

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

March 18, 2009

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on March 18, 2009 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 & Healey; 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, 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. **Regular Meeting Minutes: January 21, 2009**

Commissioner Metcalfe moved approval of the minutes of the Authority's January 21, 2009 regular meeting. That motion was seconded by Commissioner Lampmann and 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. **Regular Meeting Minutes: February 19, 2009**

Commissioner Gall moved approval of the Authority's February 19, 2009 regular meeting. That motion was seconded by Commissioner Lampmann and passed unanimously 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**

Referring to the Flow Report dated February 17, 2009 for the period ending January 31, 2009, Mr. Kelly noted that the system flows are relatively low for this time of year. He said the total system flow is recorded by Meter P-4 at 1.722 mgd down by approximately 120,000 gpd from the prior month. He also noted that the TBSA Meter M-15 readings (1.734 mgd) are extremely close to the PRBRSA Meter P-4 readings for the month.

1.2 **Contract No. OM-2 Renewal**

Mr. Kelly advised that Contract OM-2 with ADS Environmental Services must be renewed by June 1st. To do that he said he has asked Mr. Falcon to advise on the best means of procurement for solicitation of proposals from ADS and, if appropriate, from other vendors as well.

2. TBSA Activities

Chairman Voorman and Vice Chairman Verdonik reported on a number of matters as they affect Pequannock River Basin. For example, Vice Chairman Verdonik reported that TBSA's consultant, Black & Veach, is expected to issue cost projections for expansion and/or upgrade of the treatment plant. He and Chairman Voorman explained that the cost projections will be prorated for use by each of the towns in their determination of the economic implications should they elect to secure additional capacity.

Chairman Voorman commented as well on the recent OPRA request by Riverdale's attorney apparently in connection with the Borough's challenge to PRBRSA's FY 2009 Annual Charges.

3. TWA Application and Connection Permits

3.1 TWA Application Trammel Crow Residential Alexan (South) Borough of Riverdale

Referencing a series of communications with Trammel Crow's attorney, Walter Reinhard, Mr. Kelly noted that he has accepted the submittals made by TCR's engineer, Dewberry, on behalf of the Borough of Riverdale in satisfaction of the PRBRSA approval resolution condition that the Borough submit its infiltration/inflow investigation program to the Authority. He noted that, through Dewberry, Riverdale and TCR plan to conduct additional flow monitoring on the Matthews Avenue line where significant extraneous flow sources had been located by their earlier monitoring.

4. Wastewater Management Plan Update

4.1 Bloomingdale WMP Activities

Chairman Voorman noted that he recently discussed with Bloomingdale Borough Administrator Ted Ehrenburg and Borough Engineer James Floystrop the fact that Passaic County is not moving forward with the wastewater management planning activities required by the new State regulations. He explained that the new regulations delegate the water quality management planning responsibilities to each of the counties yet, for some reason, Passaic County choose not to move forward with that type of work. Under that scenario Mr. Kelly explained that if the plans are not filed with the State by April 7, 2009 that the regulations require automatic rescission of previously approved sewer service areas for all areas that are presently unsewered. Since that will negatively effect Bloomingdale, Chairman Voorman said that he asked Mr. Kelly to work with the town to provide whatever information the Authority itself has developed that maybe helpful to Bloomingdale's preparation of its own Wastewater Management Plan. In that

connection Mr. Kelly advised that he had spoken with Mr. Floystrop and has directed Hatch Mott MacDonald to immediately provide that information for Bloomingdale's use.

Concerning the corresponding work within Morris County particularly the ongoing mapping effort by the Borough of Butler, Commissioner Lampmann reported that the County has consented to allow the towns to anticipate redevelopment of certain areas, notably in Butler's case, the Route 23 highway corridor. He said, for example, there are properties that are not presently developed to the maximum extent permitted by the current Butler Zoning Ordinance and, once so developed, those properties would require considerably greater sewer service than they do presently. That being the case he said the County has apparently accepted the Borough's position that additional flows should be factored into the Wastewater Management Plan Update being prepared by Morris County for redevelopment of that type.

5. I/I Investigation Program

5.1 IntelliServe & Temporary Flow Monitor Installations

First, Mr. Kelly thanked Commissioners Lampmann and Howard for their insights on the data editing function that ADS quoted at more than \$17,000. He said that following the Authority's February 19th meeting he was able to renegotiate Task 3 - essentially the data editing and analysis function - to reduce that price by approximately \$8500.

