

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

**September 28, 2011**

(Rescheduled from September 21, 2011)

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on September 28, 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 7:30 p.m.

#### ROLL CALL

On roll call:

<b>PRESENT</b>	:	Chairman Voorman, Commissioners Gall, Howard, Lampmann, Metcalfe and Verdonik
<b>ABSENT</b>	:	None
<b>ALSO PRESENT</b>	:	Diane Alexander, 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: Regular Meeting – August 17, 2011**

Commissioner Lampmann moved approval of the August 17, 2011 regular meeting minutes as distributed.

Vice Chairman Verdonik seconded the motion which passed on the following roll call vote:

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : Commissioner Howard

## **OPERATIONAL REPORT**

### **1. System Operations**

#### **1.1 Flow Report**

Referring to the Flow Report dated September 22, 2011, Mr. Kelly commented that the flows remain elevated through the end of August with a year-to-date flow of 2.056 mgd.

Commenting on the Hurricane Irene event, Mr. Kelly reviewed additional data indicating that the system flows exceeded 11.6 mgd on an hourly basis during the heart of the storm on Sunday, August 28<sup>th</sup>. Mr. Kelly reported separately on potential insurance claims occasioned by the storm event (see below).

Commenting on the Daily Flow Summary report, Commissioner Lampmann requested the data for Meter P-3 noting that he observed extensive surcharging and sewer overflow conditions within the Kinneon system at the intersection of Old Kiel Avenue and Kakeout Road and therefore was interested to see the flows monitored as recorded then.

Mr. Kelly also advised that he would report separately on the ADS metering issues discussed at the August 17<sup>th</sup> meeting.

The following reports were distributed to the Board for review:

- Flow Report dated September 22, 2011 for the period ending August 31, 2011
- Daily Flow Summary for August 2011
- Daily Flow Hydrograph for August 2011
- Daily Flow Hydrograph Comparing Meters P-4 and TBSA Meter M-15 for July 2011

Commenting on the TBSA "Yearly Plant Operations Report," as indicated by Mr. Kelly's September 16<sup>th</sup> calculations, the Authority's actual flows

continued to be less than those budgeted by TBSA for the year by approximately 1.5%.

## **1.2 Hurricane Irene Storm Event**

For the record Mr. Kelly noted several communications and related correspondence concerning the Sunday, August 28<sup>th</sup>, Hurricane Irene event. Generally, he said the system performed extremely well and that there were no reported sanitary sewer overflows on the PRBRSA interceptor system. He noted as well that the flow monitors continued to function throughout the storm with the exception of monitor P-2A which was out of service for approximately 36 hours at the height of the storm.

Again, he reported separately on insurance claim matters resulting from the storm event (see below).

## **2. TBSA Activities**

### **2.1 Status Report**

Chairman Voorman and Vice Chairman Verdonik reported on several matters at the Two Bridges Sewerage Authority as they affect Pequannock River Basin. Concerning the Hurricane Irene event they advised that the Two Bridges staff prepared and responded extraordinarily well in managing the treatment plant and pumping station facilities throughout the storm event. They noted that the total flow was at one point recorded at 65 mgd. They further advised that TBSA approved the budget, substantially reducing the Annual Charges to the Participants including Pequannock River Basin.

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

No change in status on these matters.

## **4. Bloomington Subflow Matter**

Mr. Kelly distributed a copy of Mr. Falcon's memorandum commenting on the Bloomington Subflow issue.

**5. Boonton Avenue Interceptor Project**

5.1. Engineering Procurement

Mr. Kelly advised that a Request for Qualifications was issued to seven consulting engineering firms on September 9<sup>th</sup> and that the Qualification Statements were received on September 22<sup>nd</sup>.

On behalf of the Selection Committee, Mr. Kelly advised that five firms submitted Qualification Statements, one did not and another declined to submit qualifications due to a potential conflict. He noted that one of the firms that submitted may have a conflict which he said has been brought to Mr. Falcon's attention for review.

