

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

April 17, 2017

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on April 17, 2017 in the Conference Room at the Butler Municipal Building, One Ace Road, Butler, New Jersey. Chairman Voorman called the meeting to order at approximately 7:30 p.m.

ROLL CALL

On roll call:

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

ABSENT : None

ALSO PRESENT : Christopher H. Falcon, Esq., Maraziti, Falcon LLP; and Daniel D. Kelly, P.E., Kelly Engineering.

Riverdale Mayor Paul Carelli, Councilman Dave Desai and Council President Vincent Pellegrini attended the meeting from 7:35 pm to 8:30 pm.

OPEN PUBLIC MEETING STATEMENT

Chairman Voorman 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.

ADOPTION OF MINUTES

1. **Meeting Minutes: Regular Meeting – March 15, 2017**

Commissioner Metcalfe moved acceptance of the minutes of the Authority's March 15, 2017 meeting. That motion was seconded by Commissioner Gall and passed unanimously on the following roll call vote:

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

NAYS : None

ABSENT : None

ABSTAIN : None

OPERATIONAL REPORT

1. System Operations

1.1 Flow Report

Two Flow Reports, one for February and another for March, were presented to the Board. Commenting on both, Mr. Kelly said that the Authority's Meter P-4, after being in close correlation with TBSA's Meter M-15 for several years, began to diverge in January and, in February, the readings of both meters were 8.2% apart. In March he said the correlation was better at 3.9%. On a year-to-date basis he indicated the meters are within 2.1% of each other.

The following reports were distributed to the Board at the meeting:

- Triton Flow Report for February and March 2017
- Triton Daily Flow Summary for February and March 2017
- Triton Daily Flow Hydrograph for February and March 2017
- Triton M-15 vs. P-4 Hydrograph

1.2 TBSA Actual vs. Budgeted Flow Analysis

As indicated by his April 13, 2017 memorandum, Mr. Kelly said that the Authority's flows remain at a higher percentage, 1.64%, to be specific, than that estimated by Two Bridges going into the fiscal year. He noted that the actual flow for March equals the contract minimum flow of 1.85 mgd.

1.3 ADS Response (Meters P-2A and P-4)

Mr. Kelly advised that he again contacted ADS but has not received a response to the Authority's longstanding question on the change in meter readings as of June last year between the FlowShark and Triton monitors.

1.4 PRBRSA Interceptor Inspection: 2016

No change in status on this matter.

1.5 Asset Management: GIS System

Commenting on Mott MacDonald's development of the Authority's Geographic Information System, Mr. Kelly said that the entire PRBRSA Interceptor system has been entered into the GIS platform and field coordinated using GPS technology. He distributed an example of the mapping noting that MM was able to locate 190 out of approximately 200 manholes. He said MM will now field survey a number of locations that were not identifiable through GPS due to various interferences. In that process he said he has asked MM to use a metal detector to locate the missing manholes to the extent possible. If some manholes can not be located they will be identified as such on the GIS mapping.

To complete the GIS work Mr. Kelly said that MM is proceeding with the asset identification aspect.

RIVERDALE PRESENTATION

At approximately 7:35 pm, Riverdale Officials joined the meeting in progress. Chairman Voorman invited Mayor Carelli, Councilman Desai and Council President Vince Pellegrini to join the meeting, welcoming them to present any matters that the Borough would like to bring to the Authority's attention.

Mayor Carelli handed out copies of a series of slides titled "PRBRSA Presentation" dated April 19, 2017 (copy attached), reported on their analysis of the Authority's sewer charges assessed to the Borough, primarily over the last 3 to 4 years.

Explaining the Borough's efforts over the past year or more to conduct I/I investigations, related metering and other activities, Mayor Carelli and Councilman Desai explained the nature and extent of that work and the conclusions that the Borough has drawn from it.

Those conclusions are presented on Slide 10 of the Borough's presentation as attached.

As noted below, the Mayor and Councilman also addressed two other matters, namely, the residential connections on Mathews Avenue (See "Nos. 84 and 88 Mathews Avenue" below) responding to Chairman Voorman's March 31st letter as well as the Borough's petition to become a Member municipality of the Authority (See "Riverdale Membership Petition" below).

