

MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

February 17, 2021

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on February 17, 2021 via Teleconference. Chairman Verdonik called the meeting to order at approximately 5:00 p.m.

ROLL CALL

On roll call:

PRESENT : Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann, Metcalfe, Pellegrini and Voorman

Note: Commissioners Pellegrini and Voorman joined the meeting in progress at 5:16 pm.

ABSENT : None

ALSO PRESENT : Jamie Avagnano, Authority Administrator; Christopher H. Falcon, Esq., Maraziti Falcon; Daniel D. Kelly, P.E., Kelly Engineering; Diane Alexander, Esq., Maraziti Falcon, LLP.

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 and remote meeting information was available on the PRBRSA webpage for public access, provided to the municipal clerks and noticed in the Authority's official newspapers.

REORGANIZATION MEETING

The reorganization meeting was called to order by Commissioner Verdonik who led the proceedings pending the election of officers.

1. ELECTION OF OFFICERS

Referring to his February 17th memo, Nominating Committee Chairman Metcalfe presented the Slate of Officers for consideration as follows:

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

Commissioner Gall moved to approve the Slate of Officers as presented. That motion was seconded by Commissioner Howard and approved unanimously upon the following roll call vote:

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

2. CONSENT AGENDA

Chairman Verdonik recommended, and the Board agreed, that the Board consider adopting reorganization meeting matters by consent agenda.

Administrator Avagnano read aloud the resolutions included in the consent agenda pertaining to reorganizational matters as follows:

- | | | |
|----|-------------------------|--|
| 1. | Resolution No. R-21-2-1 | Open Public Meeting Act |
| 2. | Resolution No. R-21-2-2 | Official Depository |
| 3. | Resolution No. R-21-2-3 | Appointment of Auditor |
| 4. | Resolution No. R-21-2-4 | Appointment of General Counsel |
| 5. | Resolution No. R-21-2-5 | Appointment of Bond Counsel |
| 6. | Resolution No. R-21-2-6 | Appointment of Interim Consulting Engineer |
| 7. | Resolution No. R-21-2-7 | Trustee Incumbency Certificate |
| 8. | Resolution No. R-21-2-8 | Designate Affirmative Action (PACO) |

Commissioner Metcalfe moved approval of the consent agenda as follows:

RESOLUTION

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 7:00 p.m. unless otherwise noted.

2021

March 17, 2021 (Remote Meeting @ 5:00 pm)
April 21, 2021
May 19, 2021
June 16, 2021
July 21, 2021
August 18, 2021
September 15, 2021
October 20, 2021
November – No Meeting
December 1, 2021 (1st Wednesday)

2022

January 19, 2022
February 16, 2022

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 in each community 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-21-2-2

RESOLUTION

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, 2021, 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, Authority Administrator and Consulting Engineer as official signatures.

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

Resolution No. R-21-2-3

RESOLUTION

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 2021 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, 2021, as follows:

The Authority does hereby name and designate Wielkotz & Company 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-21-2-4

RESOLUTION

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 2021 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, 2021, as follows:

The Authority does hereby name and designate Christopher H. Falcon, Esq. of Maraziti Falcon, LLP, Cedar Knolls, 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-21-2-5

RESOLUTION

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 2021 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, 2021, as follows:

The Authority does hereby name and designate Robert Beinfield, Esq., Hawkins, Delafield and Wood, 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-21-2-6

RESOLUTION

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 a professional engineering consultant to provide services to the Authority on an interim basis during the year 2021 and until the appointment of an engineer for the balance of 2021; and

WHEREAS, the PRBRSA Treasurer has certified that funds are available for this work in the PRBRSA Budget; and

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 not exceed \$17,500; and,

WHEREAS, the professional consultant named below has agreed to perform services as the consulting engineer on a month-to-month basis while the Authority selects another appointment; and

WHEREAS, the consultant’s Business Registration Certificate and Employee Information Report (Affirmative Action Certificate) have been received and shall be 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, 2021, as follows:

