MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

December 2021

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on December 1, 2021. 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, Metcalfe, Pellegrini and Voorman
ABSENT	:	Commissioner Mabey (Excused)
ALSO PRESENT	:	Jamie Avagnano, Authority Administrator; Christopher H. Falcon, Esq., Maraziti, Falcon, LLP Steve 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 time change was provided to the municipal clerks and noticed in the Authority's official newspapers.

ADOPTION OF MINUTES

1. Meeting Minutes: Regular Meeting – October 20, 2021

   Commissioner Metcalfe moved acceptance of the minutes of the October 20, 2021 regular meeting. That motion was seconded by Treasurer Lampmann and approved on the following roll call vote:

AYES	:	Chairman Verdonik, Commissioners Desai, Howard, Lampmann, Metcalfe, Pellegrini and Voorman
NAYS	:	None

ABSENT : Commissioner Mabey

ABSTAIN : None

OPERATIONAL REPORT

1. SYSTEM OPERATIONS

1.1 Flow Metering Comprehensive Service Contract OM-7

Administrator Avagnano advised the Board that ADS has removed all metering equipment and the rain gauge as of November 30th. She commented that a site visit with the CLS field crew, Steve Donati and herself was taking place on December 2nd to review the meter locations and meter manufacturer recommendations.

Commissioner Desai questioned when the new meters would be installed. Administrator Avagnano responded, stating that the meter installation would be delayed due to the impending CCTV cleaning and inspection contract scheduled to begin in December. Steve Donati added that it would be unproductive to have CSL install the meters now only to remove those 2 weeks later. The Board agreed. Steve advised that, depending on the contract schedule, each meter may be installed separately as the cleaning progressed.

1.2 Flow Report

Chairman Verdonik advised that the Flow Report and subsequent flow data for the period ending October 2021 was included in the meeting package for the Board's review which included the following reports:

- Daily Flow Summary for October 2021
- Daily Flow Hydrograph for October 2021
- Hydrograph: Comparison P-4 vs. M-15 October 2021

Steve Donati noted that there was nothing to report on the current flows and that the data remained reasonable. Administrator Avagnano added that the last flow data available will be November 30th however, due to the CCTV contract, Meter P-3 was removed on November 22nd.

1.3 TBSA Flow Report (Budget vs. Actual)

Administrator Avagnano reported that the PRBRSA flow reported on the TBSA Budget vs. Actual memorandum remains at the minimum contractual flow of 1.85 for the year.

1.4 Interceptor CCTV-Inspection & Cleaning Project

Mr. Donati reported on the status of the Contract PRB 21-1 with TAM Enterprises. He advised that the project has been delayed due to unforeseen scheduling issues with the Passaic County Traffic Control Department and available Sheriff Officers for traffic detail.

He commented that CP has been working closely with TAM to coordinate with the local Police Departments of Bloomingdale and Butler and now have a projected start date of December 15th in the Borough of Bloomingdale.

Vice Chairman Voorman inquired if any night work was scheduled. Steve Donati responded, stating that one day of night work may be required in a commercial area due to bypass pumping but that the majority of the work was being performed in the daytime.

2. TBSA ACTIVITIES

2.1 Status Update

Vice Chairman Voorman reported that TBSA is preparing the end of year user charge adjustments which should conclude with a substantial credit to PRBRSA at the close of the TBSA fiscal year in November.

Chairman Verdonik commented that PRBRSA will discuss options on directing those funds when the exact amount of the credit is provided in January 2022.

2.2 TBSA Build-Out Reporting

Chairman Verdonik explained TBSA's letter to PRBRSA requesting proposed build-out development projects for each of the PRBRSA Member Towns in order to evaluate PRBRSA's reserve capacity in the TBSA system.

Chairman Verdonik emphasized the requirement that each municipality submit a development plan to secure their reserve capacity in the PRBRSA system. He further explained that under the COAH policy, the HUD has the ability to claim capacity from TBSA for affordable housing projects in neighboring West Caldwell. In order to assure that TBSA's members have enough capacity within the TBSA plant to secure future development, TBSA is requesting that each Member submit

a build-out plan for future capacity needs. In the case of PRBRSA, being a Regional Authority, each municipality will provide their projected potential development to PRBRSA which will in turn be provided to TBSA as a collective projection for the Authority.

