

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

March 17, 2010

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on March 17, 2010 in the Conference Room at the Butler Municipal Building, One Ace Road, Butler, New Jersey. Chairman Voorman called the meeting to order at approximately 7:40 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

Note: Chairman Voorman joined the meeting in progress at approximately 7:45 pm.

OPEN PUBLIC MEETING STATEMENT

Vice 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: Regular Meeting – February 17, 2010

Commissioner Metcalfe moved acceptance of the February 17, 2010 regular meeting minutes.

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

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

NAYS : None

ABSENT : Chairman Voorman

ABSTAIN : None

OPERATIONAL REPORT

1. System Operations

1.1 Flow Report

Commenting on the Flow Report dated March 16, 2010 for the period ending February 28, 2010, Mr. Kelly indicated that the flows remain at relatively normal levels, specifically, 1.838 mgd monthly average for February and, on a year-to-date basis, 1.852 mgd.

Concerning the current system flows, he referred to a flow hydrograph for Meter P-4 from approximately Thursday, March 11th through midday Wednesday, March 17th. As indicated, the total system flow rapidly increased over the course of the intense storm event beginning on Friday, March 12th from approximately a 2 to 2.5 mgd average flow to a peak flow at approximately 1:00 am on Sunday, March 14th, of 10.2 mgd. He noted that the peak flow subsided as of Wednesday, March 17th, to 4.35 mgd.

In response to Chairman Voorman's question, Mr. Kelly advised that Meter P-2A was out of service due to the flood as was the rain gauge since both are located close to the river at the end of Brandt Lane in Bloomingdale. He said that ADS will restore the meter and the rain gauge to service as soon as practicable.

The following reports were distributed to the Board for review:

- Flow Report for the period ending February 28, 2010
- Daily Flow Summary for February 2010
- Daily flow hydrograph for February 2010
- TBSA "Yearly Plant Operations Report" Table 4 for February 2010

1.2 I/I Monitoring Program

Responding to Chairman Voorman's question, Mr. Kelly advised that ADS was able to install the meters prior to the March 12th & 13th storm event such that the data should be available. He explained, however, that the monitors were not fully connected to the IntelliServe system and therefore some of the data will have to be collected manually for manual entry into the system for analysis purposes.

1.3 Boonton Avenue Interceptor

Concerning the Boonton Avenue Interceptor inspections performed by Advanced Plumbing and Drain Cleaning, Mr. Kelly advised that following considerable delays the contractor just provided the final CCTV-inspection logs and videos. Based on that he said his office prepared an updated summary of the work completed which was presented to the Board for their information.

On review of the CCTV-inspection videos, Mr. Kelly explained that there are several areas of the pipeline that may be repairable using sectional liner technique as proposed by National Water Main. As to traditional methods of repair, he advised that much of the pipeline is cracked to the point that any disturbance of that type would likely cause a complete collapse. For that reason he said that he would prefer to avoid the traditional (i.e., open-trench) repairs that were to be performed by John Fogg Excavating Company. Explaining further he said that there are numerous sections of the pipeline that evidence major cracking along with root intrusion that severely compromise the structural integrity of the conduit. That being the case he advised that the Authority should consider full replacement of the lines rather than risk repairing small sections under these conditions.

In briefly discussing the related capital improvement program, Mr. Kelly said that he will recommend replacement and/or repairs using sectional liner of the Boonton Avenue Interceptor whenever appropriate as a part of an overall capital program. Vice Chairman Verdonik and Commissioner Lampmann noted that that line has been a problem for many years and agreed that line replacement may be the only practical solution to the present conditions.

2. TWA Applications & Connections Permits

No change in status on these matters

3. TBSA Activities

Vice Chairman Verdonik advised that there is nothing to report on TBSA matters inasmuch as the Board meeting was cancelled due to the current flooding conditions. He and Chairman Voorman explained that the plant site is at present inaccessible although an emergency crew has been deployed on a continuous basis throughout the flood event.

FINANCIAL REPORT

1. Treasurer's Report

1.1. February 28, 2010 Treasurer's Report

Treasurer Gall presented the Treasurer's Report for the period ending February 28, 2010. Commissioner Metcalfe moved acceptance of the report as presented. Vice Chairman Verdonik 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. Audit: FY 2009

For the record, Mr. Kelly advised that the audit report for fiscal year 2009 was distributed to the Board prior to the meeting both electronically and in hard copy format.

In order to file the affidavit required by the State of New Jersey Local Finance Board, Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-10-3-1**):

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, 2009 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, 2009, 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.

Treasurer 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

2.1. Annual Budget: FY 2010

Again, for the record, Mr. Kelly advised that the State of New Jersey, Division of Local Government Services approved the Authority’s FY 2010 Annual Budget on February 22nd. He noted the delay was totally on the part of the Division itself.

2.2 Capital Reserve Fund

Chairman Voorman suggested that discussion on the Capital Reserve Fund be deferred to a future meeting.

2.3 Compliance Report: Sections 406 (C) and 403 (C)

Mr. Kelly noted that the auditor's Compliance Report is available for the Board's review in the file folders and that the full report with attachments would be issued to the Board on receipt from Mr. Cuva's office. He explained that the purpose of the auditor's review was three-fold – first, to confirm receipt of Annual Charges due from the municipalities; second, to confirm that there was no operating deficit for the prior year; and finally, to review and verify the Authority's methodology and calculations for the FY 2009 Annual Charges including redistribution of the operation and maintenance charges at year-end.

