

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

March 16, 2011

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on March 16, 2011 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, Howard, Lampmann, Metcalfe and Verdonik

**ABSENT** : None

**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.

#### COMMISSIONER SANTORA MOLINARI

Chairman Voorman asked the Board to remember the service of former Commissioner Santora Molinari who recently passed away. He said that Mr. Molinari served as Bloomingdale's representative on the Board from 1994 through February 2003.

#### ADOPTION OF MINUTES

1. **Meeting Minutes: Regular Meeting – February 16, 2011**

Commissioner Metcalfe moved approval of the minutes of the Authority's February 16, 2011 regular meeting. That motion was seconded by Commissioner Lampmann 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

**OPERATIONAL REPORT**

**1. System Operations**

**1.1 Flow Report**

Reporting on the recent two storm events in March, one on March 6 & 7<sup>th</sup> and the other on March 9<sup>th</sup> & 10<sup>th</sup>, Mr. Kelly advised that the Authority's system recorded an average daily maximum flow of 8.48 mgd and a peak hourly and 15 minute peak flow of 10.48 and 10.64 mgd, respectively. Referring to his March 14, 2011 memorandum along with a 7-day flow hydrograph for Meter P-4, Mr. Kelly indicated that the peak flow occurred on Friday, March 11<sup>th</sup> receding rapidly from the 10 mgd peak level to peaks approximating 4 mgd three days later. He said that the peak flow conditions experienced in March 2011 were virtually identical to the peak conditions experienced in March 2010, a point later reiterated by Chairman Voorman and Vice Chairman Verdonik based on TBSA's flow data.

Referring to the Flow Report dated February 17, 2011 for the period ending January 31, 2011, Mr. Kelly advised that the system flows decreased by approximately 200,000 gpd from 1.758 in December to 1.551 mgd in January.

The following reports were distributed to the Board for review:

- Flow Report dated February 17, 2011 for the period ending January 31, 2011
- Daily Flow Summary for January 2011
- Daily flow hydrograph for January 2011

Referring to the Flow Report dated March 15, 2011 for the period ending February 28, 2011, Mr. Kelly advised that the system flows increased by almost 370,000 gallons per day from 1.51 in January to 1.920 mgd in February.

The following reports were distributed to the Board for review:

- Flow Report dated March 15, 2011 for the period ending February 28, 2011
- Daily Flow Summary for February 2011
- Daily flow hydrograph for February 2011
- TBSA "Yearly Plant Operations Report" Table 4 for February 2011 (w/ calculations)

Mr. Kelly also referred to the Two Bridges Sewerage Authority "Yearly Plant Operations Report" for February 2011. As indicated by his calculations on the report, in February, the Authority's flows averaged 1.21% less than the flows billed in the beginning of the fiscal year.

## **1.2 I/I Monitoring Program**

Referring to the temporary flow monitoring program and the related infiltration/inflow analyses, Mr. Kelly asked Commissioner Lampmann if it will be feasible to prepare the water consumption analysis based on the water meter records. Commissioner Lampmann said that that work is in progress yet will take considerably longer due to the level of effort involved and the lack of available staff. He indicated that he would like the water consumption data considered as a part of the overall I/I analysis yet said that it will take more time and effort to compile the information than originally anticipated. Mr. Kelly thanked Commissioner Lampmann for Butler's ongoing efforts to assemble the water meter records.

## **2. TBSA Activities**

### **2.1 Status Update**

Vice Chairman Verdonik reported on a number of activities at TBSA as they affect Pequannock River Basin.

He advised that the ultraviolet disinfection equipment is now in operation and by all indications is functioning extremely well. He said the Incinerator No. 1 project is nearing completion with start-up most likely now in May.

Vice Chairman Verdonik also reported that TBSA has closed out the South Side Pumping Station construction contract and has, or will soon, issue final payment to the contractor on that project.

**2.2 Capital Improvement Program**

No Change in status on this matter.

**2.3 March 2011 Flood**

As to the flood conditions, Chairman Voorman and Vice Chairman Verdonik advised that the plant handled in excess of 40 million gallons per day of flow at peak periods yet there was no flooding in the below grade utility tunnels or any other critical areas of the plant which remained fully functional throughout. They said the plant was staffed by 5 employees and noted as well that the flows, consistent with Mr. Kelly's observations on PRBRSA's flows, were nearly identical to those experienced in the March 2010 flood.

