

**NEW JERSEY SUSTAINABLE ENERGY JOINT MEETING
OPEN MINUTES
MEETING OF DECEMBER 18, 2019
TELECONFERENCE
1:30 PM**

Meeting called to order by Acting Chairman Cuccia. The Open Public Meeting Notice was read into the record.

ROLL CALL OF COMMISSIONERS:

NJ SEM	
State Wide Representatives	
<u>State Rep.</u>	
Region 1	William Close, Sparta Twp.
Region 2	Charles Cuccia, Maywood
Region 3	Joseph Catenaro, Fairfield Twp.
Region 4	Thomas Nolan, Brielle Borough
Region 5	Richard Brook, Florence Twp.
Region 6	Keith Hastings, Collingswood
Region 7	Diane Lapp, Manchester Twp.
<u>Alternate Rep.</u>	
Region 1	Jon Rheinhardt, Wharton Borough
Region 2	Greg Franz, Edgewater Borough
Region 3	Tim Dacey, Piscataway Twp.
Region 4	Michael Gianforte, Two Rivers Water Rec. Authority
Region 5	Michael Theokas, Bordentown Twp.
Region 6	David Taraschi, Audubon Borough
Region 7	Veronica Laureigh, Lacey Twp.

Present from the above group were: William Close – *Arrived 1:38pm*, Charles Cuccia, Joseph Catenaro, Thomas Nolan, Richard Brook, Keith Hastings, Diane Lapp, Greg Franz, and David Taraschi

APPOINTED OFFICIALS PRESENT:

Executive Director/ Administrator	PERMA Risk Management Services	Stephen Sacco	Present
Attorney	Maley Givens	James Maley, Esq. Erin Simone, Esq.	Absent Present
Treasurer		William Garofalo	Absent
Energy Consultant	Gabel Associates	Bob Chilton	Present

Also Present:

Jason Thorpe, Perma
Carol Friedman, Gabel Assoc.
Sean Canning, The Canning Group

APPROVAL OF MINUTES: October 30, 2019

MOTION TO APPROVE OPEN AND CLOSED MINUTES OF OCTOBER 30, 2019

MOTION: Commissioner Nolan
SECOND: Commissioner Lapp
VOTE: Unanimous

EXECUTIVE DIRECTOR'S REPORT:

NATURAL GAS BID - Mr. Thorpe indicated that the main purpose of the meeting was to review the results of the second refreshed natural gas bid for Bid Group 4. He then asked Mr. Chilton to review the results of the bid with the Board. Mr. Chilton reported that the refreshed bid was issued for the South Jersey Gas (SJG) bid group, which has 4 members. He noted that 4 of the 6 qualified suppliers submitted refreshed bids. Mr. Chilton reported that although the bids received were lower than the first refreshed bid, all were above the current strike price. Ms. Simone advised that since a contract cannot be awarded, and this was second refreshed bid issued, the SEM can now negotiate with suppliers. Commissioner Brook asked if a contract could be awarded since the low bid received was barely above the strike price. Ms. Simone advised that the contract could not be awarded since the low bid was above the strike price. Acting Chairman Cuccia asked if there were any further questions regarding the rejection of all bids submitted for the SJG bid group. Hearing none, he asked for a motion to adopt Resolution 30-19.

MOTION TO ADOPT RESOLUTION # 30-19 THE REJECTION OF REFRESHED BIDS AT DECEMBER 18, 2019 GAS BID OPENING FOR GAS SUPPLY SERVICES FOR THE NJSEM BID GROUP 4 - SOUTH JERSEY GAS COMPANY ("SJG") ACCOUNTS

MOTION: Commissioner Catenaro
SECOND: Commissioner Brook
VOTE: Unanimous

Commissioner Brook asked how Gabel would begin negotiations with the supplier. Mr. Chilton advised that his team will keep an open dialogue with the suppliers and monitor what they provide for pricing versus the South Jersey Gas tariff. He added that if an opportunity for favorable pricing presents itself, he will notify Perma to set a meeting. Ms. Simone informed the Board that the SEM has to specifically authorize Gabel to negotiate a contract with a supplier within a specific period of time. Following a discussion, the Board decided to provide Gabel with a timeframe of 3 months to negotiate with suppliers.

MOTION TO AUTHORIZE GABEL ASSOCIATES TO NEGOTIATE A CONTRACT WITH A SUPPLIER FOR BID GROUP 4 - SOUTH JERSEY GAS COMPANY (“SJG”) UNTIL MARCH 31, 2020 AND PROVIDE THE EXECUTIVE BOARD WITH A RECOMMENDATION IF FAVORABLE PRICES ARE OFFERED.

MOTION: Commissioner Catenaro
SECOND: Commissioner Lapp
VOTE: Unanimous

SEM PROFESSIONAL RFPs – Mr. Sacco reported that the Executive Director’s office, in conjunction with the SEM QPA, issued a Competitive Contract RFP for the positions of Administrator, Energy Consultant, Attorney, Auditor, and Treasurer. He noted that there was one RFP response received for each position, submitted by the incumbents, with the exception of Treasurer where no response was submitted. Mr. Sacco then referred to memos from the SEM QPA regarding the RFP process and various Resolutions authorizing the award of competitive contracts for the various professionals. He added that contracts can be awarded up to a 5 year term. Discussion ensued regarding the length of the various contract terms. Following the discussion, the Board agreed to award 2 year contracts for the positions of Administrator, Energy Consultant, Attorney, and Auditor.

