

## MEETING MINUTES

### PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

July 15, 2015

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on July 15, 2015 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 Gall, Howard, Lampmann, Metcalfe and Verdonik

**ABSENT** : None

**ALSO PRESENT** : Christopher H. Falcon, Esq., Maraziti, Falcon LLP; and Daniel D. Kelly, P.E., Kelly Engineering, Jonathan Tardiff, P.E., Suburban Consulting Engineers (Note: Mr. Tardiff left the meeting at approximately 8:30 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.

#### ADOPTION OF MINUTES

1. **Meeting Minutes: Regular Meeting – June 17, 2015**

Vice Chairman Verdonik moved acceptance of the minutes of the Authority's June 17, 2015 regular meeting. That motion was seconded by Commissioner Metcalfe and passed upon the following roll call vote:

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : None

**2. Meeting Minutes: Special Meeting – May 6, 2015**

Commissioner Lampmann moved acceptance of the minutes of the Authority’s May 6, 2015 special meeting. That motion was seconded by Commissioner Metcalfe and passed upon the following roll call vote:

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : None

**OPERATIONAL REPORT**

**1. System Operations**

**1.1 Flow Report**

Mr. Kelly presented the Flow Report dated July 15, 2015 for the period ending June 30, 2015. He observed that the system flows remain at relatively low levels, specifically, 1.865 mgd for the month of June and 1.733 mgd for the year-to-date average.

The following supplemental reports were distributed for the June 2015 period for the Board’s information and review:

- Daily Flow Summary for June 2015
- Daily Flow Hydrograph for June 2015
- Daily Flow Hydrograph Comparing Meters P-4 and TBSA Meter M-15 for June 2015
- TBSA Budgeted vs. Actual Flow for June 2015

**1.2 TBSA Actual vs. Budgeted Flow Analysis**

Mr. Kelly also presented his July 13, 2015 memorandum comparing TBSA’s budgeted flows with the actual flow on a year-to-date basis. He noted that the actual flow (accounting for the 1.85 minimum contractual flow) exceed the estimated flow by 1.63%. He explained that if that trend

were to continue the Authority would be assessed additional user charges or operation and maintenance charges by TBSA at the end of the year.

**1.3 Fichter Street Sewer Construction – Bloomingdale**

No discussion on this matter.

**2. TBSA Activities**

**2.1 Status Update**

Chairman Voorman and Vice Chairman Verdonik reported on various matters at the Two Bridges Sewerage Authority as they affect Pequannock River Basin. Vice Chairman Verdonik advised that construction continues on the Two Bridges wastewater treatment plant headworks facilities and the pumping station upgrades. He and Chairman Voorman noted that TBSA considered its fiscal year 2016 annual budget which, depending upon the alternative selected, may result in a 1.5% rate increase to Pequannock River Basin or approximately \$71,000 for the year.

**3. TWA Applications and Connection Permits**

**3.1 Non-Residential Connection  
Meadtown Shopping Center  
Borough of Kinnelon**

Mr. Kelly advised that an application has been filed for a Marshall's store at the Meadtown Shopping Center requesting a letter in connection with its Highlands Applicability Determination application.

**4. Boonton Avenue Interceptor Project**

**4.1 Status Report**

The following summarizes the status report and related information provided by Jon Tardiff on construction matters:

**4.1.1 Contract No. I-4A: Hutton Construction**

Mr. Tardiff advised that Hutton has completed the work on Valley Road for the crossing of the Morris County bridge structure there. In addition he said that the contractor completed most of the work within Boonton Avenue at West Bellevue. Paving restoration and other work remains in both of those areas but the primary sewer work he said is complete.

As to Brook Street and High Street Mr. Tardiff explained the issues with soil contamination and the nature of the work required there. He said that Hutton's crew will be required to wear Hazmat-type protective clothing to minimize contact with the contaminants found in both areas including Benzene type products as well as TCE at High Street. He explained that the contractor's testing program revealed contaminants exceeding both residential standards and impact to groundwater standards and therefore special disposal techniques will be required at both areas. By contrast, he advised that the soil testing within Valley Road and Boonton Avenue/West Belleview confirmed that the materials could be disposed in the normal manner even through metals exceedances were detected at both locations.

