

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

June 16, 2021

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on June 16, 2021. Chairman Verdonik called the meeting to order at approximately 5:00 p.m.

#### ROLL CALL

On roll call:

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

**ABSENT** : Commissioner Gall

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

#### 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 time change was provided to the municipal clerks and noticed in the Authority's official newspapers.

#### ADOPTION OF MINUTES

1. Meeting Minutes: Regular Meeting – May 19, 2021

Commissioner Metcalfe moved acceptance of the minutes of the May 19, 2021 regular meeting. That motion was seconded by Commissioner Lampmann and approved on the following roll call vote:

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

**NAYS** : None

**ABSENT** : Commissioner Gall

**ABSTAIN** : None

## **OPERATIONAL REPORT**

### **1. SYSTEM OPERATIONS**

#### **1.1 Flow Report**

Administrator Avagnano noted that the Flow Report for the period ending May 2021 was included in the meeting documents for the Board's review including the following reports:

- Daily Flow Summary for May 2021
- Daily Flow Hydrograph for May 2021
- Hydrograph: Comparison P-4 vs. M-15 May 2021

She advised that if there were any question on the documents to please contact her.

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

Administrator Avagnano presented the memorandum on the TBSA vs. PRBRSA flows ending May 2021 as included in the package for the Board's review and comment.

#### **1.3 Interceptor CCTV-Inspection & Cleaning Project**

Before proceeding, Chairman Verdonik introduced Steve Donati, P.E. of CP Engineers, LLC as the newly appointed engineer. Mr. Donati thanked the Board for appointing him as the new consultant.

Administrator Avagnano provided CP Engineer's cost proposal for preparation and management of the CCTV-inspection project currently being considered. She stated that the proposal seemed reasonable with conservative time built in for inspection services.

Mr. Donati explained that CP's proposal had been reduced based on earlier discussions and that, on review of the project, the overall work was predominately an engineering task. Commissioner Lampmann questioned the disclaimer noted on the not-to-exceed task breakdown. Mr. Donati explained that the task breakdown was left open to allow for reallocation of funds from one task to another on Authority approval.

Chairman Verdonik called for a motion on Resolution No. R-21-6-1.

Commissioner Howard moved approval of Resolution No. R-21-6-1 as follows:

**Resolution No. R-21-6-1**

**RESOLUTION**

**WHEREAS**, the Authority requires the performance of professional engineering services to assist in the design, bid specification preparation, and field services relevant to inspection and evaluation of three (3) of the interceptor sewers within the PRBRSA collection system; and

**WHEREAS**, the Authority is in receipt of a proposal dated June 15, 2021, submitted by CP Engineers, with offices at 11 Park Lake Road, Sparta, New Jersey, for the performance of engineering services for the performance of Design Phase Services, Bid Phase Services, Inspection Services and the preparation of a Final Report, in the amount of \$44,950.00; and

**WHEREAS**, the foregoing services are “professional services” pursuant to N.J.S.A. 40A:11-2(6) which are permitted to be contracted without public bidding as set forth in N.J.S.A. 40A:11-5(1)(a)(i), provided a brief notice of the nature, duration, service and amount of contract is published, and that the Resolution and contract are kept on file and available for public inspection; and as a “non-fair and open” contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

**WHEREAS**, CP Engineers NJ, LLC has completed and submitted a C.271 Political Contribution Disclosure Form and a Business Entity Disclosure Certification, which certifies that the firm has not made any reportable contributions to a political or candidate committee represented by an Authority member in the previous one year, and the contract will prohibit the firm from making any reportable contribution through the term of the contract; and

**WHEREAS**, the Business Disclosure Entity Certification, the C.271 Political Contribution Disclosure Form, and the Determination of Value has been placed on file with this resolution; and

**WHEREAS**, the Authority has determined that it is in the interest of the Authority to award a contract for the performance of the services proposed in the attached proposal dated June 15, 2021, submitted by CP Engineers; and

**WHEREAS**, funds are available for these services from funds appropriated for these purposes in accordance with the duly adopted budget of the Authority, the General Bond Resolution of July 15, 1986 and all supplements thereto, and other implementing resolutions of the Authority.