As indicated by the report, the auditors found, with respect to the mathematical verification and methodology, that the Authority's calculations have been correctly performed in compliance with Section 406(C) of the 1990 Amendment to the 1985 Service Contract (i.e., the contract with Bloomingdale, Butler and Kinnelon) and the similar provision contained in Section 403(C) of the 1987 Riverdale Service Contract.

UNFINISHED BUSINESS

1. AEA Initiative

Referring to materials in the file folders, Mr. Kelly reviewed some of the initiatives currently being undertaken by the Association of Environmental Authorities to address the Governor's and the administration's attacks on salaries and benefits of authorities throughout the state. Generally, he said that AEA will provide whatever support may be needed on a case-by-case basis but at this point does not plan to directly counter the attacks in the media. At the same time he said that there is consideration of introducing legislation to address another aspect of concern to Authorities, namely, the dissolution process which has been used to dissolve a number of local authorities over the past several years. He said the legislation would require a more thorough financial analysis along with public hearings as to allow the full story to be told before a municipality would be able to dissolve a local authority.

NEW BUSINESS

1. Office Lease

Commissioner Lampmann advised that the Butler Mayor and Council approved a two-year extension of the office lease with the same terms, namely, \$250 per month.

On that basis, Commissioner Metcalfe moved approval of the following resolution (**Resolution No. R-10-3-2**):

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter "the Authority") previously negotiated a lease with the Borough of Butler to lease 150 square feet for office space; and

WHEREAS, pursuant to N.J.S.A. 40:14A-7 the Authority is authorized to acquire interests in real property necessary for the purposes of the Authority; and

WHEREAS, pursuant to N.J.S.A. 40:A11-5 contracts between the Authority and a municipality are exempt from the requirements of public advertisement and bidding; and

WHEREAS, the Authority finds that it is in the interest of the Authority to extend its present lease and to enter into a new lease which includes the following terms:

Rental Property:	150 sq. ft. at 1 Ace Road, Butler, New Jersey
Rent and Term:	April 1, 2010 to March 31, 2012 (two years) \$250.00 per month = \$6,000.00 for the full term.

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 March, 2010, as follows:

1. The Chairman of the Authority is authorized to execute a lease on behalf of the Authority with the Borough of Butler in a form reviewed by the Authority Attorney and upon the above terms.
2. This Resolution shall take effect as provided by law.

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

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

1. **Operating Request for Payment No. 276 (February)**

Treasurer Gall presented the following bills as listed on Operating Request for Payment No. 276 were presented for approval:

Operating Request for Payment No. 276

The following bills have been reviewed and are recommended for approval for payment at the **March 17, 2010** meeting of the Authority from the Operating Account (Wachovia Bank Account 1425985).

	PRBRSA	VOUCHER	VOUCHER	PAYMENT	
	<u>ACCT. NO.</u>	<u>NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	<u>CHECK PAYABLE TO</u>
1)	33.01	OP-10-3-1	11/28/08	\$ 2,240.00	Borough of Butler
2)	24.05	OP-10-3-2	3/14/08	\$ 250.00	Borough of Butler
3)	24.07	OP-10-3-3	03/09/10	\$ 525.00	Marathon Computer Svs
4)	33.03	OP-10-3-4	3/8/10	\$ 29.74	Verizon
5)	33.03	OP-10-3-5	3/1/10	\$ 3.25	JCP&L
6)	33.01	OP-10-3-6	3/2/10	\$ 5,199.20	ADS LLC
7)	22.03	OP-10-3-7	3/5/10	\$ 10,400.00	Kelly Engineering
8)	32.02	OP-10-3-8	3/5/10	\$ 3,877.07	Kelly Engineering
9)	22.01	OP-10-3-9	3/11/10	\$ 2,527.80	Maraziti, Falcon & Healey
10)	22.02	OP-10-3-10	2/8/10	\$ 14,000.00	Ferraioli, Wielkotz, Cerullo & Cuva
11)	33.03	OP-10-3-11	3/4/10	\$ 17.96	Borough of Butler-Electric
12)	24.07	OP-10-3-12	01/07/10	\$ 174.95	Up & Running
13)	24.07	OP-10-3-13	2/21/10	\$ 174.95	Up & Running
14)	*	OP-10-3-14	4/15/10	\$ 661,402.00	Pequannock, Lincoln Park & Fairfield Sewerage Authority
15)	33.01	OP-10-3-15	3/11/10	\$ 1,520.00	AAA Advanced Plumbing & Drain
16)	33.13	OP-10-3-16	3/1/10	\$ 633.73	Hatch Mott MacDonald
17)	33.03	OP-10-3-17	3/15/10	\$ 29.74	Verizon
18)	24.07	OP-10-3-18	3/15/10	\$ 189.99	TSC Internet

TOTAL: \$ 703,195.38

*27.00 \$ 50,125.00 Admin
 13.00 \$ 219,177.00 D/S
 35.00 \$ 545,581.00 User Charge
 Less: \$ (153,481.00) Debt Service Credit
\$ 661,402.00

Meeting Minutes

Vice Chairman Verdonik moved approval of the bills as presented. 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

Their 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 8:05 pm, Vice Chairman Verdonik moved for adjournment. Commissioner Howard seconded the motion which passed unanimously on voice vote.

At approximately 8:05 pm, the meeting was adjourned.

Respectfully submitted,

Daniel D. Kelly, P.E.
Recording Secretary

Enclosure: Treasurer's Report for the period ending February 28, 2010

DDK/ja (001)

:BusDoc/word/minutes/Minutes-March 2010