

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

July 15, 2009

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on July 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, Howard, Lampmann, and Metcalfe

**ABSENT** : Vice Chairman Verdonik

**ALSO PRESENT** : John Scheri, P.E., Hatch Mott MacDonald, Christopher H. Falcon, Esq., Maraziti, Falcon & Healey; and Daniel D. Kelly, P.E., Kelly Engineering

(Note: Mr. Scheri left the meeting in progress at approximately 9:00 pm.)

#### 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: June 17, 2009 Regular Meeting**

Commissioner Lampmann moved acceptance of the minutes of the Authority's June 17, 2009 regular meeting. That motion was seconded by Commissioner Gall and passed unanimously upon the following roll call vote:

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

**NAYS** : None

**ABSENT** : Vice Chairman Verdonik

**ABSTAIN** : None

### **HMM CONTRACT**

Chairman Voorman introduced John Scheri, Vice President of Hatch Mott MacDonald, who will now represent the firm following Fletcher Platt's retirement.

### **OPERATIONAL REPORT**

#### **1. System Operations**

##### **1.1 Flow Report**

Mr. Kelly distributed the following information to the Board for discussion:

- July 15<sup>th</sup> 2009 Flow Report for the period ending June 30, 2009
- Daily Flow Summary dated July 15, 2009 for June 2009
- TBSA "Yearly Plant Operations Report"
- Daily flow hydrograph for June 2009

Referring first to the hydrograph (copy attached), Mr. Kelly made a number of observations primarily related to the flow increases over the period with a low flow in the early part of the month approximating 1.4 mgd peaking on June 18<sup>th</sup> and 19<sup>th</sup> at approximately 3.0 mgd. He noted that the meters recorded in excess of 8-inches of rain in June although the distribution of the rain events was relatively even leading up to the relatively strong rain events beginning on June 15<sup>th</sup> through June 18<sup>th</sup>.

Comparing the June flows to the prior month, Mr. Kelly explained that the flows increased by more than 350,000 gpd, from 1.695 mgd in May to 2.049 mgd in June. Nonetheless he observed that the cumulative average system flow on a year-to-date basis is 1.826 mgd, which is considerably lower than typically is the case for this time of year.

On the TBSA flow information Mr. Kelly advised that the Authority's projected flows are running slightly less on a percentage basis than had been estimated by TBSA going into the year. Specifically, the budgeted flows were

33.44% whereas the actual-to-date (through June 30<sup>th</sup>) average is 33.04% based on PRBRSA flows of 1.88 mgd compared to the TBSA total system flow through June of 5.89 mgd.

Lastly, Mr. Kelly advised that the PRBRSA Meter P-4 is now tracking closely to TBSA Meter M-15. For June he noted that the P-4 readings were 2.049 mgd whereas the corresponding M-15 was 2.078 mgd, a difference of 0.029 mgd, a 1.4% differential.

## **1.2     ADS Contract No. OM-2**

As indicated by his e-mail of July 14, 2009, Mr. Kelly requested the Authority's authorization for another two month contract extension through September 30, 2009 on the contract with ADS, Contract No. OM-2. He explained that the contract specifications will be prepared as to allow sufficient time to review and evaluate ADS's proposal prior to a recommendation of contract award at the September 16<sup>th</sup> meeting.

In response to Commissioner Metcalfe's question, Mr. Kelly advised that the contract extension would be at the same unit prices as the present agreement.

Following further discussion Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-09-7-1**):

**WHEREAS**, the Authority is in receipt of a Request for Change Order filed by Daniel D. Kelly, P.E., the Authority Consulting Engineer, requesting approval of Change Order No. 2 for a contract extension on the Agreement of 6/23/06 with ADS, LLC (Contract No. OM-2) for flow monitoring support services; and

**WHEREAS**, the Authority is satisfied that the additional contract time is necessary, is permitted as an extension pursuant to N.J.S.A. 40A:11-15 and could not be reasonably effected by a separately bid contract without unduly disrupting the flow monitoring services, thereby imposing adverse cost consequences on the Authority.

**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 15<sup>th</sup> day of July, 2009 as follows:

1. The Authority hereby approves Change Order No. 2 to Contract No. OM-2 as described in the request for Change Order filed by Daniel D. Kelly, P.E., on the date hereof payable at the same rates

as set forth in the Agreement of 6/23/06 and extending to September 30, 2009.

