

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

December 6, 2023

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on December 6, 2023 at the Borough of Butler. Chairman Verdonik called the meeting to order at approximately 6:00 p.m.

ROLL CALL

On roll call:

PRESENT : Chairman Verdonik, Commissioners Desai, Howard, Lampmann and Voorman

Commissioner Pellegrini joined the meeting in progress at 6:35 pm

ABSENT : Commissioners Mabey and Wilkes

ALSO PRESENT : Jamie Avagnano, Authority Administrator;
Diane Alexander, Esq., Maraziti Falcon, LLP,
Steve Donati, P.E., CP Engineers

OPEN PUBLIC MEETING STATEMENT

Administrator Avagnano read 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 noted that the meeting information was available on the PRBRSA webpage for public access, provided to the municipal clerks and noticed in the Authority's official newspapers.

ADOPTION OF MINUTES

1. **Meeting Minutes: October 18, 2023**

Commissioner Lampmann moved acceptance of the minutes of the October 18, 2023 regular meeting. That motion was seconded by Vice Chairman Voorman and approved on the following roll call vote:

AYES : Chairman Verdonik, Commissioners Lampmann, and Voorman

NAYS : None

ABSENT : Commissioners Mabey, Pellegrini and Wilkes

ABSTAIN : Commissioners Desai and Howard

OPERATIONAL REPORT

1. SYSTEM OPERATIONS

1.1 Flow Report

Steve Donati reported on the Flow Report for October observing that the flows were down with only 1.75 mgd for the period which is relative to the dry to average rainfall for the month at 3.4” and the seasonal drop in the groundwater levels. Steve noted that the average over the past three months is 1.76 mgd which is consistent for the Authority’s 10 year average for normal flows without excess I/I. A dry year averages around 1.63 mgd.

Steve added that the differences in the PRBRSA P-4 meter and the TBSA M-15 meter were within 1% for the PRBRSA fiscal year validating the continued work by the two Authorities to investigate and remediate large variances in the flow meter readings.

Commissioner Howard noted that local rains reported 1-inch in one area versus 0.2 inches within a short distance which he concluded makes pinpointing local infiltration/inflow more difficult. Steve agreed adding that the recent increases in storm intensity and variability makes understanding the impacts of rain on the flow readings even more difficult.

1.1.1 I/I Investigations

Chairman Verdonik referred to Steve Donati, PE on the status of the I/I investigation study. Steve reported that there is numerous data available to share with the municipalities and that CP plans to separate the data by municipality highlighting areas of concern.

Commissioner Desai distributed a sample page of the data analysis he had prepared and shared with Steve for the Board’s review. He advised the Board on his methodology to isolate potential I/I sources using velocity, a mean flow and hourly rain data. A discussion ensued on the method of analysis as well as how much detail the final report should contain as there is no guarantee that the member municipalities will move forward with further remediation projects. Commissioners Howard, Lampmann and Desai continued discussions regarding how rain, saturated ground (i.e. high groundwater) and illegal house connections may affect the meter readings as well as the difficulty in pinpointing the I/I sources.

On further discussion, the Board agreed that CP should finalize the analysis for the January meeting identifying potential sources of I/I to the PRBRSA system as well as the data. Diane Alexander, Esq. noted that the 1.85 mgd minimum flow requirement with TBSA may deter I/I project expenditures. Steve agreed, noting a low rate of return on continued I/I sourcing for PRBRSA.

1.2 TBSA Flow Report (Budget vs. Actual)

Chairman Verdonik advised that PRBRSA’s percentage of the TBSA flows are still escalated. Therefore PRBRSA should expect an approximate 1.75% increase as a user charge adjustment for 2023 flows.

1.3 PRB Contract 23-1 Riverdale CCTV

Steve Donati, PE, reported on the findings of the CCTV inspection video under Contract PRB 23-1 for the Riverdale Interceptor. Steve advised that the final report is pending as more investigations into the pipe specifications and historical inspections are reviewed. He advised that preliminarily Montana Construction is reporting that the Bitumastic lining of the pipe is peeling exposing the concrete structure which is vulnerable to corrosion. As deterioration is expected on a 40 year old interceptor sewer, the level of corrosion will be evaluated with a recommendation to line the pipe in 2025.