The Authority does hereby name and designate Daniel D. Kelly, Kelly Engineering as Consulting Engineer to provide general engineering services on an interim basis in accordance with its proposal to the Authority for these services dated February 16, 2021, 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 in an amount not to exceed \$17,500.00 without further authorization. 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 notice of this Resolution to be published in the official newspaper of the Authority, pursuant to N.J.S.A. 40A:11-5(1)(a)(i), 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 and this Resolution 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-21-2-7

RESOLUTION

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, 2021 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 Authority Administrator 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-21-2-8

RESOLUTION

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, 2021, as follows:

1. The Authority does hereby appoint Jamie Avagnano, Administrator, 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 Administrator 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 Lampmann seconded the motion which passed on the following roll call vote:

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

3. PRBRSA ANNUAL REPORT

Chairman Verdonik highlighted PRBRSA's accomplishments the prior year noting the completion of the NYS&W Tunneling sewer project in the Borough of Butler. He also emphasized the Authority's efforts and adoption of the 2020 Amended and Restated Service Contracts revising the method of billing from flow metering to EDUs. The new service contract is a major success aiding providing the municipalities the ease of budgeting in a fair and equitable means.

Chairman Verdonik advised that the complete report was available on the PRBRSA webpage and asked the Administrator to include the Annual Report in the minutes for the record.

PRBRSA Annual Report: 2021

February 17, 2021

In the Authority's 34th year of regional service to the municipalities now is a good time to look back at the accomplishments over the past year as well as the planned achievements on the horizon.

The Authority continues to operate with our mission in mind – the preservation and protection of the Pequannock River Basin while serving our municipalities in the most efficient manner possible. Last year and into the immediate future, PRBRSA has taken and will continue to take the steps necessary to remain true to our mission.

Today, the Authority's member towns – Bloomingdale, Butler, Kinnelon and our new Member, Riverdale, enjoy the benefits of a regional sewer system, one capable of providing service defined by the towns themselves. Growth and development have been measured yet not restrained, all projects approved by local land use boards have been served. All the while water quality has been measurably improved, the Pequannock River has been restored to provide ecological balance – safe drinking water, trout fishing and recreational opportunities - as tangible by-products.

FY 2020 and the beginning of FY 2021 posed many challenges with the State's Health Emergency and pandemic restrictions. Through it all the PRBRSA Commissioners were able to successfully complete their objectives on behalf of the member towns.

Antiquated pipelines dedicated to the Authority by the Boroughs of Bloomingdale and Butler have been replaced or rehabilitated. In 2015 through 2020 the Authority completed rehabilitation of the Boonton Avenue Interceptor, lines constructed in the 1930s, to serve the region for decades to come.

The project initiated in 2017 to replace the lines under and in the vicinity of the NYS&W Railroad in Butler, NJ has been completed with the abandoned sewer line repurposed to host a water main serving the residents of the Borough of Butler. That line will be dedicated to the Borough in 2021.

As part of the Authority's mission to provide our towns with the upmost transparency in our rates and charges as well as to promote a fair and equitable cost distribution, the PRBRSA Board of Commissioners presented to their respective towns, the new method of billing as a means to avoid significant rate fluctuations produced by flow metering. The 2020 Amended and Restated Service Contract implementing the EDU method of distributing charges was supported and approved by Bloomingdale, Butler, Kinnelon and Riverdale on September 24, 2020 replacing the longstanding 1985 and 1987 Service Contracts.

In November 2020, the Board welcomed the Borough of Riverdale as a full member municipality with two commissioners on the PRBRSA Board.

To continue to fulfill its mission the Authority is actively pursuing a number of other initiatives as well:

- ❖ Public safety and preserving the environment are two of PRBRSA's focal points. The Authority is implementing procedures for maximum efficiency, optimal response time and communication during an emergency.
- ❖ Asset Management: The development of a comprehensive plan consistent with state guidelines is being prepared.

- ❖ **Pipeline Inspection:** In conjunction with asset management the Authority has developed a multi-year program to continuously assess the condition of its system. Improvements to the regional system will assure future service reliability by maintaining the value of assets in place which remains the highest priority.
- ❖ **Renewal & Replacement Program:** To assure that the Authority's infrastructure is sustained for decades to come, a renewal and replacement program is being prepared to inspect and rehabilitate its infrastructure on a regular basis. The next project on the horizon under this plan is inspection of the Bloomingdale interceptor along the Pequannock River.

