

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

December 2, 2020

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on December 2, 2020 via Teleconference, Chairman Verdonik called the meeting to order at approximately 5:00 p.m.

#### ROLL CALL

On roll call:

**PRESENT** : Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe, Pellegrini and Voorman

**ABSENT** : None

**ALSO PRESENT** : Jamie Avagnano, Authority Administrator;  
Christopher H. Falcon, Esq., Maraziti Falcon;  
Daniel D. Kelly, P.E., Kelly Engineering;

#### OPEN PUBLIC MEETING STATEMENT

Chairman Verdonik introduced the "Open Public Meeting Statement" indicating that adequate notice of the Authority's regular meeting had been publicized in accordance with law by posting notice on the bulletin board at the Butler Municipal Building, by providing notice to the municipal clerks of Bloomingdale, Butler, Kinnelon, and Riverdale, and by providing notice to the official newspapers of the Authority. The statement also indicated that the time change and remote meeting information was provided to the public and the municipal clerks as well as noticed in the Authority's newspapers.

Chairman Verdonik and the Commissioners welcomed new Commissioners Dave Desai and Vincent Pellegrini from the Borough of Riverdale to the PRBRSA Board

#### ADOPTION OF MINUTES

1. Meeting Minutes: Regular Meeting – October 21, 2020

Vice Chairman Voorman moved acceptance of the minutes of the October 21, 2020 regular meeting. That motion was seconded by Commissioner Howard and approved on the following roll call vote:

**AYES** : Chairman Verdonik, Commissioners Gall, Howard, Lampmann, Metcalfe and Voorman

**NAYS** : None  
**ABSENT** : None  
**ABSTAIN** : Commissioners Desai and Pellegrini

## **OPERATIONAL REPORT**

### **1. SYSTEM OPERATIONS**

#### **1.1 Flow Report**

Ms. Avagnano noted that the Flow Report for the period ending October 2020 was included in the meeting materials along with the following items:

#### **October 2020**

- Daily Flow Summary for October 2020
- Daily Flow Hydrograph for October 2020
- Hydrograph: Comparison P-4 vs. M-15

In reply to Commissioner Desai's question, Mr. Kelly commented that the flows remain low and that Meter P-4 and TBSA Meter are tracking within 1% for October after an approximately 10% difference earlier in the year. Specifically, the difference in the flow readings between Meter P-4 and TBSA Meter M-15 was 0.8% but on an annual average that differential approximated 5.5%.

#### **1.2 TBSA Flow Report (Budget vs. Actual)**

Mr. Kelly commented on his memorandum noting that due to the current low flows that the difference in the PRBRSA/TBSA flows was 1.55% which means the 1.85 mgd minimum TBSA Service Contract controls. That will result in an additional User Charge assessment for the Authority.

Chairman Verdonik confirmed that PRBRSA was currently being assessed by TBSA at the agreed upon minimum flow of 1.85 mgd.

Commissioner Desai questioned whether there was any recourse the Authority could take with TBSA regarding the differences in the meter readings considering the two meters were in such close proximity. Mr. Kelly added that if the two readings are greater than 5% at the end of the year he would recommend that the Authority contact TBSA to request an average of the two meters flow readings applying accepted engineering practices. He added that since both the PRBRSA meter and the TBSA meter were reading below the 1.85 mgd minimum flow per the service contract that the 1.85 minimum flow would control.

**2. TBSA ACTIVITIES**

**2.1 Status Update**

Vice Chairman Voorman reported on the activities currently underway at Two Bridges. He advised that under the minimum 1.85 mgd flow commitment per the TBSA/PRBRSA service contract, the Authority should expect an approximate \$106,000 user charge adjustment.

He also commented that TBSA is currently seeking a replacement for the Executive Director's position with the expected retirement of Mr. Bongiovanni in July of 2021.

**3. TWA APPLICATIONS AND CONNECTION PERMITS**

**3.1 Unauthorized Connection  
BP Gas Station/Car Wash/Convenience Store  
Borough of Riverdale**

Ms. Avagnano informed the Board that Arold Construction was unable to complete the contract last week due to high flows. She noted that Arold was on site today and referred to Mr. Kelly for an update.

