

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

February 17, 2016

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on February 17, 2016 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 Howard, Lampmann, Metcalfe and Verdonik

ABSENT : Commissioner Gall

ALSO PRESENT : Christopher H. Falcon, Esq., Marazit, Falcon LLP; and Daniel D. Kelly, P.E., Kelly Engineering, Andrew Holt, P.E., Vice President of Suburban Consulting Engineers (Note: Mr. Holt joined the meeting in progress at approximately 8:05 pm and left the meeting 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 by providing notice to the municipal clerks of Bloomingdale, Butler, Kinnelon, and Riverdale, and by providing notice to the official newspapers of the Authority.

ORGANIZATION MEETING

The organization meeting was called to order by Mr. Falcon who led the proceedings pending the election of officers.

1. ELECTION OF OFFICERS

Nominating Committee Chairman Metcalfe, on behalf of the Nominating Committee including Commissioners Howard and Verdonik, presented the following slate of officers for consideration:

Chairman:	Robert Voorman
Vice Chairman:	Raymond Verdonik
Secretary:	Edwin Howard
Treasurer:	James P. Lampmann
Assistant Secretary:	James P. Lampmann

Commissioner Metcalfe moved to approve the slate of officers as presented. That motion was seconded by Commissioner Howard and passed upon the following roll call vote:

AYES	:	Commissioners Howard, Lampmann, Metcalfe, Verdonik and Voorman
NAYS	:	None
ABSTAIN	:	None
ABSENT	:	Commissioner Gall

The Commissioners expressed their appreciation to Chairman Voorman for his leadership over the years. Chairman Voorman thanked the Board for their support and ongoing efforts throughout the years as well.

2. CONSENT AGENDA

Chairman Voorman recommended, and the Board agreed, that the Board move forward organization meeting matters be considered by a consent agenda.

Specifically, the organizational matters include Resolutions Nos. R-16-2-1 through R-16-2-8 as follows:

- | | | |
|----|-------------------------|-------------------------------------|
| 1. | Resolution No. R-15-2-1 | Open Public Meeting Act |
| 2. | Resolution No. R-15-2-2 | Official Depository |
| 3. | Resolution No. R-15-2-3 | Appointment of Auditor |
| 4. | Resolution No. R-15-2-4 | Appointment of General Counsel |
| 5. | Resolution No. R-15-2-5 | Appointment of Bond Counsel |
| 6. | Resolution No. R-15-2-6 | Appointment of Consulting Engineer |
| 7. | Resolution No. R-15-2-7 | Trustee Incumbency Certificate |
| 8. | Resolution No. R-15-2-8 | Designate Affirmative Action (PACO) |

Commissioner Lampmann moved approval of the consent agenda.

On discussion Commissioner Metcalfe raised a question on the reproduction charges proposed by Kelly Engineering at \$0.15/copy. Following considerable discussion Mr. Kelly agreed to reduce that charge to \$0.10/copy.

Resolution No. R-16-2-1

WHEREAS. The Open Public Meetings Act, Chapter 231 of the Laws of 1975, and more specifically, N.J.S.A. 10:4-8, requires all public bodies at least once a year and within seven (7) days of the Annual Organization Meeting of such body to arrange for the posting of a schedule of the regular meetings of the public body to be held during the succeeding year:

NOW, THEREFORE, BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority as follows:

1. The schedule of regular meetings of the Authority hereinafter set forth is hereby adopted:

SCHEDULE

Regular Meetings of the Pequannock River Basin Regional Sewerage Authority are held at the Borough of Butler Municipal Building, One Ace Road, Butler, New Jersey, commencing at 7:30 p.m. unless otherwise noted:

2016

March 16
April 20
May 18
June 15
July 20
August 17
September 21
October 19
November (No Meeting)
December 7 (1st Wednesday)

2017

January 18
February 15

2. The official newspapers of the Authority are:
 - A. Suburban Trends
 - B. North Jersey Herald and News
3. The Secretary is authorized to:

- A. Post a copy of this Resolution on the bulletin board at the Authority's Office in the Butler Municipal Building.
 - B. Forward a copy of this Resolution to the Municipal Clerks of Butler, Bloomingdale and Kinnelon for posting in the public place reserved for such notices.
 - C. Forward a copy of this Resolution to two newspapers, one of which shall be the official newspaper of the Authority.
4. This Resolution shall take effect as provided by law.

