

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

December 9, 2009

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on December 9, 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 8:00 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: October 21, 2009 Regular Meeting**

Commissioner Metcalfe moved acceptance of the minutes October 21, 2009 regular meeting.

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

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

**NAYS** : None

**ABSENT** : Commissioner Howard

**ABSTAIN** : Commissioner Gall

## **OPERATIONAL REPORT**

### **1. System Operations**

#### **1.1 Flow Report**

Mr. Kelly commented on the draft Flow Report for the entire fiscal year 2009 dated November 10, 2009. He explained that the report is currently under review and on finalization will be used as the basis for preparation of the prior year flow adjustments.

He noted that the October 2009 flows remain extremely low at 1.434 mgd as does the cumulative average flow for the year at 1.716 mgd.

The following reports were distributed to the Board for review:

- Flow Report for the period ending October 31, 2009
- Flow Report for the period ending November 30, 2009
- Daily Flow Summary for October 2009
- Daily Flow Summary for November 2009
- Daily flow hydrograph for October 2009
- Daily flow hydrograph for November 2009
- TBSA "Yearly Plant Operations Report" through October 31, 2009

Referring to the analysis of the last item, TBSA's flow data, Mr. Kelly reported that TBSA's meters continue to show that the PRBRSA actual percentage flow is approximately 1.5% less than that budgeted for TBSA's FY 2009. He said that would result in a flow adjustment for TBSA's User Charges with a proportionate refund to PRBRSA.

#### **1.2 I/I Analysis (Bloomingdale, Butler & Kinnelon)**

Mr. Kelly reviewed some of the discussions that he had had with John Scheri of Hatch Mott MacDonald regarding further I/I investigations into the upstream portions of the PRBSRSA system, that is, upstream of Riverdale where extensive I/I investigations have been conducted over the past several years. He explained that the I/I investigations proposed by HMM would

analyze the system flows recorded by the ADS system over the last 3 to 5 years and would specifically analyze major rain events during each period.

In discussing that, Commissioner Lampmann said that that would be of little value to Butler. He explained that the Borough has been continuously investigating the I/I conditions within its local collection system which have produced measurable results. At the same time, however, he said that there remain portions of the system that clearly exhibit high levels of extraneous flows. He noted for example that at times portions of the Authority's Boonton Avenue Interceptor run full during extreme rain events. In response to Mr. Kelly's question, he said that there have been no sanitary sewer overflows resulting from those conditions yet they indicate that the infiltration/inflow conditions are severe and are taxing the physical capacity of those lines. That being the case he said that the focus of any additional investigations should be to isolate and identify the I/I sources.

Commenting on that, Mr. Kelly agreed yet noted that the Authority would not conduct investigations within the local collective system of the towns themselves but would be able to perform the type of isolation work that has been successful in Riverdale to at least narrow the area of the largest I/I contributions to specific tributary areas of the system. Mr. Kelly explained that that leads into the next topic, namely, the contract award to ADS for permanent and temporary flow monitoring (see discussion below).

## **2. ADS LLC Flow Monitoring Contract**

Mr. Kelly advised that the Authority issued a Request for Proposal to ADS LLC for continuation of the comprehensive flow monitoring services including operation and maintenance of the four permanent flow meters along with operation, maintenance and rental of the four temporary flow meters currently located in Riverdale. The RFP also included continuation of the IntelliServe capability for the permanent as well as the temporary monitors.

Referring to his December 8<sup>th</sup> letter summarizing the initial bid submitted by ADS, Mr. Kelly reported that the overall increase for the four permanent meters for the first year under Proposal A would be 54%. On a line item by line item basis he said the increases vary from 18% to as much as 89% for the data analysis services.

In an effort to reduce costs, Mr. Kelly reported some of the negotiations that he had with Mike Armes, Project Manager, and Hank Hulse, Regional Sales Manager, for ADS. He said that Mr. Armes maintained that the overall cost of services decreased, that is, if the Authority awarded the permanent flow monitoring services under Proposals A, B and C for three years and also awarded the temporary flow monitoring services under Proposals D, E and F for the next three years that there would in fact be a price decrease. Without recounting all of those discussions, Mr. Kelly explained that the basis for the elevated

pricing was in his opinion unfounded. As a result of extensive negotiations on the matter along with clarification of the data analysis services line item, he said that he requested revised pricing from ADS.

The revised pricing was summarized by Mr. Kelly's December 9<sup>th</sup> letter. He said the price increase for the permanent flow monitoring is 3.4% without the IntelliServe services and 4.8% with those services. For the next two years, under Proposals B and C, he reported that the prices increase by 4.0 and 3.8%, respectively.

