

MINUTES OF THE REGULAR MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON OCTOBER 17, 2012 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 Madsen, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, Attorney Giacobbe (arrived at 3:15 pm), Recording Secretary Kronski

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

The Chairman opened the meeting to public comment, no public in attendance. Chairman Petillo closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Petillo requested a motion to approve the Agenda. Commissioner Madsen moved the approval of the Agenda, Commissioner Meyer seconded. No additions or deletions. On voice vote (7) Ayes, (0) Nays, the motion carried.

5. APPROVAL OF CONSENT AGENDA

The Chairman requested a motion for approval of the Consent Agenda. Commissioner Sowden moved the approval of the Consent Agenda, seconded by Commissioner O'Halloran. No discussion necessary. On voice vote (7) Ayes, (0) Nays, the motion carried.

6. MINUTES

Chairman requested a motion to approve the distribution of the October 3, 2012 Pending Action Summary Sheet, which was submitted to the Freeholder Board on October 4, 2012. Commissioner O'Halloran moved to approve the October 3, 2012 Pending Action Summary Sheet, seconded by Commissioner Meyer. On voice vote (7) Ayes, (0) Nays, the motion carried.

Chairman Petillo stated that the Open & Closed Meeting Minutes for September 19, 2012 Authority Meeting were distributed to the Commissioners for their review/comment.

7. BUSINESS

a. Executive Session

Executive Session was moved to the end of the Agenda to wait for Attorney to arrive.

b. Wastewater Program

Superintendent's Report

Mr. Nugent reported that he was contacted by Vernon Police Department on Monday regarding a damaged manhole, which was identified as owned by the SCMUA and is located on Route 94 across from the SCMUA's Vernon Disposal Beds. The SCMUA contractor was called to the scene to inspect and repair. Mr. Nugent explained that damage most likely occurred when NJDOT milled and paved the road. The paver likely hit the frame of the manhole breaking the concrete and weakening the frame which became offset. The damage was not very visible. The manhole frame and cover became dislodged and caused two flat tires. Mr. Nugent indicated he met with NJDOT representatives regarding the damage and they were unwilling to assist with the repair or help with traffic control during repairs. Mr. Nugent reported that he reached out to the Vernon Twp. P.D., who declined to help with traffic control, so the SCMUA staff directed traffic while the Contractor made the repairs. He will notify the Commissioners when he received the invoice for the repair work. Commissioners discuss ability to prove cause of damage and if NJDOT should be pursued for reimbursement.

Mr. Nugent gave a quick status on the Cyclone Degritter at the Wastewater Plant, which is 28 years old. He stated that he received 3 price quotes and the lowest was below the bid threshold of \$36,000. The SCMUA Wastewater Staff removed and replaced the old unit with the new and Mr. Varro assisted with no need for outside consultant engineer. He indicated it was a substantial cost savings to the Authority and the Staff did a great job throughout the installation.

Attorney Giacobbe arrived at 3:15 pm

Chief Engineer's Report

Mr. Varro reported on a potential connection to the Upper Walkkill Wastewater Facility for Atlantic Health Care (Urgent Care Facility), which is a new building located at the base of Mountain Creek's South Slope. He contacted Vernon Township MUA to confirm the Block and Lot for this building and to confirm it is within the approved Sewer Service Area. He has not received any response from Vernon Township to date. Mr. Varro had discussions with Pat Barton, General Manager of Mt. Creek regarding connection information notifying him he must connect through Vernon Township MUA for billing purposes, etc. Mr. Varro will review the plans to verify EDU count and proper category for the Urgent Care Facility. Mr. Hatzelis indicated that there mostly likely will be a need to hookup for the ski season, but the Authority needs to confirm the mapping and sewer service area from Vernon with two inquiries thereon. Discussions on what Vernon needs to provide in order to ease the connection process. Mr. Varro reported that the connection needs to go through Vernon Township MUA first and then Sussex County MUA.