2. The Chairman is authorized and directed to sign Change Order No. 2 to the Agreement in the foregoing amount.
3. This Resolution shall take effect as provided by law.

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

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

## **2. I/I Investigation Program**

John Scheri made a detailed presentation on the results of the four inspections conducted by both HMM and National Water Main in May and in June on the Authority's system beginning with the three I/I sources located as of May 7<sup>th</sup>. Referring to a plan of the PRBRSA regional interceptor system along with photographs of the three extraneous flow sources, Mr. Scheri detailed the findings at each location (see attached "Interceptor Flow Evaluation Summary of May & June 2009 Field Investigations outline).

Following extensive discussion on his presentation, Mr. Scheri said he has prepared and given to Mr. Kelly a draft report on HMM's findings to date. Commenting on that, Mr. Kelly said that HMM's draft report will be reviewed, finalized and then transmitted to the Borough of Riverdale. At the same time he said that the Authority will notify the Borough of its obligations to investigate and remediate the I/I sources located within the Borough's local collection system in accordance with the service contract and the Authority's Rules and Regulations. Mr. Scheri also advised that the final report will include an analysis of the final ADS flow data for May and June – the June information he received via CD-ROM from Mr. Kelly that evening. He said that, with that information, his office will attempt to correlate the I/I levels found during each inspection, notably those on May 7<sup>th</sup> and June 18<sup>th</sup>, with the

corresponding system flows as recorded by the temporary as well as the permanent flow monitors.

Mr. Kelly added that he has asked Mr. Scheri to review the total extraneous flows found against corresponding estimates of the total I/I entering the system at the same time. He said that it will be important to establish if the Authority has been successful in locating the majority of the extraneous flows. If not he commented that it would be necessary to continue the I/I investigations to find the remaining infiltration and inflow sources.

### **3. TBSA Activities**

#### **3.1 TBSA Capital Improvement Program**

Chairman Voorman reported that the Black & Veach report is currently being finalized.

#### **3.2 Ultraviolet Disinfection Project**

At Chairman Voorman's request, John Scheri made a presentation on the TBSA ultraviolet disinfection project. He explained that the project originated on NJDEP's issuance of the NJPDES (New Jersey Pollution Discharge Elimination System) permit which required removal of disinfection by-products created by the present chlorination disinfection system. He said that effectively required that TBSA move to an ultraviolet-type system thereby eliminating problems with chlorination and de-chlorination along with associated by-products. He further described the details of the system itself noting that the design is based on a 25 mgd peak flow for the present 7.5 mgd plant capacity. He explained that the UV system effective capacity could be increased if the peaking factor were reduced. That he said was possible through reduction of infiltration and inflow qualities throughout the local systems of the towns served by TBSA.

Mr. Scheri continued to explain that the estimated UV system construction cost approximates \$6,600,000 and that the project has qualified for AARA funding, effectively, a grant termed "principal forgiveness" in the amount of \$3,300,000. Lastly, he advised that TBSA has secured the Treatment Works Approval for the project and expects to soon receive the Stream Encroachment Permit as well. He further indicated that the project has been designed to allow for expansion and for potential installation of solar panels.

Note: At approximately 9:00 pm, Mr. Scheri left the meeting in progress.

**4. TWA Application and Connection Permits**

No change in status on these matters.

**FINANCIAL REPORT**

**1. Treasurer's Report**

**1.1. June 30, 2009 Treasurer's Report**

Treasurer Gall presented the Treasurer's Report for the period ending June 30, 2009. Commissioner Metcalf moved acceptance of the Treasurer's Report as presented. That motion was seconded by Commissioner Lampmann and was approved unanimously on the following roll call vote:

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

**2. Riverdale FY 2009 Annual Charge Challenge**

Mr. Kelly and Mr. Falcon reported on their meeting with Riverdale Mayor Budesheim and Attorney Richard Clemack. They explained that the Mayor and Mr. Clemack argued strenuously that the Authority should be utilizing the Two Bridges Meter M-15 readings as a basis for billing Riverdale in order to be "consistent" with the fact that TBSA utilizes that meter to bill PRBRSA.

Mr. Kelly noted that a detailed report on the meeting with Riverdale was distributed to the Board in his memorandum of June 30th along with a letter of the same date to Mayor Budesheim advising Riverdale that the Authority's I/I Investigation Program revealed three significant I/I sources emanating from Riverdale's local collection system.