**3. Bloomingtondale Subflow Matter**

For the record, Mr. Kelly advised that letters were issued on February 28<sup>th</sup> to the Mayor and Councils of both the Borough of Bloomingtondale and the Borough of Butler transmitting the February 2011 report "PRBRSA Annual Charge Billing for Bloomingtondale Subflow". He further reported that the Authority has received no indication from the towns as to their intentions with respect to the recommendations of that report. Commissioner Lampmann advised that the Butler Mayor and Council has considered the matter in closed session.

**4. TWA Application and Connection Permits**

**4.1 Non-Residential Connection  
BESTEPE BP Gas Station  
Borough of Riverdale**

Mr. Kelly indicated that the BP gas station owner apparently does not plan to make application for connection to the Authority's PRBRSA Interceptor line fronting the gas station property. He surmised that that is because the applicant realizes that there would be considerable costs in making connection to the existing line which is, at that location, a 36-inch diameter pre-stressed concrete cylinder pipe approximately 18-feet below grade.

**4.2 Proposed Service Rules Amendment**

As directed by the Authority at the last meeting, Mr. Falcon prepared and distributed to the Board a draft resolution titled "Resolution to Authorize Amendment to the Service Rules of the Pequannock River Basin Regional Sewerage Authority". He generally described the process for the proposed Service Rule amendment adoption. He explained that the resolution defines the term "Permit" broadly as any approvals and/or endorsements that may be required by an applicant coming before the Authority and in turn requires two things, first,

that the municipality where the applicant's property is located confirm that the proposed permit is consistent with and has received local approval and, second, that the municipality where the applicant's project is located is current with respect to any outstanding obligations due PRBRSA.

On discussion Commissioner Lampmann commented on the language on page 3, paragraph 1(b). He said that it may be the case that applicants may not have local approvals in hand when applying to PRBRSA noting that, in his experience, the approval process locally and at the Authority level essentially move in tandem. Therefore, he said that it may not be possible for the applicant to obtain the type of municipal confirmation required by this particular provision. Mr. Falcon said that he would review that further and, as necessary, modify that language to be consistent with the timing of the local approval process as it relates to Permits coming before the Authority.

As to the adoption process, Mr. Falcon said that the Authority's By-laws require 7 day prior notice to the municipalities before adopting any revisions to the Rules and Regulations or, as they are known, the Service Rules. He requested the Board's authorization to modify the language in the draft resolution and, from there, to notice the proposed amendment to the four municipalities.

Commissioner Lampmann moved that the attorney be authorized to finalize the form of resolution amending the Authority's Service Rules and to forward it on to the municipal clerks at least 7 days in advance of the Authority's next meeting on April 20, 2011. Vice Chairman Verdonik seconded the motion which passed unanimously on the following roll call vote.

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

## **FINANCIAL REPORT**

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

#### **1.1. Treasurer's Report for the Period Ending February 28, 2011**

Treasurer Gall presented the Treasurer's Report for the period ending February 28, 2011. Vice Chairman Verdonik moved acceptance of the

Treasurer's Report as presented. Commissioner Lampmann seconded the motion which passed unanimously on the following roll call vote:

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

**1.2 Financial Plan**

Mr. Kelly advised that the Financial Plan will be finalized and issued to the Board in draft form for consideration.

**UNFINISHED BUSINESS**

**1. Stanford Risk Management Contract**

On discussion of the resolution to approve the Stanford Risk Management contract, Commissioner Metcalfe again voiced his objection to the proposed agreement. Commissioner Metcalfe explained that he had discussed the services with a number of colleagues in the property and casualty business who indicated that risk consultants are normally paid 6 percent of the total premium which he calculated would amount to approximately \$550. In response to Commissioner Metcalfe's question, Mr. Kelly advised that Stanford has now proposed a cost reimbursable form of agreement with a budget capped at \$1050 such that the charges would be based on the work as actually performed. Commissioner Metcalfe also objected to the \$175 hourly rate indicating that that, in his opinion, is too high for an insurance consultant commenting further that he sees no need to retain an insurance/risk consultant.

Mr. Kelly further advised that Stanford's work would be limited to primarily reviewing the policies on issuance noting that any issues that may arise would be handled through the broker, now Marsh & McLennan, to the fullest extent possible as Commissioner Metcalfe has recommended.

