

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

April 15, 2009

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on April 15, 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, Lampmann, Metcalfe and Verdonik
ABSENT	:	Commissioner Howard
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. **Meeting Minutes: March 18, 2009 Regular Meeting**

Commissioner Gall moved approval of the minutes of the Authority's March 18, 2009 regular meeting. That motion was seconded by Commissioner Metcalfe and passed unanimously on the following roll call vote:

AYES	:	Chairman Voorman, Commissioners Gall, Lampmann, Metcalfe and Verdonik
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NAYS : None

ABSENT : Commissioner Howard

ABSTAIN : None

OPERATIONAL REPORT

1. System Operations

1.1 Flow Report

Referring to the draft Flow Report dated April 10, 2009 for the period through March 31, 2009, Mr. Kelly commented that the flows for March averaged 1.648 mgd while the total year-to-date average system flow was 1.820 mgd. He made the observation that the system flows are quite low for this time of year which historically has been the wettest portion of the year leading to the highest system flows.

1.2 Contract No. OM-2 Renewal

Commenting on the upcoming renewal for Contract No. OM-2 for comprehensive flow monitoring services with ADS, Mr. Kelly recommended that the Authority consider contracting for the IntelliServe system for the permanent monitors as a part of the new agreement. In addition he said that it may be worth considering inclusion of additional temporary flow monitoring beyond that currently under contract with ADS through approximately September 2009. He noted as well that Brent Carney of Mr. Falcon's office has prepared a draft form of the forward sections of Contract No. OM-2 for review. That along with a revised technical specifications will be submitted to ADS Environmental Services for quotations on an extension of the contract. Lastly, Mr. Kelly explained that the contract now extends through May 31, 2009, the end of a three-year contract term based on a one-year base agreement with 2 one-year contract extensions. He noted that Mr. Falcon has advised that it may be possible to contract with ADS for a total of 5 years at the Authority's discretion, possibly through a 3-year base agreement with 2 one-year contract extensions. The contract term along with the technical specifications, insurance provisions and other matters will be considered in depth as the contract is prepared for renewal.

1.3 I/I Investigation Program

1.3.1 Temporary Flow Monitors & IntelliServe System

Reporting extensively on the status of the temporary flow monitor installation along with the IntelliServe system, Mr. Kelly advised that the new ADS system is now up and running. He noted that thus far he and his staff as well as Mr. Platt and Mr. Vasele have participated in two training sessions including one with Mike Armes and ADS' IntelliServe expert in their Huntsville, Alabama office.

At this point Mr. Kelly explained that the system alarm settings are being finalized – that will provide the alerts on high level conditions which would potentially warrant field investigations and related inspections. In the interim he said that his office and HMM as well will monitor the flow data manually, particularly in advance of anticipated wet weather conditions.

1.3.2 Interceptor CCTV-Inspection

Mr. Kelly advised that his office has issued a “Notice to Proceed” to National Water Main placing the firm on an as-call basis for the CCTV-inspection services subject to call-out by HMM.

2. TBSA Activities

Chairman Voorman and Vice Chairman Verdonik reported on activities at the Two Bridges Sewerage Authority as they directly affect PRBRSA. Referring to information forwarded by Mr. Bongiovanni through Mr. Kelly's office, Commissioner Lampmann made the observation that the cost shown indicate a \$2,000,000 increase to expand the plant from 7.5 mgd to 8.5 mgd at a total cost of \$35,000,000 and \$37,000,000, respectively. He commented that translates to only \$2.00/gallon suggesting that the Borough of Butler at that price would likely be interested in acquiring all of the capacity that TBSA may have available. Vice Chairman Verdonik noted that the costs are somewhat deceiving in that the capital cost is relatively low for some of the treatment technologies whereas the associated operation and maintenance expense over the life cycle is the dominant factor for the lower capital cost alternatives.

Commissioner Voorman advised that Two Bridges has asked Black & Veach, TBSA's consultant on the wastewater treatment plant upgrade project, to prepare an Executive Summary for distribution to the TBSA Board and ultimately for distribution to the Participants. He said the Executive Summary will contain detailed cost information that should prove helpful for decision-making at the local level.