Referring to the NJDEP Linear Construction Guidelines, Mr. Tardiff advised that Suburban's LSRP, Practical Environmental Solutions, will need to prepare several reports including a health and safety plan as well as a materials handling plan which the contractor will be required to follow throughout the course of construction. On completion of construction he said that the LSRP will prepare a final report to NJDEP tracking the contaminants, the methods and locations of disposal and other relevant information required by the State.

Before continuing, Mr. Kelly reviewed the additional costs which involve engineering fees including the LSRP work to prepare reports and monitor the site throughout construction as well as the additional construction costs. Referring to his July 15, 2015 letter, Mr. Kelly explained that the estimated additional costs on Contract No. I-4A projected at \$49,676.24 (Hutton Change Order No. 1) and the additional engineering he said will cost an additional \$39,907.25 (Suburban Change Order No. 7) as discussed below.

In addition Mr. Kelly and Mr. Tardiff explained that it may be necessary to dewater the trenches in Brook Street and High Street in which case additional costs may be incurred to dispose of the dewatering volumes as encountered. Depending upon how the dewatering discharge is handled, the cost could range from a relatively nominal expense – if TBSA would accept the dewatering quantities without further water quantity characterization for discharge to the sanitary sewer – to an estimated \$55,200 if the dewatering quantities must be hauled offsite by tanker truck for disposal.

Mr. Tardiff advised that the contractor will be directed to excavate test holes at both Brook Street and High Street and take samples at both locations if groundwater is encountered to characterize the groundwater quality. Mr. Kelly said that if the contamination levels are extremely low, it may be possible that Two Bridges would accept the discharge into the sanitary sewer without further testing. He explained that if testing is

required, the dewatering volumes would have to be temporarily stored on site until the water quality characterizations are completed prior to discharge into the sanitary sewer. Since there may not be any suitable area to locate the temporary storage container, particularly at Brook Street, he said that could create a serious limitation. The alternative, Mr. Tardiff explained, would be to discharge the dewatering quantities directly into a tank truck for offsite disposal which is what he assumed on estimating approximating \$55,000 for handling the dewatering if necessary.

In order to move forward with the work, Mr. Tardiff requested the Board's approval of a Change Order on Contract No. I-4A in the amount of \$49,986. On discussing the Change Order, Mr. Tardiff said that Suburban will engage in further negotiations with Hutton to reduce costs if at all possible and would press to have the contractor to accept performance of the work on a unit price basis or a not-to-exceed limit of \$49,986.24.

On discussion, the Board required a cap on the authorization to Hutton. Therefore, paragraph #1 was revised to state "not-to-exceed \$49,676.24".

Following further discussion, Commissioner Howard moved approval of the following Resolution as amended (**Resolution No. R-15-7-1B**):

**RESOLUTION TO AUTHORIZE CHANGE ORDER NO. 1  
TO CONTRACT WITH HUTTON CONSTRUCTION, LLC**

WHEREAS, the Authority is in receipt of a July 15, 2015 Request for Change Order filed by Daniel D. Kelly, P.E., the Authority Consulting Engineer, recommending approval of Change Order No. 1 for the following:

Change Order No. 1 in the amount of \$49,676.24 for the projected cost of soil disposal and related work due to contamination detected at Brook Street and High Street in Butler, New Jersey; and

NOW, THEREFORE, BE IT RESOLVED, by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and the State of New Jersey on this 15<sup>th</sup> day of July, 2015 as follows:

1. The Authority hereby approves Change Order No. 1 to the Agreement as described in the Request for Change Order filed by Daniel D. Kelly, P.E., in the total amount not-to-exceed \$49,676.24.
2. The Chairman is authorized and directed to sign a Change Order to the Contract in the foregoing amount in the form recommended by the Consulting Engineer and approved by the Authority Attorney.

3. 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 Gall,  
Lampmann, Howard, Metcalfe and Verdonik

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : None

#### 4.1.2 Contract No I-4B: Arold Construction

As to the status of Contract No. I-4B, Mr. Tardiff reported that Arold Construction has completed approximately three quarters of all of the pipe lining work. He explained that the contractor agreed to shift to other areas of the work rather than complete the sections to facilitate tie-ins to the manholes to be reconstructed by Hutton under Contract No. I-4A. In addition, he said that the lining work across Route 23 must be completed along with replacement of two manholes within the State highway right-of-way.