These programs and more will be developed over the next few years to continue PRBRSA's mission of cost efficient, environmentally sound and sustainable service to the municipalities.

Respectfully submitted,
Raymond Verdonik, Chairman

ADOPTION OF MINUTES

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

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

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

OPERATIONAL REPORT

1. SYSTEM OPERATIONS

1.1 Flow Report

Ms. Avagnano noted that the Flow Report for the period ending January 2021 was included in the meeting materials along with the following items:

- Daily Flow Summary for January 2021

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

1.2 TBSA Flow Report (Budget vs. Actual)

Mr. Kelly presented his memorandum on the TBSA vs. PRBRSA flows ending January 2021 for the Board's information.

2. TBSA ACTIVITIES

2.1 Status Update

Chairman Verdonik reported on the activities Two Bridges noting that progress remained on schedule as previously reported.

3. TWA APPLICATIONS AND CONNECTION PERMITS

Nothing to report.

4. CONSTRUCTION CONTRACTS

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

Mr. Kelly reported on the status of the NYS&W Railroad project. He advised the project would be resuming in the Spring for park restoration and paving. He briefly mentioned that the final pavement restoration item may be reconsidered.

5. FINANCIAL MATTERS

5.1 Treasurer's Report: January 31, 2021

Treasurer Lampmann presented the Treasurer's Report for the period ending January 31, 2021 and moved its approval as presented.

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

AYES : Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann and Metcalfe

NAYS : None

ABSENT : Commissioners Pellegrini and Voorman

ABSTAIN : None

[Note: Commissioners Pellegrini and Voorman joined the meeting in progress at 5:16]

5.2 Audit: FY 2020

Administrator Avagnano reported that the Auditors had again this year given the Authority a clean opinion on the FY 2020 Audit Report and that the Board had previously received the full report for review.

Treasurer Lampmann asked for any comments on the FY 2020 Audit.

With no further comments, Treasurer Lampmann moved approval of the following resolution:

Resolution No. R-21-2-9

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

RESOLUTION

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made, and

WHEREAS, the annual audit report for the fiscal year ended October 31, 2020 has been completed and filed with the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:5A-15, and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each Authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board, and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled "General Comments" and "Recommendations" in accordance with N.J.S.A. 40A:5A-17,

NOW, THEREFORE BE IT RESOLVED, that the governing body of the Pequannock River Basin Regional Sewerage Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended October 31, 2020, and specifically has reviewed the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

That motion was seconded by Commissioner Metcalfe and passed on the following roll call vote:

AYES : Chairman Verdonik, Commissioners Desai, Gall, Howard, Lampmann and Metcalfe

NAYS : None

ABSENT : Commissioners Pellegrini and Voorman

ABSTAIN : None

5.3 FY 2021 Annual Budget Amendment 1

Administrator Avagnano presented Amendment 1 to the FY 2020 DLGS Budget approved on November 2, 2020. She advised that the Amendment provides a reduction in Revenues by \$303,531 on applying the TBSA \$53,531 credit and \$250,000 of surplus to reduce the Annual Charges payable for FY 2021.

Treasurer Lampmann moved approval of the following resolution:

Resolution No. R-21-2-10

RESOLUTION APPROVING AMENDMENT NO. 1 TO FY 2021 ANNUAL BUDGET

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (the "Authority") adopted its Annual Budget for Fiscal Year 2021 on October 21, 2020; and

WHEREAS, in accordance with N.J.A.C.5:31-2.8(a), said Annual Budget must be approved by the State of New Jersey, Department of Local Government Services (the "DLGS") prior to amendment thereof; and

WHEREAS, the Authority desires to amend its Fiscal Year 2021 Annual Budget as approved by DLGS on November 2, 2020; and

WHEREAS, the Authority desires to reduce Appropriations by \$53,531 by application of a \$53,531 refund received from the Two Bridges Sewerage Authority; and

WHEREAS, the Authority further desires to reduce the rates of Annual Charges payable by the four municipalities by application of \$250,000 of net unrestricted assets as Revenues; and

WHEREAS, at N.J.A.C. 5:31-2.8(a) provides that the Director of the Division of Local Government Services may, at the request of, or with the consent of, the governing body of the Authority or District make such correction of the title, text, or amount of any Appropriation or decrease in Revenue with corresponding decrease in budgeted costs appearing in the budget as may be necessary to make said item of Appropriation available for purpose or purposes required for the needs of any such Authority or District.

