

MINUTES OF THE REGULAR MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON NOVEMBER 2, 2011 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 3:05 p.m.

The following were present: Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, and O'Halloran, Administrator Hatzelis, Consulting Engineer Cerenzio, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, Attorneys Giacobbe and Prol, Recording Secretary Kronski

Absent: Commissioner Meyer

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

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

4. AGENDA APPROVAL

Chairman Petillo requested a motion for approval of the Agenda, as well as any additions or deletions. Commissioner Zidek moved the approval of the Agenda, seconded by Commissioner Dietz. On voice vote (6) Ayes, (0) Nays, the motion carried.

5. APPROVAL OF CONSENT AGENDA

The Chairman requested a motion for approval of the Consent Agenda. Commissioner Cocula moved the approval of the Consent Agenda, seconded by Commissioner O'Halloran. No discussion necessary. On voice vote (6) Ayes, (0) Nays, the motion carried.

6. MINUTES

Chairman requested a motion to approve the distribution of the October 19, 2011 Pending Action Summary Sheet which was submitted to the Freeholder Board on October 20, 2011. Commissioner Zidek moved to approve the October 19, 2011 Pending Action Summary Sheet, seconded by Commissioner Cocula. No discussions necessary. On roll call, the vote was as follows: Ayes (5) Commissioners Zidek, Sowden, Petillo, Cocula, and O'Halloran, Abstain (1) Commissioner Dietz due to absence at that meeting. The motion carried.

Chairman Petillo asked for a motion to approve the Regular & Closed Meeting Minutes of September 21, 2011. On voice vote (6) Ayes, (0) Nays, the motion carried.

No minutes for distribution at this meeting.

7. BUSINESS

a. Closed Executive Session

At 3:05 p.m. Commissioner Zidek moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Vice Chairman Sowden. On voice vote (6) Ayes, (0) Nays, the motion carried.

#11-110 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:27 p.m. Commissioners Cocula moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Vice Chairman Sowden. On voice vote (6) Ayes, (0) Nays, the motion carried.

The Open Session was reconvened at 4:05 p.m. Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were negotiations and/or litigations re: Grinnell; Frankford-Branchville Sewer Project; Stop & Shop Connection Fee; High Ridge Properties' Litigation; NJDPES Permit Appeal; DMR Construction Services Contract; Sussex Borough Surcharges 2010; Mt. Creek Discovery Center/Day Lodge Connection Fee; and Personnel. 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 indicated that the bids for Contract #11-10 Sludge Cake Hauling and Disposal for the Upper Wallkill Plant have been reviewed by Staff and Counsel. The low bid was from Spectraserv of South Kearny, NJ. Mr. Nugent presented a resolution awarding Spectraserv a two year contract as discussed by Commissioners at a previous meeting. Vice Chairman Sowden made the motion to award a two year contract to Spectraserv for Sludge Cake and Disposal and Hauling for the Upper Wallkill Plant. Commissioner Cocula seconded, on roll call, the vote was as follows: Ayes (6) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula and O'Halloran. The resolution was approved.

#11-111 RESOLUTION RE: AWARD OF CONTRACT NO. 11-10 TO SPECTRASERV, SOUTH KEARNY, N.J. FOR SLUDGE CAKE DISPOSAL AND HAULING

Mr. Hatzelis advised of an addition to the Agenda for Chief Engineer Varro to report on the status the RFQ/RFPs for 2012 General Engineering Consulting. Mr. Varro reported that there are 9 firms that have notified the SCMUA of their intention to submit an RFP/RFQ. He indicated he received an email from one of the firms requesting an extension on the due date because of a power outage that has affected a large part of New Jersey since Saturday. Bids are scheduled to be received tomorrow, November 3rd. The Commissioners and staff discussed and agreed to an Addendum #3 which states the bid deadline has been extended one week to November 10, 2011, and that any firm that has already submitted may take back their RFQ/RFP to make changes.

Administrator's Report

Mr. Hatzelis reported on the Upper Walkkill Bond Payment of \$1,887,000 that is due November 30, 2011. He noted that cash flow is always an issue and that the sewer user charges for participants are due November 15, 2011, which should total approximately \$1 million. Mr. Hatzelis reported the Authority should be able to make the payment if all revenue that is expected is received and will keep the Board informed as checks are received.

c. Solid Waste Program

Superintendent's Report

Mr. Sparnon reported on the profit sharing for Class A Fiber Recyclables Shared Services Agreement with Hardyston Township, in which a resolution was received by Hardyston extending the agreement for another year. Mr. Sparnon presented a resolution for the Authority to agree to extend the agreement with Hardyston Township for profit sharing of Class A Fiber. Commissioner Zidek moved the resolution and Commissioner Cocula seconded, on roll call the vote was as follows: Ayes (6) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula and O'Halloran. The resolution was approved.

