

**MINUTES OF THE MEETING OF THE
MAYOR AND COUNCIL
OF THE BOROUGH OF SUSSEX
HELD AT THE SUSSEX MUNICIPAL BUILDING
2 MAIN STREET, SUSSEX, NJ
October 18, 2011**

Mayor Parrott called the meeting to order and requested the clerk to call the roll. Upon roll call, the following members of the Governing Body were present: Mr. Dykstra, Mr. Fransen, Mrs. Little Mr. Meyer, Mr. Rose, Mayor Parrott.

Absent: Mr. LaBar

Also present Borough Attorney John Ursin of Courter, Kobert & Cohen, P.C

Mayor Parrott led the assembly in the flag salute and requested a moment of silence.

Mayor Parrott stated "This meeting is being held in compliance with the provisions of the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq. It has been properly advertised and certified by the Clerk.

PRESENTATIONS:

Tom Davis 63 Walnut Street gave a brief summary of USDA loans concerning the solar power station at the DPW garage. Mr. Davis and Councilman Rose attended a meeting on October 6th to discuss possible USDA loans. Mr. Davis distributed a hand out to the Mayor and Council describing the loan and grant programs. Mr. Davis offered his services to prepare the grant application to the USDA and explained that Sussex Borough is a good candidate to receive these loans.

Mr. Rose explained one positive aspect is the USDA would restructure the entire Borough's debt that is outstanding at 3 7/8%. There is a stipulation that the Borough can not make money with project but income from S-REC's can be generated. The pre-application does not involve an engineering aspect to it therefore the proposal the Borough already has includes the information needed to apply.

Mr. Davis explained that his proposal would require an upfront cost and he will submit a proposal to the Administrator for review.

Water Operators Report

Emil Coviello and Jana Fredericks from United Water gave a report on the operations and upgrades needed for the Borough's water system. Mr. Coviello informed the Council that the entrance road to Lake Rutherford is washed out in one area and is in need of repair.

The sampling of water quality will be performed on Wednesday.

The fire hydrant flushing will be completed by the end of the week. During the course of flushing three hydrants broke and are bagged.

Fifteen feet of water was used from the Sussex water tank during flushing. Mr. Coviello explained that he has tested the valve system at the tank to determine the next course of action needed to integrate the Sussex tank in the daily use of water. Mr. Coviello handed out some quotes for work needed to the Mayor and Council for their review. The quote to fix the Sussex water tank is \$3,549.50, not including the electric hook up.

Mayor Parrott asked how many water users does the Sussex tank effect. Mr. Coviello stated that a substantial area of the Borough would benefit from this tank working properly. Discussion continued about how to pay for the improvements to the Sussex tank. Three quotes will need to be procured then at that time the Council can make the determination of how to finance it.

Mr. Coviello stated that the filters at the treatment plant are old and need to be replaced. The quote to replace these filters is about \$39,000.00 and the filters will last about ten to fifteen years. It is recommended that all four filters be replaced at the same time. United Water explained that it is very difficult to operate this plant because surface water is utilized.

Discussion continued about the silt level in Colesville Reservoir because this is one of the reasons for high turbidity levels at the plant.

Mr. Coviello stated that the raw water valve at the plant is also not working properly and its remedy must be determined.

Mr. Rose wanted to state for the record that he spoke with Hank Hotalen formerly of Sussex DPW. Mr. Hotalen was upset that the characterization of the Sussex DPW was that they had never done any maintenance on the water system. Mr. Hotalen stated that the water system

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was flushed two times a year and it was United Water that reduced it to one time or less a year. Mr. Hotalen told Mr. Rose that the Sussex tank has never gone down in volume or used for at least the last ten years.

Mr. Dykstra asked if it is the opinion of United Water that the Sussex tank should totally be drained. Mr. Coviello answered that he is in the process of replacing all the water and about three quarters is completed. The system and methodology of totally draining the tank was discussed. Only about 10,000 gallons of water is utilized from this tank daily.

Mayor Parrott asked if all the upgrades to the chemical system at the water treatment plant are completed. Mr. Coviello stated that United Water is waiting for final approval from DEP.

Mayor Parrott mentioned the concerns that the Governing body as well as the public has about the number of water quality notices that are received. Mrs. Fredericks stated that United Water is doing the best they can with filters that are fifteen years old.

Discussion continued about the future usage of Lake Rutherford as a direct source of water to the treatment plant.