Mr. Kelly reported that Arold continued the bypass operation with man-entry. He reported that the flows were approximately 3.0 mgd with a single pump bypass added so flows would not be interrupted. He advised that Arold would CCTV the line and complete the rehabilitation by the end of the week.

**4. BOONTON AVENUE INTERCEPTOR**

**4.1 Park Place/NYS&W Railroad Crossing (2017 Project)**

Ms. Avagnano referred to Montana's updated schedule showing completion of the project on January 4, 2021. She also advised that Mott MacDonald and the contractor were recently made aware of the Borough of Butler's upcoming Tree Lighting festivities and were advised to clear the area for public safety. She then referred to Mr. Kelly for the project update.

Mr. Kelly commented that Montana Construction recently installed 50 feet of pipe with bypass pumping.

He advised that remaining work consists of completing CCTVing and testing the sewer main and manhole in Park Place including the culvert crossing and tie-in to the existing manhole.

That, he said, will be a major milestone since flow will then be, for the first time, directed through the new sewer across the railroad. That would be followed by the water main installation and, before final clean-up in the spring, temporary pavement/sidewalks/curbs, park restoration and demobilization will be completed.

Mr. Kelly noted that if Montana is able to work continuously without major issues, the new 18-inch sewer may be completed by Friday, December 18<sup>th</sup>.

Commissioner Lampmann added that if the project continued into the winter season that proper ramps would need to be installed in the roadways to allow for snowplowing.

**5. FINANCIAL MATTERS**

**5.1 Treasurer's Report: October 31, 2020**

Treasurer Lampmann presented the Treasurer's Report for the period ending October 31, 2020 and moved its approval as presented.

That motion was seconded by Vice Chairman Voorman and approved on the following roll call vote:

<b>AYES</b>	:	Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe and Voorman
<b>NAYS</b>	:	None
<b>ABSENT</b>	:	None
<b>ABSTAIN</b>	:	Commissioner Pellegrini

**5.2 DLGS Annual Budget: FY 2021**

Ms. Avagnano advised that the DLGS approved the FY 2021 Budget on November 2, 2020 and noted that the following resolutions pertained to the funds allocated under the FY 2021 Capital Budget.

Treasurer Lampmann moved approval of **Resolution No. R-20-12-1** as follows:

**Resolution No. R-20-12-1**

**RESOLUTION AUTHORIZING A TRANSFER FROM THE REVENUE FUND TO THE GENERAL FUND**

**WHEREAS**, the Pequannock River Basin Regional Sewerage Authority (hereinafter the “Authority”) maintains certain funds in reserve in accordance with the General Bond Resolution of July 15, 1986; and

**WHEREAS**, the Authority previously established a Capital Reserve Fund to minimize future rate impacts anticipated on implementation of the Two Bridges Sewerage Authority capital improvement program including treatment plant and pumping station upgrades as well as Authority-sponsored capital projects; and

**WHEREAS**, the Authority’s FY 2021 operating budget increases the reserve amount within the Capital Reserve Fund by contribution to that account of \$275,000.00.

**NOW, THEREFORE, BE IT RESOLVED** by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic in the State of New Jersey on this 2<sup>nd</sup> day of December 2020 as follows:

1. An amount of \$275,000.00 of unrestricted/undesignated net assets currently within the Revenue Fund (Account No. 2576006500) shall be designated as a reserve within the Capital Reserve Fund.
2. Said designation shall increase the unrestricted/designated net assets within the Capital Reserve Fund from \$3,534,728.69 to \$3,809,728.68
3. The funds so designated shall be transferred to and retained within the Capital Reserve Fund subaccount within the General Fund (Account No. 2576006485).
4. The Authority Administrator is directed to forward a copy of this resolution to the Authority’s Trustee and auditor.
5. This Resolution shall take effect immediately.

