

WARREN COUNTY (PEQUEST RIVER)
MUNICIPAL UTILITIES AUTHORITY

MINUTES
February 15, 2012

Vice Chairman Scott called the regular meeting of the Warren County (Pequest River) Municipal Utilities Authority to order at 8:00 p.m. The meeting was held at the Authority's Administration building located at 199 Foul Rift Road, Belvidere, New Jersey.

Roll Call:

Morris Scott, Jr., Vice Chairman	Angelo Accetturo	Absent
Robert Piazza, Treasurer	Chad Chamberlain	Absent
Laurel Napolitani, Secretary		
Drew Kiszonak		
Everdina O'Connor		
Philip Rosenberg		
Michael Walsh		

Also, in attendance were:

Stephen Donati, P.E., Authority Engineer and Consultant; Charles L. Houck, Authority Chief Financial Officer; Brian Tipton, Esq., Authority Legal Counsel; John Wasser, Chief Operator; and Patricia Kaspereen, Administrative Assistant.

Vice Chairman Scott read the Introductory Statement.

MINUTES

Mr. Piazza moved and Mr. Walsh seconded to approve the minutes of the January 18, 2012 regular meeting, as presented. The motion passed. Roll call was as follows:

Mr. Accetturo	Absent	Mr. Rosenberg	Abstain
Mr. Kiszonak	Yes	Mr. Scott	Yes
Ms. Napolitani	Yes	Mr. Walsh	Yes
Ms. O'Connor	Yes	Chairman Chamberlain	Absent
Mr. Piazza	Yes		

Vice Chairman Scott changed the Order of Business and moved the CFO's report before correspondence.

CFO's REPORT

Each year the Authority is required to adopt a Cash Management Plan. Mr. Houck presented a resolution for adoption of the Cash Management Plan. The plan is basically the same as last year, except for the addition of two authorized depositories.

Mr. Rosenberg moved to adopt Resolution 12-11, adopting the Cash Management Plan for 2012. Ms. O'Connor seconded. The motion passed unanimously on a roll call vote.

At the NJEIFP seminar, Mr. Houck asked if the Authority would need bond counsel in connection to the loans for the Oxford WWTP Upgrade. The answer was yes, and the Authority has two options. We can contract with bond counsel on our own or piggyback onto the County's contracts with financial advisors and bond counsel. Each commissioner was given a copy of a proposal from Gibbons P.C., the County's bond counsel.

Mr. Rosenberg made a motion to amend our shared services agreement with the County and utilize its bond counsel. Mr. Piazza seconded. The motion passed unanimously on a roll call vote.

Mr. Houck will ask Mr. Marvin to prepare an amendment to the existing shared services agreement between the County and the MUA.

Covanta Billing: Mr. Houck met with representatives from Covanta last Friday. Their position is that the way we are reading the meters is not getting an accurate reading. Covanta stated they have two metered discharge lines and they will forward their daily readings to the MUA. The MUA operators will periodically read the meter from the pumping station going into the interceptor line. These readings will be compared with PCFA and Covanta's self-reported numbers. Mr. Houck recommended this approach to the Board. Covanta must supply proof that their two meters are calibrated periodically. We will begin billing for January using their actual discharge into the system plus I&I. This is how we bill PCFA, who also self-reports and calibrates their meters quarterly. Copies of the bills are sent to the Township of Oxford.

Mr. Donati suggested Mr. Wasser visit Covanta and inspect their meters. He agreed to look at the meters the next day.

Mr. Rosenberg moved to begin billing Covanta as discussed, subject to insuring that their meters are acceptable to Mr. Wasser and Mr. Donati. Mr. Walsh seconded. The motion passed unanimously on a roll call vote.

There were no significant changes in the end of year financial reports, Mr. Houck reported.

CORRESPONDENCE

Ms. Napolitani recapped the correspondence.

