

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

December 7, 2016

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on December 7, 2016 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 and Metcalfe

ABSENT : Vice Chairman Verdonik

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

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 – October 19, 2016**

Commissioner Metcalfe moved acceptance of the minutes of the Authority's October 19, 2016 meeting. That motion was seconded by Commissioner Gall and passed on the following roll call vote:

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

NAYS : None

ABSENT : Vice Chairman Verdonik

ABSTAIN : None

OPERATIONAL REPORT

1. System Operations

1.1 Flow Report

As shown by the Flow Report dated November 15, 2016 for the period ending October 31, 2016 for the FlowShark monitors, the total system flow for October was 1.436 mgd, the lowest for the year and one of the lowest monthly flows in many years according to Mr. Kelly. He said that the flows recorded by the FlowShark monitors averaged 1.654 mgd while the Triton monitor averaged 1.622 mgd. The corresponding average for TBSA's Meter M-15 was 1.650 mgd.

Mr. Kelly also mentioned that there continued to be issues with ADS' Meter P-2A which was out from October 1st through October 19th. Therefore, the Triton data was substituted for that period.

Additionally, Mr. Kelly said that there are a number of related flow reports available to the Commissioners in the file folders and as previously issued prior to the meeting. They include his November 7, 2016 letter to the Board with a summary of the flow data from the initiation of the Authority's operations in FY 1988 through the last complete fiscal year, FY 2015. He said the tables are accompanied by hydrographs and include, in addition to the average annual flows, maximum and minimum monthly flows each year. He noted that the information was compiled at the suggestion of Commissioner Howard at the October 19th meeting.

1.2 TBSA Actual vs. Budgeted Flow Analysis

Referring to his November 10, 2016 memorandum, Mr. Kelly indicated that the actual PRRSA flows for the year ending October 31st are substantially less than those originally projected by TBSA for billing purposes. The result he said is that the Authority will owe additional User Charges to Two Bridges at the end of the year, approximately a 3.08% increase over the amount budgeted.

1.3 ADS "Pequannock Tech Memo"

Mr. Kelly advised that ADS had submitted for review and comment what it has termed the "Pequannock Tech Memo" dated December 2, 2016 and received on December 5th.

Commenting on the Tech Memo, Mr. Kelly said, substantively, ADS determined that the Triton technology is superior to that of FlowShark and, therefore, recommends utilization of the Triton metering data. Commenting on that, Commissioner Howard asked why ADS did not

comment more specifically on a meter and month-by-month basis. Mr. Kelly agreed indicating that he has pressed ADS for that very information and will continue to do so. He added that the Tech Memo does not address the question raised at the October 19th meeting on apparent changes in the flow results following ADS' May 31st field work on Meter P-2A.

Continuing on the Tech Memo, Mr. Kelly said that there are comments within the memo that he considers are not only incorrect but also inappropriate so will address those directly with ADS.

Inasmuch as the ADS data is a critical component for the Authority's finalization of billings for the prior year flow adjustments, Mr. Kelly said that there is an urgent need to have ADS make final determinations on the data to be utilized for that purpose.

1.4 Asset Management: GIS System

Mr. Kelly explained that the geographic information system (GIS) is actually a robust database essential to the Authority's development of an asset management plan. He reported, at the October Association of Environmental Authorities conference, NJDEP officials stressed the Department's plans to require development of asset management plans by all public agencies seeking water and sewer extension and related permits. He said state officials also indicated, once the regulations are developed, that asset management plans will be a pre-requisite for NJEIT state loan funding.

At this point, Mr. Kelly indicated that the Department has not promulgated regulations. That being the case, he said that it will probably be several years before the regulations are in place along with the requirements precluding permitting or loan awards, absent the asset management plans being in place. Nonetheless, GIS would be one of the first steps in developing an asset management plan.

