

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON SEPTEMBER 18, 2019 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 Drake, Vice Chairman Meyer, Commissioners Petillo, Cocula, Dietz, Perez, and Dabinett, Administrator John Hatzelis, Executive Director/Chief Engineer Varro, Comptroller Timothy Day, Solid Waste Superintendent Jonathan Morris, Wastewater Superintendent Angelo Baron, General Counsel Napolitano, Special Counsel Prol, and Recording Secretary Tara Kronski

Absent: Commissioners Madsen and Finkeldie

2. PUBLIC STATEMENT REGARDING SUNSHINE LAW

Chairman Drake 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 Drake opened the meeting to public comment. No public present.

4. AGENDA APPROVAL

Chairman Drake asked for a motion to approve the Agenda. Executive Director Varro requested moving the Budget Presentation to the beginning of the Business Agenda before Closed Executive Session. Commissioner Cocula approved the Agenda, as requested, seconded by Commissioner Meyer. On voice vote: Ayes (7); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

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

6. MINUTES

Chairman Drake requested a motion to approve/acknowledge the email distribution of the September 4, 2019 Pending Action Summary Sheets (PASS) to the County Freeholder Board. Commissioner Cocula motioned to approve, seconded by Commissioner Perez. On voice vote: Ayes (7); Nays (0). The motion carried.

Motion to approve the Open and Closed Minutes for the August 7, 2019 by Commissioner Meyer, seconded by Perez. On voice vote: Ayes (7); Nays (0). The motion carried.

The Open and Closed Minutes from the August 21, 2019 Authority Meeting were distributed for Commissioners review.

BUSINESS

Chairman Drake gave the floor to Executive Director Varro and Comptroller Day to review the proposed FY2020 Capital and Operating Budgets. These budgets need to be sent to the State by September 30<sup>th</sup>. Mr. Day distributed a memorandum handout for Commissioners, which summarized each budget and compared 2019 Adopted to 2020 Proposed.

The memo highlighting certain line items for each budget. The Upper Walkkill proposed Operating Budget is \$6,784,100 and shall increase by 2.77% with Capital Outlays being the largest uptick. Mr. Day and Mr. Varro referred to table noting changes for Upper Walkkill Participants for those with Guaranteed Minimum Flows and Actual Flows, with an average change of +1.2%. It was noted that Vernon Additional Bonds related to debt service shall increase \$150,000 from FY2019. There will be no change to septage, sludge, and hauled sewage rates. Connection fees are projected to decrease to \$6,815 for Upper Walkkill Facility Connections. The Hampton Commons proposed Budget for FY2020 shall be \$183,500, which is a slight increase from 2019 of 1.83% in the R&R fund. Mr. Day reported on Paulinskill Water Reclamation Facility Budget, which shall increase 8.99%, increase is being driven by the Special Studies/Engineering Studies that are necessary for the US Fish and Wildlife loan requirements. Connection fees are to remain the same for Paulinskill Facilities. Solid Waste Facilities Budget for FY2020 is \$10,951,000 which is an slight increase of 2.42% mostly from Capital Outlays. No expected increase in solid waste tip fees. Commissioners had no issues with the proposed budget and thanked Mr. Day and Varro for their presentation. **Commissioner Cocula moved to approve the FY2020 Authority's Annual and Capital Budget and submit to Dept of Community Affairs, seconded by Commissioner Dietz. On roll call: Ayes (7) Commissioners Petillo, Cocula, Dietz, Drake, Meyer, Dabinett; Nays (0); Abstain (0); Absent (2) Commissioners Madsen and Finkeldie.**

**#19-141** RESOLUTION RE: FY2020 AUTHORITY BUDGET RESOLUTION APPROVAL

a. Executive Session

At 3:13 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session, motion seconded by Commissioner Dabinett. On voice vote: (7) Ayes, (0) Nays. The motion carried. Chairman Drake noted the Closed Session should be approximately 25 minutes and discussions shall include: Personnel Items.

**#19-142** RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:21 p.m. Commissioner Perez moved to adjourn the Closed Session, seconded by Commissioner Meyer. On voice vote: Ayes (7), Nays (0). The motion carried.

