

MINUTES OF THE REGULAR MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON NOVEMBER 7, 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 3:00 p.m.

The following were present: Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and O'Halloran, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, Attorney Giacobbe, Recording Secretary Kronski

Absent: Commissioner Sowden

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 Dietz moved the approval of the Agenda, Commissioner Madsen seconded. No additions or deletions. On voice vote (6) Ayes, (0) Nays, the motion carried.

5. APPROVAL OF CONSENT AGENDA

The Chairman requested a motion for approval of the Consent Agenda. Commissioner Cocula moved the approval of the Consent Agenda, seconded by Commissioner Meyer. No discussion necessary. On voice vote (6) Ayes, (0) Nays, the motion carried.

6. MINUTES

Chairman requested a motion to approve the distribution of the October 17, 2012 Pending Action Summary Sheet, which was submitted to the Freeholder Board on October 18, 2012. Commissioner Dietz moved to approve the October 17, 2012 Pending Action Summary Sheet, seconded by Commissioner Cocula. On voice vote (6) Ayes, (0) Nays, the motion carried.

Chairman Petillo asked for a motion to approve the September 19, 2012 Open & Closed Meeting Minutes. Commissioner Cocula moved approval of the minutes, seconded by Commissioner Dietz. No comments/discussions. On voice vote (6) Ayes, (0) Nays, the motion carried.

Chairman Petillo stated that the Open & Closed Meeting Minutes for October 3, 2012 Authority Meeting were distributed to the Commissioners for their review/comment.

7. BUSINESS

a. Executive Session

Chairman Petillo asked for a motion to go into Closed Executive Session at 3:03 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Madsen. On voice vote (6) Ayes, (0) Nays, the motion carried.

#12-129 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:33 p.m. Commissioner Cocula moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner O'Halloran. On voice vote, the motion passed.

The Open Session was reconvened at 3:45 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; Solid Waste Facilities' Consulting Engineering Agreements; OMNI Supplemental Hydrogeologic Study/Paulinskill Project; PNC Bank Investment Practices; Annual Topo Report and Personnel. When the need for confidentiality of these matters no longer exists they will be opened to the public.

b. Wastewater Program

Superintendent's Report

Mr. Nugent reported on wastewater operations during Hurricane Sandy. He indicated that numerous trees came down around the Authority's Plants and Pump Stations throughout the County with minimal damage. The Wastewater Staff removed them and were able to make small repairs where needed. He reported that numerous calls were received for the NJDEP after the storm offering assistance and asking for operation reports. No calls received from Sussex County OEM. Mr. Nugent indicated that the Town of Newton, as well as, EarthCare, who serves the Passaic Valley and Bergen County Sewerage Authorities contacted the Upper Wallkill to serve as a backup sludge disposal site, if necessary. He reported that the Town of Newton may bring hauled sewage in an outage/emergency situation, but the U.W. Plant does not accept out of county waste, it cannot accommodate such a large amount from Bergen or Passaic Plants. He advised that the Wastewater Staff performed exceptional and reported for work with personal hardships and loss of power at their own homes.

Chief Engineer's Report

Mr. Varro presented a resolution for consideration as discussed in Executive Session for award of a Professional Services Agreement to Omni/Kleinfelder, Inc. to conduct a Hydrogeologic Study in relation to the Paulinskill Project with a not to exceed amount of \$99,880.00. Commissioner Cocula moved the resolution as presented, seconded by Commissioner Dietz. On roll call the Ayes (6) Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and O'Halloran. Nays (0), Abstain (0). The resolution was approved.

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#12-130 AWARDING SUSSEX COUNTY MUNICIPAL UTILITIES
AUTHORITY PAULINSKILL PROJECT SUPPLEMENTAL
HYDROGEOLOGIC STUDY TO OMNI/KLEINFELDER
ENVIRONMENTAL

Mr. Varro distributed before and after photos of the Clove Brook Restoration Project, and reported that the project results were found favorable by the NRCS and the Authority, and the banks held up with Superstorm Sandy. Ferraro Construction Corp. was the contractor and did an exceptional job and completed all work in a timely manner. Mr. Varro reported that Princeton Hydro is the Engineer for the project and has not been able to come out to the site to provide a formal as-built survey. According to the contract documents a recommendation as to project completion from Princeton Hydro is pending, and this is holding up payment to Ferraro. Mr. Varro asked for the Commissioners authorization to provide an 80% partial payment to Ferraro Construction due to this delay, Ferraro is agreeable to this. Commissioners discuss why Princeton Hydro has not conducted the final inspection and as-built in a timely manner, and if they were aware of this requirement before final payment made to Contractor. Mr. Varro confirmed the project punch-list has been completed and Princeton Hydro has yet to be paid for their services. Commissioners discuss and agree that Ferraro Construction get partial payment for their work and to advise Princeton Hydro that payment has been made to the Contractor and to submit inspection/Substantial Completion as soon as possible.

Administrator's Report

Mr. Hatzelis reported sewer user payments are due on November 15th and Debt Service payment needs to be paid by November 30th. Hopefully the payments will be received by then.

c. Solid Waste Program

Solid Waste Superintendent's Report

Mr. Sparnon reported on Solid Waste Facilities operations during and after Hurricane Sandy. He indicated that the Solid Waste Facility staff prepared for the storm before closing on Monday, October 29th. The Facility was closed for operations only on Tuesday, October 30th due to safety reasons and no power/phones, and there were no haulers running on this day. He reported that the Facility was open at 7:00 am on Wednesday, October 31st running on backup generators for scale usage. Mr. Sparnon indicated power and communications were restored at 6 am on Thursday morning. NJDEP contacted the Solid Waste Facility and requested daily reports, which were provided by Chief Engineer Varro. He reported that the Facility had sufficient diesel fuel for normal operations. Mr. Sparnon indicated that a request was received by a hauler to stay open for an additional hour for three days after the storm due to many road closures throughout the County causing the inability to get to the landfill before the 2:00 p.m. closing. This request was granted and multiple trucks did enter the facility during this additional hour. Mr. Hatzelis commented that the Solid Waste Staff reported to work and operations were ongoing and many employees were without power at their own homes. He indicated that any potential vulnerabilities that were discovered during this emergency, will be better equipped in future situations, i.e. diesel supplies, communications, potential power outages for extended period of time, etc. Commissioners and staff discussed the overtime for the extended hours compared to tonnage received during this time. It was

explained that the amount of tonnage may not have increased, the issue was time constraints getting to the facility.