**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 day 16<sup>th</sup> of June, 2021 as follows:

1. The Chairman is authorized and directed to execute an Agreement with CP Engineers, LLC., in an amount not to exceed \$44,950.00 without further authorization, to perform the work as proposed. The agreement for such services shall be kept on file and available for inspection by members of the public in accordance with law.
2. The Secretary is authorized and directed to cause a notice to be published in the official newspaper of the Authority, within ten (10) days of the date hereof, concerning the nature, duration, service and the amount of the contract of the aforesaid professional service, as well as, notice that the contract will be kept on file and available for public inspection in the offices of the Authority.
3. The aforesaid firm shall be paid from funds appropriated for these purposes in accordance with the duly adopted budget of the Authority, the General Bond Resolution of July 15, 1986 and all supplements thereto, and other implementing resolutions of the Authority.
4. This Resolution shall take effect as provided by law.

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

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

**2. TBSA ACTIVITIES**

**2.1 Status Update**

Vice Chairman Voorman reported on the activities at Two Bridges. He mentioned that TBSA had recently extended an offer to a candidate for the staff engineer position to be vacated when Tom Bongiovanni assumes the Executive Director position in July. Chairman Verdonik added that the activities in TBSA have been proceeding on a normal basis.

**3. REPORTS & RECOMMENDATIONS**

**3.1 Flow Metering Contract – Request for Proposals**

Administrator Avagnano advised that preparation of the RFP as an extraordinary unspecifiable service for the flow metering contract was currently underway. She mentioned that the expected timeline for the RFP was issuance in July, acceptance of proposals in August, review of proposals in August/September with award in October. The Board agreed with the timeline.

Commissioner Desai returned to the prospect of placing more meters throughout the system to identify I/I sources. Mr. Donati advised that matter could be added on as a separate temporary monitoring effort after the four permanent meters had been installed and verified. Commissioner Lampmann and Commissioner Desai added that the RFP should allow the company to evaluate the location of the permanent meters to provide adequate slope and hydraulics. Mr. Donati agreed, stating that the Board may want to begin with installing the meters in the same locations to compare the readings and then relocate the meters if a more suitable location is found.

After considerable discussion, the Board agreed to move forward with the RFP for the comprehensive flow metering contract with 4 permanent meters and consider an addition I/I program with 6 month metering rotation through sections of the PRBRSA Interceptor at another date.

**3.2 Consulting Engineer – Transition**

Mr. Donati expressed his appreciation to the Board for selecting him as the consulting engineer and said that he anticipated a longstanding relationship going forward. He commented that the transition was proceeding smoothly and he continued to receive information from the Authority in general.

Commissioner Howard suggested that Mr. Donati take a physical tour of the PRBRSA system to familiarize himself with the location of the sewers, the flow meter locations as well as where the flow from the customer towns enters the system.

Mr. Donati agreed.

4. **TWA APPLICATIONS AND CONNECTION PERMITS**

4.1 Residential Connection Investigations  
#69 Hamburg Turnpike  
Bloomingdale

Administrator Avagnano advised that she had not received any further information on this matter. She further mentioned that Mr. Donati was advised to specify that the CCTV-inspection videos and logs contain detailed information of the laterals including their locations along the Bloomingdale Interceptor.

5. **CONSTRUCTION CONTRACTS**

5.1 **Contract PRB 19-1: NYS&W Railroad, Borough of Butler**

Administrator Avagnano presented Change Order No. 4 and the Final Payment Application to close out Contract PRB 19-1 (Re-Bid). She noted that the final contract price had been negotiated by MM to remain below the 20% threshold.

She also advised that as a condition of the close-out, installation of the electrical cabinet in Butler Park must be completed to the Engineer's satisfaction. She also noted the construction photos are on the table for review.

Chairman Verdonik requested a motion on Resolution No. R-21-6-2 to accept final Change Order No. 4 on Contract PRB 19-1 (Re-Bid).