1. A letter dated January 24, 2012, from PK Environmental to the NJDEP, Land Use Regulation, requesting a Letter of Interpretation Presence/Absence Determination for property located at Block 33, Lot 23.01 in Oxford Township.
2. A memo dated January 25, 2012, from Mr. Donati, P.E., C&P to Mr. Wasser documenting the Oxford WWTF Upgrade Committee Design Meeting held on January 13, 2012.
3. A proposal dated January 31, 2012, from Nisivoccia to perform the Authority's FY2011 audit.
4. A Notice dated February 1, 2012 for the White Township Planning Board public hearing held on February 14, 2012, from the attorney for the applicant (County of Warren) seeking an amended preliminary/final site plan and minor subdivision for the property located at Village Square, Block 21, Lot 7.04. (This meeting was canceled.)
5. Resolution 97-12 from the Warren County Freeholders, reappointing Drew Kiszonak and Michael Walsh to the Board.
6. A letter dated February 14, 2012, from Mr. Draikiwicz, Director, Gibbons P.C., to Chairman Chamberlain regarding Bond Counsel for the NJEIT Financing Program for the Oxford WWTF Upgrade.

GENERAL COUNSEL'S REPORT

Oxford WWTP Upgrade: Soon after last month's meeting, Mr. Wauhop sent Mr. Tipton an email explaining that there may be a problem with him acting as our Owner's Rep due to prior commitments. When Mr. Wauhop met with the Authority, he did not believe these prior obligations would be an issue in the near future, now he is unsure. He stated he would get back to Mr. Tipton on whether he could commit to this job for the Authority. Therefore, no agreement has been prepared as discussed at last month's meeting.

Mr. Piazza had spoken to Mr. Wauhop briefly last evening; he hopes to resolve the matter in the next week or two. Mr. Tipton said there is no rush, there is still time.

As directed by the Board, Mr. Tipton researched Coastal Energy Consultants' proposal. The proposal is multifaceted, which Mr. Tipton explained in more detail. The first part of the proposal was the utility audit, looking back at past billings for possible errors and savings. The services proposed must be publicly bid. The second part is going forward and is more complex, due to a possible change in our third-party energy provider. Mr. Tipton suggested separating the two parts and concentrating on the look-back portion of the utility audit.

The first step would be for Mr. Tipton to contact Coastal to see if they would be interested in publicly bidding the utility audit for the look-back savings. If the response is positive, he will work with Mr. Donati to prepare a simple RFP to keep costs low.

ENGINEER'S REPORT

Augustinian Recollect Center: The physical connection was done on February 2, 2012. Mr. Bale and Mr. Wasser inspected the work and found it acceptable. Billing for their flow will need to be discussed with Mr. Houck.

Oxford WWTP Upgrade Geotechnical Engineering Services: As authorized at the last meeting, the agreement with SESI Engineers was executed. The borings began earlier today and everything is going well.

Oxford Upgrade Permitting: As part of the application to the Financing Program, the Treatment Works Approval (TWA) application is due. Along with the TWA application, is a review fee, which should be \$57,200. The fee may be due before the Authority's next meeting.

Mr. Piazza made a motion to authorize submission of the review fee for \$57,200, to accompany the TWA application to the DEP. Ms. O'Connor seconded. The motion passed unanimously on a roll call vote.

Upgrade Financing: March 5, 2012 is the deadline for submitting the funding application to the NJEIT (New Jersey Environmental Infrastructure Trust). Mr. Houck, Mr. Olshefski and Mr. Mikulka from C&P attended the NJEIFP (New Jersey Environmental Infrastructure Financing Program) seminar on February 3, 2012. The possibility of receiving grant money now seems remote, because an Executive Order from the Governor has earmarked those funds for the Barnegat Bay watershed.

The Authority must appoint an Authorized Representative on matters related to the application to the NJEIFP for the loan.

Mr. Rosenberg moved to adopt Resolution 12-13, authorizing Mr. Wasser, Chief Operator, to act as the Authorized Representative of the WC(PR)MUA on matters related to the application to the NJEIFP on loan number S340454-04. Ms. Napolitani seconded. The motion passed unanimously on a roll call vote.

Laboratory Analysis Contract: QC Labs did not submit their pay-to-play documents on time. QC was contacted and they have agreed to extend their existing contract for another month and resubmit pay-to-play documents on time.

Mr. Donati presented a resolution and agreement for Cerenzio & Panaro to continue to provide the professional services of management and supervision of operations of the Authority's facilities.