**3. Preliminary Annual Budget: FY 2010**

As described by his July 15<sup>th</sup> letter, Mr. Kelly reviewed key elements of the Preliminary Annual Budget to be considered for approval at the Authority's August 19<sup>th</sup> meeting. He explained that Revenues and Appropriations increased by \$252,634 or 4.2% with a

projected rate increase of \$275,634 or 5.9%. He further advised that the budget includes a \$150,000 contribution to the "Capital Reserve Fund" along with another \$150,000 line item for "System Improvements" primarily related to the ongoing I/I investigation program. On that point, he explained that if it is determined that the I/I sources found to date account for the majority of the total I/I in the system then a significant portion of the System Improvement line item in the budget would not be required.

Referring to his office's analysis of the current budget (i.e., FY 2009) status, Mr. Kelly advised that preliminary estimates of the surplus from operations approximate \$227,000. If that surplus is in fact realized and if it were to be applied to offset the Annual Charges currently projected, he projected that the net rate increase would approximate 1%.

Mr. Kelly also explained that the budget includes an 8.08% increase or \$254,287 for TBSA's Annual Charges. He said that is TBSA's preliminary estimate of the increased charges to PRBRSA for FY 2010 although expectations are that that rate increase will be reduced to some degree.

On discussion, the Board's consensus was that, in view of the current economic climate, the rate increase to the towns should be reduced as much as reasonably possible.

## **UNFINISHED BUSINESS**

### **1. Electronic Communications**

Referring to his July 9<sup>th</sup> letter and the information prepared by Up & Running on the status of the e-mail system, Mr. Kelly reviewed the next steps in the process. First he explained that the e-mail system can be accessed either through a dedicated website or through Outlook 2007, the former being most user friendly. Commissioner Lampmann noted that if any of the Commissioners used Outlook 2007 on their personal or business computers then that would subject the computer files to complete searches under the Open Public Records Act. Mr. Falcon confirmed that Mr. Lampmann is correct and that if a matter is in a litigation that would also be the case.

Continuing, Mr. Kelly said that the system will assure continuing compliance with the Open Public Records Act and with the Open Public Meetings Act as well in that it will allow the Authority to permanently archive and to retrieve all incoming and outgoing e-mail communications.

Commissioner Metcalfe asked if the new e-mail system would change the current procedure for distribution of documents. Mr. Kelly advised that would be up to the Commissioners themselves who would individually determine if they would like to receive hard copies or have the information distributed electronically. As previously discussed, he explained that was not the primary purpose of establishing the new e-mail system. Yet, as a practical matter since it would have that capability, he said that his office would make distributions as each Member would prefer.

Commissioner Howard suggested that after the system is set up and in operation for several months that it may be helpful to have distributions made both electronically and in hard copy format and from there the individual Board Members could determine his preference. Commissioner Lampmann agreed noting that not everyone may want to receive documents electronically.

## NEW BUSINESS

### 1. Expense Policy

Referring to the revised Expense Policy as transmitted to the Authority on July 8, Mr. Kelly explained that the policy is substantively consistent with the prior version and recommended that the Authority formally adopt it.

On discussion of the proposed Expense Policy, Commissioner Howard suggested a change to paragraph 5 on page 1 to delete reference to the July 2009 IRS mileage allowance by stating that the allowance will be in accordance with IRS regulations in effect at the time of travel.

With that revision, Commissioner Metcalfe moved adoption of the following Resolution (**Resolution No. R-09-7-2**):

**WHEREAS**, the Sewerage Authorities Law provides at N.J.S.A. 40:14A-5(d) for the payment by a Sewerage Authority of necessary expenses incurred by its Members in the discharge of their duties; and

**WHEREAS**, the Pequannock River Basin Regional Sewerage Authority (“the Authority”) has determined that it is in the public interest that the circumstances under such payments are to be made should be clearly defined and enumerated; and

**WHEREAS**, the Authority has undertaken a review of its policy on this topic and desires to adopt a Resolution to reflect the time.

