

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

December 7, 2022

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on December 7, 2022 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, Mabey, Pellegrini and Voorman

ABSENT : Commissioner Lampmann

ALSO PRESENT : Jamie Avagnano, Authority Administrator;
Diane Alexander, Esq., Maraziti Falcon, LLP,

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 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.

KINNELON APPOINTMENT

The appointment of Charles Daniel as Kinnelon Representative will be held at the January 18, 2023 regular meeting following receipt of Kinnelon’s appointment resolution.

ADOPTION OF MINUTES

1. Meeting Minutes: Regular Meeting – October 19, 2022

Vice Chairman Voorman moved acceptance of the minutes of the October 19, 2022 regular meeting. That motion was seconded by Commissioner Mabey and approved on the following roll call vote:

AYES : Commissioners Desai, Howard, Mabey, Pellegrini, Voorman and Verdonik

NAYS : None
ABSENT : Commissioner Lampmann
ABSTAIN : None

OPERATIONAL REPORT

1. SYSTEM OPERATIONS

1.1 Flow Report

Ms. Avagnano reported on the Flow Report and Daily Flow Summary noting that TBSA Meter M-15 and PRBRSA Meter P-4 appeared to show that TBSA M-15 was now reading approximately 9% higher than PRBRSA Meter P-4. She advised that this was the first time in 10 months that M-15 recorded higher flows than Meter P-4. She noted that the information was forwarded to TBSA for review.

1.2 TBSA Flow Report (Budget vs. Actual)

Chairman Verdonik reported that the PRBRSA flows are lower than the 1.85 mgd minimum flow per the TBSA/PRBRSA Service contract which may result in a user charge to PRBRSA.

1.3 Easements

Chairman Verdonik commented that L. Becker & Sons performed a walkthrough of the Simon property easement and would submit a quote for maintenance.

Steve Donati, PE was absent therefore his November 7th memo was entered into the file documents for review.

1.4 Consulting Engineer's Report

Mr. Donati was absent as a result this matter was moved to the January 18th meeting.

2. TBSA ACTIVITIES

2.1 Status Update

Vice Chairman Voorman reported on discussions at TBSA. Vice Chairman Voorman advised that PRBRSA was under the 1.85 mgd minimum flow per the TBSA Service Contract which may result in an end of year user charge to PRBRSA.

The Board questioned the status of the revised Service Contracts being prepared by TBSA. Vice Chairman Voorman reported that he is on the Service Contract

Review Committee and has insisted that the 1.85 mgd minimum flow requirement be removed as part of the negotiations. Commissioner Desai questioned the purpose of the 1.85 minimum requirement. Chairman Verdonik replied that the minimum flow was part of the 1987 Service Contract to fund the interceptor construction.

Vice Chairman Voorman added that they have made it clear that PRBRSA will not enter a new contract if the minimum requirement is not removed.

3. TWA APPLICATIONS AND CONNECTION PERMITS

3.1 TWA Application Riverdale Phase 5 Sewer Extension Borough of Riverdale

Diane Alexander, Esq. advised the Board that there has been no response from Riverdale or NJIF on settlement of the outstanding debt.

Chairman Verdonik advised that as Riverdale is still owing PRBRSA \$227,774, he recommended delaying approval of Riverdale's TWA application to the January 18th meeting.

Consistent with the PRBRSA Service Rules, the Board tabled Resolution No. R-22-12-1, Riverdale TWA, to the January 18th meeting.

A motion to Table R-22-12-1 was moved by Commissioner Mabey. Vice Chairman Voorman seconded the motion which passed on the following roll call vote:

AYES : Commissioners Howard, Mabey, Voorman and Verdonik

NAYS : None

ABSENT : Commissioner Lampmann

ABSTAIN : Commissioners Desai and Pellegrini

4. CONSTRUCTION CONTRACTS

None

5. FINANCIAL MATTERS

5.1 Treasurer's Report: October 31, 2022

Vice Chairman Voorman presented the Treasurer's Report for the period ending October 31, 2022 and moved approval as presented.

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

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

5.2 Audit FY 2022

Chairman Verdonik reported that the FY 2022 Audit was scheduled to begin on December 12, 2022.

5.3 Annual Budget FY 2023

Ms. Avagnano reported that the FY 2023 Budget was approved on November 3, 2022 by DLGS.

She advised that Resolutions R-22-12-2 and R-22-12-3 authorized investment of the Capital Reserve and Renewal & Replacement Fund contributions.