NOW, THEREFORE, BE IT RESOLVED, in accordance with said provisions of N.J.A.C.5:31-28 the Pequannock River Basin Regional Sewerage Authority requests the Director of the Division of Local Government Services to make the following amendments to the Annual Budget for PRBRSA Fiscal Year 2021 (State Fiscal Year 2020):

1. Page F-1: Summary

Total Operating Revenues:	From \$5,420,000 To: \$5,116,469
Total Anticipated Revenues:	From \$5,446,000 To: \$5,142,469
<u>Appropriations:</u>	
Total Cost of Providing Services:	From: \$4,434,816 To: \$4,381,285
Total Appropriations and Accumulated Deficit	From: \$5,446,000 To: \$5,392,469
Net Total Appropriations	From: \$5,446,000 To: \$5,142,469

2. Page F-2: Revenue Schedule

Operating Revenues

Service Charges (Residential)	From: \$5,420,000 To: \$5,116,469
Total Operating Revenues	From: \$5,420,000 To: \$5,116,469
Total Anticipated Revenues	From: \$5,446,000 To: \$5,142,469

3. Page F-4: Appropriation Schedule

Cost of Providing Services – Other	From: \$4,434,816 To: \$4,381,285
Total Costs – Other	From: \$4,434,816 To: \$4,381,285
Total Cost of Providing Services	From: \$4,434,816 To: \$4,381,285

Total Operating Appropriations	From: \$5,020,450 To: \$4,966,919
Other: Unrestricted Net Position Utilized	From: \$0 To: \$ 250,000
Total Appropriations	From: \$5,446,000 To: \$5,392,469
Total Appropriations & Accumulated Deficit	From: \$5,446,000 To: \$5,392,469
Total Net Appropriations	From: \$5,446,000 To: \$5,142,469

BE IT FURTHER RESOLVED, that the foregoing Amendments are, in the opinion of the Governing Body, warranted and authorized by the statute as referenced above and are necessary for the orderly operation of the Authority for reasons set forth herein as follows:

1. The \$53,531 decrease in Appropriations for Annual Charges due to the Two Bridges Sewerage Authority is being applied as a corresponding reduction in Revenues by reducing the rates or Annual Charges payable by the four (4) municipalities in like amount.
2. The \$250,000 application of unrestricted net assets utilized as Revenues reduces the rates or Annual Charges payable by the four (4) municipalities in like amount.
3. This resolution shall take effect upon approval of the FY 2021 Annual Budget Amendment No. 1 by the Director of the Division of Local Government Services. In accordance with the 2020 Amended and Restated Service Contract, Revised Annual Charge Certifications shall be submitted to the municipalities served by the Authority on receipt of approval by the Division.

This Resolution shall take effect as provided by law.

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

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

ABSENT : None

ABSTAIN : None

5.4 FY 2021 Revised Annual Charges

Administrator Avagnano advised that based on discussion at the January 20th meeting, the following resolution refunds the municipalities a total of \$303,531 distributed based on the EDUs outlined in the 2020 Amended and Restated Service Contract. She stated that the refunds would be issued in the form of a credit to the Annual Charges on DLGS approval of Budget Amendment 1.

Vice Chairman Voorman moved approval of the following resolution:

Resolution No. R-21-2-11

**RESOLUTION TO AMEND FY 2021 ANNUAL CHARGES PAYABLE BY THE
BOROUGH OF BLOOMINGDALE, BUTLER, KINNELON AND RIVERDALE**

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (the “Authority”) issued Revised Annual Charge Certifications to the Boroughs of Bloomingdale, Butler, Kinnelon and Riverdale (the “Municipalities”) on December 14, 2020; and

WHEREAS, the Authority desires to distribute the FY 2021 Annual Charge Credit provided to the Authority by the Two Bridges Sewerage Authority (the “TBSA Credit”) in the amount of \$53,531 by reduction of the Annual Charges due from the Municipalities based upon the EDU distributions for FY 2021; and

WHEREAS, the Authority further desires to apply unrestricted net assets as Revenues in the amount of \$250,000 to offset negative impacts to the municipalities resulting from the EDU Annual Charge distribution under the 2020 Amended and Restated Service Contract.