On the temporary flow monitoring, Mr. Kelly advised that the pricing is the same for each of the three years under Proposals D, E and F amounting to a 32% decrease from current costs. He noted that the cost reduction is appropriate given that the original proposal from ADS was for short term flow monitoring which has been extended from 6 months to a total of 12 months thus far with the potential to extend it another 3 years in 1-year increments.

Mr. Kelly recommended award of Proposal A for the first year of the permanent flow monitoring as well as Proposal D for the first year of the temporary flow monitoring.

On discussion, Commissioner Lampmann indicated that he would not support spending another \$35,000 to conduct further flow metering in Riverdale inasmuch as the Authority has spent considerable time, effort and committed major funding to that effort over the past several years and more. While not disagreeing, Mr. Kelly said that there would be value to having the additional data in the event that Riverdale continues to challenge the Authority's billing based on the metering data. He also commented that, while Hatch Mott MacDonald has concluded that the three extraneous flow sources as located in Riverdale's system in May and June are responsible for the majority of the I/I within Riverdale, it remains possible that other sources are present in Riverdale's lines and would be identified by additional monitoring.

Following considerable discussion on the scope and the pricing submitted by ADS, the other Commissioners generally agreed with Commissioner Lampmann's position that the Authority should not expend further efforts in monitoring what has been determined to be extraneous flows within the local system of Riverdale.

Based on those considerations, Commissioner Lampmann moved to award the contract to ADS LLC for Proposal A on approval of the following resolution (**Resolution No. R-09-12-1**):

**WHEREAS**, the Authority desires to award a contract for permanent metering services in connection with the operation of the Authority's wastewater system; and

**WHEREAS**, the Local Public Contracts Law (N.J.S.A. 40A: 11-1 et seq.) provides at N.J.S.A. 40A: 11-5 (gg) that a contract for the operation of a component

part of a wastewater treatment system can be awarded without competitive bidding;  
and

**WHEREAS**, a wastewater treatment system is defined at N.J.S.A. 40A: 11-15 (19) to include equipment operated in connection with the collection of wastewater;  
and

**WHEREAS**, the Authority has received and reviewed the proposal of ADS Environmental Services dated December 9, 2009; and

**WHEREAS**, the Authority has reviewed the analysis prepared by Daniel D. Kelly, P.E. concerning the same and is satisfied that the proposal is in the best interest of the Authority; and

**WHEREAS**, a contract for the provision of metering services can be awarded for a period of time beyond the normal two year contracting period pursuant to N.J.S.A. 40A: 11-15 (5).

**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 9<sup>th</sup> day of December, 2009, as follows:

1.The Authority hereby awards a contract to ADS Environmental Services for the performance of data processing services in connection with the measurement, electronic transmission, calculation, and recording of metered sewerage flows as follows:

Permanent Flow Meters

|                                       |             |
|---------------------------------------|-------------|
| December 1, 2009 to November 30, 2010 | \$31,195.20 |
| December 1, 2010 to November 30, 2011 | \$32,442.48 |
| December 1, 2011 to November 30, 2012 | \$33,740.40 |

2. The Authority hereby authorizes the performance of permanent metering services for the period of December 1, 2009 to November 30, 2010 at a cost of \$31,195.20.

3. The Authority has reserved the right in its discretion to authorize extensions of the contract through the adoption of resolutions for each of the two subsequent one year extensions for all, any or none of Proposals B and C. The Authority shall adopt any such extension resolution within 60 days before the expiration of the then applicable annual period. The contract price shall be that set forth above for the applicable year and the terms and conditions of the contract shall remain the same.

4.The Chairman is authorized and directed to execute the aforesaid agreement on behalf of the Authority.

5. This Resolution shall take effect as provided by law.

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

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

**NAYS** : None

**ABSENT** : Commissioner Howard

**ABSTAIN** : None

### **3. I/I Investigation Program**

#### **3.1. Riverdale Extraneous Flows**

In response to a question from Commissioner Gall, Mr. Kelly advised that the Authority has not received any word from Riverdale on the Borough's efforts to locate or remediate the I/I sources following the Authority's notification of same.

