioners that the next Authority Meeting is on November 6, 2013 will include the Rate Hearing which is scheduled for 4:00 p.m. Also, he has received comments from the State regarding the FY2014 Proposed Budget and hopefully will receive more feedback by November 6th.

8. FINANCIAL TRANSACTIONS

a. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Petillo asked for a motion to approve the Financial Consent Agenda. Commissioner Sowden moved the approval of bill paying resolution, seconded by Commissioner Madsen. On roll call, the vote was as follows: Ayes (6) Commissioners Madsen, Sowden, Petillo, Dietz, Meyer and Drake; Nays (0); Abstain (0). The resolution passed.

#13-119 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

Chairman Petillo opened the meeting to public comment. No Public Present. Chairman Petillo closed the meeting to public comment.

10 COMMISSIONERS' COMMENTS/REQUEST

Commissioner Meyer moved to give an excused absence to Commissioner Cocula, seconded by Commissioner Madsen. On roll call: Ayes (6); Nays (0); Abstain (0). The motion passed.

Commissioner Madsen praised Mr. Sajdak on a thorough and informative presentation.

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote, the motion passed. The meeting was adjourned at 4:12 p.m.

Respectfully submitted,

Andrea Cocula, Secretary