The Section Committee (Commissioners Howard, Lampmann & Metcalfe) met prior to the meeting this evening to review the qualification statements. On evaluation of the five firms that did submit qualifications, Mr. Kelly advised that four of the firms will be asked to submit proposals, specifically the following four firms:

Alaimo Group  
Cerenzio & Panaro  
JMT (Kupper Associates)  
Suburban Engineering

Following discussion on the engineering procurement process, Commissioner Lampmann moved to authorize the Consulting Engineer to prepare a Request for Proposals for issuance to the above firms. Commissioner Howard seconded that 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

5.2. CCTV-Inspection Contract

Also in connection with the Boonton Avenue Interceptor project, Mr. Kelly recommended that the entire length of the Boonton Avenue Interceptor, approximately 6000 feet, be cleaned and CCTV inspected. He explained that that would provide base

information for review and analysis by the engineering firm during the preliminary engineering phase.

## FINANCIAL REPORT

### 1. Treasurer's Report

#### 1.1. Treasurer's Report for the Period Ending August 31, 2011

Treasurer Gall presented the Treasurer's Report for the period ending August 31, 2011. Vice Chairman Verdonik moved acceptance of the Treasurer's Report as presented. Treasurer Gall 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 Annual Budget: FY 2012

Referring to his September 20, 2011 letter, Mr. Kelly explained the changes in the budget from that considered at the August 17, 2011 regular meeting as detailed by the following documents:

- Annual Budget: FY 2012 (PRBRSA format) dated September 28, 2011
- DLGS Budget: FY 2012 (DLGS format) dated September 28, 2011
- Annual Budget Summary dated September 28, 2011

In brief Mr. Kelly advised that the budget no longer includes any application of net assets as revenues and increases the Capital Reserve Fund from \$125,000 to \$190,000. The result is that revenues and appropriations increase to \$5,595,000.00, a \$95,000.00, or 1.7% increase over the prior year. At the same time the Annual Charges also increase by \$95,000.00 or 2.0% over the prior year.

Following discussion, Vice Chairman Verdonik moved approval of the following resolution (**Resolution No. R-11-9-1**):

**2010 Authority Budget Resolution  
(PRBRSA FY 2012)**

**Pequannock River Basin Regional Sewerage Authority**  
(Name)

**FISCAL YEAR: FROM November 1, 2011 TO October 31, 2012**

WHEREAS, the Annual Budget and Capital Budget for the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning, November 1, 2011 and ending, October 31, 2012 has been presented before the governing body of the Pequannock River Basin Regional Sewerage Authority at its open public meeting of September 28, 2011; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$5,595,000, Total Appropriations, including any Accumulated Deficit if any, of \$5,595,000 and Total Unrestricted Net Assets utilized of \$0; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$1,500,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$325,000; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Pequannock River Basin Regional Sewerage Authority, at an open public meeting held on September 28, 2011 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning, November 1, 2011 and ending, October 31, 2012 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Pequannock River Basin Regional Sewerage Authority will consider the Annual Budget and Capital Budget/Program for adoption on October 19, 2011.

Treasurer Gall 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>ABSTAIN:</b>	None
<b>ABSENT:</b>	None

**1.3 Arbitrage Rebate Calculations (1996 Series L Bonds)**

Mr. Kelly advised that Bond Counsel is in the process of preparing the yield restriction and arbitrage report for the 1996 Series L Bonds

**1.4 Financial Plan**

No change in status on this matter.

