

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

March 15, 2017

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on March 15, 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.

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 – February 15, 2017**

Commissioner Lampmann moved acceptance of the minutes of the Authority's February 15, 2017 meeting. That motion was seconded by Vice Chairman Verdonik and passed 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

Commenting on the February 15, 2017 Flow Report for the Triton flow monitors for the period ending January 31, 2017, Mr. Kelly noted that the system flows have returned to near normal levels at 1.794 mgd for the month and 1.646 mgd on a year-to-date basis.

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

- Triton Flow Report for January 2017
- Triton Daily Flow Summary for January 2017
- Triton Daily Flow Hydrograph for January 2017
- Triton M-15 vs. P-4 Hydrograph

1.2 TBSA Actual vs. Budgeted Flow Analysis

Commenting on his March 7, 2017 memorandum, Mr. Kelly indicated that the flows for January remain under the 1.85 mgd minimum contractual flow with Two Bridges. That being the case, he said his analysis projects a 2.09% increase in TBSA's User Charges were that trend to continue.

1.3 Asset Management: GIS System

For the record Mr. Kelly noted that the work on development of the Geographical Information System (GIS) has been authorized to proceed under contract with Mott MacDonald.

1.4 PRBRSA Interceptor Inspection: 2016

No change in status on this matter.

2. TBSA Activities

2.1 Status Update

Chairman Voorman advised that construction is continuing on both the pumping station contract as well as the wastewater treatment plant contract, noting that the latter is nearing final completion.

He also advised that Two Bridges has authorized Black & Veatch to prepare an analysis of the capacity of the treatment plant now that the effluent discharge limitations have been established and in view of the fact

that the plant no longer receives a recycle discharge from the former sludge incineration processing.

3. TWA Applications and Connection Permits

**3.1 TWA Application
Kinnelon Community Center
Borough of Kinnelon**

Again, for the record, Mr. Kelly advised that the Authority issued a letter to the Borough of Kinnelon in support of the Borough's Kinnelon Community Center project.

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

As directed by the Board at the February 15th meeting Mr. Kelly said that he updated the letter originally prepared by Diane Alexander to provide notice to the Borough of Riverdale if the Borough does not notify NJDEP of the sewer extension construction for two residential properties on Mathews Avenue. In response to Commissioner Metcalfe's question he advised that the letter would be issued by the end of March if such notification has not been made by then.

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

Referring to engineering design plans for a sewer extension proposed to serve two existing homes on Reeve Avenue, No. 101 and No. 103, Mr. Kelly indicated that he expects that this application will be ready for the Board's consideration at the April meeting.

**3.4 TWA Application
Meer Bloomingdale Estates (Federal Hill/ Finbar Equity Investments)
Borough of Bloomingdale**

No change in status on this matter.

4. **Riverdale OPRA Request (Flow Data)**

Following Riverdale's OPRA request for flow data, Mr. Kelly said that more recently the Borough has informally requested further information on the system flows.

5. **Boonton Avenue Interceptor Project**

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

In order to discuss contract negotiations for close out of Contract No. I-4A with Hutton Construction, counsel recommended entering closed executive session.

For that purpose Vice Chairman Verdonik moved adoption of the following resolution (Resolution No. R-17-3-1).

Resolution No. R-17-3-1

**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 15th day of March, 2017 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 Law, in order to discuss contract negotiations – Hutton Construction Company.
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 Gall seconded the motion which passed unanimously upon the following roll call vote:

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

NAYS : None

ABSENT : None

ABSTAIN : None

At approximately 7:37 pm, the Authority entered Closed Executive Session to discuss contract negotiations. Mr. Falcon recused himself from that session.

Closed Executive Session

At approximately 7:47 pm, Commissioner Lampmann moved to close the executive session and reopen the meeting to the public. Commissioner Gall 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

5.2 Park Place/NYS&W Railroad Crossing

Mr. Kelly indicated that Mott MacDonald is currently moving ahead with the engineering to prepare a preliminary plan and profile, associated cost estimate and risk assessment for the proposed crossing of the NYS&W railroad in Park Place, Butler. In response to Commissioner Metcalfe's question he said the design information is necessary in order to meet with the railroad's engineering group and also to have a baseline cost estimate to compare to the cost of an alternative method of construction, namely, the possibility of an open cut rather than tunneling beneath the railroad.

