

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON NOVEMBER 25, 2015 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: Commissioners Sowden, Madsen, Petillo, Cocula, and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, General Counsel Matthew Giacobbe, Special Counsel Prol and Recording Secretary Kronski

Absent: Commissioners Dietz and Meyer

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

Chairman Petillo opened the meeting to public comment. No public comment. 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 Drake. On voice vote: Ayes (5); 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 Sowden. No discussions necessary. On voice vote: Ayes (5); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the November 4, 2015 Pending Action Summary Sheet (PASS), which was emailed to the Clerk of the Freeholder Board on November 5, 2015.

PASS Report for 11-4-15 to Freeholder Board						
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			

Motion passed.

NOVEMBER 25, 2015

Chairman Petillo requested a motion to approve the Open and Closed Minutes for October 7, 2015 Authority Meeting.

Minutes for 10-7-15 Authority Meeting						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN					x	
TOM MADSEN		x	x			
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER						x
JOHN DRAKE	x		x			

The motion passed.

Chairman Petillo requested a motion to approve the Open and Closed Minutes for October 21, 2015 Authority Meeting.

Minutes for 10-21-15 Authority Meeting						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN		x	x			
TOM MADSEN	x		x			
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER						x
JOHN DRAKE					x	

The Motion Passed.

Chairman Petillo noted the Open and Closed Meeting Minutes for both the November 4, 2015 including FY2016 Rate Hearing Transcript have been emailed to the Commissioners for review.

7. BUSINESS

a. Executive Session

At 3:06 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session. Motion seconded by Commissioner Sowden On voice vote: (5) Ayes, (0) Nays, the motion carried. Chairman noted Closed Session to be approximately 15 minutes.

#15-166 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:24 p.m. Commissioner Sowden moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Madsen. On voice vote, Ayes (5); Nays (0), the motion passed.

Chairman Petillo indicated items discussed as specifically set forth in the resolution authorizing Closed Execution Session were included: SXLE Contract, Paulinskill Contract #103 soil disposal options and collection of bad debts. 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 Nugent reported that the Upper Wallkill Discharge to Surface Water Permit is up for renewal; it is a 5 year permit. NJDEP requires that the renewal application be submitted 180 days before expiration. Mr. Nugent requested a motion for authorization to submit application to NJDEP. Commissioner Sowden motioned for authorization to submit application, seconded by Commissioner Drake. On voice vote, Ayes (5); Nays (0); Abstain (0). The motion passed.

Mr. Nugent reported on SCMUA Contract #15-11 Sludge Cake Hauling and Disposal for the Upper Wallkill Facility. He reported bids were reviewed by SCMUA staff and the lowest responsible and responsive bid was from Spectraserv for a two year contract at \$112/ton. He reviewed the prepared resolution to accept the 2-year bid from Spectraserv.

Res# 15-167 Award for Contract #15-11 Sludge Cake Hauling & Disposal						
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			

#15-167 RESOLUTION RE: AWARD OF CONTRACT NO. 15-11 TO SPECTRASERV, SO. KEARNY, N.J. FOR ANNUAL SLUDGE CAKE HAULING AND DISPOSAL

**Chief Engineer's Report**

Chief Engineer Varro reported on the electrical aggregate supply bid for providing electrical services to the Upper Wallkill Facilities and that took place on November 4<sup>th</sup>. He reviewed the current contract which expires in May 2016, however energy prices are favorable at this time. Authorization was previously given to accept award of contract with a trigger price of 8.002 cents per kilowatt hour. Mr. Varro reported that the low bid price was 6.597 cents per kilowatt hour for a two year contract, which is an 18% savings from the current contract. Pump Stations and miscellaneous electrical needs were awarded at 7.781 cents per kilowatt hour.

c. Solid Waste Program

**Superintendent Report**

Mr. Sparnon reported on the Household Hazardous Waste Day Event that was held on November 7, 2015 with the vendor Clean Venture. There were approximately 900 customers and 6 schools that participated in the event and the Sussex County Health Department was also on site. Mr. Sparnon reported that the NJDEP hotline was called in by the vendor to diffuse a small amount of ether that was brought in. He noted that this is the last event for the Contract with Clean Venture. The SCMUA will have to solicit bids for 2016 and 2017.

