WASHINGTON TOWNSHIP MUA Special Meeting Closed Session May 7, 2014

The Closed Session portion of the W.T.M.U.A. Meeting began at 9:20 PM on May 7, 2014.

| Members Present: | Messrs. | Cullen, Napolitano, Akin, Popper, Mascott |
|------------------------|---------|--|
| Alt. Members Present: | Messrs. | Babb |
| Members Absent: | Mess | SrS. |
| Alt. Members Absent: | Messrs. | Kramer |
| Staff Members Present: | E.D. | Pucilowski, Secretary Waller, Attorney Gregory |

COMPENSATION REQUEST – SM WATER SYSTEM T-2

In the late 1990's, there was a problem with iron and manganese levels in the two wells. Subsequently another well was added. Correspondence indicates that the Executive Director at the time, Mr. Horn, advised the DEP that this was reviewed and a permit would be applied for. The permit was never applied for and the DEP never followed up until an inspection at the end of 2012.

After the DEP inspection, it was determined that the permit could not be found and a notice of violation was issued. An application was made and a permit was assigned at the beginning of 2014. The notice of the system becoming a T-2 also came in the beginning of 2014. The reclassification to a T-2 was a result a DEP point system. Currently, the Authority is in the process of complying with the permit and will submit follow up information to the DEP. It is unknown if the Authority will be fined due to notice of violation.

The Executive Director does not remember the issue coming up prior to receiving the Notice of Violation.

Questions raised from the discussion:

- Should the water operator, with his knowledge, have brought this up prior? Was he negligent and did he open the MUA up to a fine?
- Has the point system changed since the problem was brought up in the 1990s and would this have increased us to a T-2 when the application should have been submitted?
- Are there differences in Operator duties between a T-1 and a T-2 system? If so, did he perform these duties?
- Reach out to prior ED's to see if they have any additional input
- Who brought up the license during the inspection, the inspector or the employee?
- Was there any special knowledge as a T-2 holder that was applied to the job since 2000? There has been additional responsibility with the water treatment. What are the DEP requirements of a T-1 versus the T-2? Could a T-1 holder be able to perform these duties?
- If the operator does not have a T-2 when a system is converted, is there a grace period provided to get a T-2 operator in place.
- If paid retroactively, the pension amount would not be pensionable prior to 2010.

It was agreed that the rate for the T-2 shall be paid as of the date that the DEP converted the system. The retroactive issue remains to be determined.

Attorney input:

- There is a salary grievance procedure in place that requires the grievance to be submitted within 10 days. This was not done.
- The Statute of Limitations is six years.
- The facility was reclassified in 2014.

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- There was a lot of correspondence that the ED at the time did not act on. Can the Authority benefit from the lack of action?
- This is the only operator with a lot of knowledge. Do we want to alienate him?
- Suggest negotiating with the employee as retroactive payments for such a long period of time is impractical.
- This was also discussed with the labor attorney. It was suggested that the operator was managing a
 more sophisticated system and the employee was not being paid for it.

Suggestions:

- Negotiate a lump sum rather than calculate actual bonus. Avoid totally alienating the employee by not paying something.
- Leaning toward following the contact and not paying anything. Would like to see the emails from the employee encouraging and reminding Executive Director to follow through with the permits and the other applicable facts. Should not worry about upsetting the employee
- Opinion once facts are provided
- What is the employee's obligation
- There is a gray area with the Authority not following up in 2000 as correspondence indicates.
- Negotiate
- Could this be the reason the contract negotiations are not proceeding?

CLOSED SESSION ADJOURNMENT

Motion was made by Mr. Akin, and seconded by Mr. Mascott, that the closed session portion of this meeting be adjourned. Motion was carried by the following vote:

| AYES: | Messrs.: | Cullen, Napolitano, Akin, Popper, Mascott, Babb |
|----------|----------|---|
| NAYS: | Messrs.: | None |
| ABSTAIN: | Messrs.: | None |

Closed meeting adjourned at 10:06 PM.

Respectfully submitted, E. Jill Waller Executive Secretary