6. UNFINISHED BUSINESS

6.1 Unauthorized Connection – Riverdale Claim

Diane Alexander, Esq. advised that no response to her numerous requests were received from NJIF counsel nor has Riverdale responded to correspondence from the Authority Administrator. PRBRSA counsel recommended that further discussions proceed in closed session.

6.2 TBSA Appointment

Ms. Avagnano advised that Resolution R-22-12-5 under the consent agenda reappoints Chairman Verdonik as PRBRSA's representative to TBSA for the period of 2/1/232 thru 1/31/28.

6.3 Emergency Response Plan

Ms. Avagnano commented that the Emergency Response Plan was in final review by the consulting engineer.

6.4 Personnel Matters

Following discussions in closed session, the Board requested the Administrator to submit the Task and Goals for 2023.

7. NEW BUSINESS

None

8. CONSENT AGENDA

Ms. Avagnano read the titles of the resolutions under the consent agenda.

Vice Chairman Voorman moved the following resolutions per the Consent Agenda as follows:

- 1) Resolution R-22-12-2: Capital Reserve Contribution Investment
- 2) Resolution R-22-12-3: Renewal & Replacement Fund Contribution
- 3) Resolution R-22-12-5: R. Verdonik Appointment to TBSA

Resolution No. R-22-12-2

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

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 2023 operating budget increases the reserve amount within the Capital Reserve by contribution to that account of \$100,000.00.

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 7th day of December 2022 as follows:

1. An amount of \$100,000.00 of unrestricted/undesignated net assets currently within the NJCMF Revenue Fund (Account No. 000070394-171) shall be designated as a Capital Reserve.
2. Said designation shall increase the unrestricted/designated net assets within the Capital Reserve from \$3,184,728.69 to \$3,185,729.69.
3. The funds so designated shall be dedicated to and retained within the Capital Reserve subaccount within the Wells Fargo Investment (Account No. 6875-6010).
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.

Certified to be a true copy of the Resolution enacted at a duly convened public meeting of the Pequannock River Basin Regional Sewerage Authority held on December 7, 2022.

Resolution No. R-22-12-3

RESOLUTION AUTHORIZING A TRANSFER FROM THE REVENUE 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 2023 Budget allows for a contribution to the Renewal & Replacement fund of \$300,000.00.

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 7th day of December 2022 as follows:

1. An amount of \$300,000.00 of unrestricted/undesignated net assets currently within the Revenue Fund (NJCMF Account No. 000070394-171) 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 \$806,858.61 to \$1,106,858.61.
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.

Certified to be a true copy of the Resolution enacted at a duly convened public meeting of the Pequannock River Basin Regional Sewerage Authority held on December 7, 2022.

Resolution No. R-22-12-5

RESOLUTION RE-APPOINTING RAYMOND VERDONIK TO TBSA

WHEREAS, the Sewerage Authorities Law, and specifically N.J.S.A. 40:14A-4(o), provides for the appointment of members to a contiguous sewerage authority where a service agreement between them provides for the same; and

WHEREAS, the Pequannock Lincoln Park and Fairfield Sewerage Authority (“TBSA”) and the Pequannock River Basin Regional Sewerage Authority (“PRBRSA”) entered into a Service Agreement dated December 20, 1985 providing for such appointments; and

WHEREAS, the Pequannock River Basin Regional Sewerage Authority wishes to re-appoint Raymond Verdonik to serve as a representative of PRBRSA to TBSA;

NOW, THEREFORE, 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, 2022, as follows:

1. Raymond Verdonik is hereby re-appointed to represent the Pequannock River Basin Regional Sewerage Authority as aforesaid commencing on February 1, 2023 and ending January 31, 2028 or on the completion of his term on PRBRSA, whichever occurs earlier.

2. This Resolution shall take effect immediately and a certified copy hereof shall be filed in the Office of the Secretary of State, the Office of the Pequannock Lincoln Park and Fairfield Sewerage Authority as well as with the Municipal Clerks of Butler, Bloomingdale, Kinnelon and Riverdale.

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 December 7, 2022.

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

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

9. PAYMENT OF BILLS

9.1 Operating Request for Payment No. 424

Vice Chairman Voorman presented Operating Request for Payment No. 424 and moved approval as follows:

Operating Request for Payment No. 424

The following bills have been reviewed and are recommended for approval for payment at the **December 7, 2022** 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>ACCT. NO</u>	<u>NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>CHECK PAYABLE TO</u>
1)	24.07	OP-22-11-1	11/4/2022	\$ 196.79	J. Avagnano
2)	22.03	OP-22-11-2	11/3/2022	\$ 1,950.50	CP Engineers LLC
3)	22.01	OP-22-11-3	11/7/2022	\$ 780.00	Maraziti Falcon LLP
4)	32.02	OP-22-11-4	11/3/2022	\$ 1,970.75	CP Engineers LLC
5)	22.01	OP-22-11-5	11/7/2022	\$ 156.00	Maraziti Falcon LLP
6)	33.01	OP-22-11-6	10/31/2022	\$ 2,680.00	CSL
7)	34.03	OP-22-11-7	11/3/2022	\$ 1,612.50	CP Engineers LLC
8)	33.03	OP-22-11-8	10/26/2022	\$ 9.26	Borough of Butler Electric
9)	33.03	OP-22-11-9	11/9/2022	\$ 4.09	JCP&L
10)	24.07	OP-22-11-10	11/1/2022	\$ 54.42	North Jersey Media Group
TOTAL:				\$ <u>9,414.31</u>	

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

AYES : Commissioners Desai, Howard, Mabey, Pellegrini, Verdonik and Voorman

NAYS : None

ABSENT : Commissioner Lampmann

ABSTAIN : None

9.2 Operating Request for Payment No. 425

Vice Chairman Voorman presented Operating Request for Payment No. 425 and moved approval as follows:

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

Operating Request for Payment No. 425

The following bills have been reviewed and are recommended for approval for payment at the **December 7, 2022** 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-22-12-1	3/31/2022	\$ 250.00	Borough of Butler
2)	33.01	OP-22-12-2	10/1/2022	\$ 2,814.25	Borough of Butler
3)	24.05	OP-22-12-3	3/31/2022	\$ 250.00	Borough of Butler
4)	33.01	OP-22-12-4	10/1/2022	\$ 2,814.25	Borough of Butler
5)	24.07	OP-22-12-5	12/5/2022	\$ 196.79	J. Avagnano (email-Nov.)
6)	33.01	OP-22-12-6	12/6/2022	\$ 2,680.00	CSL
7)	22.05	OP-22-12-7	12/1/2022	\$ 29,251.94	Borough of Butler (admin payroll 4th Qtr)
8)	22.05	OP-22-12-8	12/1/2022	\$ 6,177.95	Borough of Butler (admin. benefits 4th Qtr)
9)	24.07	OP-22-12-9	11/30/2022	\$ 373.05	J. Avagnano (out of pocket expense)
10)	33.03	OP-22-12-10	11/23/2022	\$ 18.52	Borough of Butler Electric
TOTAL:				<u>\$ 44,826.75</u>	

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

AYES : Commissioners Desai, Howard, Mabey, Pellegrini, Verdonik and Voorman

NAYS : None

ABSENT : Commissioner Lampmann

ABSTAIN : None

CLOSED SESSION:

At approximately 6:15 pm the Board entered Closed Session to discuss Personnel matters and potential litigation.

Vice Chairman Voorman moved Resolution Numbers R-22-12-4 and R-22-12-6 entering closed session as follows:

Resolution No. R-22-12-4

**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 7th day of December, 2022 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 engage in attorney client privileged discussion: Riverdale Borough - unauthorized connection to the Authority System litigation.
2. The minutes of the executive session relating to Riverdale Borough attorney client privileged discussion will be released to the public in the event of successful negotiations or, in the event of litigation, the minutes shall be available to the public upon: the issuance of an unappealable Order of a Court of competent jurisdiction; upon settlement of all issues in the matter; or the failure to institute litigation after the passage of reasonable time.
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.

Resolution No. 22-12-6

**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 7th day of December, 2022 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 motion was seconded by Commissioner Desai and passed on the following roll call vote:

AYES : Commissioners Desai, Howard, Mabey,
Pellegrini, Verdonik and Voorman

NAYS : None

ABSENT : Commissioner Lampmann

ABSTAIN : None

Note: Commissioners Desai and Pellegrini left the closed session in progress for discussions on the Riverdale Claim Matter.

At approximately 6:35 pm Vice Chairman Voorman motioned to return to the regular agenda.

That motion was seconded by Commissioner Mabey and passed on the following roll call vote:

AYES : Commissioners Desai, Howard, Mabey,
Pellegrini, Verdonik and Voorman

NAYS : None

ABSENT : Commissioner Lampmann

ABSTAIN : None

OPEN MEETING FOR PUBLIC COMMENT

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

ADJOURNMENT

At approximately 6:37 pm, Vice Chairman Voorman moved to adjourn the regular meeting. That motion was seconded by Commissioner Mabey and approved unanimously on voice vote.

At approximately 6:37 pm, the meeting was adjourned.

Respectfully submitted,


Jamie Avagnano,
Recording Secretary

Enclosures: Treasurer's Report for the period ending October 31, 2022