MOTION TO ADOPT RESOLUTION #32-19 AUTHORIZING THE AWARD OF A COMPETITIVE CONTRACT TO PERMA RISK MANAGEMENT SERVICES FOR THE POSITION OF ADMINISTRATOR FOR A PERIOD OF 2 YEARS.

MOTION: Commissioner Brook
SECOND: Commissioner Lapp
VOTE: Unanimous

MOTION TO ADOPT RESOLUTION #33-19 AUTHORIZING THE AWARD OF A COMPETITIVE CONTRACT TO GABEL ASSOCIATES FOR THE POSITION OF ENERGY CONSULTANT FOR A PERIOD OF 2 YEARS

MOTION: Commissioner Brook
SECOND: Commissioner Lapp
VOTE: Unanimous

MOTION TO ADOPT RESOLUTION #34-19 AUTHORIZING THE AWARD OF A COMPETITIVE CONTRACT TO MALEY GIVENS FOR THE POSITION OF ATTORNEY FOR A PERIOD OF 2 YEARS.

MOTION: Commissioner Brook
SECOND: Commissioner Lapp
VOTE: Unanimous

MOTION TO ADOPT RESOLUTION #35-19 AUTHORIZING THE AWARD OF A COMPETITIVE CONTRACT TO NISIVOCCIA FOR THE POSITION OF AUDITOR FOR A PERIOD OF 2 YEARS.

MOTION: Commissioner Brook
SECOND: Commissioner Lapp
VOTE: Unanimous

SEM TREASURER – Mr. Sacco advised that per the QPA, since an RFP response was not received for the position of Treasurer, quotes could be solicited. He added that, per the QPA, the SEM is permitted to award a 1-year appointment for the position as a professional service if a quote for service was submitted. He informed the Board that one resume/quote was submitted by Jon Rheinhardt, Sr. and referenced Mr. Rheinhardt’s resume enclosed within the agenda packet. Mr. Sacco noted that Mr. Rheinhardt is requesting a fee of \$5,500 for the 2020 calendar year. He then referred to Resolution #36-19 which authorizes the hiring of the various SEM Professionals.

MOTION TO ADOPT RESOLUTION #36-19 AUTHORIZING THE AWARDING A 1-YEAR PROFESSIONAL SERVICE CONTRACT TO MR. JON RHEINHARDT SR. FOR THE POSITION OF TREASURER.

MOTION: Commissioner Brook
SECOND: Commissioner Cuccia
VOTE: 8 ayes, 1 nay -
Commissioner Lapp

Commissioner Lapp commented that the fee request of \$5,500 for the position of Treasurer was too high due to the amount of work involved in her opinion. Discussion ensued regarding the scope of the Treasurer position. Following the discussion, the Board agreed to review the scope of services prior to the RFPs being released in the future.

SEM BUDGET PROCESS-2020 BUDGET – Mr. Sacco referred to the proposed 2020 Budget enclosed within the agenda packet. He added that the budget is based on estimates of the membership’s dekotherm and kilowatt hour usage for the 2020 calendar year. Mr. Sacco asked if there were any questions on the proposed budget. Hearing none, he asked for a motion to introduce the proposed 2020 budget and schedule a public hearing to adopt the budget.

MOTION TO INTRODUCE THE PROPOSED 2020 BUDGET FOR THE NJ SEM IN THE AMOUNT OF \$488,929.73 AND SCHEDULE A PUBLIC HEARING FOR A DATE TO BE DETERMINED.

MOTION: Commissioner Catenaro
SECOND: Commissioner Cuccia
VOTE: Unanimous

Lastly, Mr. Sacco thanked the Board for Perma’s re-appointment and wished everyone happy holidays.

ENERGY CONSULTANT REPORT:

Mr. Chilton thanked the Board for Gabel’s re-appointment and wished everyone happy holidays. He then indicated that he had nothing further to report.

TREASURER REPORT:

Mr. Sacco informed the Board that Mr. Garofalo was unable to participate in the meeting. He then referred to the Bill List for the month of November and the Treasurer Reports for the months of October and November contained within the agenda packet. Mr. Sacco then asked for a motion to approve the Bills List.

FUND YEAR	AMOUNT
November Bills List	
Fund Year All	\$ 14,272.77
TOTAL	\$ 14,272.77

MOTION TO APPROVE RESOLUTION 37-19 APPROVAL FOR PAYMENT OF NOVEMBER 2019 BILL LIST

MOTION: Commissioner Nolan
SECOND: Commissioner Brook
VOTE: Unanimous

ATTORNEY REPORT:

Ms. Simone informed the Board that the SEM received a Chapter 11 notice involving Great Eastern Energy. She noted that the SEM does not have a contract with Great Eastern and was informing the Board as an FYI.

OLD BUSINESS:

None

NEW BUSINESS:

None.

PUBLIC COMMENT:

None

MOTION TO ADJOURN MEETING

MOTION:	Commissioner Franz
SECOND:	Commissioner Hastings
VOTE:	Unanimous

Meeting Adjourned: 2:26 PM

Respectfully submitted,

Prepared by J. Thorpe, Assistant Secretary