**Chief Engineer’s Report**

Mr. Varro distributed a memorandum from Cornerstone Consulting Engineers addressing the concerns regarding a tight timeframe with regard to the Landfill Life Extension and qualifying for NJEIT funding. Mr. Varro reported that Cornerstone prepared a cost drawdown including design plans and specs. Tom reviewed the proposed costs for individual tasks through the end of March with a total budget \$178,000 with \$22,000 reserve. Discussions continued regarding the force main time line for funding and financial impact of the temporary cap with leachate generation.

**Administrator’s Report**

Administrator Hatzelis reported on the FY2015 Landfill Closure/Post Closure Care Fund Audit completed by Auditor Paul Cuva. There were no findings or recommendations and the deposits into the account meet the requirements of the State with a balance of \$10,063,717.69 as of September 30, 2015. Funds are to be used for closure care for 30 years after landfill has closed.

Mr. Hatzelis reported on the Solid Waste Enforcement Program, in which Enforcement Officer Ed Lyon has been logging in containers and working with the County Health Department. A tentative meeting is being scheduled with the County Health Department and NJDEP to review responsibilities and jurisdiction.

d. General Authority Business

Administrator Hatzelis reviewed the 2016 Holiday Schedule with the Commissioners. Commissioner Cocula moved to accept and post 2016 Holiday Schedule, seconded by Commissioner Sowden. On voice vote: Ayes (5); Nays (0); Abstain (0). The motion passed.

Mr. Hatzelis reported on resolution for adopting the Authority’s FY2016 Schedule of Rates, Fees and Charges that were reviewed and presented at the November 4, 2015 advertised Rate Hearing. There have been no comments or questions received regarding the rates.

Res#15-168 Adopting the Authority’s FY2016 Rates, Fees and Charges						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN			x			
TOM MADSEN	x		x			
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA			x			
KARL MEYER						x
JOHN DRAKE		x	x			

#15-168 RESOLUTION RE: ADOPTION OF SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY’S SCHEDULE OF RATES, FEES AND CHARGES

Mr. Hatzelis reported on a State requested revision to the September 2015 Paulinskill Water Reclamation Facilities Capital Budget Resolution for submittal to the State. Resolution shall replace previous submitted resolution.

Res#15-169 Revised Authority Budget Resolution for Paulinskill Water Reclamation Facilities						
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			

**#15-169 RESOLUTION RE: AUTHORITY BUDGET RESOLUTION FOR SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY PAULINSKILL WATER RECLAMATION FACILITIES**

Mr. Hatzelis continued with a resolution as discussed in Executive Session to delete bad debt from the Solid Waste Revenue Account for FY2013, FY2014 and FY2015 totaling \$750.84.

Res#15-170 Deletion of bad debt from SW Revenue Account						
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			

**#15-170 RESOLUTION RE: AUTHORIZATION FOR THE TREASURER TO DELETE CERTAIN BAD DEBTS FROM THE SOLID WASTE REVENUE ACCOUNT**

Mr. Hatzelis referred to discussions in Executive Session regarding unpaid balances deemed uncollectable by SCMUA staff for Mid-County and Harris Sanitation.

Motion to write-off uncollected balances for two accounts for Mid-County and Harris Sanitation.						
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			

8. Payment of Bills

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

Res: #15-171 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			

#15-171 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

Chairman Petillo opened the meeting to public comment. No public present. Chairman Petillo closed the meeting to public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners wished everyone a Happy Thanksgiving.

Commissioner Cocula moved to give excused absences to Commissioners Dietz and Meyer, seconded by Commissioner Madsen. On voice vote: Ayes (5); Nays (0); Abstain (0). The motion passed.

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote: Ayes (5), the motion passed. The meeting was adjourned at 3:50 p.m.

Respectfully submitted,

Andrea Cocula, Secretary