Discussion continued on the projected developments in each municipality. Commissioner Desai advised that Riverdale is expecting to develop the Riverdale Quarry by 2024 which will be a major expansion project. Vice Chairman Voorman added that Bloomingdale is expected to develop Federal Hill which has been in the works for the past 5 years and is proceeding forward. Treasurer Lampmann also commented on development plans for Butler.

For Kinnelon, Commissioner Metcalfe stated that Kinnelon' s development is limited by the Highlands Act yet it is reasonable to project that area residents including the Fayson's Lake development may transition from Septic to Sewer as has been previously discussed.

Chairman Verdonik explained that PRBRSA would be submitting a collective report to TBSA detailing the Authority's future capacity requirements. However, for example, Riverdale may present a build-out that is over their current reserve capacity within PRBRSA yet well within PRBRSA's reserve with TBSA. Individual town allocations will not be considered for the projections yet would be required during the application process for PRBRSA. Currently the Authority is requesting probable projects be submitted, regardless of the town's available capacity in PRBRSA, to confirm PRBRSA's need to maintain our 2.60 mgd reserve capacity with TBSA for future projects within Bloomingdale, Butler, Kinnelon and Riverdale.

Administrator Avagnano stated that she will issue a letter to each municipality requesting the information with a copy of TBSA's request prior to the end of the year.

3. TWA APPLICATIONS AND CONNECTION PERMITS

None

4. CONSTRUCTION CONTRACTS

4.1 Contract PRB 19-1: NYS&W Railroad, Borough of Butler

Administrator Avagnano referred to her November 22nd letter recommending approval of an additional reimbursement to the Borough of Butler for an increased area of 750 SY of paving within the Butler Park area.

She added that on review of the file, support was found for the Borough of Butler's request for additional reimbursement for paving areas disturbed under PRBRSA Contract PRB 19-1 outside of the agreed upon 1300 SY. She added that the additional paving amount to $10,550 yet still resulted in a net savings of around $45,000 for the overall project. The Board agreed to reimburse the Borough of Butler for the expanded paving area.

The Board approved Construction Disbursement No. C-17-51-12-1 as presented.

5. FINANCIAL MATTERS

5.1 Treasurer's Report: October 31, 2021

Treasurer Lampmann presented the Treasurer's Report for the period ending October 31, 2021. Vice Chairman Voorman moved approval of the Treasurer's report as presented.

That motion was seconded by Treasurer Lampmann and passed on the following roll call vote:

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

5.2 Annual Budget: FY 2022

Administrator Avagnano advised that the PRBSA DLGS FY 2022 Budget was approved on November 15, 2021.

As a part of the Budget, the Authority included a contribution to the Capital Reserve Fund in the amount of $100,000 and the Renewal and Replacement Fund in the amount of $300,000.

Treasurer Lampmann moved Resolution No. R-21-12-1 as follows:

Resolution No. R-21-12-1

RESOLUTION AUTHORIZING A TRANSFER FROM THE REVENUE FUND TO THE GENERAL FUND

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the "Authority") maintains certain funds in reserve in accordance with the General Bond Resolution of July 15, 1986; and

WHEREAS, the Authority previously established a Capital Reserve Fund to minimize future rate impacts anticipated on implementation of the Two Bridges Sewerage Authority capital improvement program including treatment plant and pumping station upgrades as well as Authority-sponsored capital projects; and

WHEREAS, the Authority's FY 2022 operating budget increases the reserve amount within the Capital Reserve Fund by contribution to that account of $100,000.00.

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 1st day of December 2021 as follows:

1. An amount of $100,000.00 of unrestricted/undesignated net assets currently within the Revenue Fund (Account No. 2576006500) shall be designated as a reserve within the Capital Reserve Fund.

2. Said designation shall increase the unrestricted/designated net assets within the Capital Reserve Fund from $3,084,728.69 to $3,184,728.69

3. The funds so designated shall be transferred to and retained within the Capital Reserve Fund subaccount within the General Fund (Account No. 2576006485).