Commenting more generally, Mr. Kelly said that the president of the railroad, Nathan Fenno, has required that the Authority first meet with NYS&W's engineering group before continuing discussions on the possibility of an open cut including the business arrangements that the Board had previously considered.

5.3 2013 Project Close-out

Mr. Kelly advised that the 2013 Project for the Boonton Avenue Interceptor, which project was funded through the New Jersey Environmental Infrastructure Trust Loan Interest Loan Program, will be closed out. He referred to his February 28th memorandum on that subject along with the associated analysis of costs to date on the 2013 Project.

He said the NYS&W railroad crossing, which had originally been a part of the 2013 Project, was necessarily bifurcated from the loan application when complications arose, particularly with respect to Green Acres and subsequently with the localized geotechnical conditions, to avoid jeopardy to potential loss of the loan itself. Therefore, the NYS&W railroad project will be separated as the "2017 Project" and tracked in that manner.

FINANCIAL REPORT

1. Treasurer's Report

1.1 February 28, 2017 Treasurer's Report

Treasurer Lampmann presented the Treasurer's Report for the period ending February 28, 2017. Treasurer Lampmann moved acceptance of the Treasurer's Report as presented. Commissioner Gall 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. **Annual Budget: FY 2017**

For the record Mr. Kelly advised that the Bloomingdale Subflow has been billed to the Boroughs of Bloomingdale and Butler thereby finalizing the billings for the current year.

3. **Auditor's Report on Compliance**

As indicated by the February 23, 2017 letter from Mr. Cuva, the auditors have completed their Report on Compliance. Mr. Kelly advised that the auditor's report effectively verifies the accuracy of the prior year adjustments as well as the current year billings to the four municipalities. A copy of the Compliance Report was made available to the Board in their file folders.

UNFINISHED BUSINESS

1. **Contingency Operating Plan**

Chairman Voorman reported that he has discussed the contingency operating plan matter with TBSA's new chairman and will set up a meeting to discuss that matter as soon as possible.

2. **Riverdale Membership Petition**

Mr. Falcon advised he informed Riverdale special counsel Richard Clemack of the Authority's need to maintain compliance with the General Bond Resolution prior to the Borough's joining the Authority as a Member municipality and that he has not heard back from Mr. Clemack or the Borough. He explained that he informed Mr. Clemack that the Borough has the option to have the financial analysis (as originally authorized but not prepared by Public Financial Management) prepared itself through a financial advisor acceptable to the Authority's bond counsel, or to have PRBRSA complete that work.

3. **By Laws Review**

As requested at the February 15th meeting Mr. Falcon said that he has reviewed the Authority's By Laws and would be able to modify them to include, should the Board elect to, term limits or other conditions affecting the designation of officers annually. He said he would need further guidance from the Board as to the specifics of the term limits and other changes that the Board would like to consider for inclusion in the bylaws.

After some discussion, the Commissioners determined that they would not seek to impose term limits on Authority Officers through a By-Law change. However, they would like to amend the By-Laws to provide that, in order to be eligible to be elected Chair of the Authority, an individual shall have served at least three years on the Authority. There was further discussion as to whether the Vice Chair should have served at least two years on the Authority, but a consensus was not reached on this topic.

Although not the subject of a By-Law change, the Commissioners discussed the process by which the Nominating Committee would prepare for the annual elections to occur at the Organization Meeting in February. Around the turn of the year, the Nominating Committee would circulate a solicitation for those interested, and qualified, to submit names for consideration of the Nominating Committee. Prior to the Organization Meeting, the Nominating Committee would distribute a proposed slate of Officers for consideration by the Authority Commissioners. Notwithstanding the presentation of a proposed slate, other persons seeking election to an Officer position can also be nominated and seconded at the Organization Meeting.

4. Morris County Escrow

In response to Chairman Voorman's question Mr. Kelly said that Charmayne Bowie of Morris County advised that the county is scheduled to release both escrow payments for the work on Boonton Avenue as well as Valley Road by March 24th.

5. Response from ADS

Again, in response to Chairman Voorman's question, Mr. Kelly advised that ADS has not responded to the Authority's longstanding request for an explanation of the changes in flow condition following May 31st. Accordingly he said that the payment authorized in January for December 2016 as well as the payment for flow related services provided in January will be held pending a reply from ADS.

