

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

May 21, 2014

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on May 21, 2014 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 and Metcalfe

ABSENT : Commissioners Gall and Verdonik

ALSO PRESENT : Christopher H. Falcon, Esq., Maraziti, Falcon & Healey; and Daniel D. Kelly, P.E., Kelly Engineering

OPEN PUBLIC MEETING STATEMENT

Chairman Voorman introduced the "Open Public Meeting Statement" indicating that adequate notice of the Authority's regular meeting had been publicized in accordance with law by posting notice on the bulletin board at the Butler Municipal Building 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 – April 16, 2014**

Commissioner Metcalfe moved approval of the minutes of the Authority's April 16, 2014 regular meeting. That motion was seconded by Commissioner Lampmann and passed unanimously on the following roll call vote:

AYES : Chairman Voorman, Commissioners Howard, Lampmann and Metcalfe

NAYS : None

ABSENT : Commissioners Gall and Verdonik

ABSTAIN : None

OPERATIONAL REPORT

1. System Operations

1.1 Flow Report

Mr. Kelly presented the Flow Report dated May 15, 2014 for the period ending April 2014.

He observed that the total system flows increased to 2.363 mgd for the April period noting that the flow attributable to Riverdale, the difference between Meter's P-4 and P-2A, is 0.555 mgd for the month.

The following reports were distributed to the Board in the meeting file folders:

- Flow Report dated May 15, 2014 for the period ending April 2014
- Daily Flow Summary for April 2014
- Daily Flow Hydrograph for April 2014
- Daily Flow Hydrograph Comparing Meters P-4 and TBSA Meter M-15 for April 2014
- TBSA Budgeted vs. Actual Flow for April 2014

1.2 TBSA Actual vs. Budgeted Flow Analysis

Commenting on his May 19, 2014 memorandum comparing TBSA's budgeted flow with the actual flow, Mr. Kelly reported that the actual flows were slightly in excess of those budgeted going into the year by 0.37%.

1.3 ADS Flow Monitoring System Evaluations

Reporting on his meeting with Kleinfelder East and ADS Environmental Services on April 28th, Mr. Kelly said that the engineers have conducted extensive evaluations of the ADS flow monitoring system generally and the data generated by that system over the past 3 years. He advised that Kleinfelder will also review water consumption data for each of the four municipalities to compare water consumption against sewage flows for corresponding periods.

2. **TBSA Activities**

2.1 **Status Update**

Chairman Voorman reported on ongoing activities at the Two Bridges Sewerage Authority as they affect Pequannock River Basin noting that generally things are progressing well including the engineering activities on the wastewater treatment plant headworks design and related design on the pumping station upgrades

3. **TWA Applications and Connection Permits**

No change in status on these matters

4. **Boonton Avenue Interceptor Project**

4.1 **Status Report**

Referring to the report of Suburban Consulting Engineers dated May 19, 2014, Mr. Kelly reviewed several ongoing matters including the status of the various permits filed and approved to date along with updates on Suburban Engineer's recommendation to install the Park Place line within the public right-of-way and to essentially bore and jack the sewer main approximately 230 feet from the south side of Park Place under existing storm culverts and the railroad to the north side of the Main Street right of way.

Mr. Kelly advised that the Treatment Works Approval application has been approved by NJDEP and further that NJEIT loan program activities are also in progress, the project remains under review by NJDEP.

4.2 **Suburban Contract Change Order No. 1**

Referring to his May 20, 2014 letter recommending approval of Change Order No. 1, Mr. Kelly explained that the engineer had requested approval of a General Permit for the sewer crossing over Stony Brook at Valley Road yet the Department advised that an Individual Permit will be required. Consequently, he said there is a need to perform additional engineering and survey work in order to prepare and file that permit application.

Regarding Suburban's request for approval of Change Order Request No. 1, Mr. Kelly said that he has reviewed the proposed scope of work and recommends approval of the fee requested at \$5600.

Following further discussion Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-14-5-1**).

