

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

May 16, 2018

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on May 16, 2018 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, Lampmann Metcalfe and Verdonik

**ABSENT** : Commissioner Howard

**ALSO PRESENT** : Jamie Avagnano, Authority Administrator; 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 – March 21, 2018**

No meeting convened in March

2. Meeting Minutes: Regular Meeting: April 18, 2018

Vice Chairman Verdonik moved acceptance of the minutes of the April 18, 2018 regular meeting. That motion was seconded by Commissioner Metcalfe and approved on the following roll call vote:

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

**NAYS** : None  
**ABSENT** : Commissioner Howard  
**ABSTAIN** : None

## **OPERATIONAL REPORT**

### **1. System Operations**

#### **1.1 Flow Report**

Mr. Kelly presented the Flow Report dated May 15, 2018 for the period ending April 30, 2018. He noted that the flows remain relatively high particularly compared to the last several years when flows were at sustained low levels even during the Spring. He noted that TBSA's Meter M-15 reading at 2.477 mgd is 4.4% higher than the Authority's Meter P-4 at 2.373 mgd in April.

The following reports were made available to the Board in their file folders:

#### April 2018

- Flow Report ending April 30, 2018
- Daily Flow Summary for April 2018
- Daily Flow Hydrograph for April 2018
- M-15 vs. P-4 Hydrograph

#### **1.2 TBSA Actual vs. Budgeted Flow Analysis**

Referring to his May 15<sup>th</sup> memorandum, Mr. Kelly advised that the actual flows through April 2018 per TBSA's Meter M-15 were 2.04 mgd. Inasmuch as the actual flow exceeded the 1.85 mgd minimum contractual flow, Mr. Kelly indicated that the year-end TBSA User Charges are estimated at 1.60% higher than those actually billed if this trend continues.

#### **1.3 PRBRSA Interceptor Inspection**

Referring to Mott MacDonald's report dated April 2018 titled "2017 Sanitary Interceptor Sewer Condition Assessment Report", Mr. Kelly advised that minor remediation work has been recommended for the interceptor facilities, primarily raising manhole covers that are buried under pavement (3) and repairs to manholes, primarily due to root intrusion (10). He said the estimated cost of that work is \$33,800. A request was issued to Mott MacDonald on May 9<sup>th</sup> for a quotation on preparation of specifications for the remediation work.

2. **TBSA Activities**

2.1 **Status Update**

Chairman Voorman and Vice Chairman Verdonik reported on matters at Two Bridges as they affect Pequannock River Basin. They advised TBSA's consultant, Black and Veach, has issued a report on the process upgrades required in order to achieve the full permitted flow by which the plant capacity would be increased from 7.5 mgd to approximately 9.57 mgd. They indicated that B&V will provide additional recommendations and that the report is currently under review by staff.

3. **TWA Applications and Connection Permits**

3.1 **TWA Application**  
**Unauthorized Connection: BP Property**  
**Borough of Riverdale**

On counsel's recommendation, this matter will be considered in closed executive session. At approximately 7:44 pm, Vice Chairman Verdonik moved adoption of the following resolution (**Resolution No. R-18-5-1**):

**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 16th day of May 2018, 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 negotiation of a Consent Agreement and for an attorney client privileged discussion on potential litigation: Riverdale Borough – unauthorized connection.
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 on the following roll call vote:

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

**NAYS** : None

**ABSENT** : Commissioner Howard

**ABSTAIN** : None

At approximately 7:44 pm, the Authority entered Closed Executive Session.

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**C L O S E D   S E S S I O N**

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At approximately 8:02 pm, Commissioner Lampmann moved to reopen the public meeting. That motion was seconded by Commissioner Gall and approved unanimously on the following roll call vote:

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

**NAYS** : None

**ABSENT** : Commissioner Howard

**ABSTAIN** : None

At approximately 8:02 pm, the meeting was reopened to the public and a regular business agenda pursued.

**3.2 Request for Qualifications**  
**PCCP Expert**

In order to conduct evaluations on the Authority's existing pipeline fronting the BP property in Riverdale to which an unauthorized connection has been made, Mr. Kelly said he has contacted several engineering firms with expertise in conducting such evaluations. A total of four firms are currently being considered with qualifications to be submitted by May 25<sup>th</sup> by three of the four firms. The fourth firm has been excluded due to a potential conflict.