On further discussion, Chairman Voorman observed that the insurance consultant provides a level of confidence that the Authority's insurance program is in line with industry standards and is as protective as possible in the Authority's and the general public's interest. Vice Chairman Verdonik concurred in that assessment indicating as well that the Authority should have an insurance consultant available should issues arise that cannot be handled through the Authority's broker.

Following further discussion, Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-11-3-1**):

**Resolution No. R-11-3-1**

**RESOLUTION TO AWARD CONTRACT TO STANFORD RISK MANAGEMENT SERVICES, INC. FOR INSURANCE CONSULTANT SERVICES AS AN EXTRAORDINARY UNSPECIFIABLE SERVICE**

**WHEREAS**, the Pequannock River Basin Regional Sewerage Authority (“Authority”) desires to retain the services of an insurance consultant to provide services associated with insurance consultation and related services; and

**WHEREAS**, the Authority is authorized by N.J.S.A. 40A:11-5(1) (m) to award a contract for the provisions of insurance consultant services as an extraordinary unspecifiable service; and

**WHEREAS**, the Authority has reviewed the Certification of even date delivered in accordance with the regulations of the Division of Local Government Services;

**WHEREAS**, funds are available for these services;

**NOW, THEREFORE, BE IT RESOLVED**, by the Pequannock River Basin Regional Sewerage Authority in the State of New Jersey on this 16<sup>th</sup> day of March 2011 as follows:

1. The Authority does hereby name and designate Stanford Risk Management Services, Inc. to provide insurance consultant services as required and subject to the requirements of the Local Public Contracts Law.
2. The Chairman is authorized to execute an agreement therewith for the provision of such service which agreement shall provide for compensation at the rate of \$175.00 an hour, not to exceed \$1,050.00 without further approval. This contract is awarded for the provision of extraordinary, unspecifiable services pursuant to N.J.S.A. 40A:11-5(1)(a)(ii) and pursuant to N.J.S.A. 40A:11-5(m).
3. The Secretary is authorized and directed to cause a copy of this Resolution to be published in the official newspaper of the Authority concerning the appointment of the aforesaid consultant within ten (10) days of the date hereof. The aforesaid firm shall be paid from funds appropriated for these purposes in accordance with the duly adopted budget of the Authority, and other implementing actions of the Authority. The agreement for services shall be on file and available for inspection by members of the public in accordance with law.
4. 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 Verdonik
<b>NAYS</b>	:	Commissioner Metcalfe
<b>ABSENT</b>	:	None
<b>ABSTAIN</b>	:	None

**2. PRBRSA Website**

Referring to his March 16, 2011 memorandum commenting on transparency in government and the state Comptroller's position on posting information online as well as legislation now proposed for the purpose, Mr. Kelly indicated that a policy determination will be needed as to the specific information will be placed on the Authority's website.

On discussing the matter, Mr. Falcon distributed a memorandum also dated March 16, 2011 along with the state Comptroller's report and proposed legislation (S2765) observing that the mandate will most likely become law. He suggested that the Authority may be well advised to move in advance of the mandate by posting the information prior to the requirement to do so.

Vice Chairman Verdonik and Commissioner Lampmann questioned if the state would step forward to pay for the cost of implementing the state mandate under the "state mandate/state pay" law adding that the cost will not be minor. Commissioner Lampmann explained some of the difficulty that the towns have in posting information online, particularly towns that do not have dedicated IT staff. Commissioner Howard disagreed maintaining that it is a simple matter to scan documents in and add them to the information available online suggesting therefore that it should not consume significant resources to do so. Commissioner Lampmann said, at the municipal government level with numerous departments reporting, that the document management aspects can become quite tedious and time consuming noting as well that staff time to perform that type of work is extremely limited.

Based on communications with Up & Running, Mr. Kelly reported that it will be a straightforward matter to include the additional information online if the Board elects to do so along with related postings of the periodic updates on the new website. The updates would be done at least monthly, primarily to include the meeting notice and monthly agendas prior to the meeting. On that point Commissioner Lampmann said that the mere posting of the agenda invites what he described as a "meeting prior to a



meeting” since members of the public commonly call to inquire as to the nature of particular items listed on the agenda.

Mr. Kelly said that he would work with Sharon Meade of Up & Running to assure that the website design provides the capability to add any documents to the website as the Authority may determine appropriate and as anticipated under the legislation now under consideration.

**3. Borough of Riverdale Receivable**

Mr. Kelly reported that the \$420.00 receivable due from the Borough of Riverdale remains outstanding.