Resolution No. R-14-5-1

**RESOLUTION TO AUTHORIZE CHANGE ORDER NO. 1
FOR AGREEMENT WITH SUBURBAN CONSULTING ENGINEERS, INC.**

WHEREAS, the Authority is in receipt of a Request for Change Order filed by Daniel D. Kelly, P.E., the Authority Consulting Engineer, requesting approval of Change Order No. 1 for increased compensation under the Agreement of 12/4/13 with Suburban Consulting Engineers, Inc. for the preparation and filing of an application for a Flood Hazard Area Individual Permit; and

WHEREAS, the Authority is satisfied that the additional increase is permitted pursuant to The Local Public Contracts Law and could not be reasonably effectuated by a separately bid Agreement without unduly disrupting project permitting services, thereby imposing adverse cost consequences on the Authority.

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 21st day of May, 2014 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., on the date hereof in the amount of \$5,600.00 (Not to Exceed).
2. The Chairman is authorized and directed to sign Change Order No. 1 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 on the following roll call vote:

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

4.3 Local Finance Board – NJEIT Application

Mr. Kelly requested the Board’s approval of Resolution No. R-14-5-2 authorizing the preparation and filing of an application to the Local Finance Board for the Boonton Avenue Interceptor project State Loan Program funding through the New Jersey Environmental Infrastructure Trust.

Following discussion, Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-14-5-2**):

Resolution No. R-14-5-2

RESOLUTION OF THE
PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY
MAKING APPLICATION TO THE LOCAL FINANCE BOARD
PURSUANT TO N.J.S.A. **40A:5A-6 AND 58:11B-9(a)**

WHEREAS, THE **Pequannock River Basin Regional Sewerage Authority** desires to make application to the Local Finance Board for its review and/or approval of a proposed **subordinate bond resolution authorizing the issuance of bonds to fund certain capital projects in connection with the financing program of the New Jersey Environmental Infrastructure Trust.**

WHEREAS, the Pequannock River Basin Regional Sewerage Authority believes:

- (a) It is in the public interest to accomplish such purpose:
- (b) said purpose or improvements are for the health, wealth, convenience or betterment of the inhabitants of the local unit or units;
- (c) the amounts to be expended for said purpose or improvements are not unreasonable or exorbitant;
- (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the local unit or units and will not create an undue financial burden to be placed upon the local unit or units;

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

Section 1. The application to the Local Finance Board is hereby approved, and the Auditor, Attorney, Engineer, Bond Counsel and financial advisor, along with other representatives of the Authority, are hereby authorized to prepare such application and to represent the Authority in matters pertaining thereto.

Section 2. The Secretary of the Authority is hereby directed to prepare and file a copy of the proposed subordinate bond resolution with the Local Finance Board as part of such application.

Section 3. The Local Finance Board is hereby respectfully requested to consider such application and to record its findings, recommendations and/or approvals as provided by the applicable New Jersey Statute.

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

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

4.4 Geotechnical Investigations

Commenting on the geotechnical investigations to be conducted by SESI Engineers, Mr. Kelly explained that the soil borings and related investigations will proceed upon Suburban's finalization of the design within Park Place including the railroad crossing.

FINANCIAL REPORT

1. Treasurer's Report

1.1 Acceptance of April 30, 2014 Treasurer's Report

Treasurer Lampmann presented and moved acceptance of the Treasurer's Report for the period ending April 30, 2014. Commissioner Metcalfe seconded that motion which passed unanimously upon the following roll call vote:

AYES : Chairman Voorman, Commissioners Howard, Lampmann and Metcalfe

NAYS : None

ABSENT : Commissioners Gall and Verdonik

ABSTAIN : None

UNFINISHED BUSINESS

1. Riverdale Capacity Allocation Request

By letters dated April 29th to Bloomingdale, Butler and Kinnelon Mr. Kelly advised that he forwarded Riverdale's request for additional capacity to the municipal ties for their consideration. Chairman Voorman noted that Bloomingdale apparently is meeting or has met with Riverdale officials and related to that has requested information which Mr. Kelly provided on May 16 to Bloomingdale Administrator Dunleavy on the potential sale of capacity.

2. Insurance Contract

By letter dated May 20, 2014 Mr. Kelly recommended the Authority's award of the 2014/2015 Arch insurance policy renewal to Marsh McLennan based upon the renewal quotations for the commercial package policy of \$6,403.00 and for the umbrella coverage at \$5,045.00, an overall 2.6% increase over the prior year.