**4. Boonton Avenue Interceptor**

**4.1 Park Place/NYS&W Railroad Crossing (2017 Project)**

Regarding the ongoing design engineering being performed by Mott MacDonald, Mr. Kelly said that work is progressing with a completion date scheduled for June 30<sup>th</sup>. He noted the critical aspect of the design as related to the tunneling necessary to cross the railroad within Butler's park into Main Street is pending completion of the geotechnical report which is expected to be issued within the next 2 weeks.

**4.2 Green Acres Application**

Mr. Kelly reviewed the progress on preparation of the Green Acres Application package. He noted that the Alternatives Assessment and the Environmental Assessment are near completion. The other items required by Green Acres for submittal and approval as a part of a combined "Pre-Application and Final Application for Minor Disposal or Diversion of Parkland" will be prepared for submittal to the Department and to the Borough of Butler for acceptance. Inasmuch as the Borough is the applicant he indicated that the Borough of Butler will be requested to pass a resolution authorizing the application filing with Green Acres at the June 19<sup>th</sup> Mayor and Council meeting. The following evening the Board will be requested to confirm authorization to file the application with the Borough of Butler. The application is scheduled to be submitted to Green Acres by the end of June.

Continuing on the project schedule, Mr. Kelly said the plan is to convene a public hearing which will most likely occur in early August to be followed by, in addition to other procedural matters, submittal of the application by Green Acres staff to the NJDEP Commissioner for approval then followed by submittal to the State House Commission for consideration at the Commission's September meeting.

**4.3 Environmental Testing Report**

Commenting on Mott MacDonald's Due Diligence Report (draft 4/20/18) including the results of the testing from the final boring at the railroad performed in April, Mr. Kelly advised that similar conditions were found at all 5 test boring locations. As previously reported, the soil and groundwater were found to have some levels of contamination, specifically, mercury within the soil and PCE (tetrachloroethylene) in the groundwater.

He reported that MM has recommended that the Authority conduct further delineation of the limits of the mercury contamination to establish that the soils are technically "clean" under NJDEP regulations. The program outlined by

MM's May 8<sup>th</sup> proposal includes an additional nine borings for sampling and testing. The objective is to establish that the volume of contaminated soil is less than 200 cubic yards. If successful, the program would eliminate the need to follow the NJDEP Linear Construction Guideline protocols. As a result, the Authority would not be required to retain an LSRP during construction, nor conduct additional testing or provide reports to the Department or remove, transport and dispose of the contaminated materials at a hazardous waste facility. Mr. Kelly estimated that those costs would be in the range of \$60,000, possibly more, based on the Authority's similar experience with the work in High Street and Boonton Avenue in 2016.

On the PCE contamination within the groundwater, Mr. Kelly said that indications are that there will be no significant impact on construction methods since the dewatering should be able to be discharged directly into the sanitary sewer subject to final approval by the Two Bridges Sewer Authority.

Following discussion, Commissioner Lampmann moved approval as follows (**Resolution No. R-18-5-2**):

#### **RESOLUTION**

**WHEREAS**, the Authority requires the performance of professional engineering services consisting of the delineation of contaminated soils and associated activities in connection with the Authority's NYS&W Railroad sewer crossing project ; and

**WHEREAS**, the Authority received the proposal of Mott MacDonald dated May 8, 2018 for the performance of the said work and

**WHEREAS**, the said work constitutes a professional service in accordance with N.J.S.A. 40A:11-5, and the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) authorizes contracts for the provision of "Professional Services," to be awarded without public advertising and competitive bidding, 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

**WHEREAS**, the Authority desires to award a contract for the performance of the said services; and

**WHEREAS**, funds are available for these purposes.

**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 16<sup>th</sup> day of May, 2018 as follows:

1. The Chairman is authorized and directed to execute Amendment No. 5 to the current

Agreement with Mott McDonald in the amount of \$5,833.00 to perform the said services.

2. This Resolution shall be published in accordance with N.J.S.A. 40A:11-5 (l)(a)(ii).
3. This Resolution shall take effect as provided by law.