Continuing, Mr. Tardiff reported that the other work remaining on Contract No. I-4B primarily consists of installing the service lateral connections. He indicated that that work has been going quite slow although more recently the contractor increased production from 1-2 installations to 2-3 installations per day. Additionally, he said that Arold must complete replacement of the manhole frames and covers throughout the project along Boonton Avenue.

#### 4.1.3 Suburban Consulting Engineer's Agreement

As indicated by his June 24th letter, Mr. Kelly recommended approval of Change Orders Nos 4, 5 and 6 to the Authority's agreement with Suburban Consulting Engineers. He explained that that work was authorized for several minor activities required outside the scope of the engineering agreement.

Following discussion Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-15-7-1**):

**RESOLUTION TO AUTHORIZE CHANGE ORDERS NO. 4, NO. 5  
AND NO. 6 FOR AGREEMENT WITH SUBURBAN CONSULTING  
ENGINEERS, INC.**

WHEREAS, the Authority is in receipt of a Request for Change Orders filed by Daniel D. Kelly, P.E., the Authority Consulting Engineer, requesting approval of Change Orders No. 4, No. 5 and No. 6 for the following:

- a) Change Order No. 4 in the amount of \$1,567.50 for environmental investigations and review of soil samplings;
- b) Change Order No. 5 in the amount of \$1,160.00 for the preparation of project specific mapping for posting on the Boonton Avenue Interceptor website; and
- c) Change Order No. 6 in the amount of \$1,770.00 for assistance in preparation and submittal of NJDOT Occupancy Permit and Morris county Road Opening Permit; and

NOW, THEREFORE, BE IT RESOLVED, by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and the State of New Jersey on this 15<sup>th</sup> day of July, 2015 as follows:

1. The Authority hereby approves Change Orders No. 4, No. 5 and No. 6 to the Agreement as described in the Request for Change Order filed by Daniel D. Kelly, P.E., in the total amount of amount of \$4,497.50.
2. The Chairman is authorized and directed to sign said Change Orders to the Agreement in the foregoing amounts.
3. This Resolution shall take effect as provided by law.

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

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : None

#### 4.1.4 Suburban/LSRP Contract Amendment (Change Order No. 7)

As indicated by his July 15th letter, Mr. Kelly recommended approval of a change order in the amount of \$39,907.25 as Change Order No. 7 on the Suburban Consulting Engineers contract. He and Mr. Tardiff explained the nature of the work which is required by the NJDEP Linear Construction Guidance document for all utility projects. Mr. Kelly explained that while the soil contamination levels are measured in parts per billion, essentially threshold levels. Nonetheless, he said that the requirements are clear that the soils must be handled with Level D Hazmat safety protection and must be disposed at a special disposal site.

In order to perform the additional environmental work, Mr. Tardiff explained that Suburban will require the services of Practical Environmental Solutions which will provide a Licensed Site Remediation Professional (LSRP) to on site throughout the construction to monitor the work utilizing primarily a PID monitoring device. Also, as indicated above, the LSRP will prepare a series of reports as required by NJDEP guidelines.

Following discussion Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-15-7-1A**):

**RESOLUTION TO AUTHORIZE CHANGE ORDER NO. 7  
FOR AGREEMENT WITH SUBURBAN CONSULTING  
ENGINEERS, INC.**

WHEREAS, the Authority is in receipt of a July 14, 2015 Request for Change Order filed by Daniel D. Kelly, P.E., the Authority Consulting Engineer, recommending approval of Change Order No. 7 for the following:



Change Order No. 7 in the amount of \$39,907.25 for additional Engineering and Licensed Site Remediation Professional Services for environmental monitoring and report preparation related to soils contamination and site remediation at Brook Street and High Street in Butler, New Jersey; and

NOW, THEREFORE, BE IT RESOLVED, by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic and the State of New Jersey on this 15<sup>th</sup> day of July, 2015 as follows:

1. The Authority hereby approves Change Order No. 7 to the Agreement as described in the Request for Change Order filed by Daniel D. Kelly, P.E., in the total amount of \$39,907.25.
2. The Chairman is authorized and directed to sign said Change Order to the Agreement in the foregoing amount.
3. This Resolution shall take effect as provided by law.

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

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : None

(Note: Mr. Tardiff left the meeting in progress at approximately 8:30 pm)

**4.2 NYS & W Railroad Crossing**

No change in status on this matter.

