

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON JULY 2, 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 (via telecom arrived @ 3:40 p.m.), Cocula, Meyer and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, General Counsel Matthew Giacobbe, Special Environmental Counsel Thomas Prol, Solid Waste Consulting Engineer Mark Swyka and Recording Secretary Kronski.

Absent: Wastewater Superintendent Nugent

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 (6); Nays (0). 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 Drake. No discussions. On voice vote: Ayes (6); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve the distribution of the June 18, 2014 Pending Action Summary Sheet, which was emailed to the Freeholder Board on June 19, 2014. Commissioner Cocula moved, seconded by Commissioner Drake. On voice vote: Ayes (6); Nays (0). The motion carried.

Chairman Petillo asked for motion to approve the Open and Closed Meeting Minutes for the May 21, 2014 Regular Authority Meeting. Commissioner Cocula approved the minutes, seconded by Commissioner Sowden. One Roll Call: Ayes (6) Commissioners Sowden, Madsen, Cocula, Meyer and Drake; Nays (0); Abstain (1) Commissioner Petillo due to absence at that meeting.

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Chairman Petillo noted that the June 4, 2014 Open & Closed Minutes have been emailed to the Commissioners for their review.

7. BUSINESS

a. Executive Session

At 3:03 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Drake. Chairman Petillo advised that the Closed Session is expected to last approximately 40 minutes. On voice vote (6) Ayes, (0) Nays, the motion carried.

#14-079 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:57 p.m. Commissioner Cocula moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Madsen. On voice vote, Ayes (6); Nays (0), the motion passed.

Chairman Petillo called for a meeting break at 3:57 p.m.

The meeting resumed at 4:10 p.m. Commissioner Dietz joined the meeting via telecom at this time.

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; Title V Air Permit Negotiations; Sussex County Sheriff's SLAP/SWAP Program Agreement; and Frankford BOE/Cowen Property. When the need for confidentiality of these matters no longer exists they will be opened to the public.

Solid Waste Program

Chairman Petillo asked Chief Engineer Varro and Mr. Swyka to give a report on the Solid Waste Landfill Temporary Cap to start the business section of the Agenda. Mr. Varro reported on the Construction Review Committee Meeting that took place earlier in the day, with Mr. Swyka reporting, in further detail, the plans to incorporate a temporary landfill cap with the use of a single geomembrane at the cost of \$52,000 per acre on the Phase 2A, 2B and 3A section, totaling 13 acres. He noted the reasons for his recommendations including reductions in leachate and fugitive emissions/odors and better conditions for methane gas collection for the gas to energy plant. Discussions ensued regarding leachate control, lifespan and repair potential of material, also effectiveness of diversion of stormwater instead of leachate processing and positive financial impacts. Funds are available and Commissioners agree to have Mr. Varro and Mr. Swyka to start design and provide a budget numbers for design and RE&I portions.

Mr. Swyka and Commissioner Dietz left the meeting at 4:20 p.m.

b. Wastewater Program

Chief Engineer's Report

Chief Engineer Varro reported on the 90% Design Meeting for the Paulinskill Project on June 19th. He noted that comments were provided and reviewed with Kleinfelder/Omni and he is awaiting their formal response. Mr. Varro noted the reasons for two objections from the

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manufacturer regarding SCMUA's suggestions regarding MBR permeate lines and flow gate issue. Mr. Varro reviewed the TWA Technical Review Meeting with the NJDEP, Mr. Bradley of KLF/Omni and himself where NJDEP was questioning the buildout analysis for Branchville, certain numbers did not match up compared to the earlier version. Branchville Engineer Harold Pellow will have to review and confirm buildout analysis and flows to the NJDEP due to flow reduction during redesign and modification to 170,000 gpd. Mr. Hatzelis reported that the Sewer Service Agreements with Frankford and Branchville may need to be modified due to possible change in allocation. Discussions continued on the effect on current bid date.

Mr. Varro reported on a resolution to be considered authorizing the usage of proprietary equipment for the Membrane Biological Reactor Process for the Paulinskill Basin Water Reclamation Facility to serve Branchville Borough and parts of Frankford Township, including new review letter and USDA re-notification. Commissioner Cocula moved the resolution, seconded by Commissioner Drake. On voice vote: Ayes (6) Commissioners Sowden, Madsen, Petillo, Cocula, Meyer and Drake; Nays (0); Abstain (0). The resolution passed.

#14-080 RESOLUTION RE: AUTHORIZING PROPRIETARY SPECIFICATION FOR MICROFILTRATION EQUIPMENT ASSOCIATED WITH THE PROPOSED PAULINSKILL BASIN WATER RECLAMATION FACILITY ON FRANKFORD TOWNSHIP

Administrator's Report

Mr. Hatzelis presented a resolution to satisfy bond reserve requirement in the Upper Wallkill Facilities Bond Reserve Fund. He reported that this is similar to the resolution previous approved by the Board related to this matter with additional clarifying language prepared by the Authority's Bond Counsel. Commissioner Cocula moved the resolution, seconded by Commissioner Meyer. On voice vote: Ayes (6) Commissioners Sowden, Madsen, Petillo, Cocula, Meyer and Drake; Nays (0); Abstain (0). The resolution passed.

#14-081 RESOLUTION RE: AMENDING AND RESTATING A RESOLUTION DULY ADOPTED JUNE 18, 2014 AND ENTITLED, "SUPPLEMENTAL RESOLUTION OF THE SCMUA 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

c. Solid Waste Program

Solid Waste Superintendent's Report

Superintendent Sparnon reported on the Landfill Phase 3B Stormwater Division Berm project which has been completed. There were two separate contracts, A. Servidone completed the earthwork at \$ 35,300 and Antana Linings, Inc. \$10,800 for the lining. Contractors worked well and prompt.

Mr. Sparnon reported that the 2013 Annual Recycling Report has been completed and is currently in draft form, which was sent to the Commissioners for review/comment. After review is final review is complete it be posted on the Authority's website.

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Administrator's Report

Administrator Hatzelis provided a handout to report on the latest data regarding tonnages and revenues for the time period of December 1, 2013 – June 30, 2014. Compared to 2011, 2012 and 2013 overall tonnage is down 3.2%. Revenues compared to the previous year at a negative amount of \$171,000 or -2.8%.

d. General Authority Business

Administrator's Report

Reminder July 16th Authority was cancelled by vote at the last meeting, the next scheduled meeting will be August 6, 2014.

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 Sowden, Madsen, Petillo, Cocula, Meyer and Drake; Nays (0); Abstain (0). The resolution passed.

#14-082 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

No public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

The Personnel Committee would like to meet to go over the Solid Waste Organizational Chart and will try to schedule one before the next meeting. Wished all a Happy Independence Day.

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote, the motion passed. The meeting was adjourned at 4:41 p.m.

Respectfully submitted,

Andrea Cocula, Secretary