Commissioner Howard moved Resolution No. R-21-6-2 as follows:

**Resolution No. R-21-6-2**

**RESOLUTION CONDITIONALLY ACCEPTING THE WORK PERFORMED FOR MAIN STREET AND PARK PLACE SANITARY SEWER REPLACEMENT PROJECT CONTRACT NO. PRB-19-1 (RE-BID); AUTHORIZING CHANGE ORDER NO. 4; CONDITIONALLY AUTHORIZING FINAL PAYMENT; AND ACCEPTING THE TWO-YEAR MAINTENANCE BOND**

**WHEREAS**, the Pequannock River Basin Regional Sewerage Authority (the "Authority") awarded the Main Street and Park Place Sanitary Sewer Replacement Project Contract No. PRB-19-1 (Re-Bid) to Montana Construction Corp., Inc. ("Montana") on October 16, 2019 as the lowest responsible bidder, pursuant to Resolution No. R-19-10-4, in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. in the bid amount of \$1,422,025.00; and

**WHEREAS**, on April 15, 2020, the Authority authorized Change Order No. 1 with Montana increasing the contract amount by \$15,522.30 pursuant to Resolution No. R-20-4-2 for the reasons set forth therein in accordance with N.J.A.C. 5:30-11; and

**WHEREAS**, on May 6, 2020, the Authority authorized Change Order No. 2 with Montana increasing the contract amount by \$71,972.38 and increasing the contract time for completion by six (6) days pursuant to Resolution No. R-20-5-1 for the reasons set forth therein in accordance with N.J.A.C. 5:30-11; and

**WHEREAS**, on August 13, 2020, the Authority authorized Change Order No. 3 with Montana increasing the contract amount by \$263,331.10 and increasing the contract time for completion by ninety-four (94) days pursuant to Resolution No. R-20-8-1 for the reasons set forth therein in accordance with N.J.A.C. 5:30-11; and

**WHEREAS**, the Authority is in receipt of Change Order No. 4 decreasing the contract amount by \$70,922.75 for quantities not utilized including a credit for off-duty police paid in January 2021 and increasing the contract time for completion by 208 days, thereby extending the date for final completion to June 16, 2021; and

**WHEREAS**, the final contract value is \$1,701,928.03 based on an original contract value of \$1,422,025.00 and Change Order Nos. 1, 2, 3 and 4; and

**WHEREAS**, Montana has provided the Authority with a Final Waiver of Lien, dated June 9, 2021; and

**WHEREAS**, the Authority is in receipt of Maintenance Bond No. 3110639M executed on June 9, 2021 by Federal Insurance Company in the amount of \$1,701,928.03, having a commencement date of June 9, 2021 and a termination date of June 9, 2023 against any defective workmanship or defective materials (the "Maintenance Bond"); and

**WHEREAS**, a damaged electrical cabinet needs to be replaced; and

**WHEREAS**, it is anticipated that the electrical cabinet will be installed by Montana on June 18, 2021 and final payment shall not be issued to Montana until the electrical cabinet is installed.

**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 the 16<sup>th</sup> day of June, 2021 as follows:

1. Upon the installation of the electrical cabinet to the satisfaction of the Authority's Engineer, the Authority hereby determines that the work performed by Montana pursuant to Contract No. PRB-19-1 (Re-Bid) has reached final completion and is accepted and this Resolution shall be deemed the Notice of Completion required by the contract documents and shall remain on file at the offices of the Authority.
2. The Authority approves and authorizes execution of Change Order No. 4 which provides a time extension in the amount of 208-days, extending the date for final completion to June 16, 2021 and decreases the contract amount by \$70,922.75.

3. The Authority hereby accepts Maintenance Bond No. 3110639M executed on June 9, 2021 by Federal Insurance Company in the amount of \$1,701,928.03 for the two-year maintenance period commencing on June 9, 2021 and terminating on June 9, 2023.
4. The Authority authorizes the release of final payment to Montana in the amount of \$52,272.69 upon the installation of the electrical cabinet to the satisfaction of the Authority's Engineer.
5. Funds are certified to be available from the Capital Budget, Construction Account No. 2576006501 in the amount of \$52,272.69 as final payment to Montana for Contract No. PRB-19-1 (Re-Bid) in accordance with the conditions set forth in this Resolution.
6. The Authority's staff and consultants are authorized to take all actions necessary to effectuate this Resolution.
7. This Resolution shall take effect immediately.