Additionally, the Mayor and Councilman reported on the Borough's efforts to initiate construction on Riverdale's Phase 1 sewer project. They indicated that the Borough expects to issue some \$4.5 million in bonds and to finance the project through the New Jersey Environmental Infrastructure Trust. Further, they said

everything is being done in order to expedite initiation of the project which they expect to begin in September.

At approximately 8:30 pm, Riverdale Officials concluded their presentation. The Board acknowledged the effort that the Borough put into their analyses of the flows and billings indicating that the Borough's position – specifically, a request for adjustments to the billings for FY 2017, FY 2016 and FY 2015 - will be thoroughly considered and that the Authority will return to the Borough to advise of the Authority's determinations in that regard.

At approximately 8:30 pm, the Riverdale Officials left the meeting in progress.

Chairman Voorman returned to the regular business agenda.

2. TBSA Activities

2.1 Status Update

Vice Chairman Verdonik reported on matters at Two Bridges as they affect Pequannock River Basin, primarily the status of the ongoing construction project. He noted as well that Two Bridges is evaluating the possibility of upgrading its biological treatment process.

3. TWA Applications and Connection Permits

**3.1 Residential Connection
Nos. 84 & 88 Mathews Avenue
Borough of Riverdale**

Mayor Carelli addressed this matter in the early part of the Borough's presentation. He said on receipt of the Authority's letter the matter has been referred to Riverdale's engineer for resolution and, as necessary, notification to NJDEP.

**3.2 TWA Application
Reeve Avenue Sewer Extension
Borough of Bloomingdale**

Concerning his contact with the applicant's engineer on a project to serve existing homes on the west side of Reeve Avenue just north of Knolls Road, Mr. Kelly said that the engineer expects the project will be submitted for the Authority's review and approval next month. He noted that Chairman Voorman had advised that Reeve Avenue is currently under construction so checked that with the engineer who indicated that the road construction project will not proceed north of Knolls Road such that it will not impact the proposed sewer work within Reeve Avenue itself.

4. **Riverdale I/I Investigations**

See Riverdale presentation above.

5. **Boonton Avenue Interceptor Project**

5.1 **Contract No. I-4A: Hutton Construction**

On the close-out Contract No. I-4A with Hutton Construction, Mr. Kelly reported that the contractor completed the work to repair the channel within Manhole 128 on Boonton Avenue the prior Thursday, April 13th. In response to Commissioner Metcalfe's question he indicated that the work was performed without the need for police traffic control. He mentioned that the contractor used an internal flow bypass system yet had to temporarily release the flow due to the high flows conditions typical in the morning hours.

Based on that and SCE's acceptance of the work, Mr. Kelly said that he expects that the Hutton contract will be closed out at the Board meeting in May. Close-out will be subject to the engineer's final certification of acceptance and the Authority's acceptance of final completion and authorization for the release of retainage on the contract.

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

Reporting on his conference with John Scheri of Mott MacDonald, Mr. Kelly said that MM's tunneling group expects to have the preliminary design plan and profile ready within the next 2 weeks at which point a meeting will be scheduled with the NYS&W railroad to go over the possibility of an open cut method of construction.

Mr. Kelly advised that MM requested additional topographic survey for Park Place and Main Street which was performed expeditiously by DMC Survey and requested the Board's authorization for that work.

On discussion Vice Chairman Verdonik moved approval of the following resolution (**Resolution No. R-17-4-3**):

Resolution No. R-17-4-3

RESOLUTION AUTHORIZING PROFESSIONAL SURVEYING SERVICES

WHEREAS, DMC ASSOCIATES, Inc. ("DMC") has previously provided professional services related to utility markouts and topographical information in connection with proposed tunneling beneath the NYS&W Railroad within Main Street and Park Place, in Butler Borough; and

WHEREAS, the Authority required the performance of additional topographical survey services in connection with the said project, which have been performed by DMC on an expedited basis at the request of the Authority Consulting Engineer; and

WHEREAS, DMC has submitted an invoice for the said work dated March 29, 2017 and as set forth therein, which the Authority desires to pay for the performance of the services rendered; and

WHEREAS, funds are available for this purpose.