The Board continued discussions regarding pricing, bypass pumping, and lining methods available in high traffic areas.

Steve added that he expects to have the final report summary and findings as well as CP’s recommendations available for the January meeting.

2. TBSA ACTIVITIES

2.1 Status Update

Vice Chairman Voorman had nothing to report.

3. TWA APPLICATIONS AND CONNECTION PERMITS

3.1 TWA Application
Riverdale Phase 5 Sewer Extension
Borough of Riverdale

Jamie Avagnano reported that the Authority is still holding the executed TWA pending receipt of the executed Settlement Agreement and payment as defined in the approval resolution.

4. CONSTRUCTION CONTRACTS

None

5. FINANCIAL MATTERS

5.1 Treasurer's Reports: October 31, 2023

Treasurer Lampmann presented the Treasurer's Report for the period ending October 31, 2023 and moved acceptance of the Treasurer's Report as presented.

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

AYES : Chairman Verdonik, Commissioners Desai,
Howard, Lampmann, Pellegrini and Voorman

NAYS : None

ABSENT : Commissioners Mabey and Wilkes

ABSTAIN : None

5.2 Treasurer's Reports: November 30, 2023

Treasurer Lampmann presented the Treasurer's Report for the period ending November 30, 2023 and moved acceptance of the Treasurer's Report as presented.

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

AYES : Chairman Verdonik, Commissioners Desai,
Howard, Lampmann, Pellegrini and Voorman

NAYS : None

ABSENT : Commissioners Mabey and Pellegrini

ABSTAIN : None

5.3 EDU Reports

Jamie Avagnano reported that all Schedule C EDU reports were received and that the FY 2024 Budget annual charges distributions were calculated based upon the current EDUs which resulted in minor adjustments to the municipalities.

5.4 Annual Budget FY 2024

Administrator Avagnano reported the FY 2024 budget was approved by the Division of Local Government Service on November 9, 2023 and that the Annual Charges would be issued by December 15th with the updated EDUs.

Per the FY 2024 Budget, Chairman Verdonik requested a motion to move Resolution R-23-12-1 and R-23-12-2 for the Capital Reserve and Renewal and Replacement Fund contributions.

Treasurer Lampmann moved R-23-12-1 as follows:

Resolution No. R-23-12-1

RESOLUTION AUTHORIZING A TRANSFER FROM THE GENERAL FUND TO THE CAPITAL RESERVE FUND

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the “Authority”) maintains certain funds in reserves; and

WHEREAS, the Authority previously established a Capital Reserve 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 2024 operating budget increases the reserve amount within the Capital Reserve by contribution to that account of \$103,000.00.

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 6th day of December 2023 as follows:

1. An amount of \$103,000.00 of unrestricted/undesignated net assets currently within the General Fund shall be designated as a Capital Reserve.
2. Said designation shall increase the unrestricted/designated net assets within the Capital Reserve from \$3,404,117.62 to \$3,507,117.62.
3. The funds so designated shall be transferred to and retained within the Capital Reserve subaccount within the General Fund.
4. The Authority Administrator is directed to forward a copy of this resolution to the Authority's Investment Advisor and Auditor.
5. This Resolution shall take effect immediately.

That motion was seconded by Commissioner Howard and approved on the following roll call vote:

AYES	:	Chairman Verdonik, Commissioners Desai, Howard, Lampmann, Pellegrini and Voorman
NAYS	:	None
ABSENT	:	Commissioners Mabey and Pellegrini
ABSTAIN	:	None

Vice Chairman Voorman moved R-23-12-2 as follows:

Resolution No. R-23-12-2

RESOLUTION AUTHORIZING A TRANSFER FROM THE GENERAL FUND TO THE RENEWAL AND REPLACEMENT RESERVE

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the "Authority") maintains certain funds in reserves; and

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

WHEREAS, the Authority's FY 2024 Budget allows for a contribution to the Renewal & Replacement fund of \$309,000.00.