3. TWA Application and Connection Permits

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

Referring to his inspection earlier in the evening of the ongoing construction at the Alexan South project south of Riverdale Road, Mr. Kelly said that construction is under way on one of the multi-unit buildings immediately west of Williams Street.

4. Wastewater Management Plan Update

4.1 Bloomingdale WMP Activities

Commenting on the Borough of Bloomingdale's efforts to update its local Wastewater Management Plan since Passaic County has opted not to prepare a County-wide WMP, Mr. Kelly noted that the Borough has applied for an extension to the April 7, 2009 NJDEP deadline.

4.2 Morris County WMP

For the record, Mr. Kelly noted that Morris County has requested and NJDEP has granted an extension to the Morris County Wastewater Management Plan filing until September 2009. On that point Commissioner Lampmann noted that the County has accepted population and flow projections based on build-out analyses including build-out at densities greater than current zoning would permit. He said that the Department may in fact accept higher densities in accordance with the Highlands Council recommendations for the Non-Preservation areas. He also noted that nine of the Morris County municipalities have not signed on to the Highlands Regional Master Plan such that they will be required to comply with the NJDEP Planning Rule regulations for Wastewater Management Plan Updates.

FINANCIAL REPORT

1. Treasurer's Report

1.1. March 31, 2009 Treasurer's Report

Commissioner Gall presented the Treasurer's Report for the period ending March 31, 2009. Vice Chairman Verdonik moved acceptance of the Treasurer's Report. That

motion was seconded by Commissioner Lampmann and 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. Riverdale FY 2009 Annual Charge Challenge

Referring to Mr. Falcon's April 15th memorandum transmitting a letter from Richard Clemack, Riverdale's attorney, Mr. Kelly said that Mr. Clemack has requested a meeting with the Authority and its auditor to discuss the Borough's protest of the Authority's FY 2009 Annual Charges. Mr. Falcon said that he will be in contact with Mr. Clemack concerning that meeting.

In discussing the Borough's request, Commissioner Metcalfe said that it should be Riverdale's responsibility to pay for the cost of having the PRBRSA auditor attend such a meeting. Mr. Falcon said that the Borough has already been put on notice to that effect.

3. Interest on Delinquent Accounts

Mr. Falcon reviewed the results of his analysis of the assessment of delinquency charges for late Annual Charge payments. He said that both the Sewerage Authorities Law and the service contract with Riverdale as well as the service contracts with the other towns provide for 18% interest on delinquent payments. In the case of the statute, however, he said that the interest is to be assessed immediately upon any payments submitted following the due date yet, by service contract, the Authority provided to each of the towns a 30 day grace period on the interest due for delinquent payments. Mr. Falcon further explained the language under the statute versus the Participants' obligations under the service contracts. At this point he said he believes that the Authority is in the proper position to assess service charges in strict accordance with the statute and with the service contracts to each of the municipalities if necessary.

UNFINISHED BUSINESS

1. Insurance

Based on reports from John Campanile of Stanford Risk Management, Mr. Kelly briefed the Board on the status of the bid specification preparation and bidding process. Mr. Falcon said that his office has reviewed and commented on Mr. Campanile's question concerning the legal definition of the term "pollution" as it relates to policy coverage. In discussing the bid process generally, Commissioner Metcalfe had a number of questions on the preparation of the bid specifications, the invitation to brokers and the method by which Stanford Risk Management will preclude "blocking" of the market by one or more of the brokers. He advised that within the industry if a broker receives a quotation on a coverage from one or more carriers, that that would typically preclude other brokers from quoting the same coverage from the same carrier. Mr. Kelly said that he would discuss the procedures with Mr. Campanile and advise on the methodology that will be used in that bid solicitation process.