**UNFINISHED BUSINESS**

**1. PRBRSA Website**

No change in status on this matter

**NEW BUSINESS**

**1. Insurance Claims**

Referring to a series of communications including notification to the Authority's insurance broker, Marsh & McLennan, Mr. Kelly advised that, following several residential sewer backups within Riverdale insurance claims may be filed as a result of the Hurricane Irene event. He explained that on notification from Mayor Budesheim, he met with Riverdale officials on Sunday, August 28<sup>th</sup> inasmuch as the Mayor reported sewer overflows within the Authority's system. However, the overflows occurred within the basements of two or three homes on Cotliss Place and another home on Riverdale Road which properties connected directly to the Riverdale Borough system, not the Authority's system. Consequently, Mr. Kelly

said that he so advised the Borough and subsequently advised one of the property owners at No. 12 Cotliss Road. Nonetheless, the Authority's insurance broker was notified of the potential that claims will be filed in connection with these overflows.

**2. AEA Fall Conference**

Mr. Kelly asked if any of the Commissioners are planning to attend the AEA Fall Conference on November 15<sup>th</sup> and 16<sup>th</sup> in Atlantic City to so advise his office to make the necessary arrangements.

**PAYMENT OF BILLS**

**1. Operating Budget**

**1.1 Operating Request for Payment No. 294 (September 2011)**

Treasurer Gall presented the bills as listed on Operating Request for Payment No. 294. Treasurer Gall moved approval of the bills as presented on Operating Request for Payment No. 294 as follows:

**Operating Request for Payment No. 294**

The following bills have been reviewed and are recommended for approval for payment at the **September 28, 2011** meeting of the Authority from the Operating Account (Wells Fargo Bank Acct 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-11-9-1	9/10/10	\$ 2,307.00	Borough of Butler
2)	24.05	OP-11-9-2	3/17/10	\$ 250.00	Borough of Butler
3)	33.03	OP-11-9-3	8/28/11	\$ 32.49	Verizon
4)	33.03	OP-11-9-4	8/23/11	\$ 28.79	Verizon
5)	33.03	OP-11-9-5	9/4/11	\$ 32.49	Verizon
6)	33.03	OP-11-9-6	8/28/11	\$ 32.49	Verizon
7)	33.03	OP-11-9-7	8/4/11	\$ 32.49	Verizon
8)	33.03	OP-11-9-8	9/20/11	\$ 17.96	Borough of Butler-Electric Dept.
9)	22.01	OP-11-9-9	9/8/11	\$ 2,066.33	Maraziti, Falcon & Healey
10)	24.07	OP-11-9-10	9/9/11	\$ 115.78	North Jersey Media Group
11)	22.03	OP-11-9-11	9/6/11	\$ 10,400.00	Kelly Engineering
12)	32.02	OP-11-9-12	9/22/11	\$ 4,138.82	Kelly Engineering



Meeting Minutes  
September 28, 2011 Regular Meeting

13)	24.07	OP-11-9-13	9/6/11	\$	174.95	Kelly Engineering
14)	23.08	OP-11-9-14	9/1/11	\$	840.00	Stanford Risk Management Svcs. Inc.
15)	33.16	OP-11-9-15	9/19/11	\$	2,703.54	ADS, LLC
16)	33.03	OP-11-9-16	8/17/11	\$	3.25	JCP&L
17)	33.03	OP-11-9-17	9/16/11	\$	<u>3.25</u>	JCP&L
<b>TOTAL:</b>					<b><u>\$ 23,179.63</u></b>	

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

#### OPEN MEETING FOR PUBLIC COMMENT

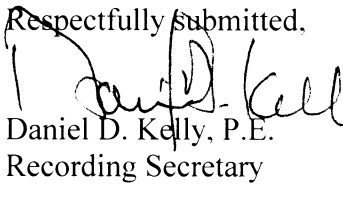
There being no members of the public present, Chairman Voorman dispensed with the public participation portion of the meeting.

#### ADJOURNMENT

At approximately 8:15 pm, Commissioner Lampmann moved for adjournment. That motion was seconded by Commissioner Howard and was approved unanimously on voice vote.

At approximately 8:15 pm, the meeting was adjourned.

Respectfully submitted,



Daniel D. Kelly, P.E.  
Recording Secretary

Enclosure: Treasurer's Report for the period ending August 31, 2011