Vice Chairman Verdonik seconded that motion which passed unanimously on the following roll call vote:

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

#### **4.4 Geotechnical Report**

Oweis Engineering has submitted a draft of the geotechnical report which Mr. Kelly said that he reviewed and discussed with engineers from Oweis on May 18<sup>th</sup>. Issuance of the final report is scheduled for the end of May.

### **FINANCIAL REPORT**

#### **1. Treasurer's Report**

##### **1.1 April 30, 2018 Treasurer's Report**

Treasurer Lampmann presented and moved acceptance of the Treasurer's Report for the period ending April 30, 2018 That motion was seconded by Commissioner Gall and approved unanimously on the following roll call vote:

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

## UNFINISHED BUSINESS

### 1. Annual Charge Challenge: 2017

Mr. Falcon and Mr. Kelly reported that they have not received anything further on Riverdale's challenge to the Authority's Annual Charges. Commissioner Lampmann mentioned that the Borough of Butler has received an OPRA request from Riverdale for water and sewer billings from 2008 forward which is likely related to this matter.

### 2. 2% Cap Legislation

Chairman Voorman reported that TBSA's counsel advised that representatives of AEA have been invited to participate in the development of the regulations for implementation of the 2% cap legislation. He noted that it is quite unusual and a credit to AEA's efforts in that regard.

## NEW BUSINESS

### 1. Worker's Compensation Insurance Policy Renewal

Administrator Avagnano distributed a summary analysis of the insurance quotations for policies renewals as compared with prior year premiums.

As to the Worker's Compensation policy, Administrator Avagnano recommended award of the contract for the amount quoted noting that it is \$50 increase over the prior year.

Following discussion, Chairman Verdonik moved approval of the following resolution (**Resolution No. R-18-5-3**):

**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 a quotation for Worker's Compensation Insurance from Liberty Mutual Insurance Group for the policy period ending June 17, 2019 for \$1,063.00;

**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 Consulting Engineer 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 May, 2018,



as follows:

1. The Authority hereby approves and authorizes the Authority Administrator to acquire the aforesaid insurance policy.
2. The Authority hereby authorizes payment to the above company of the premium due in the amount of \$1,063.00.
2. The Authority Administrator 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.

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

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

**NAYS** : None

**ABSENT** : Commissioner Howard

**ABSTAIN** : None

### **3. Commercial Package/Umbrella Renewal**

Similarly, Administrator Avagnano recommended award of the commercial package policy and umbrella policy in an amount of \$20,914 noting that it is a decrease of \$198 over the prior year.

Commissioner Metcalfe asked if the Authority's risk manager had reviewed the policy. Ms. Avagnano advised that he was reviewing the coverages it and that the Authority would not bind the coverage until Stanford provided their recommendation. Ms. Avagnano also mentioned that Philadelphia Indemnity was rated AA which is higher than Arch so upon initial review the coverage was superior.

Following discussion, Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-18-5-4**):

**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 consulting engineer has recommended award of the contract to Philadelphia Indemnity Insurance Company for coverage from June 23, 2018 through June 23, 2019 subject to review by Stanford Risk Management; 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 11, 2018 as generally summarized below:

<u>PHILADELPHIA INDEMNITY INSURANCE COMPANY</u>	
General Liability	\$ 6,016.00
Umbrella Package	\$ <u>14,898.00</u>
<b>Total Premium:</b>	<b>\$ 20,914.00</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 Authority 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 May, 2018, 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 **\$20,914.00** 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.

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

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

**4. Financial Disclosure Filing**

Authority Administrator Avagnano advised that all Financial Disclosure statements were filed by the April 30<sup>th</sup> deadline.