I&I project Update

John Ruschke was not available to give a presentation on the I&I project, in his place is John Rolak of Hatch Mott McDonald. Mr. Rolak distributed a report dated October 17, 2011 to the Council; said report is available in the clerk's office. Mr. Rolak gave a brief description and explanation of this report. There are a total of six areas with structural defects within the system totaling about 54,250 gallons of infiltration a day. The largest source of infiltration, about 75% of the total extraneous flow is from the service connections. There are a total of thirty four connections that were discovered that contributed about 275,000 gallons per day of flow. These readings were taken during extremely high rain falls and represent maximum amounts. The recommended remediation work totals \$53,814.72 and an additional \$12,000 for engineering services to oversee the construction activities.

Mr. Dykstra would like to have the Borough check the houses with excess flow to check for sump pumps and other illegal hook ups. Discussion continued concerning the timing of the work and if it can be completed by the first snow fall.

CONSENT AGENDA

Mayor Parrott requested that all persons present review the consent agenda and offer any comments they may have at this time regarding the consent agenda.

CORRESPONDENCE (ACCEPTANCE FOR FILING ONLY OF THE FOLLOWING):

1. License Operator in charge employment notification form for Wayne Buller for United Water.
2. Letter and resolution from Union Township Environmental Commission asking to adopt the resolution to help reduce noise from diesel truck mufflers.
3. Center for Prevention and Counseling flyer for Sussex County Disposal Days for the safe disposal of unused or expired medication.
4. Letter dated October 11th from Patricia Fisher of North Jersey Housing and Planning to Mark Zschack regarding the Sussex Borough Housing Rehabilitation Program (49 Harrison Street).
5. Letter dated October 11th from Patricia Fisher of North Jersey Housing and Planning to Mark Zschack regarding the Sussex Borough Housing Rehabilitation Program (3 Munson Street).
6. Various Health Screenings Clinic Schedule from the Sussex County Department of Environmental and Public Health Services.

REPORTS (ACCEPTANCE FOR FILING OF THE FOLLOWING):

1. Municipal Clerk's report for the month of September 2011.
2. Sussex Fire Department and Sussex Fire Department EMS reports for the months of August and September 2011.
3. Animal Control report for the month of September 2011.
4. Tax Collector report for the month of September 2011.
5. Water/Sewer Collector Report for the month of September 2011.
6. Property Maintenance report for the month of September 2011.
7. Zoning department report for the month of September 2011.
8. Construction department report for the month of September 2011.

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APPLICATIONS (APPROVAL OF THE FOLLOWING):

1. Application for Blue Light Permit for Nicholas Giamanco.
2. Application for Blue Light Permit for Tim Rand.

RESOLUTIONS: (APPROVAL OF THE FOLLOWING):

1. Payment of bills for the meeting of October 18, 2011

Mr. Meyer made a motion to accept the consent agenda of October 18, 2011. Seconded by Mr. Dykstra

Upon roll call vote:

Ayes: Dykstra, Fransen, Little, Meyer, Rose

Nays: None Absent: LaBar Abstentions: None

OPEN PUBLIC SESSION #1

Mr. Fransen made a motion to open the meeting to the public for any questions or comments concerning items on the agenda for which no public discussion is provided. (Comments limited to 5 minutes), Seconded by Mrs. Little, All were in favor.

There being no one present who wished to address the Governing Body, Mrs. Little made a motion to close the meeting to the public, seconded by Mr. Rose All were in favor.

COMMITTEE REPORTS

Mr. Rose stated that on October 22nd the Harvest Festival will take place on Main Street from 1pm to 4pm. Fourteen vendors are expected along with a DJ, llama, stock car, Timmy the Trooper, hay maze, blood mobile, and a Sussex fire truck. Most merchants are on board along with Cornerstone Playhouse.

Mrs. Little stated that she attended the October 11th meeting of the Sussex County Solid Waste meeting. The raising of tipping fees was discussed to increase revenue for the facility.

On October 13th Mrs. Little attended the Water Quality Management Pac meeting. The DEP is moving forward on the planning and design for the restoration of Clove Brook, Clove Acres Lake, and Papakating Creek.

Mrs. Little distributed to the Clerk letters she received concerning the sewer service area along the Route 23 corridor.

Mrs. Little stated that the next Board of Health meeting is scheduled for October 25th.

Mr. Meyer offered no report at this time.

Mr. Dykstra stated that he reviewed the bills and there were no questions.

Mr. Dykstra stated that he would like to see the debt service put into a spread sheet for an easier review process.

