

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

June 17, 2009

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on June 17, 2009 in the Conference Room at the Butler Municipal Building, One Ace Road, Butler, New Jersey. Acting Chairman Verdonik called the meeting to order at approximately 7:30 p.m.

ROLL CALL

On roll call:

PRESENT	:	Commissioners Gall, Howard, Lampmann, Metcalfe and Verdonik
ABSENT	:	Chairman Voorman
ALSO PRESENT	:	Christopher H. Falcon, Esq., Maraziti, Falcon & Healey; and Daniel D. Kelly, P.E., Kelly Engineering

OPEN PUBLIC MEETING STATEMENT

Acting 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, 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: April 15, 2009 Regular Meeting**

Commissioner Lampmann moved acceptance of the minutes of the Authority's April 15, 2009 regular meeting. That motion was seconded by Commissioner Gall and past upon the following roll call vote:

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

ABSENT : Chairman Voorman

ABSTAIN : Commissioner Howard

2. Meeting Minutes: May 20, 2009 Regular Meeting

Referring to a revision to page 9 of the May 20, 2009 regular meeting minutes, Mr. Kelly noted that Chairman Voorman requested the change under paragraph 2 “TBSA Activities” to clarify that the Black & Veatch report was not then in final form.

With that revision, Commissioner Howard moved approval of the minutes of the Authority’s May 20, 2009 regular meeting. That motion was seconded by Commissioner Lampmann and passed upon the following roll call vote:

AYES : Commissioners Howard, Lampmann,
Metcalf, and Verdonik

NAYS : None

ABSENT : Chairman Voorman

ABSTAIN : Commissioner Gall

OPERATIONAL REPORT

1. System Operations

1.1 Flow Report

Referring to the Flow Report dated June 16, 2009 for the period ending May 31, 2009, Mr. Kelly observed that the system flows at 1.695 mgd for the month of May are relatively low for this time of year. He added that the cumulative average flow through May 31st at 1.794 mgd is also considerably lower than normal entering what is normally the drier part of the year.

1.2 ADS Flow Monitoring

Mr. Kelly also briefly reported on ongoing monitoring of the system flows using the ADS IntelliServe system which he said has been extremely helpful in providing real time data and alarms during high flow conditions as reported in greater detail under the I/I Investigation Program.

2. I/I Investigation Program

Referring to a number documents concerning the ongoing I/I Investigation Program, Mr. Kelly reported that there has been 5.92 inches of rain thus far in June resulting in substantially elevated system flows including extreme peak flows following the intense rains on Monday, June 15th.

As to the field inspections, he advised that HMM had not called for inspections on Tuesday, June 16th, notwithstanding major rainfalls and a large number of alarms from the IntelliServe system Monday evening into Tuesday morning. He said that he therefore directed Mr. Valsese to have HMM crews conduct inspections along with National Water Main which were performed later that day.

Based on Mr. Valsese's verbal report earlier on Wednesday as to the June 16th inspections, Mr. Kelly advised that the inspections were conducted at Manhole PR-132 where the Riverdale Mathew's Avenue line connects to the Authority's system. Also inspections were conducted at the Tilcon Property at Manhole PR-118. In both cases, Mr. Valsese advised that the flows were not at levels comparable to those observed on May 7th. Although HMM did not have the camera-on-a-stick equipment, Mr. Valsese reported that HMM had the contractor (National Water Main) use its color pan and tilt camera to record conditions at Manhole PR-132. Since the digital recording was not yet available, HMM will review it and issue a report on the observed conditions.

Concerning the May 7th inspections, Mr. Kelly said that Fletcher Platt prepared a draft report dated June 10th that further analyzed the conditions reported by the field crew. Although the report remains a working document, Mr. Kelly said that it substantially reduces HMM's estimate of I/I flows observed on May 7th, particularly at the Mathew's Avenue connection into Manhole PR-132. He explained that the draft report will be supplemented with additional information from the June 16th field investigations along with those currently scheduled for Thursday, June 18th.

Since the weather forecast calls for as much as 1 to 2 inches of rain (with a 70% probability) for Thursday June 18th, Mr. Kelly said that Mr. Valsese advised that he has scheduled HMM's field crew to be ready to respond at the appropriate time. Mr. Valsese also notified National Water Main to be available subject to conditions as they develop.

However, in order to have National's crew available when HMM elects to conduct the inspections, Mr. Kelly said that he authorized Mr. Valse to have National Water Main on full stand-by service to be able to respond when conditions are best suited to such inspections. He said that that decision was based on the fact that ground water table conditions are now ideal to produce extreme flow conditions which would be expected to result on the next major rain event following almost 6 inches of rain since June 1st.

Continuing on Mr. Valse's report, Mr. Kelly indicated that HMM's field crew inspected Manhole PR-132 on June 5th yet did not observe conditions comparable to those of May 7th.

Returning to the May 16th inspections by National Water Main, Mr. Valse reported that the contractor again inspected the system (CCTV-inspections) beginning at the manhole where Meter P-2A is located within Brandt Lane, Bloomingdale, through the former Butler - Bloomingdale treatment plant site across the Pequannock River to Manhole PR-132. That inspection revealed no significant extraneous flow sources within the PRBRSA system.