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

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

**NAYS** : None

**ABSENT** : Commissioner Gall

**ABSTAIN** : None

## 6. FINANCIAL MATTERS

### 6.1 Treasurer's Report: May 31, 2021

Treasurer Lampmann presented the Treasurer's Report for the period ending May 31, 2021 and moved approval as presented.

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

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

**NAYS** : None

**ABSENT** : Commissioner Gall

**ABSTAIN** : None



**6.2 Annual Budget: FY 2022 & Rate Stabilization**

Administrator Avagnano advised that she recommended an \$80,000, or 1.5% increase to the FY 2022 Budget bringing the total Annual Charge to \$5,500,000. She explained that costs for Operation and Maintenance as well as expenses related to the upcoming rehabilitation projects and new metering investigations were expected to be higher for FY 2022 on explaining the requested increase.

Chairman Verdonik inquired on the Board's position to proceed with preparation of the preliminary budget with the recommended increase. Treasurer Lampmann expressed that he did not have any objection to preparing the preliminary line item budget with the increase for review in July.

Chairman Verdonik authorized Ms. Avagnano to proceed with the budget preparation as proposed.

**7. UNFINISHED BUSINESS**

**7.1 Unauthorized Connection – Riverdale Claim Matter**

Mr. Falcon advised the Board that there had not been any further correspondence on the claim matter. He explained that Riverdale's insurance carrier's counsel was currently conducting the investigations in a way that is cost prohibitive. Explaining further that Riverdale's insurance carrier should be requesting the background and other information regarding claim expenses directly from the Borough instead of PRBRSA. He added that by requesting the information from PRBRSA counsel, Riverdale would then be billed for the legal fees connected to that response. Administrator Avagnano also relayed Commissioner Gall's comments in his absence, stating that Commissioner Gall also expressed his dissatisfaction in PRBRSA's involvement in the insurance claim reiterating that PRBRSA's claim is against Riverdale regardless of the outcome of the insurance settlement to the Borough.

The Riverdale representatives mentioned they were not aware of these points and would discuss them with Riverdale administration.

**8. NEW BUSINESS**

**8.1 Commercial/Umbrella & Terrorism Insurance Coverages**

Administrator Avagnano recommended renewal of the Umbrella and Commercial Policies quoted along with the Terrorism coverage as recommended by Stanford Risk Management at an additional \$198/year. She advised that the premiums were approximately 10% over the prior year. However, on review, Stanford Risk confirmed that the premiums were within current industry standards for 2021/2022.

As the premiums have escalated, Chairman Verdonik and the Board recommended receiving comparative quotes for 2022.

Commissioner Desai moved Resolution No. R-21-6-3 as follows:

**Resolution No. R-21-6-3**

**RESOLUTION**

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter “the Authority”) maintains policies of insurance in accordance with Section 611 of the Bond Resolution of July 15, 1986; and

WHEREAS, the Authority desires to maintain appropriate coverage and has received quotations from Marsh & McLennan Agency (Broker); 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 as an extraordinary unspecifiable service; and

WHEREAS, the Authority Administrator has recommended award of the Contract to Philadelphia Indemnity Insurance Company for coverage from June 23, 2021 through June 23, 2022 per Stanford Risk Management’s review and recommendation; and

WHEREAS, the Authority desires to award a contract to Philadelphia Indemnity Insurance Company for the following coverages for the premiums indicated by Broker quotation of May 12, 2021 as generally summarized below:

**PHILADELPHIA INDEMNITY INSURANCE COMPANY**

Commercial Package	\$ 7,510.00
Umbrella Package:	\$ 17,332.00
Terrorism Coverage:	\$ 198.00
<b>Total:</b>	<b><u>\$ 25,040.00</u></b>

WHEREAS, N.J.S.A. 40:11-5(1)(m) authorizes the Authority to award contracts for insurance without public advertising for bids and bidding thereof; and

WHEREAS, the Authority has reviewed the Certification of the Administrator of even date herewith.

