

MINUTES OF THE REGULAR MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON MARCH 2, 2011 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 3:10 p.m.

The following were present: Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, and O'Halloran, Administrator Hatzelis, Consulting Engineers Cerenzio & Donati, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, Attorney Prol and Recording Secretary Kronski

Absent: Attorney Matthew Giacobbe

2. PUBLIC STATEMENT

The Chairman 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. There being no public present Chairman Petillo closed the meeting to public comment.

4. AGENDA APPROVAL

The Chairman requested a motion for approval of the Agenda, as well as any additions or deletions. Commissioner Zidek moved the approval of the Agenda, seconded by Commissioner O'Halloran. On voice vote, the motion carried.

5. APPROVAL OF CONSENT AGENDA

Chairman Petillo requested a motion for approval of the Consent Agenda, Commissioner Zidek moved the approval of the Consent Agenda, seconded by Commissioner Dietz. On voice vote, the motion carried.

Commissioner Meyer arrived at 3:13 p.m.

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the February 16, 2011 Pending Action Summary Sheet, which was submitted via e-mail to the Freeholder Board on February 18, 2011. Commissioner Dietz moved to approve the February 16, 2011 Pending Action Summary Sheet, seconded by Commissioner Zidek. Ratification of actions listed on the Pending Action Summary Sheet was requested by Administrator Hatzelis in order to rectify delayed advertisement for the February 16, 2011 Regular Authority Meeting. On roll call, the vote was as follows: Ayes (7): Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran. The motion carried.

Chairman Petillo indicated there were no minutes for approval.

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Chairman Petillo indicated that the Regular and Closed Minutes of February 9, 2011 have been distributed for review and adoption at the next Authority meeting.

7. BUSINESS

a. Closed Executive Session

At 3:15 p.m. Commissioner Sowden moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Cocula. On voice vote the motion carried.

The Open Session was reconvened at 4:45 p.m. Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were the High Ridge and DMR litigations and negotiations, and Paulinskill contracts and bidding. When the need for confidentiality of these matters no longer exists they will be opened to the public.

#11-48 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

b. Wastewater Program

Superintendent's Report

Wastewater Superintendent Nugent requested authorization from the Commissioners to advertise for Chemical Bids for FY2011 – 2012, the Chemicals are needed for operations at the Upper Wallkill Facilities. Commissioner Cocula moved the authorization to advertise for Chemical Bids for 2011 –2012, seconded by Commissioner Zidek. On voice vote, the motion passed.

Chief Engineer's Report

Mr. Varro reported that the Authority has received the Draft NJPDES Permit for the Upper Wallkill Facility with the granted phosphorus levels at <1.0 mg/L as previously discussed. Mr. Varro received an extension from the NJDEP to submit comments on April 1, 2011. Chief Engineer Varro asked for authorization from the Commissioners for Staff and Professionals to proceed to submit comments including a request for a stay of conditions on nitrate levels. SCMUA may also request reclassification of use designation of the Wallkill River, due to the fact that no potable water usage down stream exists throughout New Jersey, New York, and final discharge into the Hudson River. Commissioner Cocula made the motion to submit comments on the NJPDES Permit for the Upper Wallkill Facility, Commissioner O'Halloran seconded. On voice vote, the motion passed.

Consulting Engineer's Report

Consulting Engineer Cerenzio reported to the Commissioners that Scafar was the low bid for the Paulinskill Projects #PRC101 & PRC102. Mr. Cerenzio conducted a background/reference check on Scafar and received positive feedback on contractor. Tomco was the low bidder for PRC #103 and has done projects for the Authority in the past with good experiences. Mr. Cerenzio distributed and reviewed a handout regarding the Paulinskill MBR facility project and cost comparisons of MBR facilities. The Paulinskill bid costs for the treatment plant are compatible to other similar plants recently built. Mr. Cerenzio reviewed Local Public Contracts Law regarding change orders on contracts over \$5 million, Contractors may submit value

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engineering proposal for cost savings on materials, etc., and if approved by Engineer and Owner, the savings is split 50/50 between Contractor and Owner. After Branchville Borough has their bid opening, and a price is established, C&P will prepare different scenarios on sewer user charges. Discussions continued regarding project schedule and budget submittal to the Sussex County Freeholder Board and the Local Finance Board. Discussions on USDA funding and whether they will issue grants or loans for the project. Authority must issue Notes equal to the loan amounts, to be ultimately paid by the loans.

