

MINUTES OF THE REGULAR AUTHORITY MEETING OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUTHORITY HELD ON MARCH 16, 2022 AT THE AUTHORITY'S ADMINISTRATION BUILDING, LAFAYETTE, NEW JERSEY

1. CALL TO ORDER; ROLL CALL; PLEDGE OF ALLEGIANCE

The Meeting was called to order at 3:00 p.m.

The following were present: Chairman Petillo, Commissioners Meyer, Madsen, Cocula, Dietz*, Wesley, Finkeldie, Dabinett, Executive Director Thomas Varro, Chief Engineer Joseph Sesto, Comptroller Timothy Day, Solid Waste Superintendent Jonathan Morris, Wastewater Superintendent Timothy Phillips, General Counsel Napolitano, Special Counsel Prol, and Recording Secretary Tara Kronski

*Attended the meeting remotely.

In Attendance: Paul Cuva, Wielkotz & Co.

Absent: Vice Chairman Drake

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

Chairman Petillo opened the meeting to public comment. No public in attendance. Chairman Petillo closed the meeting to public comment.

4. AGENDA APPROVAL

Chairman Petillo asked if there are any changes to the Agenda. Executive Director Varro requested to move the Auditor's report to the beginning of the Agenda before Closed Session, and to add Personnel Report under Solid Waste Superintendent. Commissioner Cocula moved Final Agenda as revised, seconded by Commissioner Dabinett. On voice vote: Ayes (8); Nays (0). The motion carried.

5. APPROVAL OF CONSENT AGENDA

Commissioner Finkeldie moved the approval of the Consent Agenda, seconded by Commissioner Madsen. No discussions requested. On voice vote: Ayes (8); Nays (0). The motion carried.

6. MINUTES

Chairman Petillo requested a motion to approve/acknowledge the email distribution of the March 2, 2022 Pending Action Summary Sheets (PASS) to the County Commissioners Board in accordance with N.J.S.A. 40:14B-14(e). Commissioner Cocula motioned to approve, seconded by Commissioner Finkeldie. On voice vote: Ayes (8); Nays (0). The motion carried.

There are no minutes for approval at this meeting.

The Open and Closed Meeting Minutes from the February 2, 2022 and the February 16, 2022 Authority Meetings were distributed for Commissioners review.

7. BUSINESS

Chairman gave the floor to SCMUA Auditor Paul Cuva to report on the 2020 Audit. Mr. Cuva first addressed the reason for the delay in finalizing the report, which was due to the State's Post-employment Benefits other than pension information for 2020 being released in January of 2022. It was explained that the benefit data for retirees for NJ State Authorities were not released in a timely manner and the 2020 Audit could not be finalized until this information was received. Mr. Cuva reviewed the 2020 SCMUA Audit and indicated that the Authority's finances are on good terms, and noted SCMUA's debt service has reduced. Cell Closure Account deficiency is being replenished, which was drawn on due to prior lack of flow control in the county. He reviewed restricted and unrestricted accounts, which are all in order. Revenue stream is also healthy, and no rate increase is necessary for solid waste tip fees at this time. Mr. Cuva answered all questions and left the meeting at 4:20 p.m.

a. Executive Session

At 3:17 p.m. Commissioner Cocula moved the adoption of the following resolution authorizing a Closed Executive Session. Motion was seconded by Commissioner Meyer. On voice vote: Ayes (8), Nays (0). The motion carried.

Chairman Petillo noted the Closed Session should be approximately 60 minutes and discussions shall include: Vernon Township Litigation, Cavalier Negotiations, Tip Fee Relief Request, and Personnel Item.

#22-089 RESOLUTION RE: AUTHORIZING CLOSED EXECUTIVE SESSION

At 4:15 p.m. Commissioner Cocula moved to adjourn the Closed Session, seconded by Commissioner Dabinett. On voice vote: Ayes (8), Nays (0). The motion carried.

Chairman Petillo confirmed discussions held as specifically set forth in the resolution authorizing Closed Executive Session: Vernon Township Litigation, Cavalier Negotiations, Tip Fee Relief Request, and Personnel Item.

b. Wastewater Program

Superintendent's Report

Superintendent Phillips reported that the Hamburg Pump Station Upgrade Project has been completed and will be running early next week. The bypass will temporarily stay in place to make sure it is running properly.

Mr. Phillips indicated that the next upgrade shall be for the Franklin Pump Station, and Rapid Pump and Meter has inspected for preconstruction work. He is awaiting a quote from Contractor for work required.