## **FINANCIAL REPORT**

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

#### **1.1 Acceptance of June 30, 2015 Treasurer's Report**

Treasurer Lampmann presented the Treasurer's Report for the period ending June 30, 2015. Commissioner Gall moved acceptance of the Treasurer's Report as presented. Treasurer Lampmann seconded the motion which passed unanimously upon the following roll call vote:

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : None

### **2. Preliminary Annual Budget: FY 2016**

Mr. Kelly distributed his letter to the Board dated July 15, 2015 transmitting the Preliminary Annual Budget for the upcoming year along with a two page Budget Summary.

On discussing the changes in the FY 2016 budget versus the current year, Mr. Kelly advised that there are two notable differences as explained by his letter. The first is the fact that the TBSA debt service credit decreases from \$613,923 to \$256,588, a Revenue loss of \$357,335. To offset the loss of Revenue Mr. Kelly said that the contribution to the Capital Reserve Fund, which last year had been \$500,000, has been reduced to \$150,000.

Overall Mr. Kelly noted that the Preliminary Annual Budget anticipates a \$265,000 or 4.5% reduction in total Revenues and Appropriations from \$5,685,000 to \$5,600,000 along with a 1.7% Annual Charge or rate increase to the municipalities, an increase of \$90,000 from \$5,210,000 to \$5,300,000.

Mr. Kelly reported that the DLGS budget format has been substantively modified as described by his letter to Treasurer Lampmann previously. On discussion Vice Chairman Verdonik mentioned that the Two Bridges Sewerage Authority developed a form for response to the new budget format (the "Authority Questionnaire") of the Division of Local Government Services and suggested that Mr. Kelly contact TBSA for that information.

## **UNFINISHED BUSINESS**

### **1. Contingency Operating Plan**

Referring to his July 15<sup>th</sup> memorandum summarizing discussion that he had with Mr. Falcon, Mr. Kelly noted a change in the state law on shared services agreements could affect the proposed agreement with Two Bridges. However, due to the transitional nature of the proposed interlocal services contract it may be possible to move forward with the agreement outside the requirements of the new statute.

More broadly Mr. Kelly mentioned the possibility that PRBRSA and TBSA may want to further consider consolidation of both agencies although does recognize the practical constraints of a full dissolution of Pequannock River Basin or takeover by Two Bridges given the implications of the voting membership on what would be a reconstituted TBSA Board.

Commissioner Lampmann noted that he reviewed the draft Memorandum of Understanding and thought there may be some provisions that would be difficult for TBSA to accept including the employment of Kelly Engineering employees on a transitional basis. Mr. Kelly noted that he had discussed that point with Mr. Bongiovanni when they met some months back and did not anticipate an issue in that regard.

Mr. Kelly asked if the Board Members had any comments on the draft Memorandum of Understanding that they let him know.

### **2. Riverdale Capacity Transfer**

Mr. Falcon and Mr. Kelly advised that the Borough of Riverdale has not acted on the 2015 Four Party Agreement to date which the Authority, Bloomingdale and Kinnelon have approved the 2015 Four Party Agreement as well as the proposed 2015 Amendment to the 1987 Riverdale Service Contract.

### **3. Riverdale I/I Program**

In response to Chairman Voorman's question Mr. Kelly advised that the Authority has not received any response from Riverdale on the Right-of-Entry Agreement as previously forwarded to the Borough for execution by its consultants.

**4. Capacity Assurance Policy**

Referring to Commissioner Howard's comments on the draft Capacity Assurance Policy, Mr. Kelly said that there may be a need to restructure the proposed calculation methodology to account for the connected flows versus the committed flows. He said that he would draft another revision for distribution to the Members prior to the August 19<sup>th</sup> meeting.

**NEW BUSINESS**

**1. Trustee Agreement – 2015 NJEIT Bond Depository Agreement**

In order to authorize the Trustee to automatically make the semi-annual payments due on the 2015 NJEIT Trust & Fund Bonds, Mr. Kelly said that bond counsel developed a form of agreement with the Authority's Trustee, US Bank, for that purpose. The Agreement – the "2015 NJEIT Bond Depository Agreement" – he said essentially authorizes the Trustee to withdraw the annual debt service amounts from the Revenue Fund for deposit into the General Fund (including the NJDEP Administrative Fee and the NJEIT Administrative Fee) payable in the upcoming fiscal year on or immediately after December 1<sup>st</sup> of each year and to withdraw those funds for the debt service and administrative fees payable semiannually.

