

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON SEPTEMBER 17, 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 3:04 p.m.

The following were present: Commissioners Sowden, Madsen, Petillo, Cocula, Meyer, Dietz and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, General Counsel Matthew Giacobbe, Special Environmental Counsel Thomas Prol (3:10 p.m.), and Recording Secretary Kronski.

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 Madsen moved the approval of the Agenda, seconded by Commissioner Dietz. Mr. Hatzelis requested to move Executive Session to the end of the Open Session Agenda due to absence of attorney. On voice vote: Ayes (7); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

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

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the September 3, 2014 Pending Action Summary Sheet, which was emailed to the Freeholder Board on September 4, 2014. The motion carried.

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

No minutes up for approval at this meeting.

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Chairman Petillo noted the Open & Closed Minutes for the August 20, 2014 Authority Meeting have been emailed to the Commissioners for review.

7. **BUSINESS**

- a. Executive Session (moved to end of Open Session)
- b. Wastewater Program

**Chief Engineer’s Report**

Mr. Varro reported that there was a Pre-Bid Meeting held on September 11, 2014 for the Paulinskill Reclamation Project. He noted many bid holders attended and questions were addressed. Discussions ensued regarding directing excavated soil from the project to the SCMUA Solid Waste Facility for use as cover material. Commissioners agree to include direction in Addenda #1 and for SCMUA to pay for sampling and to conduct spot checks.

**Administrator’s Report**

Mr. Hatzelis reported on the two WRWMG cost sharing agreement with United States Department of Agriculture –Natural Resource Conservation Service for the purposes of coordinating watershed planning initiatives associated with best management practices associated with the Papakating Creek, Clove Acres, Clove Brook and Upper Paulins Kill Restoration Plans. He noted that the grants total \$100,000 which will provide WRWMG to directly assist Sussex County watershed stakeholders and landowners with identified restoration work. Mr. Hatzelis presented a resolution authorizing entry into the two cost sharing agreements. The Resolution passed.

#14-099 SCMUA/WRWMG – USDA/NRCS Shared Services Agrmt						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN		x	x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ			x			
ANDREA COCULA	x		x			
KARL MEYER			x			
JOHN DRAKE			x			

#14-099 RESOLUTION RE: AUTHORIZING THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – WALLKILL RIVER WATERSHED MANAGEMENT GROUP TO ENTER INTO TWO COST-SHARE AGREEMENTS WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE – NATURAL RESOURCE CONSERVATION SERVICE (NRCS)

- c. Solid Waste Program

**Solid Waste Superintendent’s Report**

Mr. Sparnon presented a resolution for Commissioners consideration to enter into a Shared Services Agreement with the Sussex County Sheriff’s Department to utilize the Labor Assistance Program at the Residents’ Convenience Center and Recycling Center. The resolution passed.

# 14-100 SCMUA & SC Sheriff SLAP/SWAP						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ	x		x			
ANDREA COCULA		x	x			
KARL MEYER			x			
JOHN DRAKE			x			

#14-100 RESOLUTION RE: SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY AUTHORIZING THE EXECUTION OF A SHARED SERVICES AGREEMENT WITH THE COUNTY OF SUSSEX FOR THE PROVISION OF SUPPLEMENTAL ASSISTANCE TO SCMUA WORK FORCE BY UTILIZING THE SERVICES OF SHERIFF'S LABOR ASSISTANCE PROGRAM/SHERIFF'S WORK ASSISTANCE PROGRAM

**Chief Engineer's Report**

Mr. Varro reviewed correspondence sent to County Solid Waste Coordinator Eric Snyder regarding Gaeta Recycling's request to be included in the Solid Waste Management Plan. He reported that Gaeta gave a cursory presentation to SWAC, however their business model does not seem practical. Gaeta's Materials Recovery Facility is located in Paterson, with only 4% recycling and 96% of Sussex County debris being brought back and forth for processing and disposal. Mr. Varro stated that the Authority is against naming out of county facilities in the County's Solid Waste Management Plan, which would open the gate for others and would lead to tougher monitoring of flow control regulations currently in effect in Sussex County. This opened discussions regarding flow control regulations. SCMUA tonnage data was also provided to SWAC and distributed to Commissioners regarding the decrease in ID10 (Household Waste) tonnage over that last 3 years. Overall, many municipalities have experienced a reduction in household waste, and this is of concern for the Solid Waste Facility. Commissioners directed sending municipal ID10 Solid Waste Disposal data with potential revenue loss information to the Freeholders and County Health Department to assist in focusing on Enforcement and Compliance.

