MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

July 20, 2022

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on July 20, 2022 at the Borough of Butler. Chairman Verdonik called the meeting to order at approximately 6:00 p.m.

ROLL CALL

On roll call:

PRESENT	:	Chairman Verdonik, Commissioners Desai, Howard, Lampmann, Mabey, and Pellegrini
ABSENT	:	Commissioners Metcalfe and Voorman
ALSO PRESENT	:	Jamie Avagnano, Authority Administrator; Diane Alexander, Esq., Maraziti Falcon, LLP, Stephen Donati, P.E., CP Engineers

OPEN PUBLIC MEETING STATEMENT

Chairman Verdonik introduced the "Open Public Meeting Statement" indicating that adequate notice of the Authority's regular meeting had been publicized in accordance with law by posting notice on the bulletin board at the Butler Municipal Building, by providing notice to the municipal clerks of Bloomingdale, Butler, Kinnelon, and Riverdale, and by providing notice to the official newspapers of the Authority. The statement also noted that the meeting information was available on the PRBRSA webpage for public access, provided to the municipal clerks and noticed in the Authority's official newspapers.

ADOPTION OF MINUTES

1. Meeting Minutes: Regular Meeting – June 15, 2022

   Diane Alexander, Esq. informed the Board on the PRBRSA Bylaws with regards to majority actions explaining that for PRBRSA a majority is defined as those present at the meeting.

   Commissioner Howard moved acceptance of the minutes of the June 15, 2022 regular meeting. That motion was seconded by Commissioner Mabey and approved on the following roll call vote:

AYES	:	Commissioners Desai, Howard, Lampmann, Mabey, Pellegrini and Verdonik

NAYS : None

ABSENT : Commissioners Metcalfe and Voorman

ABSTAIN : None

OPERATIONAL REPORT

1. SYSTEM OPERATIONS

1.1 Flow Report

Chairman Verdonik advised that the Flow Report and Daily Flow Summary were included in the meeting documents folder for review. Steve Donati confirmed that the flows appear consistent for the month.

1.2 TBSA Flow Report (Budget vs. Actual)

Referring to the TBSA v. PRBRSA memo, Chairman Verdonik advised that the PRBRSA flows are trending on line with the other TBSA Participants for the year to date.

1.3 Contract PRB 22-1

Mr. Donati advised that the Notice to Proceed for Contract PRB 22-1 was issued on July 7th starting the 60 day completion schedule. He further advised that a pre-con meeting was being scheduled for August 1st with anticipated start-up on August 15th. He further commented that National Water Main anticipated that project would span approximately 2 weeks.

Commissioner Pellegrini requested the location plans for the anticipated road detours. Administrator Avagnano advised she would forward the plans outlining the sewers to be cleaned.

1.4 Survey Easement – Lot 7.01, Block 15, Butler

Steve Donati advised the Board on the condition of the access right-of-way through Vibrations Mounting Company in Butler to the PRBRSA easement within Lot 7.01, Block 15 Butler containing 3 water tight manholes near the Pequannock River and Stony Brook. As discussed, the easement itself was overgrown, yet clearing the overgrowth appeared manageable. However, Mr. Donati reported that during a site visit he found that access to the sewer easement through the current access easement poses extreme difficulties as large mature trees as well as apparent erosion have limited the access entry to less than 8 feet in some areas, too narrow for equipment or vehicles to access the manholes.

On further explanation, Mr. Donati recommended that the Authority pursue gaining access through Lot 7.01 which is owned by the Simon Trust.

Diane Alexander, PRBRSA counsel, advised that with regard to the access issue thru the Simon property, the Authority requires a survey to ultimately gain access, either through easement or other action (i.e.; condemnation).

Commissioner Lampmann commented that he would provide contact information for the property owner.

1.5 Manhole Order

Administrator Avagnano advised that the order from Campbell Foundry was delivered on July 1st, however, she was informed that the frames and covers ordered were not compatible with the manhole sizes required for Kiel Avenue.

Chairman Verdonik and the Board authorized another order of manhole frames and covers, specifically, placing an order including various sizes within the PRBRSA system. Commissioner Lampmann confirmed that storage was available at the Butler DPW yard.

2. TBSA ACTIVITIES

2.1 Status Update

Chairman Verdonik advised the Board on discussions at TBSA regarding the FY 2023 budget increase. Chairman Verdonik explained that the majority of TBSA's expenses include pump operations, aeration and ultraviolet disinfection systems required for the plant operation. Those operations are mainly powered by electrical systems which have seen an approximate 54% increase over the last 4 months with further escalations foreseen as TBSA's electrical contracts are renewed.