Resolution No. R-16-2-2

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter "Authority") proposes to designate official depositories for the funds of the Authority.

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 February, 2016, as follows:

1. The following are designated as the official depositories of the Authority and are directed to honor all withdrawals made by check or withdrawal document signed by the Chairman or Vice Chairman and Treasurer or Secretary Assistant Secretary of the Authority:

NEW JERSEY CASH MANAGEMENT FUND
WELLS FARGO, N.A.
US BANK, N.A.

2. The Authority hereby authorizes the execution and delivery of such authorization and forms as may be required by Wells Fargo, N.A. and US Bank, N.A., providing for deposits and payments as well as the filing of authenticated signatures of Authority officers and Consulting Engineer as official signatures.
3. This Resolution shall take effect as provided by law.

Resolution No. R-16-2-3

WHEREAS, the Pequannock River Basin Regional Sewerage Authority ("the Authority") is authorized by N.J.S.A. 40:14A-1 et seq. to retain such professional and technical advisors and experts as it may require; and

WHEREAS, there is a need to appoint professional consultants and advisors to provide services to the Authority during the year 2016 and until the next reorganization meeting of the Authority; and

WHEREAS, funds are available for these services:

WHEREAS, the foregoing services are "professional" services as in N.J.S.A. 40A:11-2(6) which are permitted to be contracted without public bidding as set forth in N.J.S.A. 40A:11-5(1) (a) and as a "non-fair and open" contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Authority has determined that the value of the professional services will exceed \$17,500; and,

WHEREAS, the professional consultant named below has completed and submitted a Business Entity Disclosure Certification, which certifies that the firm has not made any reportable contributions to a political or candidate committee represented by an Authority member in the previous one year, and that the contract will prohibit the firm from making any reportable contribution through the term of the contract and a C.271 Political Contribution Disclosure Form; and

WHEREAS, the Business Disclosure Entity Certification, the C.271 Political Contribution Disclosure Form, and the Determination of Value has been placed on file with this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the State of New Jersey on this 17th day of February, 2016, as follows:

The Authority does hereby name and designate Ferraioli, Wielkotz, Cerullo & Cuva, P.A. of Pompton Lakes, New Jersey as Authority Auditor to provide auditing services as required, and subject to the requirements of the Local Public Contracts Law, the Chairman is authorized to execute an agreement therewith for the provision of such service. This contract is awarded for the provision of professional services pursuant to N.J.S.A. 40A:11-5.

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 auditor 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, the General Bond Resolution of July 15, 1986 and all supplements thereto, and other implementing resolutions of the Authority. An Agreement for services shall be on file and available for inspection by members of the public in accordance with law.

This Resolution shall take effect as provided by law.

Resolution No. R-16-2-4

WHEREAS, the Pequannock River Basin Regional Sewerage Authority ("the Authority") is authorized by N.J.S.A. 40:14A-1 et seq. to retain such professional and technical advisors and experts as it may require; and

WHEREAS, there is a need to appoint professional consultants and advisers to provide services to the Authority during the year 2016 and until the next reorganization meeting of the Authority; and

WHEREAS, funds are available for these services:

WHEREAS, the foregoing services are "professional" services as in N.J.S.A. 40A:11-2(6) which are permitted to be contracted without public bidding as set forth in N.J.S.A. 40A:11-5(1) (a) and as a "non-fair and open" contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Authority has determined that the value of the professional services will exceed \$17,500; and.