Administrator's Report

Mr. Hatzelis reported on the status of the Paulinskill Project. He and Chief Engineer Varro attended the Branchville Borough Meeting and most Council Members were supportive of project approval with all questions being addressed, the vote was 5-1 in favor of project continuation. The resolution that passed provided the Authority to go ahead with the Hydrogeologic Study. Mr. Hatzelis indicated he spoke with USDA

October 17, 2012

representatives regarding finance and they will have to review all agreements included in the project. Mr. Hatzelis will schedule a meeting with the USDA to review agreements and get new agreement together that are acceptable to all parties involved.

c. Solid Waste Program

Solid Waste Superintendent's Report

Mr. Sparnon reported on the E-Waste Recycling Event of October 13, 2012 that was held at the Solid Waste Facility with Sims Recycling as the contracted Vendor. He indicated that Sims Recycling collected 4 tractor trailer loads full of electronics and they will provide the total tonnage shortly. He reported that this is the 2nd year for Sims Recycling to provide this service at no cost to the Authority, however for new quotes will be requested for 2013, not sure if Sims Recycling will contract for an additional year.

Mr. Sparnon indicated that the Shared Services Agreement that the Authority has with Hardyston Township for Profit Sharing for Class "A" Fiber is set to expire the end of the month. He reviewed the agreement and reported that it is going very well for both parties and requested that the Commissioners consider renewing this Shared Services Agreement for an additional year. Commissioner Cocula moved a resolution to renew said agreement for an additional year, seconded by Commissioner Sowden. On roll call the Ayes (7) Commissioners Madsen, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran. Nays (0), Abstain (0). The resolution was approved.

#12-125 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. Sparnon reported that the Water Tank at the Solid Waste Facility is in need of a paint job, he distributed photos of the tank. He requested 3 quotes and two were received. The lowest quote was received from US Tank Painting for \$21,600 for the preparation and painting of the tank. Commissioners discussed proposal and Mr. Sparnon indicated that the tank was inspected in 2009 by C&P Engineers, and was found to be structurally sound. Commissioners agree to accept US Tank Painting quote for \$21,600, Commissioner Cocula moved the acceptance, seconded by Commissioner O'Halloran. On roll call the Ayes (7) Commissioners Madsen, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran. Nays (0), Abstain (0). The motion was approved.

Chief Engineer's Report

Mr. Varro reported on the landfill life extension proposal which was presented to SWAC by Mark Swyka of SCS Engineers. It was well received by the members of SWAC and they requested more information on a potential Phase 4 landfill cell. Mr. Varro also reported that Mr. Swyka gave the presentation on Thursday, October 11th to NJDEP representatives, and that they were also supportive of the concept. The concept of 3:1 slope change and perimeter landfill berms has already been approved by the NJDEP in other counties. Discussions regarding actual operating cost vs. revenue and the need to represent construction costs as accurately as possible. Chief Engineer stated that a vertical

landfill expansion will require a slope stability analysis and further liner testing, however there should be less permit issues compared to a footprint change in which a Solid Waste Management Plan Amendment will be required. Mr. Varro reported that he received the Annual Topographic Report from SCS Engineers and he distributed a summary sheet which shows the volume of waste landfilled. It indicates that the calculated density of solid waste is 1800 lbs per cubic yard, which is very good, the heavier compactor is working well and the report conservatively predicts the landfill to be at capacity by 2020. This new projection does not include the proposed berms, and is two years further than earlier projections. Discussions continued regarding where to put a phase 4 and where the berms will be located for phase 3 and 3B.