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 16th day of June 2021, as follows:

1. The Authority hereby approves and authorizes the Authority Administrator to acquire the aforesaid insurance policies.
2. The Authority hereby authorizes payment to the Broker of the premium due in the total amount of \$25,040.00 in order to obtain the policies.
3. The Authority shall cause a copy of the within Resolution to be published once in an official newspaper of the Authority.
4. This Resolution shall take effect immediately.

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

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

**NAYS** : None

**ABSENT** : Commissioner Gall

**ABSTAIN** : None

**8. CONSENT AGENDA**

None

**9. PAYMENT OF BILLS**

**Operating Budget**

**9.1 Operating Request for Payment No. 408**

Treasurer Lampmann presented Operating Request for Payment No. 408 and moved its approval as follows:

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

**Operating Request for Payment No. 408**

The following bills have been reviewed and are recommended for approval for payment at the **June 16, 2021** 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-21-6-1	3/1/2020	\$ 250.00	Borough of Butler
2) 33.01	OP-21-6-2	10/1/2020	\$ 2,705.00	Borough of Butler
3) 24.07	OP-21-6-3	6/7/2021	\$ 186.40	J. Avagnano
4) 32.02	OP-21-6-4	6/7/2021	\$ 1,037.10	Kelly Engineering
5) 22.01	OP-21-6-5	6/7/2021	\$ 3,855.23	Maraziti Falcon LLP
6) 22.01	OP-21-6-6	6/7/2021	\$ 234.00	Maraziti Falcon LLP
7) 33.01	OP-21-6-7	6/8/2021	\$ 3,426.00	ADS LLC
8) 23.03	OP-21-6-8	6/9/2021	\$ 25,364.21	Marsh McLennan
9) 33.03	OP-21-6-9	6/9/2021	\$ 18.23	Borough of Butler Electric
10) 24.07	OP-21-6-10	5/12/2021	\$ 40.25	North Jersey Media Group
11) 24.07	OP-21-6-11	5/30/2021	\$ 37.25	North Jersey Media Group
12) 24.07	OP-21-6-12	5/30/2021	\$ 16.28	North Jersey Media Group
13) 24.07	OP-21-6-13	5/30/2021	\$ 44.45	North Jersey Media Group
14) 24.07	OP-21-6-14	5/30/2021	\$ 104.30	North Jersey Media Group
15) 24.07	OP-21-6-15	6/6/2021	\$ 50.25	North Jersey Media Group
16) 33.03	OP-21-6-16	6/9/2021	\$ 3.10	JCP&L
<b>TOTAL:</b>			<b>\$ 37,372.05</b>	

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

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

**Construction Fund Disbursements**

**9.2 Construction Disbursement Requisition No. C-17-45**

Treasurer Lampmann presented the bills as listed on Construction Fund Disbursement Requisition No. C-17-45 and 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-17-45-6-1	6/7/2021	\$ 2,254.70	Kelly Engineering
2)	120328C2	C-17-45-6-2	6/7/2021	\$ 3,061.50	Maraziti Falcon LLP
3)	120328C3	C-17-45-6-3	6/9/2021	\$ 3,821.92	Mott MacDonald
4)	120328C1	C-17-45-6-4	6/11/2021	\$52,272.69	Montana Construction
<b>TOTAL DISBURSEMENTS</b>				<b><u>\$61,410.81</u></b>	

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

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

**OPEN MEETING FOR PUBLIC COMMENT**

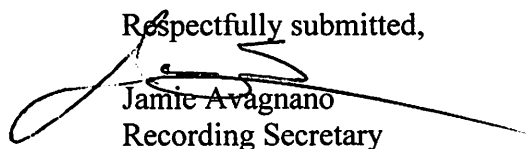
Before opening the meeting to the public Chairman Verdonik polled the Board regarding the July 21<sup>st</sup> meeting time. The Board decided to reschedule the time for 6:00 pm on July 21<sup>st</sup>. Chairman Verdonik then opened the meeting to the public. Since no public was present, the public portion of the meeting was closed.

**ADJOURNMENT**

At approximately 5:45 pm, Commissioner Desai moved to adjourn the regular meeting. That motion was seconded by Commissioner Howard and approved unanimously on voice vote.

At approximately 5:45 pm the meeting was adjourned.

Respectfully submitted,

  
Jamie Avagnano  
Recording Secretary