Commissioner Howard had several questions regarding the nature of the ground water table conditions and their relationship to the elevated system flows due to infiltration and inflow. Responding, Mr. Kelly explained the conditions that are prevalent in the area and distinguished the nature of "inflow" as a short term, high intensity flow response in the system as compared to "infiltration" which is typically the product of elevated ground water table elevation characterized by a subdued peak flow response over a more extended period.

3. TBSA Activities

Acting Chairman Verdonik reported on activities at the Two Bridges Sewerage Authority as they affect Pequannock River Basin. Notably he said that TBSA has applied for and will likely qualify for special funding under the Federal Stimulus package through the New Jersey Environmental Infrastructure Trust Financing (NJEIT) program. He explained that the ultraviolet disinfection project has a total cost approximating \$6.7 million and that TBSA is expected to qualify for a \$3,300,000 "debt forgiveness" component, effectively a grant for 50% of the eligible cost. He advised that the balance of the financing would be through low interest loans from the NJEIT with one half of the balance at zero interest and the remainder at market rate interest.

If successful, Acting Chairman Verdonik said that the total ultraviolet system cost will be financed at an annual debt service approximating \$225,000. He explained that that compares to almost \$450,000 annually without the "debt forgiveness" component. Lastly, he noted that the Stimulus funding does come with certain strings including a "Made American" provision that may have some effect on the total pricing.

4. TWA Application and Connection Permits

No change in status on these matters.

5. Wastewater Management Plan Update

Reporting on Butler's continuing involvement with Morris County's update of the countywide Wastewater Management Plan, Commissioner Lampmann reviewed the mapping that the Borough of Butler has compiled and submitted to the County's planning staff. He explained that there would be only eight chapters, one for each of the towns within Morris County that elected not to participate in the Highlands Regional Master Plan. He further explained that the County has been receptive to the Borough's position on the need to allow for increased population and flow estimates in areas likely to redevelop, most notably, along the Route 23 corridor.

Commissioner Lampmann further advised that Morris County has not filed the draft Wastewater Management Plan update with NJDEP's Division of Watershed Management. He reported that submittal is now scheduled for September.

6. Hatch Mott MacDonald Contract

Mr. Kelly advised that Fletcher Platt retired from Hatch Mott MacDonald effective Thursday, June 11th. As indicated by his June 17th letter, John Scheri, Vice President of the firm, will assume the project management responsibilities for the PRBRSA account.

FINANCIAL REPORT

1. Treasurer's Report

1.1. May 31, 2009 Treasurer's Report

Mr. Metcalfe moved acceptance of the Treasure's Report through the period of May 31, 2009. Commissioner Lampmann seconded that motion which passed anonymously on the following roll call vote:

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

2. Riverdale FY 2009 Annual Charge Challenge

Mr. Falcon reported that the meeting with the Borough of Riverdale in the Authority's order has been rescheduled to June 23rd forward the Borough's cancellation as originally scheduled.

UNFINISHED BUSINESS

1. Insurance

Referring to his June 17th letter and the recommendation of Stanford Risk Management on the quotations received on the insurance package through the NIA Group with coverages provided by ARCH Insurance with competitive quotes from Harleysville, Mr. Kelly recommended award of the contract to the NIA Group.

There was considerable discussion on the favorable results of the insurance renewal process. Mr. Kelly explained, based on John Campanile's report to him, that the coverages have been substantially expanded in a number of cases and certain provisions of the coverages clarified to the Authority's benefit yet the insurance premiums have been reduced by almost \$1,800.

Following considerable discussion, Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-09-6-1**):

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

WHEREAS, the Authority desires to maintain appropriate coverage and has received quotations from NIA Group therefore, through the offices of its insurance consultant, Stanford Risk Management;

WHEREAS, Stanford Risk Management has recommended award of the contract to the NIA Group for coverages through Arch Insurance Company and Zurich American; and

WHEREAS, the Authority desires to award a contract to the NIA Group for the following coverages for the premiums indicated:

Arch Insurance Company

Property (including Systems Breakdown)	\$ 232.00
General Liability	\$ 3,659.00
Crime	\$ 385.00
Business Auto (Hired & Non-owned)	\$ 195.00
Excess Liability (Umbrella)	\$ 5,000.00
Professional Liability/Wrongful Acts	\$ 720.00
Employment Practices Liability	\$ 371.00
Terrorism: Included (\$25.00 Premium)	
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	\$10,562.00
State Surcharge	\$ 88.26
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	\$10,650.26

Zurich American

Workers Compensation	\$ 861.00
Total:	\$11,511.26

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 17th day of June, 2009, as follows:

1. The Authority hereby approves and authorizes the Consulting Engineer to acquire the aforesaid insurance policies.
2. The Authority hereby authorizes payment to the above companies of the premiums due to the total amount of \$11,511.26 in order to obtain the policies.
3. The Consulting Engineer shall cause a copy of the within Resolution to be published in an official newspaper of the Authority.
4. The Resolution shall take effect immediately.