**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 15<sup>th</sup> day of July, 2009 as follows:

1. The Authority hereby approves and adopts the attached “Business Expense Policy” dated July, 2009 and directs that the entitlement for and payment of expenses by Authority Members shall be administered in accordance with its terms.
2. 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, and Metcalfe

**NAYS** : None

**ABSENT** : Vice Chairman Verdonik

**ABSTAIN** : None

#### **PAYMENT OF BILLS**

**1. Operating Request for Payment No. 268**

Treasure Gall presented and moved payment of the bills as listed on Operating Request for Payment No. 268 as follows:

#### **PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY**

##### **SUMMARY OF VOUCHERS FOR OPERATING EXPENSES**

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##### **Operating Request for Payment No. 268**

The following bills have been reviewed and are recommended for approval for payment at the **July 15, 2009** meeting of the Authority from the Operating Account (Wachovia Bank Account 1425985).

	<b><u>PRBRSA</u></b>	<b><u>VOUCHER</u></b>	<b><u>VOUCHER</u></b>	<b><u>PAYMENT</u></b>	<b><u>CHECK PAYABLE TO</u></b>
	<b><u>ACCT. NO.</u></b>	<b><u>NO.</u></b>	<b><u>DATE</u></b>	<b><u>AMOUNT</u></b>	
1)	33.01	OP-09-7-1	11/28/08	\$ 2,180.00	Borough of Butler
2)	24.05	OP-09-7-2	3/14/08	\$ 250.00	Borough of Butler
3)	33.03	OP-09-7-3	6/23/09	\$ 26.00	Verizon
4)	33.03	OP-09-7-4	6/19/09	\$ 3.25	JCP&L
5)	*	OP-09-7-5	6/16/09	\$ 9,252.00	ADS, LLC
6)	22.01	OP-09-7-6	7/8/09	\$ 6,627.41	Maraziti, Falcon & Healey
7)	22.03	OP-09-7-7	7/7/09	\$ 10,400.00	Kelly Engineering

Meeting Minutes  
July 15, 2009

8)	32.02	OP-09-7-8	7/7/09	\$ 4,232.00	Kelly Engineering
9)	32.02	OP-09-7-9	7/7/09	\$ 2,791.48	Kelly Engineering
10)	**	OP-09-7-10	3/23/09	\$ 633,278.00	Peq. Lincoln Park & Fairfield Sewerage Auth
11)	33.10	OP-09-7-11	6/30/09	\$ 1,288.75	Hatch Mott MacDonald
12)	33.11	OP-09-7-12	6/30/09	\$ 1,249.80	Hatch Mott MacDonald
13)	33.03	OP-09-7-13	6/7/09	\$ 17.96	Borough of Butler - Electric
14)	23.03	OP-09-7-14	6/12/09	\$ 53.00	Kelly Engineering
15)	33.01	OP-09-7-15	4/6/09	\$ 2,320.00	ADS, LLC
16)	22.05	OP-09-7-16	7/13/09	\$ 450.00	Up & Running
17)	22.05	OP-09-7-17	7/13/09	\$ 183.33	Up & Running
18)	23.01	OP-09-7-18	7/9/09	\$ 5,250.00	Stanford Risk Management Inc.
19)	26.04	OP-09-7-19	7/14/09	\$ 945.00	US Bank
20)	33.03	OP-09-7-20	6/28/09	\$ 28.20	Verizon
21)	33.03	OP-09-7-21	7/4/09	\$ 28.41	Verizon
22)	33.14	OP-09-7-22	7/14/09	\$ <u>400.00</u>	ADS, LLC

**TOTAL:** **\$ 681,254.59**

*33.01	\$2,320.00
33.14	<u>\$6,932.00</u>
	\$9,252.00

**27.00	\$48,669.00
13.00	\$210,655.00
35.00	<u>\$527,435.00</u>
(18.00)	<u>(\$153,481.00)</u>
	\$633,278.00

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

<b>AYES</b>	:	Chairman Voorman, Commissioners Gall, Howard, Lampmann, and Metcalfe
<b>NAYS</b>	:	None
<b>ABSENT</b>	:	Vice Chairman Verdonik
<b>ABSTAIN</b>	:	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 the meeting for public comment.

## **ADJOURNMENT**

At approximately 9:30 pm, Commissioner Howard moved for adjournment. Commissioner Lampmann 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:   1. June Daily Flow Hydrograph  
                  2. HMM Outline dated July 15, 2009 "Interceptor Flow Evaluations, Summary of  
                      May & June 2009 Field Investigations"  
                  3. Treasurer's Report for the period ending May 31, 2009  
                  4. PRBRSA Expense Policy

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