In response to Chairman Voorman's question he advised that the Agreement specifically indicates that there will be no annual fee and no initiation or start-up fee.

Following discussion Vice Chairman Verdonik moved approval of the following resolution (**Resolution No. R-15-7-2**):

**RESOLUTION OF THE PEQUANNOCK RIVER BASIN  
REGIONAL SEWERAGE AUTHORITY AUTHORIZING  
WITHDRAWALS FROM THE GENERAL FUND FOR  
PURPOSES OF MAKING 2015 NJEIT PROGRAM SEMI-  
ANNUAL LOAN REPAYMENTS AND AUTHORIZING THE  
EXECUTION OF A DEPOSITORY AGREEMENT IN  
CONNECTION THEREWITH.**

**WHEREAS**, the Pequannock River Basin Regional Sewerage Authority (the "Authority") on May 28, 2015, issued its \$1,225.176 Subordinate Bond (Series 2015 A) (the "2015 State Bond") to the State of New Jersey (the "State") and its \$390,000 Subordinate Bond (Series 2015 B) (the "2015 Trust Bond" and, together with the 2015 State Bond, the "2015 Bonds") to the New Jersey Environmental Infrastructure Trust (the "NJEIT"); and

**WHEREAS**, the 2015 Bonds are payable as to principal and interest on February 1 and August 1 in the years and in the amounts (the "Debt Service Amounts") shown on Exhibit A attached hereto and by this reference incorporated herein; and

**WHEREAS**, the amount actually payable by the Authority to the NJEIT on August 1, 2015 and February 1, 2016 will be different from the scheduled Debt Service Amounts relating to the 2015 Trust Bond due to a downward adjustment to take into account the application by the NJEIT of a credit for capitalized interest held by the NJEIT; and

**WHEREAS**, the amounts actually payable by the Authority to the State and the NJEIT on such dates may be different from the respective Debt Service Amounts due to downward adjustments in the event that (a) the NJEIT applies a credit for interest earnings on certain funds held by the NJEIT, (b) the NJEIT applies a credit for amounts in the construction fund held by the NJEIT upon completion of the project and/or (c) the NJEIT applies a credit if the NJEIT bonds secured by the 2015 Trust Bond are refunded with a resulting debt service savings (the Debt Service Amounts as modified by any adjustments thereto described in this paragraph and the preceding paragraph are referred to herein as the "2015 NJEIT Program Semi-Annual Loan Repayments"); and

**WHEREAS**, the 2015 NJEIT Program Semi-Annual Loan Repayments are payable by the Authority to U.S. Bank National Association, the corporate trustee for the NJEIT (the "NJEIT Trustee"); and

**WHEREAS**, the Authority intends to pay the 2015 NJEIT Program Semi-Annual Loan Repayments from moneys on deposit in the General Fund (the "General Fund") created and established by the resolution of the Authority adopted on July 15, 1986, 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", as amended and supplemented (the "General Bond Resolution"); and

**WHEREAS**, in accordance with Section 512 of the General Bond Resolution, if on any date the amount in every account or fund created and established under the General Bond Resolution equals or exceeds the amount required to be therein on such date, the Authority, upon direction by resolution, may direct U.S. Bank National Association, as trustee under the General Bond Resolution (the "PRBRSA Trustee"), to withdraw any moneys in the General Fund and to pay the same to the Authority for any lawful corporate purpose of the Authority; and

**WHEREAS**, the General Bond Resolution created and established the following accounts and funds: a Construction Fund, a Revenue Fund, a Bond Service Fund, a Sinking Fund, a Bond Reserve Fund, a Renewal and Replacement Fund and a General Fund; and

**WHEREAS**, pursuant to the provisions of the General Bond Resolution, the Construction Fund, Revenue Fund and the General Fund do not have funding requirements, the Bond Reserve Fund has a funding requirement that, in the past, has

been satisfied by moneys on deposit in such Bond Reserve Fund, and the Bond Service Fund, the Sinking Fund and the Renewal and Replacement Fund have funding requirements that are satisfied by Authority revenue flows;