WHEREAS, the professional consultant named below has completed and submitted a Business Entity Disclosure Certification, which certifies that the firm has not made any reportable contributions to a political or candidate committee represented by an Authority member in the previous one year, and that the contract will prohibit the firm from making any reportable contribution through the term of the contract and a C.271 Political Contribution Disclosure Form; and

WHEREAS, the Business Disclosure Entity Certification, the C.271 Political Contribution Disclosure Form, and the Determination of Value has been placed on file with this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the State of New Jersey on this 17th day of February, 2016, as follows:

The Authority does hereby name and designate Christopher H. Falcon, Esq. of Maraziti Falcon, LLP, Short Hills, New Jersey as General Counsel to provide legal services as required in accordance with their proposal for these services and subject to the requirements of the Local Public Contracts Law, the Chairman is authorized to execute an agreement therewith for the provision of such service. This contract is awarded for the provision of professional services pursuant to N.J.S.A. 40A:11-5.

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 General Counsel 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, the General Bond Resolution of July 15, 1986 and all supplements thereto, and other implementing resolutions of the Authority. The agreement for services shall be on file and available for inspection by members of the public in accordance with law.

This Resolution shall take effect as provided by law.

Resolution No. R-16-2-5

WHEREAS, the Pequannock River Basin Regional Sewerage Authority ("the Authority") is authorized by N.J.S.A. 40:14A-1 et seq. to retain such professional and technical advisors and experts as it may require; and

WHEREAS, there is a need to appoint professional consultants and advisors to provide services to the Authority during the year 2016 and until the next reorganization meeting of the Authority; and

WHEREAS, funds are available for these services:

WHEREAS, the foregoing services are "professional" services as in N.J.S.A. 40A:11-2(6) which are permitted to be contracted without public bidding as set forth in N.J.S.A. 40A:11-5(1) (a) and as a "non-fair and open" contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Authority has determined that the value of the professional services will exceed \$17,500; and.

WHEREAS, the professional consultant named below has completed and submitted a Business Entity Disclosure Certification, which certifies that the firm has not made any reportable contributions to a political or candidate committee represented by an Authority member in the previous one year, and that the contract will prohibit the firm from making any reportable contribution through the term of the contract and a C.271 Political Contribution Disclosure Form; and

WHEREAS, the Business Disclosure Entity Certification, the C.271 Political Contribution Disclosure form and the Determination of Value has been placed on file with this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the State of New Jersey on this 17th day of February, 2016, as follows:

The Authority does hereby name and designate Hawkins, Delafield and Wood, Esq., Newark, New Jersey as Bond Counsel to provide legal services as required, and subject to the requirements of the Local Public Contracts Law, the Chairman is authorized to execute an agreement therewith for the provision of such service. This contract is awarded for the provision of professional services pursuant to N.J.S.A. 40A:11-5.

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 counsel 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, the General Bond Resolution of July 15, 1986 and all supplements thereto, and other implementing resolutions of the Authority. The agreement for services shall be on file and available for inspection by members of the public in accordance with law.

This Resolution shall take effect as provided by law.

Resolution No. R-16-2-6

WHEREAS, the Pequannock River Basin Regional Sewerage Authority ("the Authority") is authorized by N.J.S.A. 40:14A-1 et seq. to retain such professional and technical advisors and experts as it may require; and

WHEREAS, there is a need to appoint professional consultants and advisors to provide services to the Authority during the year 2016 and until the next reorganization meeting of the Authority; and

WHEREAS, funds are available for these services:

WHEREAS, the foregoing services are "professional" services as in N.J.S.A. 40A:11-2(6) which are permitted to be contracted without public bidding as set forth in N.J.S.A. 40A:11-5(1) (a) and as a "non-fair and open" contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and

WHEREAS, the Authority has determined that the value of the professional services will exceed \$17,500; and.

WHEREAS, the professional consultant named below has completed and submitted a Business Entity Disclosure Certification, which certifies that the firm has not made any reportable contributions to a political or candidate committee represented by an Authority member in the previous one year, and that the contract will prohibit the firm from making any reportable contribution through the term of the contract and a C.271 Political Contribution Disclosure Form; and

WHEREAS, the Business Disclosure Entity Certification, the C.271 Political Contribution Disclosure Form, and the Determination of Value has been placed on file with this resolution.

NOW, THEREFORE, BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the State of New Jersey on this 17th day of February, 2016, as follows:

The Authority does hereby name and designate Kelly Engineering, New Vernon, New Jersey as Consulting Engineer to provide engineering services as required in accordance with its proposal to the Authority for these services, and subject to the requirements of the Local Public Contracts Law, the Chairman is authorized to execute an agreement therewith for the provision of such service. This contract is awarded for the provision of professional services pursuant to N.J.S.A. 40A:11-5.