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 19th day of April, 2017 as follows:

1. The Consulting Engineer is authorized and directed to reimburse DMC Associates, Inc. in the amount of \$900.00 for completion of the aforesaid services.
2. This Resolution shall take effect as provided by law.

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

AYES	:	Chairman Voorman, Commissioners Gall, Howard, Lampmann, Metcalfe and Verdonik
NAYS	:	None
ABSENT	:	None
ABSTAIN	:	None

5.3 Morris County Escrow Refund

For the record Mr. Kelly said that Morris County has released both escrows, one for Boonton Avenue and the other for Valley Road, in the total amount of \$46,432.53.

FINANCIAL REPORT

1. Treasurer's Report

1.1 March 31, 2017 Treasurer's Report

Treasurer Lampmann presented the Treasurer's Report for the period ending March 31, 2017. Commissioner Metcalfe moved acceptance of the

Treasurer's Report as presented. Treasurer Lampmann seconded that motion which passed unanimously on the following roll call vote:

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

NAYS : None

ABSENT : None

ABSTAIN : None

2. **Continuing Disclosure**

For the record Mr. Kelly reported that the Authority's auditors have completed this year's continuing disclosure filing through the EMMA website.

UNFINISHED BUSINESS

1. **Contingency Operating Plan**

Chairman Voorman said that he raised the contingency operating plan matter with the chairman of Two Bridges following the March TBSA meeting.

2. **Riverdale Membership Petition**

Following the Borough of Riverdale's presentation on flow and billings, Mr. Falcon inquired as to the status of Riverdale's completion of the financial report required as a pre-condition to the Borough's acceptance as a Member municipality of PRBRSA. Referring to Riverdale's Phase I sewer construction project, Mayor Carelli indicated, since the Borough currently plans to issue some \$4.5 million in bonds, that will necessarily trigger the rating agencies to issue a bond rating for the Borough. He said the bond rating will obviate the need for preparation of a financial report as to the Borough's credit worthiness and its effect on the Authority's credit worthiness.

3. **By Laws Review**

Mr. Falcon distributed to the Commissioners a draft resolution (For Discussion Only) based on the discussions at the Board's March 15th meeting. He said the resolution, if the Authority elects to move forward with it, would establish an eligibility requirement for the position of Chairman requiring a minimum of 3 years of service on the Authority to be eligible to serve in that position.

NEW BUSINESS

1. **Riverdale Presentation**

See “Riverdale Presentation” above.

2. **Stanford Risk Management Contract Renewal**

Referring to his April 10, 2017 letter Mr. Kelly recommended award of this year’s contract to Stanford Risk Management. He noted that the pricing remains the same as it had been for the last 2 years.

Following discussion Vice Chairman Verdonik moved approval of the following resolution (**Resolution No. R-17-4-2**):

Resolution No. R-17-4-2

RESOLUTION TO AWARD CONTRACT TO STANFORD RISK MANAGEMENT SERVICES, INC. FOR INSURANCE CONSULTATION SERVICES AS EXTRAORDINARY UNSPECIFIABLE SERVICES

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (“Authority”) desires to retain the services of an insurance and risk management consultant to provide services associated with its annual insurance coverages; and

WHEREAS, the Authority is authorized by N.J.S.A. 40A:11-5(1)(m) to award a contract for the provision of annual insurance and related risk management consultant services as extraordinary unspecifiable services; and

WHEREAS, the Authority has reviewed the Certification of the Consulting Engineer of even date delivered in accordance with the regulations of the Division of Local Government Services;

WHEREAS, funds are available for these services.

NOW, THEREFORE, BE IT RESOLVED, by the Pequannock River Basin Regional Sewerage Authority, in the State of New Jersey on this 19th day of April 2017 as follows:

1. The Authority does hereby name and designate John Campanile of Stanford Risk Management Services, Inc. to provide insurance and related risk management consultant services as required and subject to the requirements of the Local Public Contracts Law.