Following discussions, Chairman Verdonik explained that TBSA currently projects an 11.45% overall increase in the FY 2023 budget. He further advised, that the TBSA Board has requested that TBSA reevaluate reserve contributions to maintain a 6%-7% overall increase. TBSA will be reviewing their FY 2023 budget during the TBSA August 10th meeting.

3. TWA APPLICATIONS AND CONNECTION PERMITS

3.1 TWA Application
Riverdale Phase 5 Sewer Extension
Borough of Riverdale

Steve Donati advised that he is in the process of reviewing Riverdale's Phase 5 sewer extension and that preliminarily all documents appear in order. Chairman

Verdonik raised the outstanding balance due PRBRSA of approximately $227,775 for the Riverdale claim matter. Ms. Alexander advised, that per Section 7.4 of the PRBRSA Service Rules, new connections to the system may not be approved pending receipt of any outstanding financial payments.

4. CONSTRUCTION CONTRACTS

None

5. FINANCIAL MATTERS

5.1 Treasurer's Report: June 30, 2022

Treasurer Lampmann presented the Treasurer's Report for the period ending June 30, 2022 and moved approval.

That motion was seconded by Commissioner Howard and approved on the following roll call vote:

AYES	:	Commissioners Desai, Howard, Lampmann Mabey, Pellegrini and Verdonik
NAYS	:	None
ABSENT	:	Commissioners Metcalfe and Voorman
ABSTAIN	:	None

5.2 FY 2023 Budget

Chairman Verdonik referred to the preliminary FY 2023 Budget available on the table. Administrator Avagnano advised that on discussion with Chairman Verdonik it appeared that the PRBRSA budget would sustain the 11% increase proposed by TBSA. She advised that on initial review the PRBRSA budget appropriations were over-estimated for TBSA Debt Service and Administration costs so those appropriations would be reduced and applied to TBSA O&M costs which were underfunded. She also advised that interest income may be adjusted upward with current interest rates trending higher.

Secretary Howard requested that Ms. Avagnano investigate alternative investments in order to secure a higher interest rate if available. Diane Alexander commented that PRBRSA is limited on investments to that approved by DLGS. Ms. Avagnano advised she would review available options for discussion at the August 17th meeting.

6. UNFINISHED BUSINESS

6.1 Workers Compensation – Audit

Administrator Avagnano advised that the insurance audit resulted in a $148.00 credit for the current period. However, she also explained that overall Workers Compensation policy increased from $594 to $1032 due to a rise in the NJ State minimum surcharge.

6.2 Unauthorized Connection-Riverdale Claim

Diane Alexander, Esq. advised that Mr. Nemeth, JIF Counsel, reported earlier that day that Langan Engineering was still waiting for the documents requested from RVE in order to complete their engineering report.

She further reported that, per the Board's direction, a letter had been issued to Riverdale, Mr. Nemeth and other parties advising that the Authority would begin pursuing legal action if no agreements were reached by the July meeting.

Discussions continued reiterating that the Authority's claim was with Riverdale regardless of the insurance settlement noting that under the Service Agreement the obligation remains with Riverdale to reimburse the Authority for the cost of repairs required to restore the integrity of the interceptor sewer resulting from the unauthorized connection approved by Riverdale without the Authority's consent.

Chairman Verdonik recommended going into closed session for further discussion. Commissioner Howard suggested that the closed session occur after adjournment of the regular meeting so Riverdale members could be excused. All agreed.

On return from closed session at 6:56 pm the Treasurer Lampmann moved Resolution No. R-22-7-2 as follows:

Resolution No. R-22-7-2

RESOLUTION AUTHORIZING LITIGATION RELATED TO THE UNAUTHORIZED CONNECTION TO THE AUTHORITY SYSTEM IN THE BOROUGH OF RIVERDALE

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 20th day of July, 2022 as follows:

1. The firm of Maraziti Falcon, LLP is hereby authorized to commence litigation to recover for any and all repair and remediation costs arising from the unauthorized connection to the Authority's System by 36 Route 23, Lot 5.04, Block 32 in the Borough of Riverdale,

and resulting damage to the Authority's pipeline, including compensatory damages, interest, costs of suit, and counsel fees incurred by the Authority, unless a guarantee of payment or proposed payment plan is submitted by Riverdale to the Authority on or before August 15, 2022.

2. This Resolution shall take effect as provided by law.

That motion was seconded and approved on the following roll call vote:

AYES	:	Commissioners Howard, Lampmann, Mabey, and Verdonik
NAYS	:	None
ABSENT	:	Commissioners Desai, Metcalfe, Pellegrini and Voorman
ABSTAIN	:	None

7. NEW BUSINESS

7.1 Contract OM-1

Steve Donati advised that Contract OM-1 with the Borough of Butler was expiring on September 30, 2022 and, at the request of Ms. Avagnano, his office was revising the current contract to update the contract language. Mr. Donati advised that revised Contract OM-1 would be forwarded to Administrator Lampmann for review and approval by the Borough of Butler.