Discussions continued regarding the Paulinskill Project Bid Award Date and time extension which is necessary for review of Branchville Borough Collection System Bids, Branchville concurrence to proceed, and obtain Freeholder and Local Finance Board funding approvals. Commissioner Cocula made the motion authorizing low bidders for the Paulinskill Basin Water Reclamation System to be requested to extend the bid award date with no price escalation an additional 60 days, seconded by Commissioner Meyer. On voice vote, the motion carried.

Administrator's Report

Administrator Hatzelis presented a resolution to the Board of Commissioners regarding the Wallkill River Watershed Management Program and their request for authorization to execute a professional services agreement for Engineering Environmental Services. Princeton Hydro has submitted a proposal for seven different tasks re: extensive sampling and studies needed to implement the Papakating Creek and Clove Acres Lake / Clove Brook Watershed Restoration Plans for an amount of \$91,555.00. Grant funding from the USEPA/NJDEP has already been received by WRWVG for this project. Wallkill Watershed Coordinator Nathaniel Sajdak was asked to join the meeting to provide further details.

Nathaniel Sajdak entered meeting at 5:10.

Mr. Sajdak detailed the project description regarding the Restoration Plans of 3 sites. Grant money was received from USEPA for \$1.4 million for start up for very specific tasks. He explained further feasibility studies need to be conducted in the field to better define what the project scope will be. Contract before the Board is for the approval of preliminary studies, which are needed before moving into full scale engineering design plans. Princeton Hydro has a historical attachment to the Clove Brook having conducted lake characterizations and have performed similar studies of the designated areas in the past 3 years. The WRWVG is satisfied with the work they have done in the past and for other watershed agencies around the State. The experience Princeton Hydro has, and the expertise for the specific water bodies included, contribute to this company the most qualified. Commissioners discussed award to Princeton Hydro and if there is a need for an RFP and concluded that Princeton Hydro be awarded as a Professional Engineering Service with all required documents submitted. The Commissioners indicated in the future an RFP will be required if the cost exceeds the bid threshold of \$37,500.00. Commissioner Meyer moved the resolution for the award to Princeton Hydro, LLC for assistance to the WRWVG with implementation of restoration plans. Commissioner O'Halloran seconded. On roll call, the vote was as follows: Ayes (7): Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran.

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#11-49 RESOLUTION RE: AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICE CONTRACT WITH PRINCETON HYDRO, LLC FOR PURPOSES OF ASSISTING THE WALLKILL RIVER WATERSHED MANAGEMENT GROUP WITH THE IMPLEMENTATION OF THE PAPA KATING CREEK AND CLOVE ACRES LAKE/CLOVE BROOK WATERSHED RESTORATION PLANS

Mr. Nathaniel Sajdak left the meeting at 5:30 p.m.

c. Solid Waste Program

Chief Engineer's Report

Mr. Varro presented a resolution as discussed in Executive Session, for the award of an RFP for specialized services for landfill gas consulting engineering and field services. Tasks (5) to be awarded jointly to both SCS Engineers and Cornerstone Environmental. Commissioner Zidek made the motion to award tasks as defined in the resolution, seconded by Commissioner Cocula. On roll call, the vote was as follows: Ayes (7): Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran.