**WHEREAS**, as a result of the flow of funds provisions set forth in the General Bond Resolution, the date in any year on which each account or fund created and established under the General Bond Resolution, including the Bond Service Fund, the Sinking Fund, the Bond Reserve Fund and the Renewal and Replacement Fund, is most likely to equal or exceed the amount required to be therein on such date and, therefore, the date in any year on which the PRBRSA Trustee is most likely to be able to withdraw moneys on deposit in the General Fund is December 1; and

**WHEREAS**, any moneys withdrawn by the PRBRSA Trustee from the General Fund on December 1 of any year on account of the 2015 NJEIT Program Semi-Annual Loan Repayments due on the next succeeding February 1 and August 1 (the "Withdrawn Moneys") will be held until such dates by the PRBRSA Trustee; and

**WHEREAS**, the maximum amount of moneys needed to pay the 2015 NJEIT Program Semi-Annual Loan Repayments due on the 2015 Bonds on the February 1 and August 1 next succeeding any December 1 is \$102,638.42 (being on February 1, 2017 and August 1, 2017); and

**WHEREAS**, the Authority is desirous of (a) directing the PRBRSA Trustee to withdraw moneys from the General Fund on December 1 of each year so long as any of the 2015 Bonds remain outstanding, commencing December 1, 2015, for purposes of paying the 2015 NJEIT Program Semi-Annual Loan Repayments due on the next succeeding February 1 and August 1 and (b) entering into an agreement with the PRBRSA Trustee relating to the use, application and disposition of the Withdrawn Moneys (the "2015 NJEIT Bonds Depository Agreement");

**NOW THEREFORE, BE IT RESOLVED BY THE PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY**, and the members or commissioners thereof, **AS FOLLOWS:**

Withdrawals from the General Fund. In accordance with Section 512 of the General Bond Resolution and provided that the amount in every account or fund created and established by the General Bond Resolution, including the Bond Service Fund, the Sinking Fund, the Bond Reserve Fund and the Renewal and Replacement Fund, equals or exceeds the amount required to be therein, the PRBRSA Trustee is hereby authorized and directed to withdraw from the General Fund on December 1, or the next preceding business day if such day is not a business day, of each year so long as any of the 2015 Bonds remain outstanding, commencing December 1, 2015, an amount of moneys equal to the difference between (a) \$103,000 and (b) the amount of moneys held on such date by the PRBRSA Trustee in the NJEIT Debt Service Account created and established by the 2015 NJEIT Bonds Depository Agreement (the "NJEIT Debt Service Account"). The PRBRSA Trustee is hereby further directed to deposit such moneys directly into the Authority's NJEIT Debt Service Account and to pay such moneys to the NJEIT Trustee

in satisfaction of the 2015 NJEIT Program Semi-Annual Loan Repayments due on the next succeeding February 1 and August 1, all in accordance with the terms and provisions of, and as more fully described in, the 2015 Bonds Depository Agreement.

2015 Bonds Depository Agreement. The substance and form of the 2015 Bonds Depository Agreement attached hereto as Exhibit B and by this reference incorporated as if set forth in full herein are hereby approved, adopted and agreed to by the Authority with such modifications, additions or deletions as may hereafter be approved by the Chairman or Vice Chairman of the Authority after consultation with counsel and bond counsel to the Authority; provided, however, that any such modification, addition or deletion shall not materially change or affect the substantive terms and provisions of the draft of the 2015 Bonds Depository Agreement attached hereto as Exhibit B. The Chairman or Vice Chairman of the Authority is hereby authorized and directed to execute and deliver the 2015 Bonds Depository Agreement and to carry out the transactions contemplated thereby and the Secretary or Assistant Secretary of the Authority is hereby authorized and directed, if applicable, to affix the seal of the Authority on the 2015 Bonds Depository Agreement and to attest the same. The execution of the 2015 Bonds Depository Agreement by the Chairman or Vice Chairman of the Authority shall be conclusive evidence of any approval required by this Section.

Capitalized Terms. Unless a different meaning is clear from the context, all capitalized words and terms used but not defined in this resolution shall have the meanings ascribed to such words and terms, respectively, in the preambles to this resolution.

Effective Date. This resolution shall take effect immediately.