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, the General Bond Resolution of July 15, 1986 and all supplements thereto, and other implementing resolutions of the Authority. The agreement for services shall be on file and available for inspection by members of the public in accordance with law.

This Resolution shall take effect as provided by law.

Resolution No. R-16-2-7

BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and State of New Jersey on this 17th day of February, 2016, as follows:

1. This Resolution is enacted to authorize the Authority's Officers to sign the Incumbency Certificate requested by US Bank, N.A. or its successor bank as Trustee under the General Bond Resolution of July 15, 1986, and Resolutions supplemental thereto.
2. The Authority's Officers and Consulting Engineer are authorized to sign the Incumbency Certificate.
3. The Secretary shall deliver an Incumbency Certificate if required and a certified copy of this Resolution to the Trustee.
4. This Resolution shall take effect immediately.

Resolution No. R-16-2-8

WHEREAS, there exists a need for the designation of an official or employee to serve as a Public Agency Compliance Officer (P.A.C.O.) pursuant to N.J.A.C. 17:27 for Pequannock River Basin Regional Sewerage Authority; and

WHEREAS, the P.A.C.O. is the liaison official for matters concerning Affirmative Action as set forth in P.L. 1975, c.127 (N.J.A.C. 17:27); and

WHEREAS, the Authority desires to comply with the Affirmative Action requirements and wishes to maintain appropriate contracting procedures for the Pequannock River Basin Regional Sewerage Authority;

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 February, 2016, as follows:

1. The Authority does hereby appoint the Consulting Engineer, Daniel D. Kelly, P.E. of Kelly Engineering, as the Public Agency Compliance Officer for the Pequannock River Basin Regional Sewerage Authority.
2. The P.A.C.O. shall act as the liaison between the Authority and the New Jersey

Department of the Treasury, Affirmative Action Office and shall take appropriate actions to maintain compliance with the Agency's contracting procedures to comply with the Affirmative Action regulations cited at N.J.A.C. 17:27.

3. The Consulting Engineer is authorized and directed to complete the appropriate notification form designating the P.A.C.O. and to forward the same to the Department of the Treasury.
4. This Resolution shall take effect as provided by law.

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

AYES	:	Chairman Voorman, Commissioners Howard, Lampmann, Metcalfe and Verdonik.
NAYS	:	None
ABSTAIN	:	None
ABSENT	:	Commissioner Gall

ADOPTION OF MINUTES

1. Meeting Minutes: Regular Meeting – January 20, 2016

Commissioner Lampmann moved acceptance of the minutes of the Authority's January 20, 2016 regular meeting. That motion was seconded by Commissioner Metcalfe and passed unanimously on the following roll call vote:

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

Chairman Voorman suggested and the Board agreed to address construction related matters before returning to other agenda items. Andrew Holt joined the meeting in progress at approximately 8:05 pm for that discussion.

At approximately 8:05 pm. Mr. Falcon recommended that the Board deal with the Arold Construction contract matters in Closed Executive Session. To do so Vice Chairman Verdonik moved approval of the following resolution (**Resolution No. R-16-2-10**):

Resolution No. R-16-2-10

**RESOLUTION AUTHORIZING CLOSED SESSION
PURSUANT TO THE OPEN PUBLIC MEETINGS LAW**

BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and State of New Jersey on this 17th day of February, 2016 as follows:

1. The Authority shall adjourn to executive session in accordance with N.J.S.A. 10:4-12(b)(7), being the Open Public Meetings Law, in order to discuss the contract negotiations with Arold Construction Company.
2. It is not known at the present time when the matter under discussion will be disclosed.
3. The Authority shall convene following the executive session to consider other matters on its regular meeting agenda.
4. This Resolution shall take effect as provided by law.