**NEW BUSINESS**

**1. Proposed Legislation (Mayor Veto of Authority Minutes – S2427)**

Regarding the proposed legislation that would authorize mayor veto of local authority minutes, Mr. Kelly and Mr. Falcon advised that that bill is moving through the legislature and most likely will be passed. Mr. Falcon reported that Mark Pfeifer, Assistant Commissioner of the Department of Community Affairs, advised that the legislation will apply to regional authorities as well as to municipal authorities. He commented further that the application of such procedures for authorities created by multiple municipalities could prove to be extremely problematic given that the towns are often in conflict on various issues unrelated to the business of the authority yet that could then hamper the authority’s business activities. Chairman Voorman said that the legislation would hinder the authority’s ability to conduct its business in a routine manner.

On discussing the point, the Board members agreed that the proposed legislation would negatively affect authorities generally and poses a uniquely significant risk to regional authorities such as Pequannock River Basin and Two Bridges. Chairman Voorman indicated that Two Bridges deferred on issuing a letter to its legislators and instead decided to rely on a letter recently issued by the Southeast Morris County Municipal Utilities Authority. Mr. Kelly said that he would contact Bill Hutchinson, the SMCMUA’s Executive Director, to obtain a copy of that letter.

**2. 2011 Financial Disclosure Statements**

Mr. Kelly distributed to each Board member a package of information with the 2011 Financial Disclosure Statements noting that they are due to be filed with the state no later than April 30<sup>th</sup>.

**PAYMENT OF BILLS**

**1. Operating Budget**

**1.1 Operating Request for Payment No. 288(March 2011)**

Treasurer Gall presented the bills as listed on Operating Request for Payment No. 288. Commissioner Metcalfe moved approval of the bills as listed on Operating Request for Payment No. 288 as follows:

**Operating Request for Payment No. 288**

The following bills have been reviewed and are recommended for approval for payment at the **March 16, 2011** 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-11-3-1	09/10/10	\$ 2,307.00	Borough of Butler
2)	24.05	OP-11-3-2	03/17/10	\$ 250.00	Borough of Butler
3)	33.03	OP-11-3-3	2/28/11	\$ 32.54	Verizon
4)	33.03	OP-11-3-4	2/23/11	\$ 28.84	Verizon
5)	33.03	OP-11-3-5	2/28/11	\$ 32.54	Verizon
6)	33.03	OP-11-3-6	2/4/11	\$ 32.54	Verizon
7)	33.03	OP-11-3-7	2/16/11	\$ 3.25	JCP&L
8)	22.02	OP-11-3-8	3/4/11	\$ 1,500.00	Ferraioli, Wielkotz, Cerullo & Cuva
9)	22.03	OP-11-3-9	3/7/11	\$ 10,400.00	Kelly Engineering
10)	32.02	OP-11-3-10	3/7/11	\$ 3,788.86	Kelly Engineering
11)	24.07	OP-11-3-11	3/1/11	\$ 132.88	Kelly Engineering
12)	24.07	OP-11-3-12	3/3/11	\$ 174.95	Kelly Engineering
13)	26.04	OP-11-3-13	3/3/11	\$ 2,317.50	US Bank
14)	33.03	OP-11-3-14	3/9/11	\$ 17.96	Borough of Butler-Electric Dept.
15)	22.01	OP-11-3-15	3/9/11	\$ <u>2,238.50</u>	Maraziti, Falcon & Healey

**TOTAL: \$ 23,257.36**

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

Meeting Minutes  
March 16, 2011 Regular Meeting

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : None

**OPEN MEETING FOR PUBLIC COMMENT**

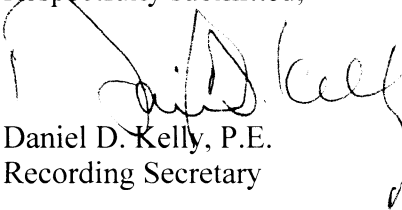
Their being no members of the public present, Chairman Voorman dispensed with the public participation portion of the meeting.

**ADJOURNMENT**

At approximately 9:00 pm, Vice Chairman Verdonik moved for adjournment. That motion was seconded by Commissioner Gall and was approved unanimously on voice vote.

At approximately 9:00 pm, the meeting was adjourned.

Respectfully submitted,



Daniel D. Kelly, P.E.  
Recording Secretary

Enclosure: Treasurer's Report for the period ending February 28, 2011

:BusDoc/word/minutes/Minutes-March 2011