

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON NOVEMBER 29, 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, 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 Dietz moved the approval of the Agenda, seconded by Commissioner Drake. Mr. Hatzelis requested to move the vote for the Financial Consent Agenda (bill paying list) to the beginning of the Agenda due to this meeting being the day before the end of the fiscal year and it is necessary to send the bills to the Trustee as soon as possible. Commissioners Cocula moved amend the motion to include the request seconded by Commissioner Drake. 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 Consent Agenda. On voice vote: Ayes (7), Nays (0). The motion carried.

6. MINUTES

Chairman Madsen requested a motion to approve/acknowledge the distribution of the November 1, 2017 Pending Action Summary Sheet (PASS), which was emailed to the Freeholder Board on November 2, 2017.

PASS Report for 11-1-17 Mtg to Freeholder Board						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	x		x			
JOHN DRAKE		x	x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER			X			
RONALD PETILLO			x			

The motion passed.

NOVEMBER 29, 2017

Chairman Madsen requested a motion to approve the Open and Closed Minutes for October 18, 2017 Authority Meeting.

Open & Closed Minutes 10-18-17 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.

Distribution: Open & Closed Minutes for November 10, 2017

7. BUSINESS

Payment of Bills (*moved to beginning of Agenda due to end of FY2017*)

FINANCIAL CONSENT AGENDA – Chairman Madsen asked for a motion to approve the Financial Consent Agenda (FCA), with the Supplemental distributed to reduce PO for Cornerstone QC Inspection for Contract #444.

Res: #17-138 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	x			
RONALD PETILLO			x			

#17-138 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

a. Executive Session

No Executive Session needed for this meeting.

b. Wastewater Program

**Superintendent's Report**

Superintendent Baron reported on the barn demolition on the Paulinskill Property has been completed with no issues. Watershed River Management Group also planted many trees on the property as part of a restoration effort for the Paulinskill River. Discussions continued regarding the last few purchases under the USDA funding, which include two final pumps. It was reported by John Hatzelis that 99% of the USDA funding available to the Authority has been utilized for this project.

NOVEMBER 29, 2017

Mr. Baron reported on the bid results for Contract #18-11 for Sludge Cake Hauling and Disposal for the Upper Wallkill Facility. The lowest bid was from Tully Environmental at \$111/ ton for 2018 and 2019.

Res: #17-139 : Contract #18-11 award to Tully Env.						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ		x	x			
ANDREA COCULA	X		x			
KARL MEYER			x			
RONALD PETILLO			x			

**#17-139 RESOLUTION RE: AWARD OF CONTRACT NO. 18-11 TO TULLY ENVIRONMENTAL, INC. FOR ANNUAL SLUDGE CAKE HAULING AND DISPOSAL**

Mr. Baron reported on Contract #454 Micro Strainer Replacement Project and indicated that the final electrical work has been completed. The water quality was noticeably improved and machine is quiet. No issues and project was done very well and manufacturer is available if any startup issues are reported.

**Chief Engineer’s Report**

Mr. Varro reviewed Cell Tower Construction bid documents including the location of tower placement on Upper Wallkill property, leasing of additional space on the tower, soil sampling after the bid, FCC license requirements and potential revenue generation. Discussions continued re: lease terms, CPI minimum/maximum to be requested in bid documents. Mr. Varro will finalize bid specs to include all recommendations with General Counsel and report back to Commissioners before consideration.

Mr. Varro reported on the Electric Aggregation Bids awarded on November 8, 2017 to Constellation New Energy, which gave the Authority an overall savings of 11% savings from last year’s per kwh price. The contract is a two year contract for the Authority’s UW Facility. A two year contract with similar savings was awarded to Direct Energy Business for the Authority’s SW, HC and Paulinskill Facilities.

c. **Solid Waste Program**

**Superintendent’s Report**

Mr. Sparnon presented a resolution for the authorization to file a spending plan to the NJDEP for the Recycling Enhancement Act Grant funds. Total amount received was \$143,000 for 2016, the spending plan helps to fulfill the SCMUA’s responsibilities under the Solid Waste management Act and Recycling Enhancement Act.

Res #17-140: Authorizing the filing Spending Plan for 2016 REA						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ		x	x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
RONALD PETILLO			x			

**#17-140 RESOLUTION RE: ENABLING RESOLUTION AUTHORIZING THE FILING OF A SPENDING PLAN FOR A 2016 RECYCLING ENHANCEMENT ACT TAX FUND ENTITLEMENT PURSUANT TO P.L. 2007 C.113 ET SEQ. HEREINAFTER, THE ACT**

Mr. Sparnon reviewed the Shared Services Agreement between the SCMUA and Hardyston Township for fiber recycling/handling and presented a resolution to extend Agreement for another year.

Res #17-141: Shared Services Agreement SCMUA & Hardyston Township for fiber						
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			

**#17-141** RESOLUTION RE: 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

**Chief Engineer’s Report**

Mr. Varro reported on Contract #444 Landfill Life Extension Project and indicated that the Contractor is requesting Substantial Completion to be on November 17<sup>th</sup>. 14 items currently on the punch-list and are currently being worked on. Discussions continued on stopping quality control inspections, and date for expected NJDEP certification. Mr. Varro will contact NJDEP to get a better idea on when the project will be reviewed and certified.

Chief Engineer Varro reported on landfill operations and gas collection improvements. Mr. Varro explained that two odor complaints were received during the recent work and he contacted the residents to notify them of the repairs, which appear to have resolved the issue. Mr. Varro also reviewed the schedule and location of wells that will need replacement.

