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**WASHINGTON TOWNSHIP MUA**  
**Special Meeting**  
**Closed Sessions**  
**July 2, 2014**

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The Closed Session portion of the W.T.M.U.A. Meeting began at 8:53 PM on July 2, 2014.

Members Present:	Messrs.	Cullen, Napolitano, Popper
Alt. Members Present:	Messrs.	Babb
Members Absent:	Messrs.	Akin, Mascott
Alt. Members Absent:	Messrs.	Kramer
Staff Members Present:	E.D. Pucilowski, Secretary Waller, Attorney Manganello	

**CLOSED SESSION #1**

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**COMPENSATION REQUEST – SM WATER SYSTEM T-2**

A concern was raised if retroactive pay has prior year tax implications. The understanding that the tax implications are in the year that the retroactive pay is received rather than the retroactive year that it covers.

The following items were discussion:

- Did the Authority benefit for this license?
- Could it be that an NOV has not been issued because the Authority had a T2 licensed operator on staff?
- If an NOV is issued, then it is recommended to go back to the date of the NOV for the retro amount.
- The treatment was reported by the Authority's Operator and the DEP never picked it up. The paperwork for a T1 verses a T2 is the same with the inclusion of the additional treatment information. The additional treatment information has been included in the report since 2000.
- Without the T2 license, would the employee know how to do the treatment? The employee had a T4 prior to 2000.
- First thought is that the employee didn't advise that the application hadn't been made, so he is out of luck. The Authority did not try to deny him his stipend. Maybe there is a compromise.
- If the Authority benefited, then he should get the money. All this time he had the expertise to know the application should have been made and opened the Authority up to an NOV by not advising the two most recent Executive Directors. The cost could be extensive if an NOV is issued.
- The Authority did right by giving him the income at the time. No further retroactive pay is necessary.
- The employee was trained in this and put us in a negative position. He could have been sitting on this to increase his pension. It was pointed out that there was no pension benefit until the 2009 contract was changed to include the stipend in his pensionable salary.
- The Executive Director, Horn wrote a letter saying he was going to apply for the permit and didn't. The staff should have followed up.
- There is exposure, should we wait until the dust settles. Do we wait until we know if a NOV will be issued?
- What is the statute of limitations?
- Conversation should include the statute of limitations and that the employee is partly responsible.

Suggestions:

1. Draw the line at 2010 through 2014. The employee had a responsibility and he should be held to 50% of the amount due for those years.
2. Implement stipend as of February 2014 with no retro pay.
3. Dependant on if there is a fight. Start with #1. If there is an argument move to #2.
4. Could change #1 by changing the 50% to subtract 1/3 of the total because the DEP, the ED and the employee were responsible.
5. The Authority depends on their licensed employees. The employee didn't push it. No more than #1.

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6. Any retroactive pay should be provided as a stipend versus pensionable salary for any amount prior to three years ago. Wait to pay until the Authority knows if there will be NOV because the employee has to accept some of the responsibility for the NOV.

It was agreed to pay the employee 2010-2014 and subtract 1/3 for the employee. The statute of limitations will be used in the conversation with the employee. The retroactive amount will be pensionable.

**CLOSED SESSION #1**  
**ADJOURNMENT**

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

AYES:	Messrs.:	Cullen, Napolitano, Popper, Babb
NAYS:	Messrs.:	None
ABSTAIN:	Messrs.:	None

Closed meeting adjourned at 9:31 PM.

**CLOSED SESSION #2**

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The Second Closed Session portion of the W.T.M.U.A. Meeting began at 9:34 PM on July 2, 2014.

Members Present:	Messrs.	Cullen, Napolitano, Popper
Alt. Members Present:	Messrs.	Babb
Members Absent:	Messrs.	Akin, Mascott
Alt. Members Absent:	Messrs.	Kramer
Staff Members Present:		E.D. Pucilowski, Secretary Waller, Attorney Manganello

**COMPENSATION FOR CHRISTINE KATTERMANN, BILLING CLERK**

A commissioner made a request to readdress the compensation for Christine Kattermann. He sited that she has far exceeded expectations and her compensation should be increased to Debbie's rate. She has shown that she can do the job and has a positive approach.

A change in compensation won't be considered without discussing her performance. The Executive Director needs to provide an assessment.

The topic needs to be tabled until next meeting. The employee will need to be provided with a Rice Notice and her performance discussed.

**CLOSED SESSION #2**  
**ADJOURNMENT**

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

AYES:	Messrs.:	Cullen, Napolitano, Popper, Babb
NAYS:	Messrs.:	None
ABSTAIN:	Messrs.:	None

Closed meeting adjourned at 9:38 PM.

Respectfully submitted,  
E. Jill Waller  
Executive Secretary