MEETING MINUTES

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

October 19, 2022

Minutes of the regular meeting of the **Pequannock River Basin Regional Sewerage Authority** held on October 19, 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, Pellegrini and Voorman
ABSENT	:	Commissioners Metcalfe (Excused)
ALSO PRESENT	:	Jamie Avagnano, Authority Administrator; Diane Alexander, Esq., Maraziti Falcon, LLP, Stephen Donati, P.E., CP Engineers; Charles Daniel, Kinnelon, proposed Representative to PRBRSA

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.

KINNELON APPOINTDMENT

The Board welcomed Charles Daniel as Kinnelon Representative filling Commissioner Metcalfe's remaining term. On advice of counsel, Mr. Daniel's swearing was rescheduled to December 7th pending receipt of Kinnelon's appointment resolution.

ADOPTION OF MINUTES

1. Meeting Minutes: Regular Meeting – September 28, 2022

   Treasurer Lampmann moved acceptance of the minutes of the September 28, 2022 regular meeting. That motion was seconded by Commissioner Mabey and approved on the following roll call vote:

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

OPERATIONAL REPORT

1. SYSTEM OPERATIONS

1.1 Flow Report

Ms. Avagnano reported on the Flow Report and Daily Flow Summary noting that TBSA Meter M-15 and PRBRSA Meter P-4 were now tracking within 3%. She explained that, on discussions with Steve Donati, they concluded that the change in flows was a combination of TBSA's recent meter calibrations and PRBRSA cleaning operation in the vicinity.

Regarding extension of Contract OM-7 with CSL, the Board expressed their continued support of CSL's efforts regarding the flow meters and agreed to extend the contract for year 2 with no price increase.

1.2 TBSA Flow Report (Budget vs. Actual)

Vice Chairman Voorman commented that since PRBRSA's flows are low for the fiscal year, the 1.85 minimum flow has been applied by TBSA.

1.3 Easements

Steve Donati, PE presented his Environmental Constraints Map along with a layout of the proposed easement access through the Simon property. He advised that there are proposed amendments to the Flood Hazard Area Control Act Rules that are expected to be adopted within the next 6 months, as well as existing environmental regulations that will likely severely limit the development potential of the proposed access easement. He explained that the proposed access easement would be 15 feet wide and about 900 feet long through the Simon property.

He added that his office is also evaluating constraints on clearing the current right-of-access through Vibrations Mounting Company in Butler.

Ms. Avagnano reported that she requested a quote from L. Becker & Sons on clearing the easement and access as well as clearing the Brandt Lane easement for maintenance operations prior to winter.

1.4 Consulting Engineer's Report

Mr. Donati advised that the Consulting Engineer's Report is underway. He noted that the document is being substantively altered to reflect the Authority's 5 year plan with maintenance and rehabilitation measures. He noted that previous reports contained financial data required by the Trustee which are no long incorporated into the report.

2. TBSA ACTIVITIES

2.1 Status Update

Vice Chairman Voorman reported on discussions at TBSA. Vice Chairman Voorman advised that on first look at the 10 month user charge commitments, PRBRSA was under the 1.85 minimum per the service contract yet overall PRBRSA was still in the black to receive a user charge credit at the end of the TBSA fiscal period.

3. TWA APPLICATIONS AND CONNECTION PERMITS

3.1 TWA Application
Riverdale Phase 5 Sewer Extension
Borough of Riverdale

Chairman Verdonik advised that Riverdale is owing PRBRSA $227,774 and recommend delaying approval of Riverdale's TWA application pending settlement of the outstanding claim.

Consistent with the PRBRSA Service Rules, the Board tabled Resolution No. R-22-10-2, Riverdale TWA, to the December 7th meeting.

A motion to Table R-22-10-2 was moved by Treasurer Lampmann. Commissioner Mabey seconded the motion which passed on the following roll call vote:

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

4. CONSTRUCTION CONTRACTS

None

5. FINANCIAL MATTERS

5.1 Treasurer's Report: September 30, 2022

Treasurer Lampmann presented the Treasurer's Report for the period ending September 30, 2022. Vice Chairman Voorman moved approval of the Treasurer's Report as presented.

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

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

Ms. Avagnano commented that the October investment yield was 3.95% versus 2.80% through NJCMF.

5.2 FY 2023 Annual Budget: EDU Reports

Chairman Verdonik reported that the EDU, Schedule C, Report was still pending for Riverdale and that failure to submit updated EDUs for the September 1, 2021 through August 31, 2022 period imposed a 25% penalty per Section 3.06 of the service contract.

Commissioner Desai advised that the data for the report should be readily available, acknowledging Riverdale's new sewer connections under Phase 2 projects. Administrator Avagnano requested that the information be submitted prior to the December 7th meeting.