Commissioner Gall seconded the motion which passed on the following roll call vote:

<b>AYES</b>	:	Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe and Voorman
<b>NAYS</b>	:	None
<b>ABSENT</b>	:	None
<b>ABSTAIN</b>	:	Commissioner Pellegrini

Secretary Howard moved approval of **Resolution No. R-20-12-2** as follows:

**Resolution No. R-20-12-2**

**RESOLUTION AUTHORIZING A TRANSFER FROM THE REVENUE FUND TO THE RENEWAL AND REPLACEMENT FUND**

**WHEREAS**, the Pequannock River Basin Regional Sewerage Authority (hereinafter the “Authority”) maintains certain funds in reserve in accordance with the General Bond Resolution of July 15, 1986; and

**WHEREAS**, the Authority previously established a Renewal and Replacement Fund for rehabilitation of the PRBRSA System; and

**WHEREAS**, the Authority’s FY 2021 capital budget anticipates utilizing reserves within the Renewal and Replacement Fund in the account of \$125,000.00.

**NOW, THEREFORE, BE IT RESOLVED** by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic in the State of New Jersey on this 2<sup>nd</sup> day of December 2020 as follows:

1. An amount of \$125,000.00 of unrestricted/undesignated net assets currently within the Revenue Fund (Account No. 2576006500) shall be designated as a reserve within the Renewal and Replacement Fund (2576006476).
2. Said designation shall increase the unrestricted/designated net assets within the Renewal and Replacement Fund from \$179,348.04 to \$304,348.04.
3. The Authority Administrator is directed to forward a copy of this resolution to the Authority’s Trustee and auditor.
4. This Resolution shall take effect immediately.

Commissioner Metcalfe seconded the motion which passed on the following roll call vote:

<b>AYES</b>	:	Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe and Voorman
<b>NAYS</b>	:	None
<b>ABSENT</b>	:	None
<b>ABSTAIN</b>	:	Commissioner Pellegrini

Treasurer Lampmann moved approval of **Resolution No. R-20-12-3** as follows:

**Resolution No. R-20-12-3**

**RESOLUTION TO AUTHORIZE CAPITAL RESERVE FUND TRANSFER TO  
CONSTRUCTION FUND**

**WHEREAS**, the Pequannock River Basin Regional Sewerage Authority (the “Authority”) created the 2017 Project Construction Fund (Account No. 2576006501) to fund the costs of the NYS&W railroad project; and

**WHEREAS**, the Authority is continuing with the construction project to be funded from said 2017 Construction Fund; and

**WHEREAS**, the Authority desires to fund the 2017 Project from the Capital Reserve Fund, a subaccount of the General Fund (Account No. 2576006485); and

**WHEREAS**, the FY 2021 Capital Budget includes capital expenditure of \$450,000 for the 2017 Project; and

**NOW, THEREFORE BE IT RESOLVED** by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic, New Jersey as follows:

1. The Treasurer is authorized and directed to transfer \$450,000 from the General Fund (Account 2576005485) to the 2017 Project Construction Fund (Account 2576006501).
2. The Treasurer’s Report shall reflect a reduction of \$450,000 from the Capital Reserve Fund subaccount of the General Fund for said transfer.
3. Funds to be transferred from the General Fund shall be unrestricted/undesignated net assets.
4. The Authority Administrator is authorized and directed to provide notice to the Trustee and the auditor by copy of this resolution.
5. This resolution shall take effect as provided by law.

Commissioner Metcalfe seconded the motion which passed on the following roll call vote:

<b>AYES</b>	:	Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe and Voorman
<b>NAYS</b>	:	None
<b>ABSENT</b>	:	None
<b>ABSTAIN</b>	:	Commissioner Pellegrini

**5.3 6 Year Financial Analysis**

Ms. Avagnano advised that the 6 Year Financial Analysis was based on actual historical data and would be expanded to 10 years going forward.

**5.4 Audit: FY 2020**

Ms. Avagnano advised the Board that the FY 2020 Audit was currently in progress and that the Audit was being held remotely this year due to Covid restrictions.