Reporting on the progress on the Authority's I/I investigation program, Mr. Kelly said that ADS has completed the installation of four temporary flow monitors within the Paterson Hamburg Turnpike and Newark Pompton Turnpike in Riverdale. In addition he said the monitors have been linked to ADS' web-based IntelliServe system via a cellular communications system. At the same time, the cellular communications link to the Website has been installed on the four existing permanent monitors as well. Further, he said that ADS has performed field confirmations on the temporary monitors and reports that the IntelliServe system is now collecting data. Mr. Kelly continued noting that access to the IntelliServe system has not been successful as yet but that should be resolved shortly.

Chairman Voorman asked Mr. Kelly to review some of the issues with the GIS mapping which was to be included within the IntelliServe system. Mr. Kelly briefly reported that there were some issues in coordinating the work between HMM's office and, within their office as well between the GIS and effectively the AutoCAD Group, and the corresponding IT group within ADS' Huntsville office. He noted that HMM's original quotation for preparing the GIS map to incorporate on it the PRBRSA interceptor lines was \$3400 but, following clarification of the work required and on providing AutoCAD version of the

interceptor lines themselves, Mr. Kelly said he was able to negotiate that price down to \$1000 which includes coordination between HMM's office and that of ADS.

As to the \$1000 fee for HMM's work on the GIS mapping, Mr. Kelly said that he has asked Fletcher Platt to include that in HMM's scope of services that will be needed as a part of the flow metering evaluation work for the Authority's consideration at the April 15th meeting.

Lastly, Mr. Kelly advised that he wrote to Mayor Budesheim to request the Borough's assistance in expediting the Police traffic control work and, at the same time, to waive the fees for that work. He noted, however, that the Authority has since been billed for the work performed thus far in a total amount of \$1125 at a rate of \$125/hour. Commissioner Gall noted that the billing also contains a minimum of 4 hours. Related to that Mr. Kelly said that that bill along with another bill requesting payment of a \$1500 escrow fee for additional Riverdale Police traffic control will be considered later in the meeting.

Related to the traffic control work in Riverdale, Vice Chairman Verdonik suggested that it may be possible to have Morris County perform the traffic control work through the Sheriff's Department if the County has control of the two roadways involved. However, since the traffic control aspects are limited to the two flow monitors within the Newark Pompton Turnpike which remains a borough-owned road, indications are there would be little opportunity to have Morris County perform that work. Nonetheless, Mr. Kelly said that he would check into that possibility.

5.2. Interceptor CCTV Inspection Contract

Related to the I/I investigation program, Mr. Kelly said that HMM's office has prepared specifications and has solicited quotations for on-call CCTV-inspection of the lines during wet weather/high flow periods. Referring to his February 17th letter, Mr. Kelly recommended award of the contract to the lowest bidder, namely, National Water Main Company, at the quoted price of \$11,616. He noted that the solicitations were made to four companies but only two, National Water Main and Oswald Enterprises elected to bid. He explained that the other two contractors apparently were not able to respond due to the need for on-site response within an 8 hour period.

Following further discussion, Commissioner Lampmann moved approval of the following Resolution **(Resolution No. R-09-3-1):**

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the "Authority") issued a Request for Proposals to four

potential bidders for the performance of video inspection services in connection with the Authority's sewer system; and

WHEREAS, the Authority received two proposals for the performance of video inspection services which included proposals as set forth below:

<u>Bidder</u>	<u>Bid Price</u>
National Water Main Cleaning	\$11,616.00
Oswald Enterprises, Inc.	\$18,300.00

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 18th day of March, 2009, as follows:

1. The Authority hereby designates the lowest bidder, National Water Main Cleaning Company (NWM), to perform video inspection services in connection with the Authority's sewer system at a bid price of \$11,616.00; and
2. The Chairman is authorized to execute a contract with National Water Main Cleaning Company (NWM) in accordance with its proposal of March 11, 2009.
3. This Resolution shall take effect as provided by law.

Commissioner Howard 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

FINANCIAL REPORT

1. Treasurer's Report

1.1. Treasurer's Report for the Period Ending February 29, 2009

Treasurer Gall presented the Treasurer's Report for the period ending February 29, 2009. Commissioner Lampmann moved acceptance of the Treasurer's Report. That motion was seconded by Vice Chairman Verdonik and approved unanimously on the following roll call vote:

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

NAYS : None

ABSENT : None

ABSTAIN : None

2. Audit: FY 2008

In order to acknowledge that each of the Commissioners has reviewed certain sections of the final audit report for Fiscal Year 2008, Commissioner Howard moved approval of the following resolution **(Resolution No. R-09-3-2):**

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause annual audit of its accounts to be made; and