NOW, THEREFORE BE IT RESOLVED by the Pequannock River Basin Regional Sewerage Authority in the Counties of Morris and Passaic, New Jersey on this 17th Day of February 2021 as follows:

1. The Authority Administrator is authorized and directed to prepare Revised Annual Charge Certifications to be issued to the Boroughs of Bloomingdale, Butler, Kinnelon and Riverdale as follows:
 - a. Credit the municipalities a total of \$53,531 in proportion to the FY 2021 EDUs, said amount being the Annual Charge Adjustment credit received from the Two Bridges Sewerage Authority as a refund reducing the Annual Charges payable as follows:

Borough of Bloomingdale	(\$ 20,117)
Borough of Butler	(\$ 22,499)

Borough of Kinnelon	(\$ 2,329)
Borough of Riverdale	(\$ 8,586)

- b. Offset negative impacts to the municipalities of the EDU Annual charge distribution method by application of \$250,000 from unrestricted net assets (surplus) as Revenues to reduce the Annual Charges payable as follows:

Borough of Bloomingdale	(\$ 93,950)
Borough of Butler	(\$105,075)
Borough of Kinnelon	(\$ 10,875)
Borough of Riverdale	(\$ 40,100)

2. The Authority Administrator shall issue Revised Annual Charge Certifications reflecting the following net Annual Charge reductions to the December 14, 2020 billings to the Municipalities in accordance with 1 (a) and 1 (b) above as follows:

Borough of Bloomingdale	(\$114,067)
Borough of Butler	(\$127,574)
Borough of Kinnelon	(\$ 13,204)
Borough of Riverdale	(\$ 48,686)

3. This Resolution shall take effect immediately upon certification of Budget Amendment No. 1 by the Director of the Division of Local Government Services.

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

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

6. UNFINISHED BUSINESS

6.1 Consulting Engineer

Administrator Avagnano reported that eight proposals have been received for the Authority's Consulting Engineer position. She asked that if any of the Commissioners had narrowed their selection that they please forward the information so she could prepare a brief report.

Chairman Verdonik requested volunteers and nominations to form a Selection Committee which would discuss, interview and make recommendations to the Board going forward. Chairman Verdonik said that preferably the committee would consist of one member from each municipality. Commissioner Metcalfe volunteered to be on the committee for Kinnelon with the understanding that he would attend the meetings remotely. Administrator Avagnano commented that given the continued state of emergency that she recommended that any meetings be held virtually. Commissioner Desai questioned whether all proposals were received and that the RFP was closed. Administrator Avagnano confirmed that the RFP was closed and that the eight proposals previously forwarded were to be considered. Commissioner Desai volunteered as Riverdale's representative on the Committee. Commissioner Howard volunteered for Bloomingdale. Chairman Verdonik confirmed that the Selection Committee would consist of Commissioner Desai, Commissioner Howard, Commissioner Metcalfe and either himself or Commissioner Lampmann for Butler.

6.2 Unauthorized Connection: Riverdale Claim

Counsel recommended that this matter be convened under closed session after the regular meeting.

Commissioner Howard moved approval of the following resolution:

Resolution No. 21-2-12

**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 17th day of February, 2021 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.
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. This Resolution shall take effect as provided by law.

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

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

NAYS : None

ABSENT : None

ABSTAIN : None

7. **NEW BUSINESS**

7.1 **AEA March Conference**

Administrator Avagnano advised the Board of the upcoming virtual AEA Utility Conference on March 9th and March 10th and mentioned if any of the Commissioners were interested in registering that they contact her.

