

# WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

## MINUTES April 18, 2012

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Chairman Chamberlain called the regular meeting of the Warren County (Pequest River) Municipal Utilities Authority to order at 7:30 p.m. The meeting was held at the Authority's Administration building located at 199 Foul Rift Road, Belvidere, New Jersey.

Roll Call:

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

Michael Walsh (entered the meeting at 7:35 p.m.)

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.

Chairman Chamberlain led everyone in the Pledge of Allegiance and then read the Introductory Statement.

### MINUTES

Mr. Kiszonak moved and Mr. Rosenberg seconded to approve the minutes of the March 21, 2012 regular meeting, as presented. Roll call was as follows:

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

### CORRESPONDENCE

Chairman Chamberlain instructed the commissioners to review the correspondence, which was included in their agenda packets.

1. A letter dated March 19, 2012, from Florio, Perrucci, Steinhardt & Fader to Nisivoccia & Company in response to the Authority's request for information for the FY2011 audit.
2. A letter dated March 22, 2012, from Mr. Henderson, State Director, U.S.D.A, to Chairman Chamberlain, in response to our request for an eligibility determination for financial assistance for the Oxford WWTP Upgrade.
3. A letter dated March 28, 2012, from Russell Reid to Mr. Wasser concerning disposal costs for rags and other debris in the grease interceptor.
4. A letter dated March 29, 2012, from Mr. Bale, Acting Plant Supervisor, to Sheriff Gallant regarding excess grease and debris in the grease interceptor and subsequent surcharges.
5. A letter dated March 30, 2012, from the NJDEP, Municipal Finance & Construction Element to Mr. Wasser commenting on the Authority's loan application for the Oxford WWTP Upgrade.
6. A letter received on April 1, 2012, from Mr. Sauder, C&P to Finelli Consulting Engineers submitting a Soil Erosion & Sediment Control Application/Plan for the Oxford WWTP Upgrade.
7. A letter dated April 2, 2012, from the NJDEP clarifying its withdrawal from the DMR-QA Program.
8. A letter dated April 5, 2012, from QC Laboratories to Mr. Bale regarding ammonia sample results for the Oxford WWTP.
9. A letter dated April 10, 2012, from Mr. Mikulka, CPM, C&P to the NJDEP regarding ammonia sample results for the Oxford WWTP.

#### CFO's REPORT

Mr. Houck stated the FY2011 audit has been received and distributed to the commissioners.

State statute requires each board member attest to the fact that they have read the summary of the audit. The summary must then be published in the newspaper.

Mr. Piazza moved and Mr. Scott seconded to adopt Resolution #12-22, approving the Authority's FY2011 Audit and execution of the Group Affidavit Form by each board member. The motion passed. Roll call was as follows:

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

The other item needing formal action is an amendment to the FY2012 Cash Management Plan. Mr. Houck recommended the Board include Unity Bank in its plan.

Mr. Walsh entered the meeting.

Mr. Rosenberg moved to adopt Resolution #12-21, amending the 2012 Cash Management Plan to include Unity Bank. Mr. Accetturo seconded. The motion passed; roll call was as follows:

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

Per Chairman Chamberlain's request, Mr. Houck gave an update on the status of the budget. There was a brief discussion about future user rates. At this time, there are too many unknowns and variables to consider.

Since Windtryst repaired their water leaks, their flow numbers are down considerably. Mr. Houck explained the Authority's policy in determining whether a reduction in charges is warranted. He believes in this case it may be warranted, but it will be for 2013. Their flow numbers will be reviewed toward the end of 2012.

Mr. Houck left the meeting.

#### GENERAL COUNSEL'S REPORT

Power Bill Audit: Two bids were received; the lowest bid was from Troy & Banks, Inc. Troy & Banks agreed to accept 33%, whereas Coastal agreed to accept 50% of any refunds. Therefore, Mr. Tipton recommended the Board award the contract to the lowest responsive and responsible bidder.

Mr. Scott moved to adopt Resolution #12-23, awarding Contract No. 12-02 to Troy & Banks, Inc., the lowest responsive and responsible bidder, to perform the power bill audit for the Authority. Troy & Banks will collect 33% of any refund resulting from the audit. Mr. Piazza seconded. The motion passed unanimously on a roll call vote.