Mr. Varro reported that the Request for Qualifications/Expressions of Interest for the Solar Landfill Project were received and opened on September 5<sup>th</sup>. There were a total number of 15 firms that submitted, and the Construction Review Committee will be provided a summary of qualifications and a proposal contract for review.

d. General Authority Business

**Administrator's Report**

Mr. Hatzelis gave an overall review of the proposed FY2015 budgets for the Upper Wallkill Facility (\$6,080,000); Hampton Commons Facility (\$171,500); Paulinskill Capital Budget; Wallkill Watershed Program (\$447,700); and Solid Waste Facilities (\$10,828,000). He noted the Upper Wallkill has an overall increase of 1.8% from last year, which includes the increase in Vernon Township Additional Bonds (\$150,000). System Participant changes were reviewed and an overall cost for system participants will have a 0.1% decrease. Hampton Commons budget shall decrease 3.7% compared to 2014; Solid Waste Facilities proposed budget is set to increase by 2%, which will not affect tipping fees. He continued

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that the Paulinskill Capital Budget includes USDA loan and grant funding, and capital contribution of totaling \$9,547,000. Walkkill Watershed budget is 10% less than 2014. Discussions ensued regarding Budget Committee's approval and commissioners review. The resolutions passed.

FY2015 Proposed Budgets						
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			

#14-101 FY2015 AUTHORITY BUDGET RESOLUTION SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – UPPER WALLKILL FACILITIES

#14-102 FY2015 AUTHORITY BUDGET RESOLUTION SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – HAMPTON COMMONS FACILITY

#14-103 FY2015 AUTHORITY BUDGET RESOLUTION SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – SOLID WASTE FACILITIES

#13-104 FY2015 AUTHORITY CAPITAL BUDGET RESOLUTION SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – PAULINSKILL WATER RECLAMATION PROJECT

#13-105 FY2015 AUTHORITY BUDGET RESOLUTION SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – WALLKILL RIVER WATERSHED PROGRAM

8. Payment of Bills

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

# 14- 106 Financial Consent Agenda						
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			

#14-106 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

d. General Authority Business

**Superintendent's Report**

Mr. Sparnon presented a resolution for the appointment of SCMUA Neil McCain as the Assistant Weighmaster due to a recent retirement, after a application reviews and interviews. The resolution passed.

# 14-107 Assistant Weighmaster Position						
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			

#14-107 APPOINTMENT OF ASSISTANT WEIGHMASTER

9. PUBLIC COMMENT

The Chairman opened the meeting to public comment. Ms. Linda Masson inquired about the process and length of time to hooking up to the sewer system. Mr. Hatzelis and Mr. Varro discussed the many variables and levels of approvals that need to be met causing differing lengths of time for completion. Mr. Varro also provided an update for the Route 23 corridor regarding Mainland and Biscak Properties. Ms. Donna Brady, a Sussex Borough resident, commented on reasons regarding the household garbage decrease tonnage for ID10. It was explained that the losses are in tons, and the enforcement program is conducted by the County Health Department, the Authority is notifying them of this tonnage reduction in order to have them, hopefully, investigate this trend further. Ms. Brady also questioned the involvement of the sale of the Sussex Borough's water and sewer system to Aqua. Mr. Hatzelis advised that the Authority has no involvement in the sale. Sussex Borough Sewer Service Agreement with the Authority has no end, it was explained that the participant agreements are until all the Upper Walkkill Bonds were paid in full. The agreements and bond issuances will continue for operations purposes. Discussions continued regarding the history of I&I issues for Sussex Borough. At the conclusion, Chairman Petillo closed the meeting to public comment.

a. Executive Session

At 4:06 p.m. Commissioner Drake moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Meyer. The resolution was amended since the website posting, to include the negotiations re: Title V Permit. On voice vote: (7) Ayes, (0) Nays, the motion carried. General Counsel reviewed the reasons and topics of Executive Closed Session and approximate time to be 20 minutes, with a tentative motion.

#14-108 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 4:29 p.m. Commissioner Madsen moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Drake. On voice vote, Ayes (7); Nays (0), the motion passed.

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Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were negotiations and/or litigations re: OMNI/KLF Budget Amendment for Paulinskill Project and Title V. When the need for confidentiality of these matters no longer exists they will be opened to the public.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners had no comments.

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Cocula. On voice vote, the motion passed. The meeting was adjourned at 4:30 p.m.

Respectfully submitted,

Andrea Cocula, Secretary