5.3 Account Consolidations

Ms. Avagnano reported that Resolution No. R-22-10-3 releases US Bank of the Trustee obligation as well as the NJIB payment responsibility. The resolution would terminate the agreement and retain all remaining funds within the NJCMF Revenue Fund in conformance with GUDPA requirements.

BUDGET HEARING

At approximately 6:15 pm, Chairman Verdonik opened the Budget Hearing to the Public

There being no public present, the Budget Hearing Presentation was entered into the record below.

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

BUDGET HEARING: OCTOBER 19, 2022

ANNUAL BUDGET MESSAGE: FY 2023

Good evening and welcome to the Budget Hearing of the Pequannock River Basin Regional Sewerage Authority.

This budget hearing is being held prior to adoption of the Authority's fiscal year 2023 annual budget as introduced on August 17th with State approval received on August 25th. The proposed budget was forwarded to each town on September 6th with notification of this hearing.

In FY 2022, the Authority completed numerous preventative projects as the Board continues our commitment on being proactive to avert costly emergency repairs.

For FY 2023 rehabilitation of the Authority's manholes and easement areas are planned to reduce infiltration/inflow sources and secure public safety. Investigative measures will continue with the balance of the interceptor cleaning and CCTV projects anticipated for 2023.

With electrical and chemical costs escalations as well as supply chain concerns for wastewater treatment facilities, TBSA increased rates to Member Authorities in excess of 5%. However, by taking a hardline approach on cost savings and analysis, PRBRSA was able to keep rate increases to a modest 0.5% or $30,000 over the FY 2022 Budget.

On adoption of the FY 2023 Budget, Revenues and Appropriations equal $5,560,000 for FY 2023.

To fund future infrastructure rehabilitation projects, the FY 2023 budget includes a contribution to the Renewal and Replacement Fund of $300,000 as well as a contribution to the Capital Reserve Fund of $100,000. The Capital Budget includes $900,000 for FY 2023.

The "FY 2023 Annual Budget Summary" showing the breakdown of Revenues and Appropriations along with the distribution of Annual Charges among the four municipalities is also available for review.

This concludes our presentation on the Authority's proposed FY 2023 Annual Budget.

The Board welcomes any comments that the public may have at this time.

Raymond Verdonik, Chairman

The Budget Hearing was closed at approximately 6:17 pm and regular agenda resumed.

5.4 FY 2023 Annual Budget

There being no changes to the FY 2023 budget introduced and approved on August 25th, Treasurer Lampmann moved Resolution No. R-22-10-4 as follows:

2022 (PRBRSA FY 2023) ADOPTED BUDGET RESOLUTION

Pequannock River Basin Regional Sewerage Authority

FISCAL YEAR: November 01, 2022 to October 31, 2023

WHEREAS, the Annual Budget and Capital Budget/Program for the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning November 01, 2022 and ending October 31, 2023 has been presented for adoption before the governing body of the Pequannock River Basin Regional Sewerage Authority at its open public meeting of October 19, 2022; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget presented for adoption reflects Total Revenues of $5,560,000.00, Total Appropriations, including any Accumulated Deficit, if any, of $5,560,000.00, and Total Unrestricted Net Position utilized of $0.00; and

WHEREAS, the Capital Budget as presented for adoption reflect Total Capital Appropriations of $900,000.00 and Total Unrestricted Net Position Utilized of $600,000.00; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Pequannock River Basin Regional Sewerage Authority at an open public meeting held on October 19, 2022 that the Annual Budget and Capital Budget/Program of the Pequannock River Basin Regional Sewerage Authority for the fiscal year beginning November 01, 2022 and ending October 31,

2023 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

Edwin Howard
(Secretary's Signature)
(10/19/2022)

That motion was seconded by Commissioner Mabey and approved by roll call vote as follows:

Governing Body Recorded Vote

Member	Aye	Nay	Abstain	Absent
Raymond Verdonik	x			
Robert Voorman	x			
Edwin Howard	x			
James Lampmann	x			
Dave Desai	x			
Sean Mabey	x			
Paul Metcalfe				x
Vincent Pellegrini	x			

6. UNFINISHED BUSINESS

6.1 Unauthorized Connection – Riverdale Claim

Diane Alexander, counsel, advised that there was no response from Eric Nemeth, Esq. on a settlement offer. Chairman Verdonik questioned the statute of limitations for litigation. Ms Alexander responded that she believed the statute of limitations were approaching in 2023 and recommended that a course of action regarding litigation should be considered if settlement was not offered by the December meeting.