Mr. Falcon indicated that he had reviewed ADS contract, Contract No. OM-5, and found that it provides that the engineer has the ability to judge the acceptability of the flow information provided by ADS. He therefore suggested that Mr. Kelly advise ADS of the Authority's decision to withhold payment on the contract pending their response to the Authority's inquiry.

6. LFB Notice of Violation

Mr. Falcon raised the matter that was referred to him by Mr. Kelly on the Notice of Violation issued to the Borough of Bloomingdale concerning Commissioner Howard's filing of the Financial Disclosure statement. Mr. Falcon explained that he has communicated with Bloomingdale's counsel requesting that the Borough respond to the Notice of Violation no later than Friday, March 24th.

NEW BUSINESS

1. Meeting with Riverdale

Commenting on a March 2, 2017 letter from Riverdale Special Counsel Richard Clemack requesting a meeting with the Authority, Mr. Falcon reported that the letter referenced that the Borough "found discrepancies in the amount of service charges imposed by the Authority" and therefore would like to meet on that topic. Before meeting, since it would be most appropriate to have the discrepancies enumerated beforehand, Mr. Falcon advised that he informed Mr. Clemack that the Borough should first provide that information before meeting.

PAYMENT OF BILLS

1. Operating Budget

1.1 Operating Request for Payment No. 361

Mr. Kelly presented Operating Request for Payment No. 361 Commissioner Lampmann moved approval of Operating Request for Payment No. 361 as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY					
SUMMARY OF VOUCHERS FOR					
OPERATING EXPENSES					
Operating Request for Payment No. 361					
The following bills have been reviewed and are recommended for approval for payment at the					
March 15, 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-17-3-1	3/31/2016	\$ 250.00	Borough of Butler
2)	33.01	OP-17-3-2	10/1/2016	\$ 2,570.00	Borough of Butler
3)	22.03	OP-17-3-3	2/21/2017	\$ 14,500.00	Ferraioli, Wilkatz, Cerullo, Cuva
4)	24.07	OP-17-3-4	3/3/2017	\$ 131.89	Kelly Engineering
5)	22.03	OP-17-3-5	3/6/2017	\$ 10,400.00	Kelly Engineering
6)	32.02	OP-17-3-6	3/9/2017	\$ 7,371.97	Kelly Engineering
7)	22.01	OP-17-3-7	3/9/2017	\$ 4,135.50	Maraziti Falcon LLP
8)	33.01	OP-17-3-8	3/3/2017	\$ 3,333.00	ADS LLC
9)	33.03	OP-17-3-9	3/1/2017	\$ 25.00	Navitend
10)	33.03	OP-17-3-10	2/28/2017	\$ 37.08	Verizon
11)	33.03	OP-17-3-11	2/28/2017	\$ 37.08	Verizon
12)	33.03	OP-17-3-12	2/23/2017	\$ 32.83	Verizon
13)	33.03	OP-17-3-13	2/28/2017	\$ 17.96	Butler Electric
			TOTAL:	\$ 42,842.31	

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-13-47

Mr. Kelly presented the bills as listed on Construction Fund Disbursement Requisition No. C-13-47. Vice Chairman Verdonik moved approval of the bills as follows:

CONSTRUCTION DISBURSEMENT REQUISITION No. C-13-47

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 **March 15, 2017**:

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120322C2	C-13-47-3-1	3/9/17	\$ 2,631.56	Kelly Engineering
TOTAL DISBURSEMENTS				<u>\$ 2,631.56</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.

Commissioner Lampmann 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

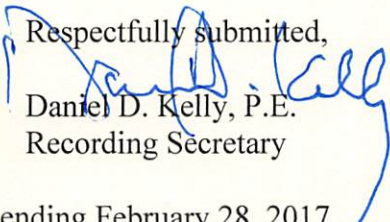
There being no members of the public present, Chairman Voorman dispensed with the public participation portion of the meeting.

ADJOURNMENT

At approximately 8:45 pm, Commissioner Howard moved adjournment. Commissioner Metcalfe seconded the motion which was approved unanimously on voice vote.

At approximately 8:45 pm, the meeting was adjourned.

Respectfully submitted,


Daniel D. Kelly, P.E.

Recording Secretary

Enclosures: Treasurer's Report for the period ending February 28, 2017