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

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

2. **Board Member Indemnification Policy**

In connection with the insurance renewal process, Mr. Falcon advised that the Authority's prior policy, as adopted by Resolution No. R-00-4-3 in April of 2000, provides maximum protection available to each of the Commissioners under present law. Mr. Falcon reported that the Authority Commissioners are indemnified through the highly protective provisions of state law. He said that his office has reviewed the indemnification policy and confirmed that it in fact does provide the maximum protection available under current law to each of the Authority Commissioners as Board Members.

3. **Electronic Communications**

Referring to his June 3rd letter transmitting the report of Up & Running, Mr. Kelly explained that Sharon Meade has recommended a third party vender by the name of

Intermedia for the Authority's e-mail system. He advised that the system is robust and includes a component that is important to the Authority as a public agency termed "Message Mirror" which will enable management and storage of all incoming and outgoing e-mail communications. He explained that that is an important component inasmuch as the Open Public Records Act mandates that public agencies maintain and have available on request records classified as "public documents".

In order to authorize the ongoing computer consulting services for the electronic communications system, Commissioner Lampmann moved approval of the following resolution (Resolution No. **R-09-6-2**):

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (the "Authority") requires computer consultation services in the development and implementation of its planned electronic communication (e-mail system); and

WHEREAS, the computer consultant, Up & Running of Randolph, New Jersey, has proposed a not-to-exceed price of \$3,000 to be billed at an hourly rate of \$75/hour with no out of pocket expenses; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. does not require public bidding in this situation because the contract would not exceed the bid threshold amount of \$21,000 for the contract year; and

WHEREAS, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. does not require that the Authority solicit at least two competitive quotations, as the agreed-on amount does not exceed 15% of the bid threshold, or \$3,150.

NOW, THEREOFRE, 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 17th day of June, 2009 as follows:

1. The Chairman is authorized and directed to sign an agreement in a form approved by the Authority Attorney providing for the provision and installation of computer hardware in accordance with the proposal of Up & Running at a not-to-exceed price of \$3,000, billed at an hourly rate of \$75/hour, with no out of pocket expenses.
2. This Resolution shall take effect as provided by law.

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

AYES : Commissioners Gall, Howard, Lampmann,
Metcalf and Verdonik

NAYS : None

ABSENT : Chairman Voorman

ABSTAIN : None

PAYMENT OF BILLS

1. Operating Request for Payment No. 267

Treasure Gall presented the bills as listed on Operating Request for Payment No. 267 as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

SUMMARY OF VOUCHERS FOR OPERATING EXPENSES

Operating Request for Payment No. 267

The following bills have been reviewed and are recommended for approval for payment at the **June 17, 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-09-6-1	11/28/08	\$ 2,180.00	Borough of Butler
2)	24.05	OP-09-6-2	3/14/08	\$ 250.00	Borough of Butler
3)	33.03	OP-09-6-3	5/23/09	\$ 26.00	Verizon
4)	33.03	OP-09-6-4	5/28/09	\$ 28.20	Verizon
5)	33.03	OP-09-6-5	5/21/09	\$ 3.25	JCP&L
6)	22.01	OP-09-6-6	6/9/09	\$ 5,410.58	Maraziti, Falcon & Healey
7)	22.03	OP-09-6-7	6/4/09	\$ 10,400.00	Kelly Engineering
8)	32.02	OP-09-6-8	6/8/09	\$ 4,038.76	Kelly Engineering
9)	32.02	OP-09-6-9	6/8/09	\$ 2,295.00	Kelly Engineering
10)	33.11	OP-09-6-10	6/2/09	\$ 4,374.59	Hatch Mott MacDonald
11)	33.11	OP-09-6-11	6/2/09	\$ 703.27	Hatch Mott MacDonald

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12)	33.07	OP-09-6-12	6/2/09	\$ 1,110.37	Hatch Mott MacDonald
13)	24.07	OP-09-6-13	5/27/09	\$ 152.08	Chatam Print & Design
14)	33.03	OP-09-6-14	5/29/09	\$ 17.96	Borough of Butler - Electric
15)	33.03	OP-09-6-15	5/28/09	\$ 28.20	Verizon
16)	33.03	OP-09-6-16	6/4/09	\$ 28.20	Verizon
17)	23.03	OP-09-6-17	6/12/09	\$ 861.00	Kelly Engineering
18)	23.01	OP-09-6-18	6/16/09	<u>\$ 10,650.26</u>	The NIA Group, LLC
TOTAL:				<u>\$ 42,557.72</u>	

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

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

OPEN MEETING FOR PUBLIC COMMENT

There being no members of the public present, Acting Chairman Verdonik indicated that there would be no need to open the meeting for public comment.

ADJOURNMENT

At approximately 9:30 pm, Commissioner Lampmann moved for adjournment. Commissioner Metcalfe seconded the motion which passed unanimously on voice vote.

At approximately 9:30 pm, the meeting was adjourned.

Respectfully submitted,

Daniel D. Kelly, P.E.
Recording Secretary

Enclosures: Treasurer's Report for the period ending May 31, 2009

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:BusDoc/word/minutes/Minutes-June 2009

Rev. 7/13/09