4. The Authority Administrator is directed to forward a copy of this resolution to the Authority's Trustee and auditor.

5. This Resolution shall take effect immediately.

That motion was seconded by Vice Chairman Voorman and passed on the following roll call vote:

AYES	:	Chairman Verdonik, Commissioners Howard, Lampmann, Metcalfe, Pellegrini and Voorman
NAYS	:	None

ABSENT : Commissioner Mabey

ABSTAIN : None

Treasurer Lampmann moved Resolution No. R-21-12-2 as follows:

Resolution No. R-21-12-2

RESOLUTION AUTHORIZING A TRANSFER FROM THE REVENUE FUND TO THE RENEWAL AND REPLACEMENT FUND

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the "Authority") maintains certain funds in reserve in accordance with the General Bond Resolution of July 15, 1986; and

WHEREAS, the Authority previously established a Renewal and Replacement Fund for rehabilitation of the PRBRSA System; and

WHEREAS, the Authority's FY 2022 capital budget anticipates utilizing reserves within the Renewal and Replacement Fund in the account of $300,000.00.

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 1st day of December 2021 as follows:

1. An amount of $300,000.00 of unrestricted/undesignated net assets currently within the Revenue Fund (Account No. 2576006500) shall be designated as a reserve within the Renewal and Replacement Fund (2576006476).

2. Said designation shall increase the unrestricted/designated net assets within the Renewal and Replacement Fund from $ 304,470.72 to $604,470.72.

3. The Authority Administrator is directed to forward a copy of this resolution to the Authority's Trustee and auditor.

4. This Resolution shall take effect immediately.

That motion was seconded by Vice Chairman Voorman and passed on the following roll call vote:

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

NAYS : None

ABSENT : Commissioner Mabey

ABSTAIN : None

5.3 FY 2022 Annual Charges

Administrator Avagnano advised that Mayor Carelli, Borough of Riverdale, provided the Certification required in connection with Riverdale's detection of duplicate properties under Appendix A of the 2019 Study. She also reported that, on review of the report, Howard Woods advised that the Townhouses listed as 1 EDU should be categorized as Condos at 0.57 EDUs once confirmed by Riverdale Borough Engineer, William Ryden.

With the revised base EDUs and the updated Schedule C per the 2020 Amended and restated Service Contract Administrator Avagnano referred to the December 1st Table recalculating the FY 2022 Annual Charges.

She also advised that the Table included the Subflow calculation that was made based on the information agreed upon by Administrator Lampmann and Administrator Sondermeyer. With no further discussion, Administrator Avagnano advised she would prepare the FY 2022 Annual Charges based on the figures shown on the December 1st Table for distribution on December 15th.

5.4 FY 2021 Audit

Chairman Verdonik advised that the FY 2021 Audit is currently underway and is being performed remotely again this year.

5.5. General Bond Resolution/Arbitrage Rebate Calculation

Administrator Avagnano advised that Hawkins Delafield and Wood are currently preparing the Arbitrage Rebate Calculation which is due on January 31, 2022. She added that the Authority currently has about $43,000 reserved for the IRS payment, if required.

She also advised that the General Bond Resolution and Forward Delivery Agreement expired with the final Debt Service Payment on December 1, 2021.

Chairman Verdonik added that the Authority would review recommendations from bond counsel, counsel and the auditor next year in order to reallocate the funds within the required general bond resolution accounts.

Vice Chairman Voorman commented on the expiration of the Forward Delivery Agreement which would impact the Authority's guaranteed interest income.

6. UNFINISHED BUSINESS

6.1 Unauthorized Connection – Riverdale Claim Matter

Mr. Falcon advised that he reached out to NJIF Counsel, Eric Nemeth, with no response. Mr. Nemeth was not available by phone nor was he responding to emails. Mr. Falcon commented that his office has provided all materials to settle this claim and, regardless of the NJIF settlement, Riverdale's attorney has already acknowledged Riverdale's liability for the connection that was not approved by PRBRSA.

Mr. Falcon advised that if conclusion of the matter cannot be determined in January, it may be time for the Authority to take a hardline approach.

7. NEW BUSINESS

7.1 TBSA Representative

Chairman Verdonik explained, for the benefit of our new Members, that PRBRSA selects two PRBRSA Members to sit on the TBSA Board. He advised that Vice Chairman Voorman's term expires on January 31, 2022 and he is nominating him for re-election for another 5 year term at the January 19th meeting. He added that Robert Voorman is currently the Chairman at TBSA. Vice Chairman Voorman accepted the nomination.