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 6th day of December 2023 as follows:

1. An amount of \$309,000.00 of unrestricted/undesignated net assets currently within the General Fund shall be designated to the Renewal and Replacement Reserve and invested to receive optimum interest.
2. Said designation shall increase the unrestricted/designated net assets within the Renewal and Replacement Reserve from \$1,135,768.29 to \$1,444,768.29.
3. The Authority Administrator is directed to forward a copy of this resolution to the Authority's Investment Advisor and Auditor.
4. This Resolution shall take effect immediately.

That motion was seconded by Treasurer Lampmann and approved on the following roll call vote:

AYES	:	Chairman Verdonik, Commissioners Desai, Howard, Lampmann, Pellegrini and Voorman
NAYS	:	None
ABSENT	:	Commissioners Mabey and Pellegrini
ABSTAIN	:	None

5.5 Investments

Administrator Avagnano informed the Board that the current blended yield with Wells Advisors was 5.441% compiling of T-Bills and CDs. She also reported that the current yield for the NJCMF Fund was 5.35%. On discussion, the Board advised to invest maturing funds in the NJCMF fund.

6. UNFINISHED BUSINESS

6.1 Unauthorized Connection – Riverdale Claim

Diane Alexander, Esq. informed the Board that she received an email from the JIF Counsel advising that his client would need to review paragraph 16 of the Settlement Agreement before execution. Jamie Avagnano agreed to send the October 18th PRBRSA executed Settlement Agreement to the Riverdale Board Members, as requested.

7. NEW BUSINESS

7.1 Appointments

Chairman Verdonik advised that the current terms for Bob Voorman, Jim Lampmann and Sean Mabey expire January 31, 2024 and that the Borough Clerks of the municipalities have been informed for reappointment. Commissioner Lampmann advised that the Borough of Butler has renewed his appointment for another 5 year term.

8. CONSENT AGENDA

None

9. PAYMENT OF BILLS

9.1 Operating Request for Payment No. 436

Treasurer Lampmann presented Operating Request for Payment No. 436 and moved approval as follows:

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

Operating Request for Payment No. 436

The following bills have been reviewed and are recommended for approval for payment at the December 6, 2023 meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

<u>PRBRSA ACCT. NO</u>	<u>VOUCHER NO.</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>CHECK PAYABLE TO</u>
1) 24.05	OP-23-11-1	3/31/2023	\$ 250.00	Borough of Butler (Rent Nov)
2) 33.01	OP-23-11-2	10/1/2022	\$ 2,884.00	Borough of Butler (OM-1 Nov)
3) 24.07	OP-23-11-3	11/8/2023	\$ 194.15	J. Avagnano (email-Oct)
4) 22.01	OP-23-11-4	11/6/2023	\$ 2,866.50	Maraziti Falcon LLP (Legal General-Oct)
5) 33.01	OP-23-11-5	11/8/2023	\$ 2,680.00	CSL (flow metering Oct)
6) 22.01	OP-23-11-6	11/6/2023	\$ 1,125.00	Maraziti Falcon LLP (Legal BP -Oct)
7) 22.03	OP-23-11-7	11/7/2023	\$ 4,609.75	CP Engineers LLC (General Engineering Oct)
8) 32.02	OP-23-11-8	11/7/2023	\$ 10,182.50	CP Engineers LLC (Engineer O&M -23-1 Oct)
9) 22.05	OP-23-11-9	12/5/2023	\$ 30,823.45	Borough of Butler (Admin payroll)
10) 22.05	OP-23-11-10	12/5/2023	\$ 7,256.46	Borough of Butler (Admin benefits)
11) 24.05	OP-23-11-11	3/31/2023	\$ 250.00	Borough of Butler (Rent Dec)
12) 33.01	OP-23-11-12	10/1/2022	\$ 2,884.00	Borough of Butler (OM-1 Dec)
13) 33.03	OP-23-11-13	10/26/2023	\$ 13.60	Borough of Butler Electric
14) 33.03	OP-23-11-14	10/30/2023	\$ 4.09	JCP&L
15) 25.02	OP-23-11-15	11/3/2023	\$ 50.00	Institute for Professional Development
16) 25.02	OP-23-11-16	11/8/2023	\$ 275.00	Association of Environmental Authorities (Conf)
17) 24.07	OP-23-11-17	11/9/2023	\$ 61.00	North Jersey Media Group (Legal ads)
18) 24.07	OP-23-11-18	11/9/2023	\$ 59.14	North Jersey Media Group (Legal ads)
19) 24.07	OP-23-11-19	11/9/2023	\$ 74.02	North Jersey Media Group (Legal ads)
20) 25.01	OP-23-11-20	11/30/2023	\$ 212.86	Jamie Avagnano - Expense Reimbursement
21) 24.07	OP-23-11-21	12/6/2023	\$ 100.00	Kinnelon Volunteer Fire Department (Memorial Donation)
22) 33.03	OP-23-11-22	11/28/2023	\$ 9.26	Borough of Butler Electric
23) 24.07	OP-23-11-23	12/5/2023	\$ 194.15	J. Avagnano (email-Nov)
TOTAL:			\$ 67,058.93	