### **4. TBSA Activities**

Chairman Voorman and Vice Chairman Verdonik updated the Board on various activities at the Two Bridges Sewerage Authority as they affect PRBRSA. They noted that the Black & Veach Phase 1 Report will be issued in final form this month. TBSA will then distribute it to the towns and to PRBRSA along with a summary of the cost implications. They also advised that the ultraviolet disinfection project is moving forward. In addition they indicated that Two Bridges has carved out another project for the preliminary treatment system commonly known as "headworks" facilities with the expectation that that design and construction can proceed independently of other, more costly improvements on the remaining process components. They explained that the project would be somewhere between \$8,000,000 and \$9,000,000 and would be sufficiently isolated from the balance of the plant as to allow the work to proceed without compromising any future improvements. They noted as well that the total plant improvement costs are extremely variable, ranging from \$10 million to \$70 million, depending on the process selection and whether or not the plant is expanded beyond will be present 7.5 mgd capacity.

Lastly, Chairman Voorman and Vice Chairman Verdonik advised that TBSA finalized the year-end User Charges for the prior year. As a result they said that PRBRSA would receive approximately \$55,000 in User Charge credits.

## **5. TWA Application and Connection Permits**

### **5.1 TWA Application Union Avenue Project (BLC One, LLC) Borough of Bloomingdale**

For the record Mr. Kelly advised that the applicant for the above referenced project has satisfied the Authority's two conditions of approval. Accordingly, he said that his office issued the executed permit documents for the applicant's filing with TBSA and NJDEP.

## **FINANCIAL REPORT**

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

#### **1.1. October 31, 2009 Treasurer's Report**

Vice Chairman Verdonik moved acceptance of the Treasurer's Report for the period ending October 31, 2009. That motion was seconded by Commissioner Lampmann 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  |

### **2. Annual Budget: FY 2010**

#### **2.1. DLGS Final Budget Approval**

Mr. Kelly advised that the Authority has received approval of the Division of Local Government Services for the fiscal year 2010 Annual Budget as initially approved at the August 19, 2009 meeting. He further advised that the budget as adopted in final form at the October 21, 2009 meeting has been filed with DLGS for approval.

#### **2.2. Annual Charge Certifications**

For the record, Mr. Kelly advised that the Annual Charge Certifications for Fiscal Year 2010 were issued to the municipalities on November 20, 2009.

### **2.3 Audit:FY 2009**

Mr. Kelly reported that the audit activities are currently underway noting as well that the field audit work was completed on Monday, December 7<sup>th</sup> with the expectation that the auditors will issue the draft audit report over the next several weeks.

### **2.4 Trustee Compliance Notice**

Also for the record, Mr. Kelly advised that the Authority has responded to a notice from US Bank, Trustee for the Authority, essentially requiring compliance with several provisions of the 1986 General Bond Resolution. He explained that while those have been in place for many years that the Trustee has never requested documentation as it now has to evidence compliance. He noted that one outstanding item remains, preparation of the Consulting Engineer's Report which is currently underway.

## **UNFINISHED BUSINESS**

### **1. Riverdale Membership**

Mr. Falcon advised that he has not received any word on or reply to his letter responding to the Borough of Riverdale's request for membership on the Authority.

### **2. Consulting Engineer's Report**

As noted above, the Consulting Engineer's Report is currently being prepared in compliance with Section 507 of the General Bond Resolution.

## **NEW BUSINESS**

### **1. LFB Local Finance Board Citizen Service Act**

Mr. Falcon advised that his office is reviewing the recently promulgated LFB Citizen Service Act and will advise on any obligations that the Authority has in that regard.

## **PAYMENT OF BILLS**

### **1. Operating Request for Payment No. 272**

The following bills as listed on Operating Request for Payment No. 272 were presented for approval:



Meeting Minutes  
December 9, 2009

The following bills have been reviewed and are recommended for approval for payment at the **December 9, 2009** meeting of the Authority from the Operating Account (Wachovia Bank Account 1425985):