**6. UNFINISHED BUSINESS**

None

**7. NEW BUSINESS**

**7.1 Consulting Engineer RFQ and Special Pool**

Ms. Avagnano informed the Board of the announcement that Mr. Kelly has recommended bringing on board a new consulting engineer and that Kelly Engineering will not be seeking reappointment. Consequently, she recommended beginning the search for a replacement consultant as soon as possible to allow the Board ample time to review the proposals.

Commissioner Desai requested an explanation as to what criteria would make an engineering firm a good fit for PRBRSA. Mr. Kelly responded advising that a firm with experience within the water/wastewater industry was critical. He also advised that since the consultant would be required to participate in the monthly meetings and provide day to day services to the Authority as needed that he would prefer a smaller to medium size firm in close proximity that would provide a high level of attention to PRBRSA matters. He also mentioned that, as if not more important than the firm, was the individual and the continuity of that individual assigned to the professional service on a yearly basis.

Commissioner Howard asked, since this is an important decision, would Kelly Engineering be willing to remain on to assist in choosing a new firm. Mr. Kelly advised that he is willing to assist in the transition as the Board wishes.

Ms. Avagnano added that she would like to issue the RFQ before the end of the year and if any of the Board Members would like her to send the request to a specific firm that they please email her the information.



Regarding the Special Pool of Engineers, Ms. Avagnano explained that this would be a separate request to pre-qualify firms as may be needed for future projects. She further commented that being pre-qualified did not guarantee any work or payment to the firm yet would allow the Board to request a proposal and negotiate prices from the pre-qualified firms for specific projects.

Commissioner Lampmann commented that the Authority should focus on retaining a qualified consulting engineer and proceed with the special pool after a consulting engineer had been selected.

Commissioner Howard requested that part of the qualifications process include interviews of the individual that would be assigned from each firm. The Board agreed.

Ms. Avagnano added that she would begin forming the RFQ with the assistance of counsel and Mr. Kelly.

#### **7.2 Personnel Committee FY 2021**

Chairman Verdonik requested the formation of a Personnel Committee for FY 2021 which would include one member from each town.

After discussion, the Personnel Committee was formed for FY 2021.

#### **7.3 Schedule of Fees and Charges**

Ms. Avagnano referred to an updated Schedule of Fees and Charges advising that the Authority's Rate Schedule had not been updated since 1987. Mr. Kelly reported that the Schedule revisions include updated terminology with minimal increases to the fees and charges. Ms. Avagnano advised that the next steps in the process would involve a rate hearing and adoption in 2021.

### **8. CONSENT AGENDA**

None

### **9. PAYMENT OF BILLS**

#### **Operating Budget**

#### **9.1 Operating Request for Payment No. 402**

Treasurer Lampmann presented and moved approval of Operating Request for Payment No. 402 as follows:

**PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY**  
**SUMMARY OF VOUCHERS FOR**  
**OPERATING EXPENSES**

**Operating Request for Payment No. 402**

The following bills have been reviewed and are recommended for approval for payment at the December 2, 2020 meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