Following discussion, Commissioner Lampmann moved approval of the following resolution (**Resolution No. R-14-5-3**):

Resolution No. R-14-5-3

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter "the Authority") maintains policies of insurance in accordance with Section 611 of the Bond Resolution of July 15, 1986; and

WHEREAS, the Authority desires to maintain appropriate coverage and has received quotations from Marsh & McLennan (Broker); and

WHEREAS, Stanford Risk Management has recommended award of the contract to Marsh & McLennan for coverages through Arch Insurance Company; and

WHEREAS, the Authority desires to award a contract to Marsh & McLennan for the following coverages for the premiums indicated by Broker quotation of April 14, 2014 as generally summarized below:

| <u>Arch Insurance Company</u> | |
|-------------------------------|--------------------|
| Property | \$ 6,403.00 |
| General Liability | |
| Professional Liability | |
| Crime | |
| Commercial Auto | |
| Umbrella Package | <u>\$ 5,045.00</u> |
| Total Premium: | \$11,448.00 |

WHEREAS, N.J.S.A. 40:11-5(1)(m) authorizes the Authority to award contracts for insurance without public advertising for bids and bidding thereof; and

WHEREAS, the Authority has reviewed the Certification of the Consulting Engineer of even date herewith.

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 21st day of May, 2014, as follows:

1. The Authority hereby approves and authorizes the Consulting Engineer to acquire the aforesaid insurance policies.
2. The Authority hereby authorizes payment to the Broker of the premium due in the total amount of \$11,448.00 in order to obtain the policies.
3. The Authority shall cause a copy of the within Resolution to be published in or official newspaper of the Authority.
4. This Resolution shall take effect immediately.

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

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

4. Financial Disclosure Statement Filings

Commenting on a series of communications issued to the Board Members in recent weeks, Mr. Kelly advised that the Financial Disclosure Statement filings must be completed by June 6th (Note: the LFB subsequently extended that filing date to June 13th).

Mr. Kelly also referred to several items in the meeting file folders including an April 28, 2014 memorandum prepared by Jamie Avagnano of his office outlining the filing procedures and related matters along with the Local Government Officer Roster dated May 8, 2014 with individual pin numbers for each of the Board Members, counsel and consulting engineer.

NEW BUSINESS

1. West Milford MUA Connection to PRBRSA/TBSA System

Referring to his May 6, 2014 letter Mr. Kelly reviewed the possibility of interconnecting several existing treatment plants within West Milford owned by the West Milford Municipal Utilities Authority to the PRBRSA and TBSA systems. He noted that on discussing the matter, Chairman Voorman raised several issues that would have to be reviewed from a feasibility standpoint, not the least of which is the availability of downstream conveyance capacity in the PRBRSA and TBSA systems. Commenting on feasibility as well, Commissioner Metcalfe observed that from his knowledge of the area the distance between the connection point in the vicinity of Camp Vacamas on Macopin Road within West Milford to the general location of the 5 treatment plants could be as much as 20 miles. If so, he observed that that would effectively rule out the economic feasibility of any such connection.

On discussion the Board elected not to pursue the matter.

PAYMENT OF BILLS

1. Operating Budget

1.1 Operating Request for Payment No. 327

Treasurer Lampmann presented Operating Request for Payment No. 327 and moved approval of the bills as presented as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY
SUMMARY OF VOUCHERS FOR
OPERATING EXPENSES

Operating Request for Payment No 327

The following bills have been reviewed and are recommended for approval for payment at the **May 21, 2014** meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