|     | <u>PRBRSA<br/>ACCT. NO.</u> | <u>VOUCHER<br/>NO.</u> | <u>VOUCHER<br/>DATE</u> | <u>PAYMENT<br/>AMOUNT</u> | <u>CHECK PAYABLE TO</u>     |
|-----|-----------------------------|------------------------|-------------------------|---------------------------|-----------------------------|
| 1)  | 33.05                       | OP-09-11-1             | 11/30/2009              | \$1,000.00                | Borough of Riverdale Police |
| 2)  | 33.03                       | OP-09-11-2             | 11/27/09                | \$ 3.25                   | JCP&L                       |
| 3)  | 33.03                       | OP-09-11-3             | 11/18/09                | \$ 29.46                  | Verizon                     |
| 4)  | 33.03                       | OP-09-11-4             | 11/18/09                | \$ 26.97                  | Verizon                     |
| 5)  | 33.03                       | OP-09-11-5             | 11/14/09                | \$ 29.46                  | Verizon                     |
| 6)  | 33.03                       | OP-09-11-6             | 11/14/09                | \$ 29.52                  | Verizon                     |
| 7)  | 33.01                       | OP-09-11-7             | 11/28/08                | \$ 2,240.00               | Borough of Butler           |
| 8)  | 24.05                       | OP-09-11-8             | 3/14/08                 | \$ 250.00                 | Borough of Butler           |
| 9)  | 33.13                       | OP-09-11-9             | 11/24/09                | \$ 1,018.85               | Hatch Mott MacDonald        |
| 10) | 33.13                       | OP-09-11-10            | 11/02/09                | \$ 6,071.72               | Hatch Mott MacDonald        |
| 11) | 33.01/33.14                 | OP-09-11-11            | 11/4/09                 | \$ 7,056.00               | ADS, LLC                    |
| 12) | 22.01                       | OP-09-11-12            | 11/14/09                | \$ 3,942.75               | Maraziti, Falcon & Healey   |
| 13) | 22.03                       | OP-09-11-13            | 11/04/09                | \$ 10,400.00              | Kelly Engineering           |
| 14) | 32.02                       | OP-09-11-14            | 12/03/09                | \$ 3,633.23               | Kelly Engineering           |
| 15) | 24.05                       | OP-09-11-15            | 10/29/09                | \$ 116.58                 | Kelly Engineering           |
| 16) | 33.03                       | OP-09-11-16            | 10/31/09                | \$ 17.96                  | Borough of Butler           |
| 17) | 24.07                       | OP-09-11-17            | 11/18/09                | \$ 55.79                  | North Jersey Media Group    |
| 18) | 23.01                       | OP-09-11-18            | 11/03/09                | \$ 64.00                  | Harleysville                |
| 19) | 24.05                       | OP-09-11-19            | 10/29/09                | \$ 2,145.85               | James Lampmann              |
| 20) | 33.03                       | OP-09-11-20            | 10/26/09                | \$ 3.25                   | JCP&L                       |
| 21) | 22.05                       | OP-09-11-21            | 12/07/09                | \$ 75.00                  | Up & Running                |
| 22) | 22.05                       | OP-09-11-22            | 12/07/09                | \$ 174.95                 | Up & Running                |

**TOTAL:      \$ 38,384.59**

Treasurer Gall moved approval of the bills as presented. 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

2. **Operating Request for Payment No. 273**

The following bills as listed on Operating Request for Payment No. 273 were presented for approval:

**Operating Request for Payment No. 273**

The following bills have been reviewed and are recommended for approval for payment at the **December 9, 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) | 25.03                   | OP-09-12-1            | 10/19/09              | \$ 3,600.00           | Association of Environ. Auth.       |
| 2) | 22.01                   | OP-09-12-2            | 12/07/09              | \$ 1,558.50           | Maraziti, Falcon & Healey           |
| 3) | 22.02                   | OP-09-12-3            | 12/4/09               | \$ 135.00             | Ferraioli, Wielkotz, Cerullo & Cuva |
| 4) | 33.01/33.14             | OP-09-12-4            | 12/2/09               | \$ 3,424.00           | ADS, LLC                            |
| 5) | 26.01                   | OP-09-12-5            | 12/07/09              | \$ 2,500.00           | US Bank                             |
| 6) | 26.01                   | OP-09-12-6            | 12/07/09              | \$ 2,500.00           | US Bank                             |
| 7) | 22.05                   | OP-09-12-7            | 12/07/09              | \$ 174.95             | Up & Running                        |
| 8) | 22.03                   | OP-09-12-8            | 12/03/09              | \$ 10,400.00          | Kelly Engineering                   |
| 9) | 33.03                   | OP-09-12-9            | 12/7/09               | <u>\$ 29.52</u>       | Verizon                             |

**TOTAL: \$ 24,321.97**

Vice Chairman Verdonik moved approval of the bills as presented. Treasurer 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 the meeting for public comment.

**ADJOURNMENT**

At approximately 9:10 pm, Commissioner Metcalfe moved for adjournment. Commissioner Gall seconded the motion which passed unanimously on voice vote.

At approximately 9:10 pm, the meeting was adjourned.

Respectfully submitted,

Daniel D. Kelly, P.E.  
Recording Secretary

Enclosure: Treasurer's Report for the period ending October 31, 2009

DDK/ja (001)

:BusDoc/word/minutes/Minutes-December 2009