**PAYMENT OF BILLS**

**1. Operating Budget**

**1.1 Operating Request for Payment No. 374**

Treasurer Lampmann presented Operating Request for Payment No. 374 and moved approval as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY					
SUMMARY OF VOUCHERS FOR					
OPERATING EXPENSES					
Operating Request for Payment No. 374					
The following bills have been reviewed and are recommended for approval for payment at the					
May 16, 2018 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-18-5-1	3/31/2018	\$ 250.00	Borough of Butler	
2) 33.01	OP-18-5-2	10/1/2016	\$ 2,605.00	Borough of Butler	
3) 33.01	OP-18-5-3	5/7/2018	\$ 131.89	Kelly Engineering	
4) 22.03	OP-18-5-4	5/7/2018	\$ 6,336.79	Kelly Engineering	
5) 32.02	OP-18-5-5	5/7/2018	\$ 11,318.79	Kelly Engineering	
6) 22.01	OP-18-5-6	5/8/2018	\$ 7,332.00	Maraziti Falcon LLP	
7) 33.06	OP-18-5-7	4/19/2018	\$ 8,394.60	Mott MacDonald	
8) 23.03	OP-18-5-8	4/18/2019	\$ 1,063.00	Liberty Mutual	
9) 22.03	OP-18-5-9	4/16/2018	\$ 1,156.25	Ferraioli, Wilkotsz, Cerullo, Cuva	
10) 24.07	OP-18-5-10	4/3/2018	\$ 75.00	Up & Running	
11) 24.07	OP-18-5-11	4/13/2018	\$ 60.04	Tab Group	
12) 24.07	OP-18-5-12	4/25/2018	\$ 61.98	North Jersey Media Group	
13) 24.07	OP-18-5-13	4/25/2018	\$ 70.90	North Jersey Media Group	
14) 24.07	OP-18-5-14	4/25/2018	\$ 40.80	North Jersey Media Group	
15) 24.07	OP-18-5-15	4/25/2018	\$ 40.38	North Jersey Media Group	
16) 33.03	OP-18-5-16	5/9/2018	\$ 8,545.75	Borough of Butler	
17) 24.07	OP-18-5-17	5/4/2018	\$ 55.85	Tab Group	
18) 33.03	OP-18-5-18	5/8/2018	\$ 3.15	JCP&L - No Voucher Needed per Legislation	
19) 33.03	OP-18-5-19	5/1/2018	\$ 17.94	Borough of Butler Electric	
20) 33.01	OP-18-5-20	5/11/2018	\$ 3,398.00	ADS LLC	
21) 32.03	OP-18-5-21	5/16/2018	\$14,898.00	Marsh & McLennan	
22) 32.03	OP-18-5-22	5/16/2018	\$6,016.00	Marsh & McLennan	
<b>TOTAL:</b>			<b>\$ 71,872.11</b>		

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

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

**NAYS** : None

**ABSENT** : Commissioner Howard

**ABSTAIN** : None

**2. Construction Fund Disbursements**

**2.1 Construction Disbursement Requisition No. C-17-11**

Treasurer Lampmann presented the bills as listed on Construction Fund Disbursement Requisition No. C-17-11 and moved approval as follows:

**CONSTRUCTION DISBURSEMENT REQUISITION No. C-17-11**

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 **May 16, 2018**.

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120327C2	C-17-11-5-1	5/7/18	\$ 15,295.50	Kelly Engineering
2)	120327C1	C-17-11-5-2	5/8/18	\$ 604.50	Maraziti Falcon
3)	120327C4	C-17-11-5-3	5/15/18	\$ 27,340.00	Oweis Engineering
<b>TOTAL DISBURSEMENTS</b>				<b><u>\$ 43,240.00</u></b>	

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

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

**NAYS** : None

**ABSENT** : Commissioner Howard

**ABSTAIN** : None

#### **OPEN MEETING FOR PUBLIC COMMENT**

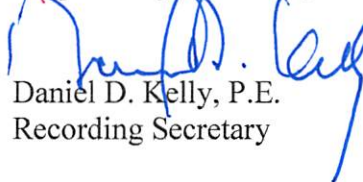
There being no members of the public present, Chairman Voorman dispensed with the public participation portion of the meeting.

#### **ADJOURNMENT**

At approximately 8:31 pm, Commissioner Lampmann moved adjournment. Vice Chairman Verdonik seconded the motion which was approved unanimously on voice vote.

At approximately 8:31 pm, the meeting was adjourned.

Respectfully submitted,



Daniel D. Kelly, P.E.  
Recording Secretary

Enclosures: Treasurer's Report April 30, 2018