Administrator's Report

Administrator Hatzelis reported on correspondence he received from an unknown sender regarding the front solid waste gate being open at off hours. Mr. Hatzelis indicated that the employees sometimes do not leave until 5:30 – 6:00pm. Also, contractors are on-site, including the landfill gas to energy facility of whom do have gate access and may be on site at anytime. SCMUA staff and WRWMG do come in on Saturdays and Sundays. Mr. Hatzelis reminded the Commissioners surveillance motion cameras are still being used. If any concerns arise the Commissioners will be notified.

d. General Authority Business

Administrator's Report

Mr. Hatzelis notified the Commissioners at the last Authority Meeting that the FY2012 Central Services Budget originally did not allocate funds to pay for the Paulinskill Project's VE Study at a cost of \$72,000, which was not an anticipated cost. He presented a resolution to amend the Administration Services Budget by an increase of 5.76%, which is funded by the Upper Wallkill, Solid Waste and Hampton Commons operating funds. Commissioner Sowden moved the resolution, seconded by Commissioner Dietz. On roll call, the vote was as follows: Ayes (7) Commissioners Madsen, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-126 RESOLUTION RE: FY2012 BUDGET AMENDMENT – ADMINISTRATIVE SERVICES BUDGET

Mr. Hatzelis reported the Rate Hearing is set for November 7, 2012, he fielded a few questions regarding the Proposed Rate Schedule. A few changes will be made before the final approval regarding waiving scale user charge for military use, and some other minor issues.

8. FINANCIAL TRANSACTIONS

a. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Petillo asked for a motion to approve the Financial Consent Agenda with the removal of P.O. #67193 from the Solid Waste Facility C portion. Commissioner Cocula moved the approval of bill paying resolution, and supplemental, seconded by Commissioner Dietz. No discussions. On roll call, the vote was as follows: Ayes (7) Commissioners Madsen, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

October 17, 2012

#12-127 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL
CONSENT AGENDA

Chairman requested a motion to approve Solid Waste Operating Fund, Section C PO#67193 for overtime portion of payroll. Commissioner Dietz moved, seconded by Commissioner Meyer. Commissioners Dietz requested an OT Report be sent to the Personnel Committee as part of the Financial Consent Agenda. Commissioner Cocula requested that Superintendent Sparnon provide a written report to give suggestions on what specific departments can be looked at to reduce OT and possible part time position to be trained for backup. Short discussion held on last Personnel Meeting's Agenda. Mr. Dietz requested Mr. Sparnon to provide updated information on OT within each Department. On roll call the Ayes (6) Commissioners Madsen, Sowden, Petillo, Dietz, Meyer and O'Halloran. Nays (1) Commissioner Cocula, Abstain (0). The motion was approved.

Chairman Petillo called for a meeting break at 4:02 p.m. before going into Closed Executive Session.

Meeting resumed at 4:20 p.m.

a. Executive Session

Chairman Petillo asked for a motion to go into Closed Executive Session at 4:20 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Meyer. On voice vote (7) Ayes, (0) Nays, the motion carried.

#12-128 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE
SESSION

At 5:33 p.m. Commissioner Cocula moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Madsen. On voice vote, the motion passed.

b. Open Session

The Open Session was reconvened at 5:33 p.m. and Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were negotiations and/or litigations re: Grinnell Settlement Agreement; Edgewater Associates; Data Request from CP Engineers; PNC Bank Investment Practices; County request re: Easement; Paulinskill Project Hydrogeological Study. When the need for confidentiality of these matters no longer exists they will be opened to the public.

Commissioner Cocula moves to authorize and accept the Sussex County's Engineering Department's request to gain access to the Authority's easement near the Franklin Pump Station in relation to the Franklin ViaDuct construction project. Motion seconded by Commissioner O'Halloran. On voice vote (7) Ayes, (0) Nays, the motion carried.

9. PUBLIC COMMENT

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

October 17, 2012

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners had no comments.

11. ADJOURN

Commissioner Cocula moved to adjourn the meeting, seconded by Commissioner Sowden. On voice vote, the motion passed. The meeting was adjourned at 5:34 p.m.

Respectfully submitted,

Andrea Cocula, Secretary