WHEREAS, the annual audit report for the fiscal year ended October 31, 2006 has been completed and filed with the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:5A-15; and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each Authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "General Comments" and "Recommendations," and has evidenced same by group affidavit in the form prescribed by the Local Finance Board; and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the

annual audit report entitled “General Comments” and “Recommendations” in accordance with N.J.S.A. 40A:5A-17;

NOW, THEREFORE, BE IT RESOLVED, that the governing body of the Pequannock River Basin Regional Sewerage Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended October 31, 2008, and specifically has reviewed the sections of the audit report entitled “General Comments” and “Recommendations,” and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

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

3. Riverdale FY 2009 Annual Charge Challenge

Mr. Kelly advised that Riverdale has filed additional requests for information through the Borough’s Special Attorney Richard Clemack. He explained that the information request was quite expansive and that those documents have been prepared and forwarded to Riverdale.

In discussing the Borough of Riverdale’s Annual Charge protest, Vice Chairman Verdonik suggested that it would be appropriate that the Authority adopt a policy such as that adopted by the Two Bridges Sewerage Authority each year on interest for delinquent Annual Charge payments. On discussing that point, the Board agreed that that would be appropriate and asked Mr. Falcon to advise on the matter. Related to that Mr. Kelly said he would forward a copy of the related Two Bridges resolution as adopted at the February board meeting.

UNFINISHED BUSINESS

1. Insurance

As indicated by his March 13th letter to the Board transmitting a proposal from Stanford Risk Management, Mr. Kelly recommended award of an insurance consultation contract to Stanford. He explained that the scope of the work has been narrowed considerably from that originally proposed by John Campanile to focus specifically on the preparation of bid specifications, solicitation of insurance premium bids, review and recommendation on insurance contract award and, finally, review of the policies on issuance. In addition, he said the scope of work proposed by Stanford includes claim review as may be necessary during the course of the year and general consultation services on an as needed basis as well.

In discussing the scope of services and the projected total cost of \$5250 proposed by Stanford Risk Management, Mr. Kelly said that the cost of the insurance contract bidding process is estimated at \$2500 or less. He noted as well that since the total premiums for the various coverages approximate \$19,000 annually that the bidding process in and of itself would not likely produce any significant premium reduction and, in fact, depending upon market conditions, higher premiums may be received.

Commissioner Metcalfe, commenting on the \$5250 consultation fee, questioned if there is sufficient value in that process to warrant such an expenditure. He said in his experience brokers are limited to represent specific insurance companies and are therefore precluded from securing quotes from other companies. At the same time, he explained if a broker has placed a policy through a particular carrier and if another broker requests a quotation from that carrier, the carrier would refuse to provide it. That being the case he said there is a practical limit on the ability of any particular broker to quote coverages already in place.

On discussion of Commissioner Metcalfe's point, Commissioner Lampmann noted that the real value from any insurance policy review and bid specification process would not be necessarily derived by a reduction of premium but rather by inclusion of appropriate coverages. He said, for example, if a claim were filed against the Authority for an occurrence not covered by one of the policies that the resulting cost could be measured in tens if not hundreds of thousands of dollars. Agreeing, Mr. Kelly explained that Stanford will review current coverages to update those as needed to match the Authority's exposures to coverages presently available in the marketplace. Commenting on that, Commissioner Metcalfe maintained that Stanford actually performed that work last year. Again, Mr. Kelly said that while that is true Stanford did not formalize the coverages by way of bid package and at the same time noted that it would be beneficial, as Commissioner Lampmann explained, to update that review annually in any event.

Following further discussion Commissioner Lampmann moved approval of the following Resolution **(Resolution No. R-09-3-3):**

WHEREAS, there exists a need for the Pequannock River Basin Regional Sewerage Authority (hereinafter the “Authority”) to engage the services of an insurance consultant to provide services related to the development of insurance specifications based on the current risk management and insurance policies in place at the Authority; and

WHEREAS, the Authority is authorized by N.J.S.A. 40A:11-5(1)(a)(ii) to retain the services of an Insurance Consultant without public bidding in accordance with the requirements of Extraordinary Unspecifiable Services (hereinafter EUS) as set forth in N.J.A.C. 5:34-2.3; and

WHEREAS, the reasons supporting the EUS are set forth in a Certification of the Consulting Engineer attached hereto and made a part hereof; and

WHEREAS, the Authority desires to retain John J. Campanile of Stanford Risk Management Services, Inc. to perform insurance consultant services; and based on an hourly rate of \$175.00 for an estimated 30 hours, at a cost not to exceed \$5,250.00.