Referring to his December 7, 2016 letter concerning development of a geographic information system for the Authority's facilities for the entire PRBRSA interceptor system, Mr. Kelly said that it would be best if he had the opportunity to review GIS systems developed by the two firms that have submitted proposals, namely, DMC Associates and Mott MacDonald

He reviewed the pros and cons of the proposals and qualifications of each of the firms indicating that he would plan to meet with MM and DMC as well as two end users of GIS systems developed and maintained by both companies. Following discussion on the GIS System, the Board deferred action on award of the GIS system engineering contract pending further review.

1.5 PRBRSA Interceptor Inspection: 2016

GIS system development would be the first phase of the PRBRSA Interceptor inspection work Mr. Kelly explained. Establishing baseline conditions would be best accomplished through the GIS database platform. He said that the GIS system is capable of archiving and retrieving the massive amounts of data that will be gathered over the course of the physical inspection of the PRBRSA Interceptor lines within Bloomingdale and Riverdale. He noted that is a critical segment of the Authority's system so would be the first component to be inspected, having last been inspected in 2013.

2. TBSA Activities

2.1 Status Update

Chairman Voorman indicated that the Two Bridges pumping station construction project is nearing completion, primarily with checklist items remaining. He said as well that the wastewater treatment plant improvement project, while still behind schedule, is moving ahead well at this point.

3. TWA Applications and Connection Permits

**3.1 TWA Application
Riverdale Phase 1 Sewer Extension
Borough of Riverdale**

For the record, Mr. Kelly advised that Riverdale has complied with the two conditions placed on the Authority's approval of the Borough's Phase 1 sewer project. Accordingly, he said the Authority's endorsement of the NJDEP WQM-003 forms will be issued to the Borough for further processing of the TWA application with Two Bridges and NJDEP.

**3.2 Residential Connections
Nos. 84 & 88 Mathews Avenue
Borough of Riverdale**

No change in status on this matter.

3.3 TWA Application
Meer Bloomingdale Estates (Finbar Equity Investments)
Borough of Bloomingdale

Mr. Kelly reviewed the status of the application for the proposed Meer Bloomingdale Estates project on Union Avenue in Bloomingdale. On review of the application several areas require clarification from the Applicant's engineer. He said there is need for the applicant to confirm the adequacy of downstream conveyance. He noted, failing confirmation of the adequacy of the downstream sewers, if in fact there were to be a problem, it would fall to the Borough of Bloomingdale to resolve.

4. Riverdale I/I Investigations

Mr. Kelly said that he has been in contact with Matrix New World Engineering as to the status of the Borough of Riverdale's metering program but has not received a reply as yet.

5. Boonton Avenue Interceptor Project

5.1 Status Report

5.1.1 Morris County Escrow Refund

Mr. Kelly indicated that Morris County has not refunded the funds head in escrow for the work on Boonton Avenue and Valley Road in Butler. He said that he would follow up on that matter.

5.1.2 Contract No. I-4A: Hutton Construction

Mr. Kelly recommended award of a contract to Cleary, Jiacobbe, Alfieri, Jacobs, LLC to retain John Napolitano, Esq. as conflict counsel. He explained that that is consistent with the Authority's direction at the October 19th meeting. He and Mr. Falcon commented on Mr. Napolitano's extensive qualifications in these types of matters.

Following further discussion, Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-16-12-2**):

Resolution No. R-16-12-2

**RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES CONTRACT WITH
John Napolitano, Esq.**

WHEREAS, the Sewerage Authorities Law, and more particularly, N.J.S.A. 40:14A-20, provides in pertinent part that an Authority is authorized to enter into any and all contracts, execute any and all instruments, and to do and perform any and all acts or things necessary, convenient or desirable for the purposes of the Authority ; and

WHEREAS, there is a need for the services of Conflict Counsel to act in place of the Authority General Counsel in connection with the Close Out of Contract No. 1-4A with Hutton Construction; and

WHEREAS, the Authority has determined that such services should be performed by John Napolitano, Esq., of Cleary, Giacobbe, Alfieri and Jacobs, LLC:

NOW THEREFORE BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and the State of New Jersey on this 7th day of December, 2016 as follows:

The Authority hereby engages the professional services of John Napolitano, Esq. in accordance with the December 5, 2016 proposal reviewed by the Authority and on file with the Authority.