#### ENGINEER'S REPORT

Sewer Extension: Recently, there were inquiries from two White Township residents interested in connecting to the sewer system.

Oxford Upgrade Permitting: The Stage 1 Cultural Research Survey found evidence of prehistoric artifacts, which triggers the requirement for Stage 2. (These findings are common in this area.) The cost to conduct Stage 2 is estimated to be between \$22,000 - \$25,000. These unanticipated costs were not included in C&P's budget.

Chairman Chamberlain remarked that all these requirements and studies are the reason it is so expensive to run sewer treatment facilities.

Upgrade Financing: Comments (corr. #5) were received on the NJEIT application submitted on March 5, 2012. One of their requirements is a signed engineering construction services agreement. C&P will send a draft of an amendment of C&P's existing agreement. A signed agreement must be submitted before the Trust gives the MUA authorization to go to bid.

A meeting took place with the USDA on April 12 to discuss the possibility of obtaining a grant and/or low-interest loan. Mr. Piazza reported on the meeting:

Prior to this meeting, the USDA requested information, which the Authority supplied beforehand. Part of the information submitted was the median income of the area. After a couple of hours of explaining what was required from the Authority, the USDA stated the MUA does not qualify due to income.

Mr. Piazza expressed frustration because the USDA required our professionals to be at the meeting, which cost the ratepayers money, only to be told something for which the USDA had already had the information before the meeting.

Mr. Donati reported that afterwards the USDA sent an email indicating they have not confirmed that we are not eligible due to income. The USDA may be increasing the income threshold using more up-to-date census info. They will get back to us. However, loans from the USDA have a higher interest rate than loans from the NJEIT. The benefit of the meeting was saving time and money by not having to complete an USDA application.

Oxford WWTP Upgrade Schedule: Mr. Donati distributed an updated schedule.

Belvidere Influent Screening: HC Constructors has completed the project, which closes out Contract No. 09-01, the Belvidere WWTP Improvements. There are just a few minor punch list items needing attention. Retainage funds are still being held.

County Line Grease Trap: As directed by the Board, Mr. Bale sent a letter (corr. #4) to Sheriff Gallant. Mr. Bale met with reps from the jail and sheriff's office. Chairman Chamberlain will follow up with the County.

#### CHIEF OPERATOR'S REPORT

Operations: The Belvidere plant is performing well, but the Oxford plant had a problem with ammonia. The DEP was notified and there should be no fine, said Mr. Wasser.

The Simplicity mower at the Oxford facility will be disposed of, because it is approximately 25 years old and has little, if any, value; and it would not be cost effective to go to the expense of an auction.

FINANCE (Treasurer's Report)

Mr. Piazza recapped the monthly financial report. We are on target with regard to revenues and expenditures.

Mr. Piazza moved that Resolution #12-24 (Certificate No. 309: \$68,350.12) be approved to pay all bills from the Operating Fund. Mr. Scott seconded. The motion passed unanimously on a roll call vote.

Mr. Piazza moved that Resolution #12-25 (Certificate No. 317: \$180,627.50) be approved to pay all bills from the Capital Improvements Fund. Mr. Scott seconded. The motion passed unanimously on a roll call vote.

UNFINISHED BUSINESS

Ms. Kaspereen informed the Board that a large number of "flushable" wipes were coming into the wet well at the Oxford plant. Chairman Chamberlain directed Mr. Donati to have Mr. Bale send an advisory letter to Warren Haven.

NEW BUSINESS

Ms. Kaspereen reminded the commissioners to submit their Financial Disclosure Forms, as required by the State.

PUBLIC COMMENT

There was no public present.

EXECUTIVE SESSION

At approximately 8:34 p.m., Mr. Scott moved and Mr. Rosenberg seconded to enter into Executive Session for the purpose of discussing a personnel matter. All in favor.

At approximately 9:07 p.m., Mr. Scott moved and Mr. Kiszonak seconded to return to open session. All in favor.

As there was no more business to come before the Authority, Mr. Scott moved and Mr. Piazza seconded that the meeting be adjourned. The motion passed unanimously. The meeting was adjourned at 9:10 p.m.

  
Patricia Kaspereen  
Administrative Assistant