

WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

MINUTES June 11, 2014

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	Sidney Deutsch	Absent
Robert Piazza, Treasurer	Drew Kiszonak	Absent*
Donald Niece		
Everdina O'Connor		
Philip Rosenberg		

Also, in attendance were:

Charles L. Houck, Authority Chief Financial Officer ; Katharine Fina, Esq., Authority Legal Counsel; Joseph Mikulka, C.P.M., Authority Engineer; Billy J. Wauhop, Authority Consultant; and Patricia Kaspereen, Administrative Assistant.

Chairman Chamberlain led everyone in the Pledge of Allegiance and then read the Introductory Statement. (*Mr. Kiszonak entered the meeting)

MINUTES

Mr. Scott moved and Ms. O'Connor seconded to approve the minutes of the May 21, 2014 regular meeting, as presented. The motion passed. Roll call was as follows:

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

Mr. Scott moved and Mr. Piazza seconded to approve the minutes of the May 21, 2014 executive session, as presented. The motion passed. Roll call was as follows:

Mr. Deutsch	Absent	Mr. Piazza	Yes
Mr. Kiszonak	Abstain	Mr. Rosenberg	Yes

Ms. Napolitani	Absent	Mr. Scott	Yes
Mr. Niece	Yes	Chairman Chamberlain	Yes
Ms. O'Connor	Yes		

CORRESPONDENCE

Chairman Chamberlain stated most of the correspondence listed below would be covered under professional reports.

1. A letter dated May 23, 2014, from Mr. Paull, Acting Bureau Chief, Northern Bureau of Water Compliance & Enforcement, NJDEP, to Chairman Chamberlain regarding the Public Comment Period for the Administrative Consent Order (ACO) for the Oxford WWTF.
2. A letter dated May 27, 2014, from Mr. Donati, P.E., Vice President, CP Engineers to Mr. Sobhan, Project Engineer, Tomar Construction Services regarding the Oxford WWTP Upgrade contract schedule.
3. A letter dated May 28, 2014, from Mr. Mikulka, C.P.M., Senior Project Manager, CPE, to Ms. Martin, Municipal Finance & Construction Element, NJDEP, enclosing Payment Requisition Package #1 for the Oxford WWTF Upgrade project.
4. A letter dated June 2, 2014, from Mr. Guida, Collection System Operator, Township of Oxford, to Ms. Kaspereen submitting the collection system report for the month of May.
5. A letter dated June 3, 2014, from Mr. Donati, P.E., V.P., CPE to Mr. Wauhopp, Authority Consultant enclosing a copy of Progress Payment Application No. 5, submitted by Tomar Construction Services for Contract No. 12-01: Oxford WWTF Upgrade.
6. A letter dated June 4, 2014, from Mr. Donati, P.E., V.P., CPE to Mr. Wauhopp, Authority Consultant enclosing a copy of Progress Payment Application No. 1, submitted by DeMaio Electric Company for Contract No. 13-02: Axford Avenue Pump Station Rehab.
7. A letter dated June 6, 2014, from Mr. Aiello, Chief, Office of Quality Assurance, NJDEP informing the Authority that the Oxford lab performed acceptably on the 2014 Initial Water Pollution Proficiency Test Study.
8. A letter dated June 6, 2014, from Mr. Aiello, Chief, Office of Quality Assurance, NJDEP informing the Authority that the Belvidere lab performed acceptably on the 2014 Initial Water Pollution Proficiency Test Study.

Mr. Niece noted that a former employee was still listed on a piece of correspondence. Mr. Wauhopp stated the other agency involved was notified of the change back in December.

CFO'S REPORT

The monthly financial report and other financial information prepared by Mr. Houck were distributed prior to the meeting. Retirement of the 2003 Series Bonds dramatically changed our cash position. The money to be used to retire the bonds is being held in escrow.

The amount in the Renewal & Replacement account will be updated annually. Mr. Houck recommended that a minimum balance of \$1 million dollars be kept in this account, even after the old loans are paid off.

He did not see anything of concern regarding the operating budget.

The schedule of Sources and Uses of Funds summarizes the effect of borrowing funds from the NJEIT for the Oxford WWTF Upgrade. The Trust loan has interest; the Fund loan does not. The effective interest rate for the combined loans is about 1.29% until 2033. Contrary to previous discussions, the interest was capitalized. Project funds available are \$11,665,143. Mr. Houck explained the Debt Service schedule in more detail.

Mr. Houck left the meeting.

GENERAL COUNSEL'S REPORT

Chairman Chamberlain introduced Katharine Fina, who is sitting in for Mr. Tipton.

Ms. Fina said that Mr. Tipton prepared a memo, which addressed discussion from the previous meeting about the Oxford WWTF upgrade.

ENGINEER'S REPORT

Chairman Chamberlain introduced Mr. Mikulka, who is sitting in for Mr. Donati.

Mr. Mikulka highlighted some of the items in Mr. Donati's report, which was included in the agenda packets.