2. The Chairman is authorized to execute an agreement therewith for the provision of such services which agreement shall provide for compensation at the rate of \$175.00 an hour, not to exceed \$1,400.00 without further approval, including out of pocket expenses.
3. This contract shall be awarded for the provision of extraordinary unspecifiable services pursuant to N.J.S.A. 40A:11-5(1)(a)(ii) and pursuant to N.J.S.A. 40A:11-5(m). The contract is awarded subject to the requirements that evidence of Professional Liability Insurance be provided prior to the expiration date of the current policy on April 16, 2017, that coverage be maintained at the level of \$1,000,000 each claim/\$2,000,000 aggregate and that the agreement with Stanford Risk Management Services, Inc. provides that notice shall be sent to the Authority 30 days prior to any cancellation of coverage.
4. The Secretary is authorized and directed to cause a copy of this Resolution to be published in the official newspaper of the Authority concerning the appointments of the aforesaid consultant within ten (10) days of the date hereof. The aforesaid firm shall be paid from funds appropriated for these purposes in accordance with the duly adopted budget of the Authority, and other implementing actions of the Authority. The agreements for services shall be on file and available for inspection by members of the public in accordance with law.
5. This Resolution shall take effect as provided by law.

Certified to be a true copy of a Resolution enacted at a duly convened public meeting of the Pequannock River Basin Regional Sewerage Authority held on April 19, 2017.

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

AYES	:	Chairman Voorman, Commissioners Gall, Howard, Lampmann, Metcalfe and Verdonik
NAYS	:	None
ABSENT	:	None
ABSTAIN	:	None

3. **2017 LFB Financial Disclosure**

Referring to correspondence from Jamie Avagnano of his office, Mr. Kelly indicated that the Financial Disclosure Statements must be filed with the Local Finance Board no later than May 30th. He noted Ms. Avagnano has suggested that the filing be made by April 30th inasmuch as that is the normal deadline which will be in effect again next year.

Concerning the possibility that Board Members will also need to file as officers of their municipality, Mr. Falcon said that the LFB adopted that change last year. Therefore the towns should include each Board Member on its municipal roster. Mr. Kelly noted that Jamie Avagnano suggested that if the Borough clerk does not notify them one way or another that each Commissioner should contact the person handling the Financial Disclosure Statement filings to determine if in fact they do need to file as a Local Government Official for the municipality in addition to filing for PRBRSA.

PAYMENT OF BILLS

1. **Operating Budget**

1.1 **Operating Request for Payment No. 362**

Treasurer Lampmann presented Operating Request for Payment No. 362
Commissioner Lampmann moved approval of Operating Request for Payment No. 362 as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

**SUMMARY OF VOUCHERS FOR
 OPERATING EXPENSES**

Operating Request for Payment No. 362

The following bills have been reviewed and are recommended for approval for payment at the April 19, 2017 meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

	PRBRSA	VOUCHER	VOUCHER	PAYMENT	
	ACCT. NO.	NO.	DATE	AMOUNT	CHECK PAYABLE TO
1)	24.05	OP-17-4-1	3/31/2016	\$ 250.00	Borough of Butler
2)	33.01	OP-17-4-2	10/1/2016	\$ 2,570.00	Borough of Butler
3)	22.03	OP-17-4-3	4/6/2017	\$1,500.00	Ferraioli, Wilkatz, Cerullo, Cuva
4)	22.03	OP-17-4-4	4/6/2017	\$750.00	Ferraioli, Wilkatz, Cerullo, Cuva
5)	24.07	OP-17-4-5	4/4/2017	\$ 131.89	Kelly Engineering
6)	22.03	OP-17-4-6	4/6/2017	\$ 10,400.00	Kelly Engineering
7)	32.02	OP-17-4-7	4/7/2017	\$ 8,804.78	Kelly Engineering
8)	22.01	OP-17-4-8	4/11/2017	\$ 6,223.78	Maraziti Falcon LLP
9)	33.01	OP-17-4-9	3/3/2017	\$ 3,333.00	ADS LLC
10)	*	OP-17-4-10	12/27/2016	\$ 891,750.00	Pequannock, Lincoln Park & Fairfield Sew. Authority
11)	33.03	OP-17-4-11	4/7/2017	\$ 600.00	Up and Running
12)	23.08	OP-17-4-12	4/6/2017	\$ 770.00	Stanford Risk Management
13)	24.04	OP-17-4-13	3/27/2017	\$ 257.36	Trukmann's Reprographics
14)	24.07	OP-17-4-14	2/28/2017	\$614.73	North Jersey Media
15)	33.03	OP-17-4-15	3/4/2017	\$ 37.08	Verizon
16)	33.03	OP-17-4-16	3/28/2017	\$ 37.08	Verizon
17)	33.03	OP-17-4-17	3/23/2017	\$ 32.83	Verizon
18)	33.03	OP-17-4-18	3/9/2017	\$ 3.32	JCP&L
19)	33.03	OP-17-4-19	4/10/2017	\$ 3.32	JCP&L
			TOTAL:	\$ 928,069.17	
* Breakdown					Respectfully Submitted,
27.00	\$	63,280.00			
13.00	\$	272,793.00			
35.00	\$	555,677.00			
	\$	891,750.00			Daniel D. Kelly, P.E. Consulting Engineer