Mr. Rosenberg wondered if there was any way of tracking the costs for this contract from last year to this year. Ms. Kaspereen supplies the County with C&P's bills and believes there may be a spreadsheet; she will check with the County. In addition, the line item in the budget for this contract was reduced from last year by approximately \$30,000.

Mr. Kiszonak moved to adopt Resolution 12-14, awarding a non-fair and open contract for professional services of management and supervision of operations to Cerenzio & Panaro, P.C., Consulting Engineers. Mr. Rosenberg seconded. The motion passed unanimously on a roll call vote.

CHIEF OPERATOR'S REPORT

Operations: Both plants are running good.

Lab Inspection: The State inspected the Belvidere WWTP lab on February 7, 2012; everything went okay.

Manhole Inspections: As discussed last month, the manholes should be inspected every three years per NJDEP. Under the C&P contract for supervision of services, using Mr. Bale and one or two operators, the cost would be \$5,400 to inspect and document 260 manholes. It should take approximately two weeks to complete all the inspections.

Mr. Piazza moved and Mr. Walsh seconded to inspect the manholes as presented above. The motion passed unanimously on a roll call vote.

Tractor Mower: Mr. Wasser said the mower at the Oxford plant is 16 years old and needs to be replaced. He obtained quotes for \$6,076 and \$6,549.

Mr. Rosenberg moved to purchase a new mower for \$6,076. Ms. O'Connor seconded.

Mr. Piazza suggested that since we have a newer mower at the Belvidere plant, we purchase a trailer instead of a mower and transport the mower at Belvidere between sites. A trailer would be cheaper. Ms. Napolitani agreed.

Vice Chairman Scott recommended discussing the matter with Mr. Houck and asked Mr. Wasser to bring up this topic again.

Mr. Rosenberg said there might be other uses for a trailer. Mr. Piazza would like to consider all the possibilities.

Mr. Rosenberg withdrew his motion regarding the purchase of a mower, and Ms. O'Connor withdrew her second.

FINANCE

Mr. Piazza reported on the financial reports.

As mentioned earlier, there have been problems with Viridian, our third-party electric provider reported Mr. Piazza. The problem is Viridian has insisted on again charging the Authority sales tax. The first time around, Ms. Kasperen was able to obtain a refund from Viridian, but this

time she has had many discussions with their main office and local agent to rectify the matter but to no avail. The result is higher charges than with JCP&L.

Mr. Rosenberg suggested contacting the BPU and registering a complaint. Mr. Piazza agreed but recommended canceling the contract with Viridian, because the Authority is not saving any money. The contract can be canceled at any time without penalty.

Mr. Piazza moved and Mr. Walsh seconded to cancel the contract with Viridian. The motion passed unanimously on a roll call vote.

Mr. Piazza moved that Resolution #12-15 (Certificate No. 307: \$84,279.98) be approved to pay all bills from the Operating Fund. Ms. Napolitani seconded. There was a brief discussion about the bill from Superior Lamp. The motion passed unanimously on a roll call vote.

Mr. Piazza moved that Resolution #12-16 (Certificate No. 315: \$43,332.25) be approved to pay all bills from the Capital Improvements Fund. Ms. O'Connor seconded. The motion passed unanimously on a roll call vote.

UNFINISHED BUSINESS

There was no unfinished business.

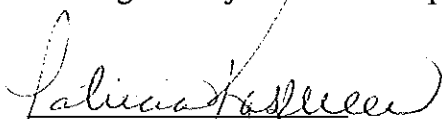
NEW BUSINESS

Vice Chairman Scott suggested an AT&T rep contact Ms. Kaspereen regarding our telephone services and charges to see if there could be any savings. Ms. Kaspereen asked for the Board's permission to supply the rep with copies of our phone bills. The consensus of the Board was to allow Ms. Kaspereen to supply the rep with the copies for review.

PUBLIC COMMENT

There was no public present.

As there was no more business to come before the Authority, Mr. Piazza moved and Ms. Napolitani seconded that the meeting be adjourned. The motion passed unanimously. The meeting was adjourned at 9:14 p.m.


Patricia Kaspereen
Administrative Assistant