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

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

NAYS : None

ABSENT : Commissioners Gall

ABSTAIN : None

CLOSED EXECUTIVE SESSION

At approximately 9:10 pm. Commissioner Lampmann moved to close the Executive Session and reopen the public meeting and return to the regular business agenda. Commissioner Howard seconded that motion which passed unanimously on the following roll call vote:

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

NAYS : None

ABSENT : Commissioners Gall

ABSTAIN : None

At approximately 9:10 pm, the meeting was reopened to the public.

Regarding the Arold Construction Contract, Contract No. I-4B, and specifically the issues with the Notice of Delay and Notice of Defective Work, Commissioner Lampmann moved to authorize payment of Arold's Payment Application No. 2 without assessment of liquidated damages or compensatory damages subject to the contractor's corresponding agreement to proceed with the lining work in the field no later than March 4th and to commit that no claims for extra costs will be filed on the contract.

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

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

NAYS : None

ABSENT : Commissioners Gall

ABSTAIN : None

The Board instructed Mr. Kelly to formally notify Arold Construction on the Authority's conditional payment approval.

OPERATIONAL REPORT

1. System Operations

1.1 Flow Report

Mr. Kelly presented two Flow Reports for the period ending January 31, 2016, one for the FlowShark monitoring system and another for the new Triton monitoring system. He advised that there are, in some cases, significant differences between the readings for both sets of monitors and further between the P-4 readings for both the FlowShark and Triton meters versus the corresponding flows recorded by TBSA's M-15.

The following reports were distributed for the January 2016 period for the Board's information and review:

- FlowShark Flow Report for January 2016
- FlowShark Daily Flow Summary for January 2016
- FlowShark Daily Flow Hydrograph for January 2016
- FlowShark Daily Flow Hydrograph Comparing Meters P-4 and TBSA Meter M-15 for January 2016
- TBSA Budgeted vs. Actual Flow for January 2016

The following reports were also made available to the Board on the Triton meter readings:

- Triton Flow Report for January 2016
- Triton Daily Flow Summary for January 2016
- Triton Daily Flow Hydrograph for January 2016
- Triton Daily Flow Hydrograph Comparing Meters P-4 and TBSA Meter M-15 for January 2016

Mr. Kelly also presented his February 15, 2016 memorandum summarizing his analyses of the 5 minute data for December. Commissioner Lampmann stated that he analyzed the ADS 5-minute data and determined that the raw data readings between both systems, while different, are typically consistent and therefore does not understand how ADS arrives at the QFinal data.

Commissioner Howard said that he would like to also review the 5 minute data. Mr. Kelly said that he would forward the FlowShark as well as the Triton metering data for November, December and January for all 8 flow meters in Excel format as requested.

1.2 TBSA Actual vs. Budgeted Flow Analysis

As indicated by his memorandum of February 11, 2016, Mr. Kelly reported that the January flows continue to be extremely low at 1.77 mgd. Therefore, on applying the contractual minimum flow of 1.85 mgd, Mr. Kelly said that the PRBRSAs flows are averaging almost 3% higher than the corresponding flows projected by Two Bridges going into the fiscal year.

1.3 PRBRSA Interceptor Inspection

Mr. Kelly said that he would report in greater detail at next month's meeting yet noted that it may be possible to move forward with inspection of the Authority's large diameter sewers, the 24-inch through 36-inch lines within Bloomingdale and Riverdale, without going to public bid. He noted that Hatch Mott MacDonald has quoted Two Bridges to perform the work without physically stopping flow using the "plug and release" methodology as was utilized almost 10 years ago for the prior inspection of those lines. He said that new inspection technology, known as Red Zone, can be performed through a sub-consultant relationship to the engineer and therefore the need to partner with Two Bridges for preparation of engineering contract documents for bid purposes may no longer be necessary.

2. TBSA Activities

2.1 Status Update

Vice Chairman Verdonik reported on several matters at the Two Bridges Sewerage Authority as they affect Pequannock River Basin. Notably he advised that construction on both the pumping station contract and the wastewater treatment plant improvement contract are now proceeding on schedule.

3. TWA Applications and Connection Permits

3.1 Non-Residential Connection Quick Chek (Route 23, Southbound) Borough of Butler

Mr. Kelly advised that an application has been filed for a Non-Residential Connection for the proposed Quick Chek at 1441 Route 23. He presented his letter dated February 12, 2016 summarizing the nature of the project noting that the application is currently under review.