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

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

NAYS : None

ABSENT : None

ABSTAIN : None

2. Construction Fund Disbursements

2.1 Construction Disbursement Requisition No. C-13-48

Treasurer Lampmann presented the bills as listed on Construction Fund Disbursement Requisition No. C-13-48 and moved its approval as follows:

CONSTRUCTION DISBURSEMENT REQUISITION No. C-13-48

Gentlemen:

In accordance with Section 513(B) of the Resolution adopted by the Authority on July 15, 1986, as amended and supplemented, and entitled “Resolution Providing for the Issuance of Bonds of the Pequannock River Basin Regional Sewerage Authority and for the Rights of the Holders Thereof, and Authorizing \$20,000,000 Principal Amount Thereof” (the “Resolution”), you are hereby instructed to make the following disbursements from the Construction Fund (Account #2576006501) as authorized by the Authority at a meeting on **April 19, 2017**:

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120322C2	C-13-48-4-1	4/7/17	\$ 1,616.80	Kelly Engineering
2)	120322C6.1	C-13-48-4-2	3/29/17	\$ 900.00	DMC Associates
TOTAL DISBURSEMENTS				<u>\$ 2,516.80</u>	

UNLESS OTHERWISE DIRECTED, ALL CHECKS SHALL BE MAILED DIRECTLY TO THE CLAIMANT AT THE ADDRESS INDICATED ON THE VOUCHER FORM.

In compliance with Section 513, Subsection (B) of the Resolution, all disbursement requests listed above are supported by copies of the enclosed voucher forms, each of which has been signed by two Authority Officers and the Consulting Engineer certifying that such disbursement is necessary to pay part of such cost of the Project.

As required by Section 513(B) of the Resolution, any disbursements for “. . . the purpose of paying the purchase price or cost of any lands, easements, rights or interest in or relating to lands or paying the cost or expense of work, materials, supplies or equipment . . .”, will be accompanied by a Consulting Engineer’s Certificate as required by Section 513(B) of the Resolution. The supporting Consulting Engineer’s Certificate is attached.

Vice Chairman Verdonik seconded the motion which passed unanimously on the following roll call vote:

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

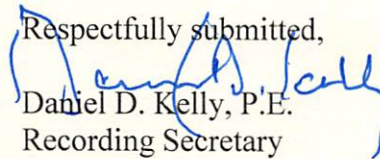
OPEN MEETING FOR PUBLIC COMMENT

There being no members of the public present, Chairman Voorman dispensed with the public participation portion of the meeting.

ADJOURNMENT

At approximately 9:00 pm, Commissioner Howard moved adjournment. Commissioner Metcalfe seconded the motion which was approved unanimously on voice vote.

At approximately 9:00 pm, the meeting was adjourned.

Respectfully submitted,

Daniel D. Kelly, P.E.
Recording Secretary

Enclosures: Treasurer’s Report for the period ending March 31, 2017