8. CONSENT AGENDA

None

9. PAYMENT OF BILLS

9.1 Operating Request for Payment No. 420

Treasurer Lampmann presented Operating Request for Payment No. 420 as presented and moved approval as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

SUMMARY OF VOUCHERS FOR
OPERATING EXPENSES

Operating Request for Payment No. 420

The following bills have been reviewed and are recommended for approval for payment at the **July 20, 2022** 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-22-7-1	3/31/2022	$ 250.00	Borough of Butler
2)	33.01	OP-22-7-2	10/1/2020	$ 2,759.00	Borough of Butler
3)	24.07	OP-22-7-3	7/6/2022	$ 196.79	J. Avagnano
4)	22.03	OP-22-7-4	7/6/2022	$ 2,762.25	CP Engineers LLC
5)	22.01	OP-22-7-5	7/18/2022	$ 955.50	Maraziti Falcon LLP
6)	32.02	OP-22-7-6	7/6/2022	$ 1,854.50	CP Engineers LLC
7)	*	OP-22-7-7	12/22/2021	$ 950,545.00	Peq. Lincoln Park & Fairfield Sew.Ath
8)	22.05	OP-22-7-8	7/1/2022	$ 29,251.94	Borough of Butler
9)	22.05	OP-22-7-9	7/1/2022	$ 6,972.55	Borough of Butler
10)	33.01	OP-22-7-10	7/5/2022	$ 3,100.00	DMC Associates
11)	33.01	OP-22-7-11	7/6/2022	$ 3,096.00	Campbell Foundry
12)	26.04	OP-22-7-12	7/7/2022	$ 585.00	US Bank
13)	33.03	OP-22-7-13	7/10/2022	$ 4.09	JCP&L
14)	33.03	OP-22-7-14	6/23/2022	$ 9.26	Borough of Butler Electric
15)	33.01	OP-22-7-15	6/30/2022	$ 2,680.00	CSL
16)	22.01	OP-22-7-16	7/18/2022	$ 136.50	Maraziti Falcon LLP (Riverdale claim)
17)	24.07	OP-22-7-17	7/14/2022	$37.25	North Jersey Media
18)	23.03	OP-22-7-18	6/29/2022	$ 586.00	Liberty Mutual (workers comp NJ min. adj.)
			TOTAL:	**$ 1,005,781.63**	

Secretary Howard seconded the motion which passed on the following roll call vote:

AYES : Commissioners Desai, Howard, Lampmann, Mabey, Pellegrini and Verdonik

NAYS : None

ABSENT : Commissioners Metcalfe and Voorman

ABSTAIN : None

OPEN MEETING FOR PUBLIC COMMENT

Chairman Verdonik opened the meeting to the public. There being no public present, Chairman Verdonik requested that Riverdale members be excused and that the Authority enter closed session.

Treasurer Lampmann moved Resolution No. R-22-7-1 entering closed session.

Resolution No. R-22-7-1

RESOLUTION AUTHORIZING CLOSED SESSION PURSUANT TO THE OPEN PUBLIC MEETINGS ACT

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 20th day of July, 2022 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 Act, in order to engage in attorney client privileged discussion: Riverdale Borough - unauthorized connection to the Authority System litigation.

2. The minutes of the executive session relating to Riverdale Borough attorney client privileged discussion will be released to the public in the event of successful negotiations or, in the event of litigation, the minutes shall be available to the public upon: the issuance of an unappealable Order of a Court of competent jurisdiction; upon settlement of all issues in the matter; or the failure to institute litigation after the passage of reasonable time.

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.

Secretary Howard seconded the motion which passed on the following roll call vote:

AYES : Commissioners Howard, Lampmann, Mabey, and Verdonik

NAYS	:	None
ABSENT	:	Commissioners Metcalfe and Voorman
ABSTAIN	:	Commissioners Desai and Pellegrini

At approximately 6:43 pm the Authority entered closed session.

At approximately 6:56 pm the Board voted to return to the regular meeting as follow:

AYES	:	Commissioners Howard, Lampmann, Mabey, and Verdonik
NAYS	:	None
ABSENT	:	Commissioners Desai Metcalfe, Pellegrini and Voorman
ABSTAIN	:	None

At approximately 6:56 pm the Authority returned to the regular meeting (see R-22-7-2 above).

ADJOURNMENT

At approximately 7:00 pm, Treasurer Lampmann moved to adjourn the regular meeting. That motion was seconded by Commissioner Mabey and approved unanimously on voice vote.

At approximately 7:00 pm, the meeting was adjourned.

Respectfully submitted,

Jamie Avagnano,
Recording Secretary

Enclosures: Treasurer's Report for the period ending June 30, 2022