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

AYES : Chairman Verdonik, Commissioners Desai, Howard, Lampmann, Pellegrini and Voorman

NAYS : None

ABSENT : Commissioners Mabey and Pellegrini

ABSTAIN : None

OPEN MEETING FOR PUBLIC COMMENT

The meeting was opened to the public. There being no public present, Chairman Verdonik closed the public portion of the meeting.

CLOSED SESSION:

The Board entered Closed Session at approximately 6:52 for personnel matters under Resolution No. R-23-12-3:

Resolution No. 23-12-3

**RESOLUTION AUTHORIZING CLOSED SESSION
PURSUANT TO THE OPEN PUBLIC MEETINGS ACT**

BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and State of New Jersey on this 6th day of December, 2023 as follows:

1. The Authority shall adjourn to executive session in accordance with N.J.S.A. 10:4-12(b)(7), being the Open Public Meetings Act, in order to discuss contract negotiations/personnel relevant to the Authority Administrator Contract.
2. The Minutes of the Closed Session relating to contract negotiations/personnel shall be available to the public as required by law and as soon as the matters under discussion are fully resolved as between the parties and are no longer of a confidential or sensitive nature.
3. This Resolution shall take effect as provided by law.

That resolution was moved by Vice Chairman Voorman and seconded by Commissioner Howard and passed on voice vote.

At approximately 6:52 the Authority entered Closed Session.

REGULAR MEETING

At approximately 7:02 Vice Chairman Voorman moved to re-entered the regular session and returned to normal business. That motion was seconded by Treasurer Lampmann and approved unanimously as follows:

AYES : Chairman Verdonik, Commissioners Desai,
Howard, Lampmann, Pellegrini and Voorman

NAYS : None

ABSENT : Commissioners Mabey and Pellegrini

ABSTAIN : None

PERSONNEL MATTERS

The Board advised the Authority Administrator that the Board was pleased with her service to the Authority and was increasing her salary by an approximate 3.03% increase (even dollar amount) beginning in January 2024.

Secretary Howard moved a motion to the agreed upon salary increase. That motion was seconded by vice Chairman Voorman and approved unanimously on voice vote.

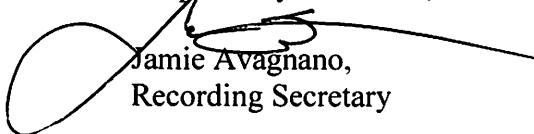
The Administrator thanked the Board for their continued support.

ADJOURNMENT

At approximately 7:05 pm, Vice Chairman Voorman moved to adjourn the regular meeting. That motion was seconded by Commissioner Howard and approved unanimously on voice vote.

At approximately 7:05 pm, the meeting was adjourned.

Respectfully submitted,


Jamie Avagnano,
Recording Secretary

Enclosures: Treasurer's Report for the period ending October 2023
Treasurer's Report for the period ending November 2023