6.2 AEA Conference November 15-16

Chairman Verdonik reminded the Board of the upcoming AEA Conference which coincided with the League of Municipalities conference in Atlantic City. He requested that any Board Members wishing to attend the AEA Conference contact the Administrator for registration.

7. NEW BUSINESS

7.1 Nomination to TBSA

Chairman Verdonik expressed his interest in renewing his 5 year term as PRBRSA's representative to TBSA beginning January 31, 2023.

Vice Chairman Voorman nominated Raymond Verdonik as TBSA Representative and moved a motion to confirm.

Commissioner Mabey seconded the motion which passed all in favor as follows:

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

7.2 Personnel Committee

Chairman Verdonik requested that any Board Members interested in forming the Personnel Committee for annual performance review of the Administrator contact him.

7.3 Emergency Response Plan

Ms. Avagnano advised the Board that the Emergency Response Plan was in draft format and would be available for action in December. She added that, with Steve Donati's collaboration, the final product would incorporate regulatory requirements as well as providing system information and contacts for member's guidance.

8. CONSENT AGENDA

Ms. Avagnano read the titles of the resolutions under the consent agenda.

Vice Chairman Voorman moved the following resolutions per the Consent Agenda as follows:

1) Resolution R-22-10-1: Contract OM-7 Extension
2) Resolution R-22-10-2: US Bank Agreement Termination
3) Resolution R-22-10-5: Commissioner Metcalfe Service Recognition

RESOLUTION R-22-10-1

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the "Authority") awarded Contract OM-7 on October 20, 2021 by Resolution No. R-21-10-1 for permanent metering services in connection with the operation of the Authority's wastewater system to CSL Services, Inc.; and

WHEREAS, the Authority desires to extend the term of the contract with CSL Services Inc. for a second year in accordance with the terms of Proposal B of said Contract No. OM-7 in the amount of $32,160.00;

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 19th day of October, 2022, as follows:

1. The Authority hereby awards Proposal B of Contract OM-7 with CSL Services, Inc. for the performance of comprehensive flow monitoring services in connection with the measurement, electronic transmission, calculation, analysis, and recording of sewage flows.
2. The Authority hereby authorizes CSL Services Inc. to proceed with the Work set forth by Proposal B for the performance of permanent metering services for the period of December 1, 2022 to November 30, 2023 at a cost of $32,160.00.
3. The contract price shall be that set forth above for the applicable year and the terms and conditions of the contract shall remain the same.
4. The Chairman is authorized and directed to execute the aforesaid agreement on behalf of the Authority.
5. The Administrator is authorized and directed to cause a copy of this Resolution to be published in the official newspaper of the Authority within ten (10) days of the date hereof. The Contract shall be on file and available for inspection by members of the public in accordance with law.
6. This Resolution shall take effect as provided by law.

Resolution No. R-22-10-3

RESOLUTION TERMINATING NJIB PAYMENT AGREEMENT WITH US BANK ACCOUNTS AND TERMINATION OF TRUSTEE SERVICES ON COMPLETION OF THE GENERAL BOND RESOLUTION

WHEREAS, the Pequannock River Basin Regional Sewerage Authority (hereinafter the "Authority") maintains fund in US Bank for NJIB bond service reserves in accordance with the General Bond Resolution of July 15, 1986; the General Bond Resolution expired on December 2, 2021; and

WHEREAS, the "General Bond Resolution", adopted July 15, 1986 "Resolution Providing for the Issuance of Bonds of the Pequannock River Basin Regional Sewerage Authority or the Rights of Holders Thereof, and Authorizing $20,000,000 Principal Amount Thereof" (as amended and supplemented) was fulfilled on December 1, 2021; and

WHEREAS, U.S. Bank National Association relationship as Trustee for Pequannock River Basin Regional Sewerage Authority is terminated at the end of the fiscal year, October 31, 2022; and

WHEREAS, per Section 7 "Termination" of the 2015 NJEIT Bonds Depository Agreement dated August 1, 2015 between PRBRSA and U.S. Bank Association; PRBRSA hereby exercises the option to Terminate said agreement releasing U.S. Bank as Trustee for payments of the NJIB 2015 semi-loan payment through August 1, 2034; and

WHEREAS, U.S. Bank National Association is hereby directed to deposit all remaining funds including interest and dividends held by PRBRSA within U.S. Bank to the PRBRSA New Jersey Cash Management Fund Revenue Fund Account No. 00007394-171;

WHEREAS, on completion of transfer of funds all U.S. Bank Accounts should remain a "zero" balance and the accounts are to be closed on October 31, 2022;

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 19th day of October 2022 as follows:

1. The Administrator is hereby authorized to direct US National Bank of termination of Trustee services and the NJIB payment agreement by October 31, 2022.