**Administrator’s Report**

Mr. Hatzelis indicated that he received The Landfill Closure/Post Closure Care Fund 2017 Audit prepared by Ferraioli, Wielkotz, Cerullo and Cuva with no findings or recommendations. Commissioners were sent the report for review. Mr. Hatzelis asked for a motion from the Commissioners to acknowledge review of audit and noted that there were no findings or recommendations.

Motion: Commissioners move that they have reviewed the C/PCC Audit for 2017 and no findings or recommendations were noted.						
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.

d. General Authority Business

**Administrator's Report**

Mr. Hatzelis opened discussions on the December Meeting Schedule. Due to Commissioners' schedules, it was requested that both the December 6<sup>th</sup> and December 20<sup>th</sup> Authority Meetings be cancelled and one meeting be held on December 13<sup>th</sup>. Commissioner Cocula moved to cancel both Regular Scheduled Authority Meetings on December 6<sup>th</sup> and December 20<sup>th</sup> and hold one meeting on December 13<sup>th</sup> at 3:00, seconded by Commissioner Dietz, on voice vote: Ayes (7); Nays (0); Abstain (0). The Motion passed.

Chief Engineer Varro and Mr. Hatzelis noted that since there will only be one meeting in December, they opened discussions on consideration of payment to Worth & Company for Project PRC-101. Mr. Varro reported that the project has been completed and the Contractor requested final payment contingent upon USDA approval and Engineering Certification. Discussions continued regarding final approvals required and final funding totals. Commissioner Cocula moved the approval of final payment to Worth & Company for project closeout contingent upon Staff receipt of engineer's certification and USDA approvals.

Motion: Commissioners authorize final payment to Worth & Co. for project PRC-101 with contingencies of receipt of						
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.

Mr. Hatzelis reported on the response received from the Department of Community Affairs regarding the Authority's FY2018 Operating and Capital Budgets. They had requested certain changes and Mr. Hatzelis made amendments to resolution, the end amounts are the same as previously reported. The budget resolution was amended to reflect the DCAs requests.

Res#17-142: 2018 Amended Adopted Budget Resolution						
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			

#17-142 RESOLUTION RE: 2018 AMENDED ADOPTED BUDGET RESOLUTION

Mr. Hatzelis presented a resolution to formally adopt the FY2018 Operating and Capital Budget, he noted that the NJ Division of Local Government Services have approved and returned for adoption.

NOVEMBER 29, 2017

Res# 17-143: 2018 Adopted Budget Resolution						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ	x		x			
JOHN DRAKE			x			
TOM MADSEN			x			
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER		x	x			
RONALD PETILLO			x			

#17-143 2018 ADOPTED BUDGET RESOLUTION

Mr. Hatzelis reminded the Commissioners that the FY2018 Rate Hearing Presentation took place on November 1, 2017 and no comments have been received. A resolution has been prepared to accept the SCMUA's Rates, Fees and Charges for FY2018.

Res# 17-144: 2018 Adoption of SCMUA Schedule of Rates, Fees and Charges						
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			

#17-144 ADOPTION OF SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S SCHEDULE OF RATES, FEES AND CHARGES

Administrator Hatzelis reported on bad debts for the Authority in the form of returned checks for various reasons, and it is necessary to delete these debts at the end of the Fiscal Year. The total amount is to be \$1,646.75.

Res# 17-145: Deletion of Bad Debt for FY2017						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ		x	x			
ANDREA COCULA			x			
KARL MEYER			x			
RONALD PETILLO			x			

#17-145 RESOLUTION RE: AUTHORIZATION FOR THE TREASURER TO DELETE CERTAIN BAD DEBTS FROM THE SOLID WASTE REVENUE ACCOUNT

Mr. Hatzelis reviewed the overflow event at Hampton Commons last year and they paid \$5000 for insurance deductible due to claim for sewage overflow incident at the Hampton Commons clubhouse which occurred due to and electrical short in the control panel that included the alarm fuse causing the overflow.

Motion: Authorize \$5,000 Credit To Hampton Commons Sewer User Charges for FY2018						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
DAN PEREZ			x			
JOHN DRAKE	x		x			
TOM MADSEN			x			
WAYNE DIETZ		x	x			
ANDREA COCULA			x			
KARL MEYER			x			
RONALD PETILLO			x			

The motion passed.

Commissioner Dietz opened discussions regarding enforcement of recycling pick up of residential areas. He was told of witnessing a hauler mixing regular waste with recyclable waste. Discussions continued regarding the Authority's jurisdiction for enforcement. Mr. Hatzelis noted that the County Health Department does ongoing inspections of haulers dumping at the Authority and would look for such violations. SCMUA staff on the landfill also will keep an eye on potential violations. Mr. Hatzelis also noted that each Municipality has a Recycling Coordinator that can be contacted to see if their municipality has a contract with a single hauler to pickup both garbage and recyclables.

e. Personnel Matters

**Administrator's Report**

Mr. Hatzelis reviewed additional Personnel Items discussed at the Personnel Committee Meeting including 2018 Professional Services RFQ/RFP, salary adjustments, staffing needs for Upper Wallkill. Commissioner Dietz thanked the Department Heads for their assistance with Employee evaluations, very thorough.

8. Payment of Bills (*moved to beginning of Agenda*)

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

Commissioner Dietz noted that the Landfill Life Extension Project looked phenomenal and Contractor did a great job. Commissioners wished Dan Perez a Happy Birthday.

11. ADJOURN

Commissioner Cocula moved to adjourn the meeting, seconded by Commissioner Dietz. On voice vote: Ayes (7), the motion passed. The meeting was adjourned at 4:10 p.m.

Respectfully submitted,

Andrea Cocula, Secretary