2. Electronic Communications

By letter dated March 25th, Mr. Kelly said that he raised a number of questions on the Authority's electronic communications practices, particularly as they relate to compliance with the Open Public Records Act and the Open Public Meetings Act. He explained that the current email system has essentially not been used since it was initiated several years ago. Mr. Falcon indicated that Heather Pierce of his office reviewed those issues and prepared a report dated April 15th providing specific advice on each of the matters. Generally, he said it would be advisable to have a dedicated email system for use by the Commissioners. Regarding general email communications to Commissioners, Mr. Falcon said that he does not agree with Mr. Samareu's conclusion that that would constitute a violation of the Open Public Meetings Act if such communications were not previously publicly noticed. He said that if the communications were general in nature that it would not be a violation of the OPMA whereas if the Board conducted formal business in that manner with a majority of its members participating, that that would likely constitute an OPMA violation.

Following discussion, Mr. Kelly said that he would review the Authority's current electronic communications capabilities and practices to make recommendations on any changes necessary to assure continued compliance with state regulations.

NEW BUSINESS

1. Financial Disclosure Forms

Mr. Kelly asked any Commissioners who have not filed their Financial Disclosure Forms for 2009 to forward them directly to his office for filing with the State's Local Finance Board.

PAYMENT OF BILLS

1. Operating Request for Payment No. 265

Treasurer Gall presented the bills as listed on Operating Request for Payment No. 265 as follows:

Operating Request for Payment No. 265

The following bills have been reviewed and are recommended for approval for payment at the **April 15, 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>ACCT. NO.</u>	<u>NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>CHECK PAYABLE TO</u>
1)	33.01	OP-09-4-1	11/28/08	\$ 2,180.00	Borough of Butler
2)	24.05	OP-09-4-2	3/14/08	\$ 250.00	Borough of Butler
3)	33.03	OP-09-4-3	3/23/09	\$ 25.80	Verizon
4)	33.03	OP-09-4-4	3/28/09	\$ 28.00	Verizon
5)	33.03	OP-09-4-5	4/4/09	\$ 28.22	Verizon
6)	33.03	OP-09-4-6	3/28/09	\$ 28.00	Verizon
7)	24.07	OP-09-4-7	3/23/09	\$ 113.28	The Tab Group
8)	24.07	OP-09-4-8	4/8/09	\$ 2.40	The Tab Group
9)	22.01	OP-09-4-9	4/13/09	\$ 5,340.00	Maraziti, Falcon & Healey
10)	33.07	OP-09-4-10	3/20/09	\$ 1,743.00	Hatch Mott MacDonald
11)	33.11	OP-09-4-11	4/1/09	\$ 2,059.87	Hatch Mott MacDonald
12)	33.10	OP-09-4-12	4/1/09	\$ 2,308.40	Hatch Mott MacDonald
13)	22.03	OP-09-4-13	4/8/09	\$ 10,400.00	Kelly Engineering
14)	32.02	OP-09-4-14	4/13/09	\$ 3,165.89	Kelly Engineering
15)	32.02	OP-09-4-15	4/13/09	\$ 5,371.50	Kelly Engineering
16)	24.06	OP-09-4-16	3/20/09	\$ 3.25	JCP&L
17)	33.03	OP-09-4-17	3/31/09	\$ 17.96	Borough of Butler-Electric
18)	24.07	OP-09-4-18	3/31/09	\$ 831.60	North Jersey Media

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19)	24.04	OP-09-4-19	4/6/09 \$	87.00	Nebs
20)	33.01	OP-09-4-20	4/6/09 \$	2,320.00	ADS, LLC
21)	*	OP-09-4-21	2/19/09	<u>\$633,277.00</u>	Peq. Lincoln Park & Fairfield Sewerage Auth.

TOTAL: \$669,581.17

*27.00	\$ 48,669.00
13.00	\$210,654.00
35.00	\$527,435.00
(18.00)	<u>\$153,481.00</u>
	\$633,277.00

Commissioner Metcalf 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,
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 indicated that there would be no need to open a meeting for public comment.

ADJOURNMENT

At approximately 8:45 pm, Commissioner Metcalfe moved for adjournment. Commissioner Lampmann 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 March 31, 2009

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