3.2 Temporary Dewatering Discharge Permit Application Quick Chek (Route 23 at Boonton Avenue) Borough of Butler

For the record Mr. Kelly reported that a preliminary request has been filed by the engineer for the new Quick Chek under construction at Route 23 and Boonton Avenue to authorize a Temporary Dewatering Discharge Permit. He noted that the project would be comparable to the one that the Authority and TBSA approved for the Quick Chek in Bloomingdale last year.

4. Boonton Avenue Interceptor Project

4.1 Status Report (Suburban Engineers)

4.1.1 Contract No. I-4A: Hutton Construction

Andrew Holt reported that all construction has been completed on Contract No. I-4A except for the final paving work scheduled for April or May this year.

On discussion of the final paving, Commissioner Lampman advised that Butler may elect to pave Brook Street and possibly Valley Road as well. He indicated, if the Borough does proceed with the paving work, which work would then be deducted from the Hutton contract, that the Borough would ask that the Authority reimburse the Borough for the cost that would have otherwise been paid to the contractor under Contract No. I-4A. On considering that approach the Board generally had no objection to the Borough of Butler's request. Mr. Kelly said that he would respond to Butler's request for pricing information to calculate the cost of the work potentially to be removed from the contract and the associated amount to be reimbursed to Butler. He said he would also review the specification to advise Butler on the thickness of the material to be replaced at both locations as well as along Boonton Avenue on the county road.

4.1.2 Contract No. I-4B: Arold Construction

See discussion above following Closed Executive Session meeting.

4.2 NYS&W Railroad Crossing

Mr. Kelly said that he met with John Scheri and two of Hatch Mott MacDonald's tunneling experts on January 25th to review the construction issues and possible engineering alternatives to the proposed crossing at Park Place and Main Street. Mr. Kelly advised that HMM is in the process of preparing a proposal for the Authority's consideration.

4.3 Service Lateral Repairs

Mr. Kelly indicated that he has issued a request for a quotation to L. Becker and Sons for repairs to three displaced service laterals along Boonton Avenue. He explained, although there is a line item for that work within Contract No. I-4B, that each repair was bid at and therefore would cost \$25,000 which is considerably more than would be expected for such minor repairs. Accordingly, he said he has asked for a quotation from a local contractor to perform the work outside of Arold's contract scope.

FINANCIAL REPORT

1. Treasurer's Report

1.1 January 31, 2016 Treasurer's Report

Treasurer Lampmann presented and moved acceptance of the Treasurer's Report for the period ending January 31, 2016. Vice Chairman Verdonik seconded the motion which passed unanimously on the following roll call vote:

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

NAYS : None

ABSENT : Commissioner Gall

ABSTAIN : None

2. Audit: FY 2015

On review of the final audit report presented in hardcopy format in the file folders, several Board Members noted that approximately half of the pages were missing. Mr. Kelly said that he reviewed the electronic version of the report as did Treasurer Lampmann indicating that the entirety of the report had been originally presented in electronic format which was previously forwarded by email to the Board. Mr. Kelly said that he would of course raise the issue with the auditor and have the report reissued.

In view of the circumstances Chairman Voorman recommended and the Board agreed to defer action on the Local Finance Board resolution certifying review of certain sections of the report.

Mr. Kelly also noted that the auditor's January 28, 2016 letter which was not included in the audit report itself is available in the Commissioners file folders for review. Commenting on that Chairman Voorman said that the letter is not the auditor's opinion letter but rather a required notification under audit rules.

3. Annual Budget FY 2016

For the record, Mr. Kelly noted that his office prepared amended billings for Bloomingdale, Kinnelon and Riverdale inasmuch as the towns paid amounts different than those billed for the first quarter. Consequently he said the billings had to be adjusted and the corresponding allocations among administrative, operation and maintenance and debt service costs recalculated. He noted those bills were issued on February 4, 2016 to the three municipalities.