8. CONSENT AGENDA

None

9. PAYMENT OF BILLS

Operating Budget

9.1 Operating Request for Payment No. 413

Treasurer Lampmann presented Operating Request for Payment No. 413 and moved approval as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

SUMMARY OF VOUCHERS FOR OPERATING EXPENSES

Operating Request for Payment No. 413

The following bills have been reviewed and are recommended for approval for payment at the **December 1, 2021** 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-21-12-1	3/1/2020	$ 250.00	Borough of Butler
2)	33.01	OP-21-12-2	10/1/2020	$ 2,759.00	Borough of Butler
3)	24.07	OP-21-12-3	11/5/2021	$ 181.85	J. Avagnano
4)	32.02	OP-21-12-4	11/23/2021	$ 2,147.75	CP Engineers LLC
5)	32.01	OP-21-12-5	11/9/2021	$ 2,842.50	Maraziti Falcon LLP
6)	32.02	OP-21-12-6	11/23/2021	$ 4,727.00	CP Engineers LLC
7)	33.01	OP-21-12-7	11/11/2021	$ 3,426.00	ADS LLC
8)	23.08	OP-21-12-8	10/25/2021	$ 332.50	Stanford Risk
9)	24.04	OP-21-12-9	11/22/2021	$ 23.41	J. Avagnano
10)	24.07	OP-21-12-10	11/17/2021	$ 500.00	Navitend
11)	22.05	OP-21-12-11	11/30/2021	$ 28,054.95	Borough of Butler (4th Quarter admin. payroll)
12)	22.05	OP-21-12-12	1/30/2021	$ 7,549.65	Borough of Butler (4th Quarter admin benefits)
13)	24.04	OP-21-12-13	11/5/2021	$ 79.34	Tab Group
14)	24.07	OP-21-12-14	10/31/2021	$ 61.93	North Jersey Media Group
15)	25.07	OP-21-12-15	11/14/2021	$ 15.25	North Jersey Media Group
16)	24.07	OP-21-12-16	11/8/2021	$ 3.23	JCP&L
18)	33.03	OP-21-12-17	10/26/2021	$ 22.57	Borough of Butler Electric
19)	24.05	OP-21-12-18	3/1/2020	$ 250.00	Borough of Butler
20)	33.01	OP-21-12-19	10/1/2020	$ 2,759.00	Borough of Butler
21)	24.04	OP-21-12-13	11/22/2021	$ 63.80	Tab Group
			TOTAL:	**$ 55,985.93**	

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

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

Construction Fund Disbursements

9.2 Construction Disbursement Requisition

Treasurer Lampmann presented and moved Construction Disbursements C-17-51 as follows:

	AUTHORITY ACCOUNT #	VOUCHER NUMBER	VOUCHER DATE	PAYMENT AMOUNT	PAYEE
1)	120328C3	C-17-51-11-1	11/10/2021	$10,550.00	Borough of Butler
2)	120328C2	C-17-51-11-2	11/23/2021	$ 1,583.00	CP Engineers
3)	120328C2	C-17-51-11-3	10/25/2021	$ 2,170.00	Stanford Risk Mgmt
	TOTAL DISBURSEMENTS			**$14,303.00**	

That motion was seconded by Vice Chairman Voorman and passed on the following roll call vote:

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

OPEN MEETING FOR PUBLIC COMMENT

Chairman Verdonik opened the meeting to the public. No public was present. Chairman Verdonik polled the Board regarding the 6:00 pm meeting time for the January 19, 2022 meeting. The Board agreed. Commissioner Metcalfe noted that he will be out of town for the January and February meeting but would be available remotely. Administrator Avagnano advised that a phone line would be available for a conference during the meeting.

Vice Chairman Voorman questioned a general correspondence matter regarding a recent OPRA request for a property in Bloomingdale. Administrator Avagnano advised that she had received requests for information on the Spring Book Farms property that was not in the PRBRSA sewer service area. She advised that the attorney mentioned that his client was seeking to sell the property to NJDEP and that his firm was hired to appraise the property. Mr. Falcon advised the Board that under OPRA the Authority is not required to research files yet must provide the specific item requested. Mr. Falcon added that the OPRA requests have been vague in description yet, as it has been the Authority's policy to assist when reasonable, that the Administrator has been complying with the requests.

Without further discussion and no public present, Chairman Verdonik closed the public portion of the meeting.

ADJOURNMENT

At approximately 6:37 pm, Commissioner Metcalfe moved to adjourn the regular meeting. That motion was seconded by Treasurer Lampmann and approved unanimously on voice vote.

At approximately 6:37 pm the meeting was adjourned.

Respectfully submitted,

Jamie Avagnano
Recording Secretary

Enclosures: Treasurer's Report for the period ending October 31, 2021