

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON OCTOBER 15, 2014 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 3:02 p.m.

The following were present: Commissioners Sowden, Madsen, Petillo, Dietz (via telecom), Cocula, and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, General Counsel Matthew Giacobbe, Special Environmental Counsel Thomas Prol, and Recording Secretary Kronski, Consulting Engineers Timothy Bradley of Kleinfelder/Omni

Absent: Commissioner Meyer

Public Present: Linda Masson

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

The Chairman opened the meeting to public comment. No Comments. 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 Madsen. 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 Madsen moved the approval of the Consent Agenda, seconded by Commissioner Drake. 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 1, 2014 Pending Action Summary Sheet, which was emailed to the Freeholder Board on October 1, 2014. On voice vote: Ayes (6); Nays (0); Abstain (0). The motion carried.

Chairman Petillo asked for a motion to approve the Open & Closed Minutes from the September 3, 2014 Authority Meeting.

Meeting minutes for 9-3-14 Authority Meeting						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN		x	x			
TOM MADSEN					x	
RON PETILLO					x	
WAYNE DIETZ			x			
ANDREA COCULA			x			
KARL MEYER						x
JOHN DRAKE	x		x			

October 15, 2014

Chairman Petillo noted the Open & Closed Minutes for the September 17, 2014 Authority Meeting have been emailed to the Commissioners for review.

7. **BUSINESS**

a. Executive Session

At 3:05 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Drake. On voice vote: (6) Ayes, (0) Nays, the motion carried. Chairman Petillo noted the approximate time to be 10 minutes in Closed Session.

#14-113 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:17 p.m. Commissioner Cocula moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Drake. On voice vote, Ayes (6); Nays (0), the motion passed.

Chairman Petillo called for a meeting break at this time.

The meeting resumed at 3:22 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: Gabel Associates Conflict of Interest. 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 on the Paulinskill Water Reclamation Project Bids for PRC-101; 102; 103 which were publicly opened on October 8, 2014. The bid results were reviewed by the Board. The process will begin for SCMUA staff and professionals to gather recent bid information from SCMUA and Branchville Borough, including compiled financial data to provide a preliminary number for EDU connections to the system. Mr. Tim Bradley discussed bid results before and after the Value Engineering Study and design changes that were implemented. The Engineer's Estimate was \$9.3 million for the total project, he noted the various bid combinations that were optional to the bidders. The apparent low bidders were for PRC-101 Worth & Co. \$6.2 million; PRC-102 Coppolla Services \$378,000; PRC-103 Montana Construction \$997,000 for a total of \$7.575 million. The bid packages, along with references are being reviewed by SCMUA Professionals. Mr. Bradley reviewed each low bid and discussions ensued regarding reference checks. Administrator Hatzelis noted and reviewed the necessary approvals from USDA on all bids and final budget including both SCMUA portion and Branchville Borough portion. Commissioners discussed and direct a letter to be sent to Frankford Township and the Board of Education confirming their exclusion from the project. Mr. Hatzelis reported SCMUA staff is in the process of preparing presentation for a Public Meeting on November 4th at Branchville Borough.

Mr. Tim Bradley left the meeting at 3:20 pm

Administrator’s Report

Mr. Hatzelis reported on the Wallkill River Water Management Group cost sharing agreements for the implementation of Best Management Practices regarding manure for two Wantage area Farms in collaboration with USDA-NRCS Bill Funding Program. These are under the 319(h) grants program. He also reported on a grant award for \$30,322 for the Watershed Program towards the continuation of restoration project of the Paulinskill Floodplain. Commissioner Cocula moved all three resolutions.

WRWMG – Grant funds for implementation of Farm Best Management Practices for Kuperus Farm and Flats Dairy Farm & Nature Conservancy Grant award to WRWMG for ongoing Paulinskill Floodplain Restoration						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN		x	x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER						x
JOHN DRAKE			x			

#14-114 AUTHORIZING THE EXEUTION OF A COST SHARING AGREEMENT WITH JAMES KUPERUS, OPERATOR OF KUPERUS MEADOWS FARM IN WANTAGE TOWNSHIP TO IMPLEMENT BEST MANAGEMENT PRACTICES IN COLLABORATION WITH A USDA-NRCS FARM BILL FUNDING PROGRAM (EQIP)