UNFINISHED BUSINESS

1. Contingency Operating Plan

At Chairman Voorman's request Mr. Kelly said he issued a letter dated February 11, 2016 on the Contingency Operating Plan and more specifically a possible merger of PRBRSA with the Two Bridges Sewerage Authority.

On discussing the Contingency Operating Plan more broadly, the Board returned to the more immediate need to address the Authority's ability to maintain operational capabilities if at some point Kelly Engineering is unable to do so. Vice Chairman Verdonik and Commissioner Metcalfe suggested different means of accomplishing that objective. On discussion concerns were expressed on the possibility of outsourcing the work to another engineering firm for example or bringing on an administrative individual may not produce the intended result.

On considering a range of possibilities further the Board agreed that it would most make sense if possible to work through the terms of an Inter-Local Agreement with the Two Bridges Sewerage Authority inasmuch as the two agencies are extremely similar in terms of operational responsibilities with the exception of TBSA's treatment plant operations. Accordingly, Chairman Voorman and Vice Chairman Verdonik indicated that they would return to TBSA and set up a meeting to discuss the Inter-Local Agreement possibility again.

Concerning a merger of both authorities, the Board recognized the practical reality of adding additional Board Members to the Two Bridges Board which would effectively dilute TBSA's current voting rights majority. That among other issues suggest it may be difficult if not all but impossible to achieve a merger with the Two Bridges Sewerage Authority.

NEW BUSINESS

1. AEA Spring Conference

Mr. Kelly indicated that if any of the Board Members would like to attend the AEA Spring Conference to be convened in Atlantic City on March 8th and 9th that they contact his office to make the arrangements.

PAYMENT OF BILLS

1. Operating Budget

1.1 Operating Request for Payment No. 348

Treasurer Lampmann presented and moved approval of Operating Request for Payment No. 348 as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

SUMMARY OF VOUCHERS FOR

OPERATING EXPENSES

Operating Request for Payment No. 348

The following bills have been reviewed and are recommended for approval for payment at the **February 17, 2016** meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

	PRBRSA ACCT. NO.	VOUCHER NO.	VOUCHER DATE	PAYMENT AMOUNT	CHECK PAYABLE TO
1)	24.05	OP-16-2-1	3/31/2014	\$ 250.00	Borough of Butler
2)	33.01	OP-16-2-2	10/2/2014	\$ 2,535.00	Borough of Butler
3)	24.07	OP-16-2-3	2/3/2016	\$ 131.89	Kelly Engineering
4)	22.03	OP-16-2-4	2/5/2016	\$ 10,400.00	Kelly Engineering
5)	32.02	OP-16-2-5	2/9/2016	\$ 6,625.87	Kelly Engineering
6)	22.01	OP-16-2-6	2/9/2016	\$ 2,642.30	Maraziti Falcon LLP
7)	25.03	OP-16-2-7	01/27/16	\$ 4,500.00	AEA
8)	33.03	OP-16-2-8	2/17/2016	\$ 32.07	Verizon
9)	33.03	OP-16-2-9	2/22/2016	\$ 36.36	Verizon
10)	33.03	OP-16-2-10	1/28/2016	\$ 36.36	Verizon
11)	33.03	OP-16-2-11	2/2/2016	\$ 17.96	Borough of Butler Electric
12)	33.03	OP-16-2-12	2/4/2016	\$35.17	Verizon
13)	33.03	OP-16-2-13	2/11/2016	\$2.81	JCP&I.

TOTAL: \$ 27,246.79

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

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

NAYS : None

ABSENT : Commissioner Gall

ABSTAIN : None

2. Construction Fund Disbursements

2.1 Construction Disbursement Requisition No. C-13-34

Treasurer Lampmann presented the bills as listed on Construction Fund Disbursement Requisition No. C-13-34. Vice Chairman Verdonik moved approval of the bills as follows:

CONSTRUCTION DISBURSEMENT REQUISITION No. C-13-34

In accordance with Section 513(B) of the Resolution adopted by the Authority on July 15, 1986, as amended and supplemented, and entitled "Resolution Providing for the Issuance of Bonds of the Pequannock River Basin Regional Sewerage Authority and for the Rights of the Holders Thereof, and Authorizing \$20,000,000 Principal Amount Thereof" (the "Resolution"), you are hereby instructed to make the following disbursements from the Construction Fund (Account #2576006501) as authorized by the Authority at a meeting on **February 17, 2016**:

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120322C6.1	C-13-34-2-2	1/18/16	\$ 9,012.00	Suburban Consulting Engineers
2)	120322C2	C-13-34-2-3	2/9/16	\$ 4,852.81	Kelly Engineering
3)	120322C	C-13-34-2-4	2/9/16	\$ 1,739.00	Mara, Iri, Falcon LLP
TOTAL DISBURSEMENTS				<u>\$ 15,603.81</u>	

UNLESS OTHERWISE DIRECTED, ALL CHECKS SHALL BE MAILED DIRECTLY TO THE CLAIMANT AT THE ADDRESS INDICATED ON THE VOUCHER FORM.

In compliance with Section 513, Subsection (B) of the Resolution, all disbursement requests listed above are supported by copies of the enclosed voucher forms, each of which has been signed by two Authority Officers and me certifying that such disbursement is necessary to pay part of such cost of the Project.

As required by Section 513(B) of the Resolution, any disbursements for "... the purpose of paying the purchase price or cost of any lands, easements, rights or interest in or relating to lands or paying the cost or expense of work, materials, supplies or equipment ...", will be accompanied by a Consulting Engineer's Certificate as required by Section 513(B) of the Resolution. The supporting Consulting Engineer's Certificate is attached.

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

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

NAYS : None

ABSENT : Commissioner Gall

ABSTAIN : None

2.2 Construction Disbursement Requisition No. C-13-35

Treasurer Lampmann presented and moved payment of the bills as listed on Construction Fund Disbursement Requisition No. C-13-35 – subject to the conditions set forth by the Authority – as follows:

CONSTRUCTION DISBURSEMENT REQUISITION No. C-13-35

In accordance with Section 513(B) of the Resolution adopted by the Authority on July 15, 1986, as amended and supplemented, and entitled “Resolution Providing for the Issuance of Bonds of the Pequannock River Basin Regional Sewerage Authority and for the Rights of the Holders Thereof, and Authorizing \$20,000,000 Principal Amount Thereof” (the “Resolution”), you are hereby instructed to make the following disbursements from the Construction Fund (Account #2576006501) as authorized by the Authority at a meeting on **February 17, 2016**

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120322C6.1	C-13-35-2-1	2/12/16	\$213,416.56	Avoid Construction
		TOTAL DISBURSEMENTS		<u>\$213,416.56</u>	

UNLESS OTHERWISE DIRECTED, ALL CHECKS SHALL BE MAILED DIRECTLY TO THE CLAIMANT AT THE ADDRESS INDICATED ON THE VOUCHER FORM.

In compliance with Section 513, Subsection (B) of the Resolution, all disbursement requests listed above are supported by copies of the enclosed voucher forms, each of which has been signed by two Authority Officers and me certifying that such disbursement is necessary to pay part of such cost of the Project.

As required by Section 513(B) of the Resolution, any disbursements for “... the purpose of paying the purchase price or cost of any lands, easements, rights or interest in or relating to lands or paying the cost or expense of work, materials, supplies or equipment ...”, will be accompanied by a Consulting Engineer’s Certificate as required by Section 513(B) of the Resolution. The supporting Consulting Engineer’s Certificate is attached.

Upon payment of the above vouchers, please forward to the undersigned a statement of the balance in the **2013 Project** account.

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

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

NAYS : None

ABSENT : Commissioner Gall

ABSTAIN : None

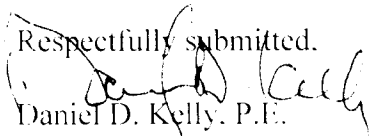
OPEN MEETING FOR PUBLIC COMMENT

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

ADJOURNMENT

At approximately 10:10 pm Commissioner Lampmann moved for adjournment. Commissioner Howard seconded the motion which was approved unanimously en voice vote.

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

Respectfully submitted,

Daniel D. Kelly, P.E.
Recording Secretary

Enclosures: Treasurer's Report for the period ending January 31, 2016