Chairman Drake confirmed discussions held as specifically set forth in the resolution authorizing Closed Executive Session included: Personnel Items. When the need for confidentiality of these matters no longer exists, they will be opened to the public.

b. Wastewater Program

**Superintendent's Report**

Superintendent Baron reported on the meeting held with Franklin Borough Engineer Michael Vreeland regarding the Interceptor I&I Study, which confirmed that the higher flows were not caused by the Authority's portion of the pipe in Franklin. Mr. Baron thanked Mr. Carmine Coscia from CFM Construction who installed temporary flow monitors, and was very helpful in confirming that the Authority's system is in good condition and getting this information to Mr. Vreeland. Mr. Vreeland shall report back to the Franklin Borough Council.

### **Comptroller's Report**

Comptroller Tim Day reviewed septage, sludge and hauled sewage volumes through the end of August. Sludge and Septage are currently at approximately 94% of projected revenues for the Fiscal Year 2019. Hauled sewage has reached over 114% over projected for the year. Connection fees are over projections for the year and are currently at \$82,528.00. Short discussion held regarding municipalities where connection fees have come from and setting up connection fee protocol with Frankford/Branchville System.

c. Solid Waste Program

### **Superintendent's Report**

Mr. Morris reported on the status of the Elizabethtown Gas installation of a natural gas line connection to the Solid Waste Facility. Mr. Morris spoke with Elizabethtown representatives and they assured the project was on schedule, despite recent paving repairs on Route 15, but no date has been established for hookup. The boiler replacement project to utilize the gas line is being set up and price quotes have been received and ready to award shortly.

### **Executive Director/Chief Engineer's Report**

Mr. Varro reported on the Construction Review Committee Meeting of September 9<sup>th</sup> and points of discussion included three options for landfill expansion that were reviewed by ARM, Inc. Cell construction costs have to be paid back in certain amount of time, and option three was for a 20 year expansion, which allows for repayment of a 20 year term loan. ARM will get back to Mr. Varro with a schedule to begin preparation for moving forward with cell construction.

### **Comptroller's Report**

Mr. Day reported he has set up an account with govdeals.com to auction off 4 pieces of obsolete equipment that are no longer needed at the Solid Waste Facility. The total amount received was \$32,000 and the winning bidders have removed the equipment off the property.

d. General Authority Business

(Budget presentation given earlier on the Agenda.)

e. Personnel

### **Executive Director's Report**

Mr. Varro reported that a request was received from C.W. to extend a current Leave of Absence for an additional 90 days due to a personal injury, details discussed in Executive Session. A resolution was prepared for consideration. **Commissioner Dietz moved the resolution to extend Leave of Absence for employee CW0228, seconded by Commissioner Drake. On voice vote: Ayes (7); Nays (0); Abstain (0).**

**#19-143** RESOLUTION RE: AUTHORIZATION TO EXTEND "OFFICIAL LEAVE OF ABSENCE WITHOUT PAY FOR PERSONAL ILLNESS, FOR AN ADDITIONAL 90 DAY PERIOD" FOR CW0228

Mr. Varro read a Declaration of Appreciation for Administrator John Hatzelis into the record to acknowledge his 28+ Years of Service to the Authority. He will be retiring effective September 30, 2019. Commissioner and Professionals wished him the best of luck and happiness in his retirement years. **Commissioner Cocula moved the resolution, seconded by Commissioner Dietz. On voice vote: Ayes (7); Nays (0); Abstain (0).**

**#19-144** RESOLUTION RE: DECLARATION OF APPRECIATION FOR JOHN HATZELIS

8. Payment of Bills

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

Res #19-145: Financial Consent Agenda						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
PETILLO			x			
MADSEN						x
COCULA		x	x			
DIETZ			x			
DRAKE			x			
MEYER	x		x			
PEREZ			x			
FINKELDIE						x
DABINETT			x			

**#19-145** RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

No public comment.

10. COMMISSIONERS COMMENTS/REQUEST

Commissioners praised Administrator Hatzelis for his hard work and dedication to the Authority for many years. Commissioner Cocula moved to give Commissioners Madsen and Finkeldie an excused absence, seconded by Commissioner Meyer. On voice vote: Ayes (7), Nays (0). The motion carried. Attorney Prol added his sentiments for Mr. Hatzelis and wished him well.

11. ADJOURN

At 3:40 p.m. Commissioner Perez moved to adjourn the meeting, seconded by Commissioner Meyer. On voice vote: Ayes (7), Nays (0). The motion carried.

Respectfully submitted,

Andrea Cocula, Secretary