#11-112 SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY
AUTHORIZING THE EXECUTION OF AN EXTENSION OF A
SHARED SERVICES AGREEMENT WITH THE TOWNSHIP OF
HARDYSTON FOR THE PROVISION OF DESIGNATED CLASS
A FIBER RECYCLABLE MATERIAL HANDLING AND
MARKETING WITH PROFIT SHARING

Chairman Petillo inquired to Superintendent Sparnon regarding rock crushing analysis he provided. Mr. Sparnon indicated he received a few quotations for crushing the onsite rock pile at 6 inch minus, however cannot use for cover material at that size, but may be used for ramp construction. Discussions regarding what size rock would be needed for cover and if it is cost effective. Commissioners and Staff discussed that the Authority is not required to remove the rock pile nor do we need to crush the rock all at once, and in order to stay within yearly budget for cover material, the rock can be crushed and used as cover material over time. Mr. Sparnon to obtain re-pricing for amount of 3-5 inch minus rock for under a bid threshold of \$36,000.00 per year.

Mr. Sparnon reported on the 966 Caterpillar loader indicating that the Construction Review Committee originally approved \$131,000 for the drive train rebuild, however after inspection of the loader by Foley, it was recommended that portions of the hydraulic system be repaired/serviced. The total cost to be \$153,000. Commissioners discussed additional cost for rebuild and hydraulic repairs to the Solid Waste 966 CAT loader and if cost is reasonable. It was recommended, for future large scale repairs, that a complete evaluation of the equipment be done by manufacturer before a final total cost is presented to CRC. Commissioners agreed the added repairs will need to be made and should cause the trade value will go up. Commissioner Zidek made a motion to make the needed additional repairs, including hydraulics and engine rebuild for the 966 Caterpillar Loader, seconded by Commissioner Dietz. On roll call the vote was as follows: Ayes (6) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula and O'Halloran. The motion was approved.

Chief Engineer's Report

Mr. Varro reported on the Solid Waste Discharge to Groundwater (DGW) Stormwater Detention Basin Permit which needs to be submitted to the NJDEP for renewal. He presented a resolution for Commissioners authorization to file renewal documentation within the next week to the NJDEP. Commissioner Zidek moved the resolution as presented, seconded by Vice Chairman Sowden. On roll call the vote was as follows: Ayes (6) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula and O'Halloran. The resolution was approved.

#11-113 RESOLUTION RE: AUTHORIZATION FOR THE FILING OF NEW JERSEY DEPARTMENT OF ENVIRONMENTAL PROTECTION NJPDES – DGW STORMWATER DETENTION BASIN (I1) GENERAL PERMIT RENEWAL APPLICATION

Administrator's Report

Mr. Hatzelis reported and reviewed a handout regarding the solid waste revenues and tonnages in comparison to 2010, which indicates a total to date revenue amount of \$9,742,000. He noted that correspondence was sent from the Authority's Trustee to the State Treasurer's Office advising of the projected Debt Service Payment shortfall and also requesting \$2.1 million in state aid to cover the \$5,473,000 payment due on November 30. He will forward the correspondence to the County and Commissioners. Funds from the Cell Closure Account, approximately \$1.6 million, may need to be transferred to make the bond payment on November 30, 2011.

d. Authority Business

Administrator's Report

Administrator Hatzelis reminded the Commissioners of the Rate Schedule which is to take place on November 23rd at 4:00 p.m. He mentioned a newspaper article recently published on the newspaper's discussion with Byram Township officials that reported incorrect information regarding projected tipping fee rate increases. Mr. Hatzelis called the NJ Herald and Byram Township Manager to correct the information, hopefully a clarification article will be done.

Mr. Hatzelis presented a resolution for Patricia McGuire to be appointed as Part-time Assistant Weighmaster at \$15/hour. Commissioner Cocula moved the resolution, seconded by Vice Chairman Sowden. On roll call the vote was as follows: Ayes (6) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula and O'Halloran. The resolution was approved.

#11-114 RESOLUTION RE: APPOINTMENT OF PART-TIME ASSISTANT WEIGHMASTER PATRICIA MCGUIRE

Mr. Hatzelis presented a resolution for the appointment of Valerie Cuccia for the Part Time Accountant position for \$27/hour with no benefits at less than 32 hours/week. Commissioner Cocula made the motion to approve the resolution, seconded by Commissioner Zidek. On roll call the vote was as follows: Ayes (6) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, and O'Halloran. The resolution was approved.

#11-115 RESOLUTION RE: APPOINTMENT OF PART-TIME ACCOUNTANT VALERIE CUCCIA

8. FINANCIAL TRANSACTIONS

a. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Petillo requested a motion to adopt the Financial Consent Agenda. Vice Chairman Sowden moved approval of bill paying resolution, seconded by Commissioner O'Halloran. No discussions or comments. On roll call, the vote was as follows: Ayes (6) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula and O'Halloran. The resolution passed.

#11-116 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA AND SUPPLEMENT

9. OPEN TO PUBLIC COMMENT

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

Commissioner Cocula made a motion to excuse Commissioner Meyer for his absence for this meeting, seconded by Commissioner Zidek. On voice vote (6) Ayes, (0) Nays, the motion carried.

10. COMMISSIONERS' COMMENTS/REQUEST

No Commissioner comments.

11. ADJOURN

Vice-Chairman Sowden moved to adjourn the meeting, seconded by Commissioner O'Halloran. On voice vote, the motion passed. The meeting was adjourned at 4:44 p.m.

Respectfully submitted,

Andrea Cocula, Secretary