#14-115 AUTHORIZING THE EXECUTION OF A COST SHARING AGREEMENT WITH H. WILLIAM SYTSEMA, OWNER/OPERATOR OF WINDY FLATS DAIRY FARM IN WANTAGE TOWNSHIP TO IMPLEMENT BEST MANAGEMENT PRACTICES IN COLLABORATION WITH A USDA-NRCS FARM BILL FUNDING PROGRAM (EQIP)

#14-116 AUTHORIZING EXECUTION OF A GRANT AGREEMENT SUB-AWARD BETWEEN SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY/ WALLKILL RIVER WATERSHED MANAGEMENT GROUP AND THE NATURE CONSERVANCY FOR WORK ASSOCIATED WITH THE ONGOING IMPLEMENTATION OF THE PAULINS KILL FLOODPLAIN RESTORATION PROJECT

c. Solid Waste Program

Superintendent Sparnon

Mr. Sparnon reported on the recent Electronic Waste Event that was held on Saturday, October 11, 2014. He noted 965 cars and multiple schools dropped off unwanted E-waste filling 3 tractor trailer loads, final tonnage is still pending. Event vendor was very organized and was offsite by 3:00 p.m.

Mr. Sparnon presented a resolution for a one-year extension of a shared services agreement with Hardyston Township for the marketing of Class A fiber recyclables. This agreement is renewed yearly and the Hardyston Township resolution was received approving the extension.

Shared Services Agreement between the SCMUA and Hardyston Township for Class A Fiber						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER						x
JOHN DRAKE		x	x			

#14-117 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

Mr. Sparron reminded the Commissioners that the Household Hazardous Waste Event is being held on November 1, 2014 from 7am – 2pm.

Chief Engineer’s Report

Mr. Varro currently was out of the room – Chairman continued on the General Authority Business for the Administrator’s Report and will come back to Chief Engineer.

- d. General Authority Business

Administrator’s Report

Mr. Hatzelis opened discussions regarding the SCMUA FY2015 Professional Services Agreements. Commissioners direct to post Requests for Proposals through the fair and open process to include Attorneys, Risk Manager, Engineers, Auditor and Energy Consultants.

Mr. Varro reentered the meeting.

- c. Solid Waste (cont.)

Chief Engineer’s Report

Chief Engineer Varro reported on the recent SWAC meeting and discussions which included a potential project from Delta Thermo Energy which proposes incineration. The company is proposing that ID10 waste be combined with sewage sludge and then processed through an incinerator. Mr. Varro noted that SWAC had a subcommittee to review this concept and also reported that there are no operating facilities like this in the United States. A questionnaire was submitted to the SCMUA by Delta Thermo Energy to be filled for the purposes of a cost analysis to be prepared. Discussions ensued regarding this process and review of the history of the Sussex County Solid Waste Management Plan, which does not include incineration as an approved technology disposal option in the County. Discussions continued regarding the application and the multiple projects currently ongoing at the Solid Waste and Wastewater Facilities. The Authority will address the matter when a formal application is made to SWAC. Mr. Varro also reported that solid waste enforcement and latest correspondence to the County’s Health Department re: reduction of ID10 tonnage was discussed and tonnage reporting errors from the hauler was cited.

Mr. Varro reported that the NJDEP recently amended their rate schedule for Air Permit Fees. He reviewed in detail the rate increases and NJDEP justification thereon. The proposed increase is 44% and a new per application fee of \$55,000. Tom noted that the slope increase for the solid waste permit has already been paid.

8. Payment of Bills

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

# 14- 118 Financial Consent Agenda						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN		x	x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER						x
JOHN DRAKE			x			

#14-118 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

The Chairman opened the meeting to public comment. Ms. Linda Masson asked about the Frankford Township Sewer Service Agreement modification in relation to the Frankford Township Board of Education. Mr. Hatzelis noted that the Service Agreement is with the Township, which will be amended to reduce flows due to the removal of the pump station at the school. He noted that there has been no financial commitment for the pump station. Branchville is responsible to all the project flows and Frankford is committed only to flows requested, as of now, is only for the Methodist Manor. Ms. Masson inquired as to whether Sewer Service Contracts have ever been renegotiated. Mr. Hatzelis noted that service contracts have been amended to increase or to reduce allocation of minimum guaranteed flows. One participant must agree to sell and another to acquire (receive). Mr. Hatzelis gave examples of instances of allocation transfers and noted the recent Vernon Township merge of two systems. Chairman Petillo closed the meeting to public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

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

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote, the motion passed. The meeting was adjourned at 4:25 p.m.

Respectfully submitted,

Andrea Cocula, Secretary