

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JUNE 18, 2014 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 Sowden, Madsen, Petillo, Dietz, Cocula, Meyer and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, Wastewater Superintendent Nugent, General Counsel Matthew Giacobbe, Counsel John Napolitano, Special Environmental Counsel Thomas Prol and Recording Secretary Kronski; John Scheri and Maria Inneo of Hatch Mott and MacDonald

Public Present: Linda Masson

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

The Chairman opened the meeting to public comment. No comment from the public. 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 (7); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

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

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the June 4, 2014 Pending Action Summary Sheet, which was emailed to the Freeholder Board on June 5, 2014. On voice vote: Ayes (7); Nays (0). The motion carried.

No minutes are presented for approval at this meeting.

Chairman Petillo noted that the May 21, 2014 Open & Closed Minutes have been emailed to the Commissioners for their review.

7. BUSINESS

a. Executive Session

Commissioner Dietz moved to add discussions regarding Title V Air Permit Negotiations to the Closed Session agenda under #7 on the Closed Session resolution [any pending or anticipated litigation or contract negotiations other than in subsection b. (4) herein in which the public body is, or may become a party] seconded by Commissioner Madsen. On voice vote: Ayes (7); Nays (0). The motion carried. Attorney Giacobbe noted that Executive Session is expected to last 20 minutes with actions to be taken afterwards.

At 3:04 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Drake. On voice vote (7) Ayes, (0) Nays, the motion carried.

#14-076 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 Madsen. On voice vote, Ayes (7); Nays (0), the motion passed.

Chairman Petillo called for a meeting break at 3:33 p.m.

The meeting resumed at 3:45 p.m.

Chairman Petillo indicated that in Closed Executive Session items discussed as specifically set forth in the resolution were negotiations and/or litigations re: Personnel Committee Meeting of June 13, 2014 and Title V. When the need for confidentiality of these matters no longer exists they will be opened to the public.

b. Wastewater Program

**Consulting Engineer's Report**

Chairman indicated first order of business will be a report on the Sludge Study by Wastewater Consulting Engineer John Scheri. Copies of the Biosolids management study were previously provided to the Commissioners for their review and Mr. Scheri conducted a Power Point presentation on its findings. He reviewed a schematic that showed current operations and detailed the criteria for the rating system used for the condition assessment and conclusive alternatives including consideration of current and future technology; overall condition of facility; exposure risk; probability of failure and consequences thereof; capital costs and rehabilitation options. He indicated at this time, the best fiscal alternative for the Authority would be to haul sludge all year round and to establish a budget for future replacement of dewatering equipment piece by piece in order to avoid a one-time large capital cost to the Authority. Discussions took place regarding budgets, capital improvements, as well as, limited facilities that process sludge and permit upkeep.

c. Solid Waste Program

**Solid Waste Consulting Engineer's Report**

Mr. John Scheri reported on a cost proposal to prepare a site specific WQMP Amendment for a permanent leachate pump station/force main from the solid waste facility to the Upper Wallkill Facility for leachate treatment. He reviewed 2 tasks and indicated that the proposal is for a not to exceed amount of \$33,700. Discussions ensued regarding tasks details, permit requirements, and rail trail options, as well as future solid waste operations. Construction Review Committee to review options to make the best decision for the Authority regarding the installation of a permanent force main (Hatch Mott Task #2), however authorization was given to proceed with a site specific Water Quality Management Plan Amendment (Hatch Mott Task #1) for the leachate PS/FM project due to timing and scheduling issues.

b. Wastewater (Cont)

**Chief Engineer's Report**

Chief Engineer Varro reported on a recent meeting at the NJDEP to review the latest regulations for Tiered Drinking Water standards, and reported on the new 2 tiered approach. He reviewed the Nitrate limits for each tier and trigger points for additional monitoring requirements thereon. Hampton Commons would be a Tier One facility but exempt from water quality based Nitrate permit requirements, and Upper Wallkill a Tier Two with a monitoring only requirement. Mr. Varro indicated that the process is still in the early drafting phase and is receiving supportive comments. A finalized NJDEP proposal will eventually require a Public Notice/Hearing.