2. The Administrator is hereby authorized to direct US National Bank to transfer all funds held by US Bank to PRBRSA NJCMF Account 000070394-171 and close all related US Bank accounts held by PRBRSA

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

4. This Resolution shall take effect immediately.

RESOLUTION R-22-10-5

WHEREAS, Paul Metcalfe was appointed as a Commissioner on the Pequannock River Basin Regional Sewerage Authority in 2007 serving as the Borough of Kinnelon's representative; and

WHEREAS, Commissioner Paul Metcalfe has served on numerous committees within PRBRSA, including President of the Nominating Committee, Personnel Committee and a valuable contributor in the adoption of the 2020 Service Agreements between the four municipalities.

WHEREAS, Commissioner Metcalfe passed away on September 25, 2022; and

WHEREAS, the Authority desires to recognize and express its sincere appreciation for Commissioner Metcalfe's 15 years of dedicated public service which was beneficial to the residents of all of the four municipalities served by PRBRSA;

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 19th day of October, 2022 as follows:

1. That this Resolution be and is hereby adopted as a testament to the high regard in which Commissioner Metcalfe was held by the Board of Commissioners of the Pequannock River Basin Regional Sewerage Authority.

2. That a certified copy of this Resolution be presented to Ellen Metcalfe as a memorial of Commissioner, Paul Metcalfe's, service as a PRBRSA Board Member.

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

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

9. PAYMENT OF BILLS

9.1 Operating Request for Payment No. 423

Treasurer Lampmann presented Operating Request for Payment No. 423 and moved approval as follows:

PEQUANNOCK RIVER BASIN REGIONAL SEWERAGE AUTHORITY

SUMMARY OF VOUCHERS FOR OPERATING EXPENSES

Operating Request for Payment No. 423

The following bills have been reviewed and are recommended for approval for payment at the **October 19, 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-22-10-1	3/31/2022	$ 250.00	Borough of Butler
2)	33.01	OP-22-10-2	10/1/2022	$ 2,814.25	Borough of Butler (OM-1 Oct.)
3)	24.07	OP-22-10-3	10/6/2022	$ 196.79	J. Avagnano (email-Sept)
4)	22.03	OP-22-10-4	10/4/2022	$ 1,912.50	CP Engineers LLC (Eng. General-Admin.)
5)	22.01	OP-22-10-5	10/11/2022	$ 1,326.00	Maraziti Falcon LLP (Legal General-Sept)
6)	32.02	OP-22-10-6	10/4/2022	$ 2,092.00	CP Engineers LLC (PRB 22-1)
7)	22.01	OP-22-10-7	10/11/2022	$ 780.00	Maraziti Falcon LLP (Legal Riverdale claim)
8)	33.01	OP-22-10-8	9/30/2022	$ 2,680.00	CSL
9)	32.02	OP-22-10-9	10/4/2022	$ 712.50	CP Engineers LLC (Engineering PRB 22-1)
10)	*	OP-22-10-10	12/22/2020	$ 950,545.00	Peqannock, Lincoln Park & Fairfield Sew. Ath.
11)	25.02	OP-22-10-11	10/11/2022	$ 425.00	AEA (fall conference)
12)	33.03	OP-22-10-12	9/10/2022	$ 4.09	JCP&L
13)	33.03	OP-22-10-13	9/28/2022	$ 13.60	Borough of Butler Electric
14)	24.07	OP-22-10-14	10/11/2022	$ 167.74	J. Avagnano (postage/memorial expense)
15)	22.05	OP-22-10-15	10/17/2022	$ 25,073.09	Borough of Butler (admin payroll)
16)	22.05	OP-22-10-16	10/17/2022	$ 6,679.45	Borough of Butler (admin. benefits)
17)	24.02	OP-22-10-17	10/14/2022	$ 421.53	Up & Running (computer consultation & upgrade)
18)	23.08	OP-22-10-18	10/13/2022	$ 1,190.00	Stanford Risk (insurance policy review)
19)	24.07	OP-22-10-19	10/17/2022	$ 356.16	Intuit Checks - auto debit 10/17/22
			TOTAL:	**$ 997,639.70**	

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

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

NAYS : None

ABSENT : Commissioner Metcalfe

ABSTAIN : None

OPEN MEETING FOR PUBLIC COMMENT

Chairman Verdonik opened the meeting to the public. There being no public present, Chairman Verdonik closed the public portion of the meeting.

ADJOURNMENT

At approximately 6:25 pm, Treasurer Lampmann moved to adjourn the regular meeting. That motion was seconded by Vice Chairman Voorman and approved unanimously on voice vote.

At approximately 6:25 pm, the meeting was adjourned.

Respectfully submitted,

Jamie Avagnano,
Recording Secretary

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