| | <u>PRBRSA</u> <u>ACCT. NO.</u> | <u>VOUCHER</u> <u>NO.</u> | <u>VOUCHER</u> <u>DATE</u> | <u>PAYMENT</u> <u>AMOUNT</u> | <u>CHECK PAYABLE TO</u> |
|---------------|-----------------------------------|------------------------------|-------------------------------|---------------------------------|-----------------------------------|
| 1) | 33.01 | OP-14-5-1 | 9/12/2012 | \$ 2,475.00 | Borough of Butler |
| 2) | 24.05 | OP-14-5-2 | 3/31/2014 | \$ 250.00 | Borough of Butler |
| 3) | 22.01 | OP-14-5-3 | 5/6/2014 | \$ 1,461.50 | Maraziti, Falcon & Healey |
| 4) | 24.07 | OP-14-5-4 | 5/5/2014 | \$ 131.89 | Kelly Engineering |
| 5) | 22.03 | OP-14-5-5 | 5/7/2014 | \$ 10,400.00 | Kelly Engineering |
| 6) | 32.02 | OP-14-5-6 | 5/7/2014 | \$ 2,529.46 | Kelly Engineering |
| 7) | 23.01 | OP-14-5-7 | 5/13/2014 | \$ 5,045.00 | Marsh & McLennan |
| 8) | 23.01 | OP-14-5-8 | 5/13/2014 | \$ 6,403.00 | Marsh & McLennan |
| 9) | 33.01 | OP-14-5-9 | 05/08/14 | \$ 3,099.90 | ADS LLC |
| 10) | 22.02 | OP-14-5-10 | 04/23/14 | \$ 750.00 | Ferraioli, Wielko z, Cerullo Cuva |
| 11) | 22.02 | OP-14-5-11 | 04/23/14 | \$ 1,302.50 | Ferraioli, Wielko z, Cerullo Cuva |
| 12) | 33.03 | OP-14-5-12 | 4/28/2014 | \$ 33.82 | Verizon |
| 13) | 33.03 | OP-14-5-13 | 4/4/2014 | \$ 33.81 | Verizon |
| 14) | 33.03 | OP-14-5-14 | 4/28/2014 | \$ 33.82 | Verizon |
| 15) | 33.03 | OP-14-5-15 | 4/23/2014 | \$ 30.12 | Verizon |
| 16) | 33.03 | OP-14-5-16 | 5/4/2014 | \$ 33.81 | Verizon |
| 17) | 24.07 | OP-14-5-17 | 4/1/2014 | \$ 766.78 | North Jersey Media |
| 18) | 33.03 | OP-14-5-18 | 5/1/2014 | \$ 17.96 | Borough of Butler -Electric |
| 19) | 33.03 | OP-14-5-19 | 5/7/2014 | \$ 3.25 | JCP&L |
| 20) | 33.06 | OP-14-5-20 | 5/9/2014 | <u>\$ 6,217.50</u> | Kleinfelder |
| TOTAL: | | | | <u>\$ 41,019.12</u> | |

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

AYES : Chairman Voorman, Commissioners Howard, Lampmann and Metcalfe

NAYS : None

ABSENT : Commissioners Gall and Metcalfe

ABSTAIN : None

2 Construction Fund Disbursements

2.1 Construction Disbursement Request No. C-13-11

Treasurer Lampmann presented the bills listed on Construction Fund Disbursement Request No. C-13-11 and moved approval of the bills as presented as follows:

CONSTRUCTION DISBURSEMENT REQUISITION No. C-13-11

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 **May 21, 2014:**

| | <u>AUTHORITY ACCOUNT #</u> | <u>VOUCHER NUMBER</u> | <u>VOUCHER DATE</u> | <u>PAYMENT AMOUNT</u> | <u>PAYEE</u> |
|----------------------------|--------------------------------|---------------------------|-------------------------|---------------------------|--------------------------|
| 1) | 120322C2 | C-13-11-5-1 | 5/7/14 | \$ 4,863.27 | Kelly Engineering |
| 3) | 120322C1 | C-13-11-5-2 | 5/6/14 | \$ 2,532.00 | Marazit, Falcon & Healey |
| TOTAL DISBURSEMENTS | | | | <u>\$ 7,395.27</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.

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

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

OPEN MEETING FOR PUBLIC COMMENT

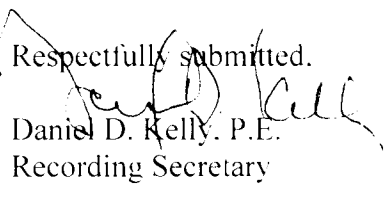
There being no members of the public present, Chairman Voorman dispensed with the public participation portion of the meeting.

ADJOURNMENT

At approximately 8:00 pm, Commissioner Howard moved for adjournment. That motion was seconded by Commissioner Metcalfe which passed unanimously on voice vote.

At approximately 8:00 pm, the meeting was adjourned.

[Note: Vice Chairman Verdonik joined the meeting as business was adjourned].

Respectfully submitted,

Daniel D. Kelly, P.E.
Recording Secretary

Enclosures: Treasurer's Report for the period ending April 30, 2014