

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON AUGUST 20, 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 3:06 p.m.

The following were present: Commissioners Sowden, Madsen, Petillo, Cocula, Meyer and Drake, Administrator Hatzelis, Chief Engineer Varro, Solid Waste Superintendent Sparnon, General Counsel Matthew Giacobbe, Special Environmental Counsel Thomas Prol, and Recording Secretary Kronski.

Absent: Commissioner Wayne Dietz

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 Comments. Chairman Petillo closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Petillo asked for a motion to approve the Agenda, Commissioner Sowden 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 Sowden 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 August 6, 2014 Pending Action Summary Sheet, which was emailed to the Freeholder Board on August 7, 2014.

PASS Report for 8-6-14						
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			

August 20, 2014

Chairman Petillo asked for motion to approve the Open and Closed Meeting Minutes for both the June 18, 2014 and July 2, 2014 Regular Authority Meetings. Commissioner Sowden approved the minutes, seconded by Commissioner Drake. On voice vote: Ayes (6); Nays (0). The motion carried.

Chairman Petillo noted that the August 6, 2014 Open & Closed Minutes have been emailed to the Commissioners for their review.

7. BUSINESS

a. Executive Session

At 3:08 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session seconded by Commissioner Meyer. On voice vote: (6) Ayes, (0) Nays, the motion carried. Chairman Petillo noted that the Session may last approximately 20 minutes.

#14-093 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 3:51 p.m. Commissioner Sowden moved to adjourn the Closed Executive Session and reconvene the Open Session seconded by Commissioner Cocula. On voice vote, Ayes (6); Nays (0), the motion passed.

Chairman Petillo called for a meeting break at 3:51 p.m.

The meeting resumed at 4:00 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: Contract #14-03 Landfill Compactor; Contract Negotiations with Energenic/SXLE; Solid Waste Enforcement Matter. When the need for confidentiality of these matters no longer exists they will be opened to the public.

b. Wastewater Program

Chief Engineer's Report

Chief Engineer Varro gave a status report on the Paulinskill Project and noted that a letter was received today from the USDA authorizing the bid advertisement for the project. This advertisement includes the Wastewater Treatment Plant, Recharge Beds and Transmission Facilities. Mr. Varro reported the Branchville Borough has also received authorization to advertise from USDA. He reviewed each project timeline comparing Branchville's local collection system and the Authorities contract period. He noted that the Authority will need wastewater from Branchville to conduct final wastewater testing through the facilities. Bid advertisement and award dates are to remain the same and formal notice to proceed for PRC101 will be delayed until March 1st. This will keep pace with Branchville, avoid winter months and ability to provide sewer hookups to final testing.

Administrator’s Report

Mr. Hatzelis reported on Septage/Sludge and Hauled Sewage Volumes and Revenues for the Upper Wallkill System from December 1st – July 30th. He noted that revenues are exceeding projections for FY 2014 at \$399,246 in cumulative revenues and discussions ensued regarding added revenue since the Two Bridges Authority ceased accepting septage and sludge at their facility due to irreparable incinerator. This added revenue helps offset all system participants. Mr. Hatzelis reported connection fees are higher than projected as well at \$586,939.

c. Solid Waste Program

Solid Waste Superintendent’s Report

Mr. Sparnon presented a resolution as discussed in Executive Session to award Contract #14-03 to Foley, Inc. Option #2 for the Lease/Purchase of a New Landfill Compactor.

#14-094 - Contract Award #14-03						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
JOHN SOWDEN	x		x			
TOM MADSEN			x			
RON PETILLO			x			
WAYNE DIETZ						x
ANDREA COCULA		x	x			
KARL MEYER			x			
JOHN DRAKE			x			

#14-094 AWARDING BID FOR SCMUA CONTRACT #14-03 LEASE PURCHASE OF ONE (1) NEW LANDFILL COMPACTOR TO LOWEST RESPONSIVE BID TO FOLEY INCORPORATED

Mr. Sparnon indicated that the Landfill Cover Material Bids are now needed for 2015 and 2016. Discussions ensued regarding contract details and Commissioners agreed to advertisement for receipt of bids.

Chief Engineer’s Report

Mr. Varro reported on the revisions made to the Temporary Landfill Capping Project including reduction in acreage, drainage provisions and installation of roadway. Mr. Varro noted that engineering estimate totaled \$874,000 which includes \$114,000 contingency amount. The engineering budget was reduced to \$123,000. Mr. Varro reported that the funds are available in the Landfill Cell Closure Escrow Account with a balance of \$1.6 million. Commissioner Cocula moved to advertise for bids, seconded by Commissioner Meyer. On voice vote (6) Ayes, (0) Nays, the motion carried. The motion passed.

d. General Authority Business

Administrator’s Report

Mr. Hatzelis presented a resolution regarding participation in the US Security Exchange Commission Initiative regarding self-disclosure concerning non-compliance with Continuing Disclosure Requirements. The resolution authorizes an agreement with Phoenix Advisors to conduct necessary disclosures and correct any deficiencies and report to the SEC.

# 14-095 Phoenix Advisory Agreement						
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			

#14-095 RESOLUTION RE: SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY DIRECTING THE UNDERTAKING OF A CONTINUING DISCLOSURE REVIEW AND AUTHORIZING PARTICIPATION IN THE MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE OF THE DIVISION OF ENFORCEMENT OF THE U.S. SECURITIES AND EXCHANGE COMMISSION

Mr. Hatzelis reported that the Authority Staff is currently working on both Capital and Operating budgets for the necessary submittal to the DCA by October 1st. The Budget Committee will look to schedule a meeting before the September 15th Authority Meeting, which is when the budgets will need to be considered.

8. Payment of Bills

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

# 14-096 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			

#14-096 RESOLUTION RE: AUTHORIZING PASSAGE OF FINANCIAL CONSENT AGENDA

9. PUBLIC COMMENT

The Chairman opened the meeting to public comment. No Comments. Chairman Petillo closed the meeting to public comment.

10. COMMISSIONERS' COMMENTS/REQUEST

Commissioner Cocula moved to give Commissioner Dietz an excused absence for this meeting, seconded by Commissioner Madsen. On voice vote: Ayes (6); Nays (0); Abstain (0). The motion passed.

Commissioner Madsen reaffirmed the efficiency and hard work of the Authority Staff on the E-Waste Event of July 26, 2014.

August 20, 2014

11. ADJOURN

Commissioner Sowden moved to adjourn the meeting, seconded by Commissioner Drake. On voice vote, the motion passed. The meeting was adjourned at 4:19 p.m.

Respectfully submitted,

Andrea Cocula, Secretary