#11-50 RESOLUTION RE: AUTHORIZING THE AWARD OF R.F.P. TASKS #1 THROUGH #5 FOR THE FURNISHING OF CERTAIN SPECIALIZED LANDFILL GAS CONSULTING ENGINEERING AND FIELD SERVICES IN REGARD TO THE SOLID WASTE FACILITIES AND RELATED MATTERS FOR THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY FOR 2011 AND 2012

d. General Authority Business

Administrator's Report

Administrator Hatzelis reported at the Authority's Annual Reorganization Meeting the Commissioners appointed firms for Professional Services for General Counsel, Bond Counsel, Special Counsel and Auditor. Resolutions for authorization for contract execution for each were presented. General Counsel appointees are Matthew Giacobbe, Esq. and Thomas Prol, Esq. of the firm Cleary Giacobbe Alfieri & Jacobs, LLC. Commissioner Cocula moved the resolution for contract execution, Commissioner Meyer seconded. On roll call, the vote was as follows: Ayes (7): Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran.

#11-51 RESOLUTION RE: AUTHORIZING THE RETENTION OF MATTHEW J. GIACOBBE, ESQ. THOMAS H. PROL, ESQ. OF CLEARY GIACOBBE ALFIERI JACOBS, LLC FOR THE FURNISHING OF GENERAL LEGAL COUNSEL SERVICES FOR THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY - FEBRUARY 2, 2011 TO FEBRUARY 1, 2012

Mr. Hatzelis presented a resolution for Bond Counsel Services contract execution with Wilentz, Goldman & Spitzer, P.A. Commissioner Cocula moved resolution, seconded by Commissioner Meyer. On roll call, the vote was as follows: Ayes (7): Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran.

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#11-52 AUTHORIZING THE RETENTION OF WILENTZ, GOLDMAN & SPITZER, P.A. FOR THE FURNISHING OF BOND COUNSEL SERVICES FOR THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY – FEBRUARY 2, 2011 TO FEBRUARY 1, 2012

Administrator Hatzelis presented resolution for contract execution for Special Counsel John Hall, Esq. of Hall and Associates. Commissioner Dietz moved the resolution, seconded by Commissioner Zidek. On roll call, the vote was as follows: Ayes (7): Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran.

#11-53 AUTHORIZING THE RETENTION OF JOHN HALL, ESQ. OF HALL AND ASSOCIATES FOR THE FURNISHING OF CERTAIN LEGAL SERVICES IN REGARD TO WASTEWATER AND SOLID WASTE FACILITIES NJPDES PERMITS, WATERSHED MANAGEMENT PLANNING AND RELATED MATTERS FOR THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY, FEBRUARY 2, 2011 TO FEBRUARY 1, 2012

Mr. Hatzelis provided a resolution for the authorization of contract execution for Auditing Services to be provided by Paul Cuva, CPA of the firm Ferraioli, Wielkotz, Cerullo & Cuva for 2011. Commissioner Zidek moved the resolution, seconded by Commissioner Meyer. On roll call, the vote was as follows: Ayes (7): Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran.

#11-54 RESOLUTION RE: AUTHORIZING EXECUTION OF A PROFESSIONAL SERVICE CONTRACT WITH PAUL CUVA, C.P.A. OF THE FIRM FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A. FOR AUDITING SERVICES IN PERFORMING THE ANNUAL AUDIT OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY'S FISCAL YEAR 2011

8. FINANCIAL TRANSACTIONS

a. Payment of Bills

FINANCIAL CONSENT AGENDA – Commissioner Petillo asked for a motion to approve the Financial Consent Agenda. A motion was made by Vice Chairman Sowden and seconded by Commissioner O'Halloran. No further discussions. On roll call, the vote was as follows: Ayes: (7) Commissioners Zidek, Sowden, Petillo, Dietz, Cocula, Meyer and O'Halloran

#11-55 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. OPEN TO PUBLIC COMMENT

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

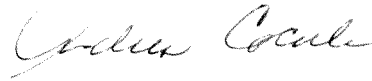
10. COMMISSIONERS' COMMENTS/REQUEST – No comments/questions from Commissioners.

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11. ADJOURN

Vice Chairman Sowden moved to adjourn the meeting, seconded by Commissioner Dietz. On voice vote, the motion passed. The meeting was adjourned at 5:35 p.m.

Respectfully submitted,



Andrea Cocula, Secretary