7.2 **Qualified Purchasing Agent Course**

Administrator Avagnano asked the Board for approval to enroll in the Qualified Purchasing Agent courses presently being offered online through Rutgers. She mentioned that the first class would begin the end of February with meetings every Saturday for 5 weeks. Commissioner Desai responded that he agreed it was preferable for an Authority staff member to receive the certification noting that Riverdale recently sponsored an employee through the same program. Chairman Verdonik inquired on the price of the program. Administrator Avagnano responded that each class was \$944 plus materials. Chairman Verdonik noted that the complete course would be on the order of \$4000 and recommended that the Administrator register for the program.

Vice Chairman Voorman moved a motion to approve the course registration. That motion was seconded by Commissioner Metcalfe and passed on the following roll call vote:

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

NAYS : None

ABSENT : None

ABSTAIN : None

8. CONSENT AGENDA

None

9. PAYMENT OF BILLS

Operating Budget

9.1 Operating Request for Payment No. 404

Treasurer Lampmann presented Operating Request for Payment No. 404 as presented and moved approval as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

**SUMMARY OF VOUCHERS FOR
 OPERATING EXPENSES**

Operating Request for Payment No. 404

The following bills have been reviewed and are recommended for approval for payment at the February 17, 2021 meeting of the Authority from the Operating Account (Wells Fargo Bank Account 1425985):

	<u>PRBRSA ACCT. NO</u>	<u>VOUCHER NO.</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>CHECK PAYABLE TO</u>
1)	24.05	OP-21-2-1	3/1/2020	\$ 250.00	Borough of Butler
2)	33.01	OP-21-2-2	10/1/2020	\$ 2,705.00	Borough of Butler
3)	24.07	OP-21-2-3	1/8/2021	\$ 192.17	J. Avagnano
4)	22.03	OP-21-2-4	2/9/2021	\$ -	Kelly Engineering
5)	32.02	OP-21-2-5	1/25/2021	\$ 1,713.60	Kelly Engineering
6)	22.02	OP-21-2-6	1/25/2021	\$ 976.20	Kelly Engineering
7)	32.01	OP-21-2-7	2/11/2021	\$ 3,499.60	Kelly Engineering
8)	22.02	OP-21-2-8	2/11/2021	\$ 675.90	Kelly Engineering
9)	22.01	OP-21-2-9	2/4/2021	\$ 2,457.00	Maraziti Falcon LLP
10)	22.01	OP-21-2-10	2/4/2021	\$ 3,432.00	Maraziti Falcon LLP
11)	22.02	OP-21-2-11	2/11/2021	\$ 2,001.00	Remington & Vernick Engineers
12)	33.01	OP-21-2-12	1/31/2021	\$ 3,426.00	ADS LLC
13)	24.07	OP-21-2-13	1/13/2021	\$ 29.52	North Jersey Media Group
14)	25.03	OP-21-2-14	1/31/2021	\$ 4,774.00	AEA
15)	24.04	OP-21-2-15	2/11/2021	\$ 293.66	Jamie Avagnano
16)	33.03	OP-21-2-16	1/26/2021	\$ 18.23	Borough of Butler Electric
17)	24.07	OP-21-2-17	1/25/2021	\$ 278.06	Staples
18)	33.03	OP-21-2-18	2/8/2021	\$ 3.10	JCP&L
			TOTAL:	\$ <u>26,725.04</u>	

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

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

NAYS : None

ABSENT : None

ABSTAIN : None

Construction Fund Disbursements

9.2 Construction Disbursement Requisition No. C-17-41

Treasurer Lampmann presented the bills as listed on Construction Fund Disbursement Requisition No. C-17-41 and moved approval as follows:

	<u>AUTHORITY ACCOUNT #</u>	<u>VOUCHER NUMBER</u>	<u>VOUCHER DATE</u>	<u>PAYMENT AMOUNT</u>	<u>PAYEE</u>
1)	120328C2	C-17-41-2-1	1/25/2021	\$ 2,931.70	Kelly Engineering
2)	120328C2	C-17-41-2-2	2/11/2021	\$ 1,742.40	Kelly Engineering
3)	120328C3	C-17-41-2-3	2/4/2021	\$ 8,536.43	Mott MacDonald
4)	120328C1	C-17-41-2-4	2/5/2021	\$145,280.10	Montana Construction
TOTAL DISBURSEMENTS				<u>\$158,490.63</u>	

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

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

NAYS : None

ABSENT : None

ABSTAIN : None

OPEN MEETING FOR PUBLIC COMMENT

Chairman Verdonik opened the meeting to the public. With no public being present Chairman Verdonik returned to the next item on the agenda.