Mr. Sparron reported that the Household Hazardous Waste Event was conducted on November 3rd as scheduled. He indicated that there were 438 participants and there was 11.73 tons collected for a total cost of \$12,320.00. This was the second and last event for 2012, with MXI Environmental as the vendor, who conducted the event favorably.

Chief Engineer's Report

Mr. Varro presented two resolutions for Commissioners consideration for the appointment of two firms for Solid Waste Consulting Engineering Services for 2012 and 2013. Agreement details were discussed in Executive Session. The first resolution is for Cornerstone Environmental Group for General Consulting Engineering Services for 2012 and 2013. Commissioner Cocula moved the resolution as presented, seconded by Commissioner Madsen. On roll call, the vote was as follows: Ayes (6) Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-131 AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH CORNERSTONE ENVIRONMENTAL GROUP FOR GENERAL SOLID WASTE CONSULTING ENGINEERING SERVICES

Mr. Varro presented another resolution for Professional Engineering General Solid Waste Consulting Engineering to SCS Engineers for 2013 and 2014. Commissioner O'Halloran moved the resolution to appoint SCS Engineers for General Solid Waste Consulting Engineering Services, seconded by Commissioner Dietz. On roll call, the vote was as follows: Ayes (6) Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-132 AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICES AGREEMENT WITH STERNS, CONRAD AND SCHMIDT CONSULTING ENGINEERS INC. FOR GENERAL SOLID WASTE CONSULTING ENGINEERING SERVICES

Mr. Varro updated the Commissioners on the extension of the landfill life project. Cornerstone continues to review and refine numbers regarding cost and expenses for a potential Phase 4 landfill expansion. A full presentation will be made to SWAC on Tuesday. Mr. Varro reviewed the cost-to-date expenses for Cornerstone's Services on this project. He also presented Cornerstone's cost estimates moving forward for the different work phases for NJDEP Permit approval, plans & specs and RE&I services. Commissioners discuss cost of feasibility study, as well as, up front costs with the Phase 3 berm and potential Phase 4. Mr. Varro and Mr. Hatzelis reported that the Phase 3 berm project would provide for an additional 10 years of landfill space and Phase 4 would be an additional 13 years for solid waste disposal. Mr. Varro stated he will provide the Commissioners with Cornerstone's presentation and their engineering cost estimates for the slope and the berm on phase 3 and phase 4.

Administrator's Report

Administrator Hatzelis reported revenues and tonnages which, compared to 2011, are down 7%. The average tip fee is \$103.73. Mr. Hatzelis reviewed multiple graphs comparing different years and waste types, noting that ID10 continues to be of concern.

Mr. Hatzelis reported that the Authority's Trustee sent a letter to the State Treasurer's Office and Senator Oroho's Office notifying them of the debt service payment shortfall. Hopefully, State Aid will be offered, if not, \$1,320,000 million will be transferred from the Cell Closure Account to cover the payment.

d. General Authority Business

Administrator's Report

Mr. Hatzelis reported that the 2012 Annual League of Municipalities Conference in Atlantic City has been cancelled due to Hurricane Sandy. He noted that the travel and hotel costs have been removed from the bill paying list.

Administrator Hatzelis advised that the FY2013 Rate Hearing was rescheduled to November 28th due to 20-day public notice advertising regulations/statutes being met.

Commissioner Cocula moved to give Commissioner Sowden an excused absence for this meeting, seconded by Commissioner Madsen. On voice vote (6) Ayes, (0) Nays, the motion carried.

Superintendent's Report

Mr. Sparron presented a resolution discussed in Executive Session regarding an official leave of absence request from Solid Waste Employee Clifford Morgan. After discussions, Commissioner Cocula moved the resolution, seconded by Commissioner Madsen. On roll call, the vote was as follows: Ayes (6) Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-133 RESOLUTION RE: AUTHORIZED OFFICIAL LEAVE OF ABSENCE FOR PERSONAL MEDICAL REASONS FOR CLIFFORD MORGAN

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. #67223 from the Solid Waste Facility C portion. Commissioner Madsen moved the approval of bill paying resolution, along with supplemental, seconded by Commissioner Dietz. No discussions. On roll call, the vote was as follows: Ayes (6) Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and O'Halloran, Nays (0), Abstain (0). The resolution passed.

#12-134 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

Chairman requested a motion to approve Solid Waste Operating Fund, Section C PO#67223 for overtime portion of payroll. Commissioner Dietz moved, seconded by Commissioner O'Halloran. On roll call the Ayes (5) Commissioners Madsen, Petillo, Dietz, Meyer and O'Halloran. Nays (1) Commissioner Cocula, Abstain (0). The motion was approved.

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9. PUBLIC COMMENT

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

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners praised the Wastewater and Solid Waste Employees for their work during Superstorm Sandy.

11. ADJOURN

Commissioner O'Halloran moved to adjourn the meeting, seconded by Commissioner Cocula. On voice vote, the motion passed. The meeting was adjourned at 4:31 p.m.

Respectfully submitted,

Andrea Cocula, Secretary