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 18th day of March, 2009, as follows:

1. The Authority hereby designates John J. Campanile of Stanford Risk Management Services, Inc. to serve as Insurance Consultant for the purpose of providing services related to the development of insurance specifications based on the current risk management and insurance policies in place at the Authority and as described in John J. Campanile’s proposal of March 12, 2009 for a cost not to exceed \$5,250.00; and
2. The Chairman is authorized to execute a contract with Stanford Risk Management Services, Inc. and the Secretary is authorized to cause a copy of this Resolution to be published in an official newspaper of the Authority within ten (10) days of the date hereof.
3. This Resolution shall take effect as provided by law.

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

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

NAYS : Commissioner Metcalfe

ABSENT : None

ABSTAIN : None

NEW BUSINESS

1. WEFTEC Fall Conference

Vice Chairman Verdonik noted that the WEFTEC Conference is scheduled for the week of October 11th in Orlando, Florida and generally commented on the value of the conference to better understand the business of the Authority.

PAYMENT OF BILLS

1. Operating Request for Payment No. 264

Treasurer Gall presented the bills as listed on Operating Request for Payment No. 264 as follows:

The following bills have been reviewed and are recommended for approval for payment at the **March 18, 2009** meeting of the Authority from the Operating Account (Wachovia 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)	33.01	OP-09-3-1	11/28/08	\$ 2,180.00	Borough of Butler
2)	24.05	OP-09-3-2	3/14/08	\$ 250.00	Borough of Butler
3)	33.03	OP-09-3-3	3/4/09	\$ 28.00	Verizon
4)	33.03	OP-09-3-4	2/28/09	\$ 28.00	Verizon
5)	33.03	OP-09-3-5	2/23/09	\$ 25.80	Verizon
6)	33.03	OP-09-3-6	2/28/09	\$ 28.00	Verizon
7)	33.03	OP-09-3-7	1/28/09	\$ 27.82	Verizon
8)	33.03	OP-09-3-8	2/4/09	\$ 28.00	Verizon
9)	22.01	OP-09-3-9	3/11/09	\$ 7,515.00	Maraziti, Falcon & Healey
10)	33.06	OP-09-3-10	3/4/09	\$83.20	Hatch Mott MacDonald
11)	33.06	OP-09-3-11	3/9/09	\$924.00	Hatch Mott MacDonald
12)	22.02	OP-09-3-12	3/4/09	\$ 14,000.00	Ferraioli, Wilkotsz, Cerullo & Cuva
13)	22.03	OP-09-3-13	3/13/09	\$ 10,400.00	Kelly Engineering
14)	32.02	OP-09-3-14	3/13/09	\$ 5,923.10	Kelly Engineering
15)	33.05	OP-09-3-15	3/9/09	\$ 1,500.00	Borough of Riverdale Police
16)	24.06	OP-09-3-16	2/19/09	\$ 3.25	JCP&L
17)	33.03	OP-09-3-17	3/2/09	\$ 17.96	Borough of Butler-Electric
18)	24.07	OP-09-3-18	3/1/09	\$ 30.80	North Jersey Media

19)	24.07	OP-09-3-19	3/12/09	\$ 614.99	Marathon Computer Services
20)	33.05	OP-09-3-20	3/13/09	\$ 1,125.00	Borough of Riverdale Police
21)	33.01	OP-09-3-21	3/16/09	\$ 2,320.00	ADS, LLC

TOTAL: \$ 47,052.92

Commissioner Metcalfe moved approval of the bills as submitted. 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. **Operating Request for Payment No. 263 (Revised)**

Referring to a marked-up copy of the bill list approved last month (Operating Request for Payment No. 263), Mr. Kelly explained that the February 19th bills had one minor correction for Voucher No. OP-09-2-2 which was listed as \$205 whereas the correct amount should have been \$250. He said the corresponding original total of \$41,068.42 has therefore been revised to \$41,113.42. He explained, as indicated by the annotations on the bill list, that the payment voucher and the check itself were correct at \$250. Nonetheless, to correct the record, he indicated that the February 19th minutes note these corrections and asked the Board to reapprove the bill list as revised.

Vice Chairman Verdonik moved approval of Operating Request for Payment No. 263 as revised. 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 indicated that there would be no need to open a meeting for public comment.

ADJOURNMENT

At approximately 8:45 pm, Commissioner Lampmann moved for adjournment. Commissioner Metcalfe seconded the motion which passed 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, 2009

DDK/bh (001)

:BusDoc/word/minutes/Minutes-March 2009