HONORARY RESOLUTION AND RECOGNITION OF SERVICE

Chairman Verdonik expressed the Board's appreciation for Mr. Kelly's commitment to PRBRSA over the past 36 years and presented him with an award and Honorary Resolution from the Board. The Commissioners individually voiced their appreciation for Mr. Kelly's service and guidance noting that his expertise will be missed. The Board wished Mr. Kelly well on his future endeavors. Mr. Kelly read aloud the recognition award and thanked the Board.

Vice Chairman Voorman moved to adopt the Honorary Resolution recognizing Daniel D. Kelly, P.E. as a longstanding advisor to PRBRSA as follows:

Resolution No. R-21-2-13

RESOLUTION

Whereas, Daniel D. Kelly, P.E. is retiring from his position as permanent Consulting Engineer for the Pequannock River Basin Regional Sewerage Authority; and

Whereas, the Authority considers itself to be very fortunate to have had the benefit of his services in both engineering and administrative capacities since 1984; and

Whereas, Daniel D. Kelly, P.E. is a graduate of the Newark College of Engineering (now New Jersey Institute of Technology) in 1966 (Bachelor of Sciences and Civil Engineering) and in 1968 (Graduate Studies, Construction Management); and

Whereas, Daniel D. Kelly, P.E. has been licensed as a Professional Engineer and Surveyor by the New Jersey Board of Professional Engineers since 1976; and

Whereas, the many services which Daniel D. Kelly, P.E. provided to the Authority, including engineering, regulatory, management, construction project development and oversight, public financing, budgetary, financial record-keeping and long-term planning were always performed with the highest exacting standards, attention to detail, commitment to high quality work product and professional excellence; and

Whereas, Daniel D. Kelly regularly sought to better or correct documents prepared by the Authority Attorney, to the great consternation of the same, in his misguided judgment that he could also serve as auxiliary legal staff, but, truth be told, often improved the documents; and

Whereas, acting in accordance with the policy direction of and working in close collaboration with, the Authority, Daniel D. Kelly, P.E. implemented and oversaw the advancement of the Authority's System and capabilities, to allow the sewered municipalities to move out from under a State imposed connection ban to its present status as a well operated and upgraded regional system able to serve new development in those municipalities; and

Whereas, Daniel D. Kelly, P.E. participated in the abandonment of the old Butler – Bloomingdale Treatment Plant and its replacement through interceptor design and construction for connection with and treatment by the Two Bridges Sewerage Authority including interceptor service for the Borough of Riverdale; and

Whereas, Daniel D. Kelly, P.E. devised a process for the conveyance of sewerage capacity between and among the municipalities served by the Authority in order for them to be able to meet their collective service requirements; and

Whereas, in all of the aforementioned activities and numerous unmentioned ones, Daniel D. Kelly, P.E. exemplified hard work, diligence in problem-solving, professional skill and superior work product and results.

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, 2021 as follows:

- 1. The Authority does hereby recognize and acknowledge its great appreciation and gratitude to Daniel D. Kelly, P.E. for his contribution to all of the governmental actions of the Authority from 1984 to the present, but more broadly to the direct beneficiaries, the residents and business owners in the regional area, for the betterment of the public health and safety.*
- 2. The Authority also wishes to convey its best wishes for such other professional services that he may continue to provide, as well as for any eventual well-deserved retirement for the pursuit of his personal interests.*
- 3. This Resolution shall take effect immediately.*

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

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

ADJOURNMENT

At approximately 5:38 pm, Commissioner Lampmann moved to adjourn the regular meeting. That motion was seconded by Commissioner Metcalfe and approved unanimously on voice vote.

At approximately 5:38 pm, the meeting was adjourned and Closed Session Opened.

Respectfully submitted,


Jamie Avagnano
Recording Secretary

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