Chief Engineer's Report

Chief Engineer Sesto reported on the County Homestead Wastewater Treatment Plant, and after reviewing inflow and outflow data with the County. He reported that the County's meter readings were not accurate, and the County will be installing a new meter. Mr. Sesto requested that the County notify him when the installation will take place, in order to observe.

c. Solid Waste Program

Superintendent's Report

Mr. Morris opened discussions to the Board regarding a plan to move the SCMUA/WRWVG Earth Day celebration from the Solid Waste Facility to the Paulinskill Wastewater Reclamation Facility property. He indicated it would be a scaled down event, and would include only Frankford Township School 6-7 grades. Commissioner Cocula moved to approve the relocation of the Earth Day Event, seconded by Commissioner Finkeldie. On voice vote: Ayes (8); Nays (0); Abstain (0). The motion passed.

Executive Director's Report

Mr. Varro reviewed the necessary additional funding for the Stage 2 Landfill Expansion Project. An additional \$4 million was requested, and approved by the County Commissioners. He presented a supplemental resolution prepared by SCMUA Bond Counsel for the additional \$4million in funding from the New Jersey Infrastructure Bank (I-Bank). The resolution enable the Chairman and Secretary to execute Bond documents. Commissioner Cocula moved the resolution, seconded by Commissioner Dabinett. On roll call: Ayes (8) Commissioners Meyer, Madsen, Cocula, Dietz, Petillo, Wesley, Finkeldie, Dabinett; Nays (0). The resolution passed.

#22-090 RESOLUTION RE: 2022 SUPPLEMENTAL RESOLUTION OF THE SUSSEX COUNTY MUNICIPAL UTILITIES AUHORITY AUTHORIZING THE ISSUANCE OF AN ADDITIONAL NOT TO EXCEED \$4,000,000 COUNTY-SECURED SOLID WASTE REVENUE BONDS OR PROJECT NOTES (LANDFILL EXPANSION PROJECT

Mr. Varro reported that the Leachate Pump Station Project has secured an additional \$2 million in supplemental funding. Both resolutions from the County and SCMUA have been approved, and the closing date is set for March 31, 2022 with NJIB.

Chief Engineer's Report

Chief Engineer Sesto gave a status report on the Leachate Pump Station/Force Main Project (#446), which is in full operation. The Contractor is working on punch-list items and began clean-up of the right-of-way on Route 94.

Mr. Sesto reported that the leak detection test for the Stage 2 Landfill Expansion Project discovered a leak in the liner, which was identified and repaired by the subcontractor.

d. General Authority Business

Executive Director's Report

Mr. Varro reminded Commissioners, Professionals and Staff that they should be getting an email from the County Clerk's Office regarding the filing of their Financial Disclosure Statements for 2022.

Mr. Varro reported that the Authority has received 2 safety awards from the Statewide Insurance Fund, and a \$300 check was also received for the recognition.

Comptroller’s Report

Mr. Day referred to Auditor Paul Cova’s report on the 2020 Audit, and introduced two resolutions related to the Audit. The first acknowledges that each Commissioner has reviewed the Audit, especially the comments and recommendations page, the second is for authorization to submit a corrective action plan to the State. Commissioner Madsen moved both resolutions, seconded by Commissioner Finkeldie. On roll call: Ayes (8) Commissioners Meyer, Madsen, Cocula, Dietz, Petillo, Wesley, Finkeldie, Dabinett; Nays (0). The resolution passed.

#22-091 RESOLUTION RE: 2020 ANNUAL FINANCIAL AUDIT

#22-092 RESOLUTION RE: AUTHORIZING THE SUBMITTAL OF THE SCMUA’S FY2020 AUDIT CORRECTIVE ACTION PLAN

Mr. Day reported on a fraudulent check cashing incident. He indicated that a check sent via FedEx from Wells Fargo to US Bank was somehow intercepted and forged/defaced as payable to an unknown person. Wells Fargo Bank is now investigating, and the Authority shall be reimbursed. Wire transfers will be used moving forward.

8. Financial Transactions

a. Payment of Bills

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

Res #22-093 Financial Consent Agenda						
Commissioner	1st	2nd	Yea	Nay	Abstain	Absent
PETILLO			x			
MADSEN			x			
COCULA		x	x			
DIETZ			x			
DRAKE						x
MEYER			x			
WESLEY			x			
FINKELDIE	x		x			
DABINETT			x			

#22-093 RESOLUTION RE: CONSENT AGENDA – BILL PAYING LIST

9. PUBLIC COMMENT

None.

10. COMMISSIONERS COMMENTS/REQUEST

Commissioner Cocula moved to give Commissioner Drake an excused absence, seconded by Commissioner Meyer. On voice vote: Ayes (8); Nays (0). The motion passed.

Commissioners congratulated the Authority on the Safety Recognition Award.

11. ADJOURN

At 4:30 p.m. Commissioner Dabinett moved to adjourn the meeting, seconded by Commissioner Meyer. On voice vote: Ayes (8); Nays (0). The motion passed.

Respectfully submitted,
Andrea Cocula, Secretary