<u>PRBRSA</u>	<u>VOUCHER</u>	<u>VOUCHER</u>	<u>PAYMENT</u>	<u>CHECK PAYABLE TO</u>
<u>ACCT. NO</u>	<u>NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	
1) 24.05	OP-20-12-1	3/1/2020	\$ 250.00	Borough of Butler
2) 33.01	OP-20-12-2	10/1/2020	\$ 2,705.00	Borough of Butler
3) 24.07	OP-20-12-3	11/6/2020	\$ 151.88	J. Avagnano
4) 22.03	OP-20-12-4	11/9/2020	\$ 3,073.14	Kelly Engineering
5) 32.02	OP-20-12-5	11/9/2020	\$ 3,201.70	Kelly Engineering
6) 32.02	OP-20-12-6	11/9/2020	\$ 1,113.20	Kelly Engineering
7) 22.01	OP-20-12-7	11/9/2020	\$ 2,964.00	Maraziti Falcon LLP
8) 22.01	OP-20-12-8	11/9/2020	\$ 881.55	Maraziti Falcon LLP
9) 22.02	OP-20-12-9	8/11/2020	\$ 2,151.25	Remington & Vernick Engineers
10) 22.02	OP-20-12-10	11/5/2020	\$ 3,770.00	Remington & Vernick Engineers
11) 33.01	OP-20-12-11	11/7/2020	\$ 3,357.40	ADS LLC
12) 24.07	OP-20-12-12	11/1/2020	\$ 69.85	North Jersey Media Group
13) 24.07	OP-20-12-13	11/1/2020	\$ 54.25	North Jersey Media Group
14) 33.01	OP-20-12-14	10/18/2020	\$ 20.50	North Jersey Media Group
15) 24.04	OP-20-12-15	11/30/2020	\$ 212.79	Jamie Avagnano (expense reimbursement)
16) 33.03	OP-20-12-16	11/7/2020	\$ 3.10	JCP&L
17) 33.03	OP-20-12-17	10/26/2020	\$ 18.23	Borough of Butler Electric
18) 24.05	OP-20-12-18	3/1/2020	\$ 250.00	Borough of Butler
19) 33.01	OP-20-12-19	10/1/2020	\$ 2,705.00	Borough of Butler
20) 24.07	OP-20-12-20	11/30/2020	\$ 577.35	Up and Running
21) 33.03	OP-20-12-21	11/24/2020	\$ 18.23	Borough of Butler Electric
22) 22.05	OP-20-12-22	11/30/2020	\$ 27,333.23	Borough of Butler (admin payroll 4th Qtr)
23) 22.05	OP-20-12-23	11/30/2020	\$ 5,970.55	Borough of Butler (administrator benefits 4th Qtr)
<b>TOTAL:</b>			<b>\$ 60,852.20</b>	

Secretary Howard seconded the motion which passed on the following roll call vote:

- AYES** : Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe and Voorman
- NAYS** : None
- ABSENT** : None
- ABSTAIN** : Commissioner Pellegrini

**2. Construction Fund Disbursements**

**2.1 Construction Disbursement Requisition No. C-17-39**

Treasurer Lampmann presented the bills as listed on Construction Fund Disbursement Requisition No. C-17-39. Vice Chairman Voorman moved approval as follows:

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120328C2	C-17-39-12-1	11/9/2020	\$ 5,895.28	Kelly Engineering
2)	120328C2	C-17-39-12-2	11/9/2020	\$ 721.50	Maraziti Falcon LLP
3)	120328C3	C-17-39-12-3	10/28/20	\$ 15,725.79	Mott MacDonald
4)	120328C4	C-17-39-12-4	10/21/20	\$ 787.50	Oweis Engineering Inc.
5)	120328C1	C-17-39-12-5	11/11/2020	\$275,468.20	Montana Construction
6)	120328C3	C-17-39-12-6	11/24/20	\$ 22,200.03	Mott MacDonald
<b>TOTAL DISBURSEMENTS</b>				<b><u>\$320,798.30</u></b>	

Commissioner Lampmann seconded the motion which passed on the following roll call vote:

**AYES** : Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe and Voorman

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : Commissioner Pellegrini

**OPEN MEETING FOR PUBLIC COMMENT**

With no comments from the public, Chairman Verdonik requested that the January 20, 2021 meeting be continued at 5:00 pm by remote means given the uncertainty of the current State of Emergency. Commissioner Metcalfe stated his approval and the Board agreed.

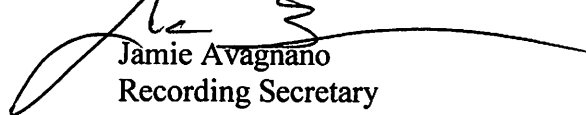
Since no members of the public were in attendance, Chairman Verdonik dispensed with the public participation portion of the meeting.

**ADJOURNMENT**

At approximately 6:03 pm, Commissioner Lampmann moved to adjourn the regular meeting. That motion was seconded by Commissioner Howard and approved unanimously on voice vote.

At approximately 6:03 pm, the meeting was adjourned.

Respectfully submitted,



Jamie Avagnano  
Recording Secretary

Enclosure: Treasurer's Report for the period ending October 31, 2020