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

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

**PAYMENT OF BILLS**

**1. Operating Budget**

**1.1 Operating Request for Payment No. 341**

Commissioner Gall presented and moved approval of Operating Request for Payment No. 341 as follows:

**PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY**

**SUMMARY OF VOUCHERS FOR  
 OPERATING EXPENSES**

**Operating Request for Payment No. 341**

The following bills have been reviewed and are recommended for approval for payment at the **July 15, 2015** meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

	<u>PRBRSA</u>	<u>VOUCHER</u>	<u>VOUCHER</u>	<u>PAYMENT</u>	<u>CHECK PAYABLE TO</u>
	<u>ACCT. NO.</u>	<u>NO.</u>	<u>DATE</u>	<u>AMOUNT</u>	
1	33.01	OP-15-7-1	10/2/2014	\$ 2,500.00	Borough of Butler
2	24.05	OP-15-7-2	3/31/2014	\$ 250.00	Borough of Butler
3	24.07	OP-15-7-3	6/5/2015	\$ 131.89	Kelly Engineering
4	22.03	OP-15-7-4	6/8/2015	\$ 10,400.00	Kelly Engineering
5	32.02	OP-15-7-5	6/8/2015	\$ 9,756.24	Kelly Engineering
6	22.01	OP-15-7-6	6/4/2015	\$ 6,846.08	Maraziti Falcon LLP
7	26.04	OP-15-7-7	6/11/2015	\$945.00	US Bank
8	33.01	OP-15-7-8	6/16/2015	\$ 3,254.87	ADS
9	*	OP-15-7-9	12/19/14	\$ 723,403.00	Pequannock, Lincoln Park & Fairfield Sewerage Authority
10	33.03	OP-15-7-10	6/30/2015	\$ 17.16	Borough of Butler -Electric*Rev. from 17.76
11	33.03	OP-15-7-11	6/23/2015	\$ 30.49	Verizon
12	33.03	OP-15-7-12	7/13/2015	\$ 34.19	Verizon
13	33.03	OP-15-7-13	7/13/2015	\$ 2.81	JCP&L
14	33.03	OP-15-7-14	7/3/2015	\$300.00	Up and Running
15	24.03	OP-15-7-15	7/13/2015	\$500.00	Edwin Howard

**TOTAL: \$ 758,371.73 \*Rev. from \$758,372.33**

\* Breakdown

27.00	\$	60,295.00
13.00	\$	263,354.00
35.00	\$	553,235.00
18.00	\$	(153,481.00)
	\$	<u>723,403.00</u>



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

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

**NAYS** : None

**ABSENT** : None

**ABSTAIN** : Commissioner Howard

**2. Construction Fund Disbursements**

**2.1 Construction Disbursement Requisition No. C-13-25**

Vice Chairman Verdonik presented and moved approval of the bills as listed on Construction Fund Disbursement Requisition No. C-13-25 as follows:

**CONSTRUCTION DISBURSEMENT REQUISITION No. C-13-25**

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 **July 15, 2015:**

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120322C6.1	C-13-25-7-1	6/19/15	\$ 1,567.50	Suburban Consulting Engineers
2)	120322C6.1	C-13-25-7-2	6/19/15	\$ 1,160.00	Suburban Consulting Engineers
3)	120322C6.1	C-13-25-7-3	6/19/15	\$ 1,770.00	Suburban Consulting Engineers
4)	120322C2	C-13-25-7-4	7/8/15	\$ 6,491.96	Kelly Engineering
5)	120322C1.1	C-13-25-7-5	6/10/15	\$ 35,421.93	Hawkins Delafield & Wood
6)	120322C1	C-13-25-7-6	7/7/15	\$ 2,775.00	Maraziti, Falcon LLP
7)	120322C6.1	C-13-25-7-7	7/13/15	\$ 87,159.24	Hutton Construction
<b>TOTAL DISBURSEMENTS</b>				<b><u>\$136,345.63</u></b>	

**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:

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

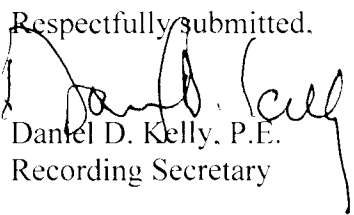
**OPEN MEETING FOR PUBLIC COMMENT**

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

**ADJOURNMENT**

At approximately 8:55 pm, Commissioner Metcalfe moved for adjournment. That motion was seconded by Commissioner Gall and was approved unanimously on voice vote.

At approximately 8:55 pm, the meeting was adjourned.

Respectfully submitted,  
  
Daniel D. Kelly, P.E.  
Recording Secretary

Enclosures: Treasurer’s Report for the period ending June 30, 2015