The Chairman is authorized to execute a contract with John Napolitano, Esq. in accordance with the above provisions.

This Resolution shall be published in accordance with N.J.S.A. 40A:11-5 (1)(a)(i).

This Resolution shall take effect as provided by law.

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

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

5.2 Park Place/NYS&W Railroad Crossing

Mr. Kelly reviewed the findings of Mott MacDonald's draft geotechnical report dated October 18, 2016. He noted several areas of concern which the Board shared.

Following discussion, the Board asked Mr. Kelly to obtain a proposal for the next phase of the geotechnical investigations focusing on engineering-specific work, risks and costs from Mott MacDonald as well as from another engineering firm with tunneling expertise.

6. Consulting Engineer's Report

Mr. Kelly distributed copies of the Consulting Engineer's Report for FY 2017. He noted that the report is a requirement of the Authority's 1986 General Bond Resolution and is therefore prepared annually and filed with the Trustee along with other documents including the annual audit report and preliminary and final annual budgets each year.

FINANCIAL REPORT

1. Treasurer's Report

1.1 October 31, 2016 Treasurer's Report

Treasurer Lampmann presented the Treasurer's Report for the period ending October 31, 2016. Commissioner Gall 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 and Metcalfe

NAYS : None

ABSENT : Vice Chairman Verdonik

ABSTAIN : None

2. Annual Budget: FY 2017

For the record, Mr. Kelly advised that the Department of Community Affairs, Division of Local Government Services approved the Authority's annual budget for fiscal year 2017 on October 31, 2016.

3. **Audit: FY 2016**

Mr. Kelly advised that the audit process is currently in progress. He noted that the field audit work is largely completed such that he expects the auditor will issue a draft report over the next several weeks.

UNFINISHED BUSINESS

1. **Contingency Operating Plan**

No change in status on this matter.

NEW BUSINESS

1. **Riverdale Membership Petition**

In order to discuss contract matters, Mr. Falcon recommended that the Authority enter closed executive session. For that purpose, Commissioner Lampmann moved adoption of the following resolution (**Resolution No. R-16-12-3**):

Resolution No. R-16-12-3

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

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 7th day of December, 2016 as follows:

The Authority shall adjourn to executive session in accordance with N.J.S.A. 10:4-12(b)(7), being the Open Public Meetings Law, in order to discuss the advice of counsel under NJSA 10:4-12 (b) (8).

2. It is not known at the present time when the matter under discussion will be disclosed.
3. The Authority shall convene following the executive session to consider other matters on its regular meeting agenda.
4. This Resolution shall take effect as provided by law.

Commissioner Howard seconded the resolution which passed unanimously on the following roll call vote:

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

NAYS : None

ABSENT : Vice Chairman Verdonik

ABSTAIN : None

At approximately 8:25 pm, the Authority entered closed executive session.

CLOSED EXECUTIVE SESSION

At approximately 8:45 pm, Commissioner Howard moved to reopen the regular meeting to the public and return to the regular business agenda. That motion was seconded by Commissioner Gall and approved unanimously on the following roll call vote:

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

NAYS : None

ABSENT : Vice Chairman Verdonik

ABSTAIN : None

At approximately 8:45 pm, the Authority reconvened into public session. For the record, Chairman Voorman asked the recording secretary to record that no action was taken during the closed executive session.

PAYMENT OF BILLS

1. Operating Budget

1.1 Operating Request for Payment No. 357

Mr. Kelly presented Operating Request for Payment No. 357. Commissioner Gall moved approval of Operating Request for Payment No. 357 as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

**SUMMARY OF VOUCHERS FOR
 OPERATING EXPENSES**

Operating Request for Payment No. 357

The following bills have been reviewed and are recommended for approval for payment at the December 7, 2016 meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