Mr. Varro reminded the Commissioners of the 90% Design Review Meeting for the Paulinskill Project scheduled for June 19<sup>th</sup> at 1:00 pm. Comments were provided to Omni/Kleinfelder from the SCMUA Staff. Discussions ensued regarding concerns on project timeline, which is scheduled for bid in August. Soil erosion documents have been submitted and NJDOT road permit to be submitted tomorrow.

**Administrator's Report**

Administrator Hatzelis reported on the Hauled Liquid Waste Volumes and Revenues, and noted that the Actual Connection fees to date (Dec. 1 – May 30) for this fiscal year are higher than projected. The liquid waste revenue for this same time period is also higher than projected for the FY2014 budget.

Commissioner Sowden left the meeting at 4:35 p.m.

Administrator Hatzelis reported the Authority's Bond Counsel has prepared a resolution for the Upper Wallkill Municipal Bond Debt Service Reserve Insurance Policy substitute for cash in the Upper Wallkill Bond Reserve Fund. Funds will be utilized for future Capital Project needs. Commissioner Cocula moved the resolution, seconded by Commissioner Madsen. On roll call: Ayes (6) Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and Drake; Nays (0); Abstain (0). The resolution passed.

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#14-077 RESOLUTION RE: SUPPLEMENTAL RESOLUTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY AUTHORIZING THE SUBSTITUTION OF A MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY TO SATISFY THE BOND RESERVE REQUIREMENT IN THE BOND RESERVE FUND FOR THE WASTEWATER FACILITIES REVENUE REFUNDING BONDS, SERIES 2012

c. Solid Waste Program (cont)

### **Solid Waste Superintendent's Report**

Superintendent Sparnon reported on the inadequacies of the vendor for the Household Hazardous Waste Event of June 7, 2014, including insufficient staffing and supervision. The clean up was not completed until after 7pm on Saturday and removal of all equipment was completed on Monday morning. A letter was prepared noting the contract shortcomings and reimbursement of SCMUA staff overtime. Discussions regarding contract extension if deficiencies are not corrected for the November 1<sup>st</sup> event. Commissioner Madsen acknowledged the SCMUA Staff's and County Health Department's efforts as well done. Superintendent Sparnon noted the public was not affected by the noted deficiencies only due to the efforts of the SCMUA employees.

Mr. Sparnon reported on the status of Contract #13-02 for Furnish and Deliver of Landfill Cover Material, in which the contract is 70% complete. Sparnon advised to increase the quantity 20% at this price for an additional 9,000 tons, which is included in the original contract. Commissioners agreed to 20% increase in quantities. Braen Stone has agreed to hold the material price of \$3.75 per ton. Discussions continued regarding an increase in quantity for the next bid cycle.

### **Administrator's Report**

Administrator Hatzelis reported that a partial payment was received from Grinnell for the May 30<sup>th</sup> payment, which was due for reconciliation on June 15<sup>th</sup>. The amount paid was \$3,000 and correspondence was received requesting that the remaining amount of \$3,922.55 be paid on June 24, 2014. Commissioners discussed if the County has responded this request; no response given. It was agreed to send correspondence to Grinnell expecting payment by June 24<sup>th</sup> or default notice will be served.

d. General Authority Business

### **Administrator's Report**

Commissioners discussed availability for the July 16<sup>th</sup> Regular Authority Meeting, there will not be a quorum for this meeting. Commissioner Cocula moved to cancel the July 16, 2014 Regular Authority Meeting, seconded by Commissioner Madsen. On voice vote: Ayes (6); Nays (0); Abstain (0). The motion passed.

8. Payment of Bills

FINANCIAL CONSENT AGENDA – Chairman Petillo asked for a motion to approve the Financial Consent Agenda (FCA) and the Supplemental Bill Paying List. Commissioner Madsen moved the FCA, seconded by Commissioner Drake. On roll call, the vote was as follows: Ayes (6) Commissioners Madsen, Petillo, Dietz, Cocula, Meyer and Drake; Nays (0); Abstain (0). The resolution passed.

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#14-078 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL  
CONSENT AGENDA

9. PUBLIC COMMENT

No public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioners commended the SCMUA Staff's efforts to go above and beyond at the Household Hazardous Waste Day.

11. ADJOURN

Commissioner Madsen moved to adjourn the meeting, seconded by Commissioner Meyer. On voice vote, the motion passed. The meeting was adjourned at 4:50 p.m.

Respectfully submitted,

Andrea Cocula, Secretary