Mr. Fransen stated that at the last Planning Board meeting Franklin Sussex Auto Mall was given approval to pave their parking lot. The Harvest Festival is in need of volunteers.

Mr. Ursin gave a brief review of the SCMUA fine that was imposed for the calendar year of 2010. The Borough negotiated a reduction in the fine to half of the original amount; this equates to a \$41,000.00 savings. The advice from Mr. Ursin is to accept the reduction of this fine and draft a Resolution stating the Borough's position.

Mayor Parrott stated that he feels we should accept the reduction in fine. This year the Borough has exceeded its allocation a couple of months and will have to present our case next year to alleviate the new fines in their entirety.

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Mr. Zschack Acting Clerk/Administrator offered the following report:

Borough Sites and Street Issues

The sewer pumps have not returned from their repair. The hope is that they will be installed by the end of the week. We have kept the new sewer operator from United Water informed of progress and expect him to oversee the installation of the pumps.

Proposals were received for the replacement of the boiler and hot water at the theater totaling \$6,800 and the chimney pipe must be replaced and we should have a quote early next week. It's still possible that insurance will cover most of these costs.

Financial Controls/Legal Issues

Mayor Parrott received a letter from George Pavlou Deputy Regional Administrator for the United States Environmental Protection Agency. This letter is to inform the Borough of Sussex that it will not receive a \$382,000.00 grant from a 2008 application that was submitted. The Mayor and I have a meeting scheduled with Congressman Garrett on November 7th to solicit his help in reinstating these grant monies.

The preparation for the 2012 budget has started therefore the committee for DPW long-term planning needs to set a date for a meeting soon.

Misc

The Hardyston DPW will be on hand for the Harvest Festival this Saturday to block off streets and reopen them after the event. Steve Danner will also be at the event to oversee parking issues and the general public's safety. The New Jersey State Police have also been notified. The officers of the Recreation Commission could not attend tonight's meeting but insured me that all is going well and they look forward to a very successful Harvest Festival.

United Water informed the Borough today that they assigned the water/sewer contract to a different water company. The Borough over the next few weeks will be exploring all options that are available.

Mr. Ursin stated that United Water is selling all of its small water and sewer systems in New Jersey to Whitewater Inc. The contract has been signed with a projected closing date of November 30, 2011. The current contract has certain options that will be explored. The representation was that efforts were underway to retain all of the same personnel at their current positions.

Mr. Dykstra suggested that sale of the water system should be revisited because he feels that the Borough can not handle the operation of the system anymore.

Mr. Ursin stated that the market for the sale of small water systems is very active and suggested forming a subcommittee to explore this venture.

Mr. Rose mentioned the possibility of forming a separate water/sewer utility.

The consensus of the Council is to explore all options with the subcommittee.

Mayor Parrott formed the subcommittee to explore the future of the water /sewer utility.

Members assigned to the committee are Mr. Meyer, Mr. Rose, Mr. Dykstra, and alternate Mr. LaBar.

Discussion continued that the utilities are a valuable commodity for the Borough and must be managed properly including long term planning.

Mr. Rose asked for an explanation of the lost grant of \$382,000.00 and its impact on the Borough.

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Mr. Ursin stated that this money was earmarked for the I&I project and was bonded for with the anticipation that it would offset the project. The first step for the Borough is to meet with the federal officials and speak with Congressman Garrett to see what can be done.

Mayor Parrott stated that according to Sam Rome this money was not calculated into the payback or rate schedule.

Mr. Ursin updated the Council on the progress of the sale of Municipal property to the State for the Route 23 realignment.

OLD BUSINESS

NEW BUSINESS

Approval of Meeting Minutes

Mr. Meyer made a motion to approve the meeting minutes of the Regular Meeting held on October 4, 2011 Seconded by Mr. Dykstra

Upon roll call vote:

Ayes: Dykstra, Fransen, Little, Meyer, Rose

Nays: None Absent: LaBar Abstentions: None

Resolution 2011-79R Amend 2011 Capital Budget

Mr. Dykstra made a motion to adopt a resolution to amend the Water Sewer Capital Budget by adding \$125, 000.00 to fund various water and sewer improvements. Seconded by Mr. Meyer

Upon roll call vote:

Ayes: Dykstra, Fransen, Little, Meyer, Rose

Nays: None Absent: LaBar Abstentions: None

Introduction Ordinance 2011-15 Bond Ordinance

Mr. Dykstra made a motion to introduce an ordinance entitled "BOND ORDINANCE PROVIDING FOR VARIOUS WATER SEWER CAPITAL IMPROVEMENTS OF THE BOROUGH OF SUSSEX, IN THE COUNTY OF SUSSEX, NEW JERSEY, APPROPRIATING THE AGGREGATE AMOUNT OF \$125,000 THEREFORE, AND AUTHORIZING THE ISSUANCE OF \$118,750 BONDS OR NOTES OF THE BOROUGH TO FINANCE PART OF THE COST THEREOF." Seconded by Mr. Fransen

Mayor Parrott stated that the final reading is November 1, 2011

Upon roll call vote:

Ayes: Dykstra, Fransen, Little, Meyer, Rose

Nays: None Absent: LaBar Abstentions: None

Resignation of CFO

Mr. Fransen made a motion to accept the resignation of Grant W. Rome as CFO for the Borough of Sussex effective when a replacement is found or December 31, 2011 which ever comes first. Seconded by Mr. Dykstra

Upon roll call vote:

Ayes: Dykstra, Fransen, Little, Meyer, Rose

Nays: None Absent: LaBar Abstentions: None

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Appointment of Recreation Commission Member

Mr. Fransen made a motion to approve the Mayor's appointment of James Wakkila as a full member to the Recreation Commission to fill an unexpired term ending December 31, 2011. Seconded by Mr. Meyer

Upon roll call vote:
Ayes: Dykstra, Fransen, Little, Meyer, Rose
Nays: None Absent: LaBar Abstentions: None

Appointment of Recreation Commission Member

Mr. Fransen made a motion to approve the Mayor's appointment of Margie Holowach as an alternate member to the Recreation Commission to fill an unexpired term ending December 31, 2011. Seconded by Mr. Rose

Upon roll call vote:
Ayes: Dykstra, Fransen, Little, Meyer, Rose
Nays: None Absent: LaBar Abstentions: None

Appointment of Planning/Zoning Board Member

Mr. Fransen made a motion to approve the Mayor's appointment of Steve Danner as Class 2 member of the Planning/Zoning Board to fill an unexpired term ending December 31, 2011. Seconded by Mr. Rose

Upon roll call vote:
Ayes: Dykstra, Fransen, Little, Meyer, Rose
Nays: None Absent: LaBar Abstentions: None

OPEN PUBLIC SESSION #2

Mrs. Little made a motion to open the meeting to the public for any questions or comments concerning the good and welfare of the Borough. (Comments limited to 5 minutes). Seconded by Mr. Rose, All were in favor.

Mrs. Terry Ann Zander of the Advertiser News asked that by the Borough accepting a half reduction in the fine from SCMUA does this set precedence for the future.

Mr. Ursin would not speculate that negotiating an agreement this year has any binding precedent on SCMUA for future years.

Mrs. Zander asked if there is a shared service agreement for the CFO position.

Mayor Parrott answered no; the CFO is currently a part time position. The Borough is considering all options as in a shared services agreement or part time position.

Mr. Zander asked how long the CFO has held this position and will there be an overlap in employment for training reasons.

Mayor Parrott stated that the CFO has held this position for fourteen years and is hoping to have some overlap.

Mrs. Zander asked how long the Borough anticipates it will take to get an answer on the \$382,000.00 grant that was lost.

Mr. Ursin stated that the Borough has no expectation as to when we will get an answer from the DEP.

Mr. Zander stated that the Cornerstone Playhouse has held auditions and rehearsals at the theater does this put the Borough in any precarious position.

Mr. Ursin stated that they are operating under a temporary resolution allowing them to do nonstructural work and inspect the building.

Mrs. Linda Masson 15 Spruce Avenue asked that if surrounding towns that have created a utility authority have seen a decrease in their rates.

Mr. Ursin stated that we would have no way of knowing that answer.

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Mr. Masson asked if there is any oversight to SCMUA.

Mr. Ursin stated that SCMUA is a public board and the Freeholders have some oversight and responsibilities to that board.

There being no one else present who wished to address the Governing Body, Mrs. Little made a motion to close the meeting to the public, seconded by Mr. Rose All were in favor.

MISCELLANEOUS COMMENTS

Mr. Meyer asked if the committee that was formed tonight could be the same committee to review the long term planning for the DPW.

Mayor Parrott stated that he would like to wait until after the election to create that committee because he would like to have a councilman elect on the committee.

ADJOURNMENT

There being no further items for discussion by the Mayor and Council, Mrs. Little made a motion to adjourn the meeting, seconded by Mr. Rose All were in favor.