	PRBRSA ACCT. NO.	VOUCHER NO.	VOUCHER DATE	PAYMENT AMOUNT	CHECK PAYABLE TO
1)	24.05	OP-16-11-1	3/31/2016	\$ 250.00	Borough of Butler
2)	33.01	OP-16-11-2	10/1/2016	\$ 2,570.00	Borough of Butler
3)	33.01	OP-16-11-3	10/1/2016	\$ 2,570.00	Borough of Butler
4)	24.07	OP-16-11-4	11/3/2016	\$ 131.89	Kelly Engineering
5)	22.03	OP-16-11-5	11/7/2016	\$ 10,400.00	Kelly Engineering
6)	32.02	OP-16-11-6	11/8/2016	\$ 6,198.00	Kelly Engineering
7)	22.01	OP-16-11-7	11/7/2016	\$ 2,756.50	Maraziti Falcon LLP
8)	25.03	OP-16-11-8	10/12/16	\$ 3,183.00	ADS LLC
9)	25.03	OP-16-11-9	11/09/16	\$ 3,183.00	ADS LLC
10)	33.03	OP-16-11-10	10/28/2016	\$ 37.09	Verizon
11)	33.03	OP-16-11-11	11/4/2016	\$ 37.16	Verizon
12)	33.03	OP-16-11-12	10/28/2016	\$ 37.09	Verizon
13)	33.03	OP-16-11-13	10/23/2016	\$ 32.85	Verizon
14)	33.03	OP-16-11-14	11/2/2016	\$ 17.96	Borough of Butler Electric
15)	33.03	OP-16-11-15	11/7/2016	\$ 2.81	JCP&L
16)	24.07	OP-16-11-16	10/31/2016	\$ 54.46	North Jersey Media
17)	33.03	OP-16-11-17	11/28/2016	\$ 37.16	Verizon
			TOTAL:	<u>\$ 31,498.97</u>	
					Respectfully Submitted,
					Daniel D. Kelly, P.E. Consulting Engineer

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

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

NAYS : None

ABSENT : Vice Chairman Verdonik

ABSTAIN : None

2. Construction Fund Disbursements

2.1 Construction Disbursement Requisition No. C-13-44

Mr. Kelly presented the bills as listed on Construction Fund Disbursement Requisition No. C-13-44. Commissioner Gall moved approval of the bills as follows:

CONSTRUCTION DISBURSEMENT REQUISITION No. C-13-44

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 **December 7, 2016:**

	AUTHORITY ACCOUNT #	VOUCHER NUMBER	VOUCHER DATE	PAYMENT AMOUNT	PAYEE
1)	120322C2	C-13-44-11-1	11/8/16	\$ 2,821.80	Kelly Engineering
2)	120322C1	C-13-44-11-2	11/7/16	\$ 1,110.00	Maraziti, Falcon LLP
3)	120322C6.1	C-13-44-11-3	11/1/16	\$ 39,882.60	Mott MacDonald *

TOTAL DISBURSEMENTS \$ 43,814.40

*Invoice conditionally approved.

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 me 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.

On seconding the motion, there was discussion of the possibility of withholding payment on the Mott MacDonald bill pending receipt of further information. The Board elected to conditionally approve the bill subject to the Consulting Engineer’s final approval and release of payment.

Commissioner Metcalfe seconded the motion conditionally approving the Mott MacDonald invoice which passed unanimously on the following roll call vote:

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

NAYS : None

ABSENT : Vice Chairman Verdonik

ABSTAIN : None

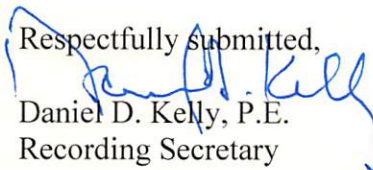
OPEN MEETING FOR PUBLIC COMMENT

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

ADJOURNMENT

At approximately 8:55 pm, Commissioner Howard moved for adjournment. Commissioner Gall seconded the motion which was approved unanimously on voice vote.

At approximately 8:55 pm, the meeting was adjourned.

Respectfully submitted,

Daniel D. Kelly, P.E.
Recording Secretary

Enclosures: Treasurer’s Report for the period ending October 31, 2016