Axford Avenue Pump Station: Mr. Wauhohop agreed to a minor change order with the contractor of about \$1,500; it is to upgrade a 60 amp disconnect to 100 amps to support the larger pumps. The decision for the change order had to be made quickly because the power company was coming out to the site the next day; there would have been an additional fee to have the power company come out a second time.

While excavating the existing generator pad, the contractor discovered a larger concrete slab underneath that also needed to be removed. Consequently, there may be a small change order for this additional work, said Mr. Wauhohop. The contractor is progressing quickly on this project.

Upgrade Financing: Earlier today, Mr. Mikulka submitted the second payment request to the funding agency. The request includes current bond counsel fees.

AUTHORITY CONSULTANT

Mr. Wauhop distributed his report prior to the meeting.

Belvidere STP: All the process pumps were serviced. Seasonal maintenance was performed on the Z-Turn mower.

Nature's Choice: As discussed last meeting, Mr. Wauhop met with Mr. Castner from Nature's Choice to discuss the possibility of us accepting their stormwater for treatment at the Belvidere WWTP. Based on that meeting and review of their test results from stormwater in their retention pond, Mr. Wauhop did not see any issues. The Authority must consider turbidity, TDS, and dissolved oxygen.

After discussion with CP Engineers, a test run was performed on June 3. Nature's Choice agreed to pay our industrial rate for the test run, plus trucking costs. They trucked in 7,000 gallons, which was processed through the plant during the day and there were no issues.

Mr. Wauhop and Mr. Castner then agreed to perform a full-scale test of 30,000 gallons a day for 3 days in a row. The first day (June 10), six loads of 5,000 gallons each were trucked into the facility, but for this test, the material was put through the plant in a different manner to see how it would affect the plant. At the end of that day, the plant was fine, but early the next morning the intensity of the UV lamps was affected. Therefore, after accepting the first load of the day (June 11), which had already been scheduled for delivery, the full-scale test was stopped and monitoring of the effluent and the plant continued. The effluent leaving the plant looked good (turbidity) but the issue might be Total Dissolved Solids (TDS), which can affect UV lamps. Samples of the effluent were taken and sent to UV lamp vendors for recommendations. Eventually the plant recovered. Mr. Wauhop believes the issue was due to us running their material through the plant overnight when the influent flow is almost nothing from the Town of Belvidere. During the day, there is much more influent coming into the plant. Should Nature's Choice eventually get permission to connect to the sewer system and eliminate trucking, then we would have to consider many factors.

Kustom Control Solutions installed the first phase of the main control panel at the Belvidere plant.

Oxford STP: Mr. Wauhop recapped maintenance items performed during the month.

General Business: As a cost saving measure, we continue to work on sludge thickening at the Belvidere plant.

Oxford Upgrade: There was a progress meeting that morning. Tomar's progress was a little better over these past four days. With the exception of the blowers and thickening tank, all major equipment has been ordered. Submittals for the blowers continue to be unacceptable.

Tomar submitted a force majeure letter to CP Engineers asking for a 78-day extension, based upon weather-related delays. Mr. Mikulka reminded the commissioners that DEP is the enforcement agency for the Administrative Consent Order (ACO) and compliance schedule. He and Mr. Donati think it prudent to discuss Tomar's request with the DEP.

FINANCE (TREASURER)

Mr. Piazza stated that expenditures were below budget so far. Energy and sludge removal costs are significantly lower. He expressed his appreciation to Mr. Wauhopp for keeping expenditures in line and working on the sludge thickening process.

Based on Mr. Tipton's report and Mr. Wauhopp's progress report, Mr. Piazza approved payment of Tomar's payment request #5. Mr. Piazza then moved that Resolution #14-27 (Certificate No. 343: \$255,002.27) be approved to pay all the bills from the Capital Improvements Fund. Mr. Scott seconded. The motion passed. Roll call was as follows:

Mr. Deutsch	Absent	Mr. Piazza	Yes
Mr. Kiszonak	Abstain	Mr. Rosenberg	Yes
Ms. Napolitani	Absent	Mr. Scott	Yes
Mr. Niece	Yes*	Chairman Chamberlain	Yes
Ms. O'Connor	Yes		

*With the caveat that we do not release Tomar's check until certain reports are submitted, stated Mr. Niece. Mr. Wauhopp said the new reports have been good and former ones will be brought up to date.

Mr. Piazza moved that Resolution #14-28 (Certificate No. 335: \$49,588.31) be approved to pay all bills from the Operating Fund. Mr. Niece seconded. The motion passed. Roll call was as follows.

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

UNFINISHED BUSINESS

Ms. Kaspereen reminded everyone to submit their Financial Disclosure Forms by this Friday's deadline.

Mr. Rosenberg had nothing to report regarding insurance.

NEW BUSINESS

There was no new business.

PUBLIC COMMENT

There was no public present.

EXECUTIVE SESSION

There was no executive session.


Mr. Mikulka requested the Board's permission to meet with DEP within the next few weeks, to discuss the compliance schedule and ACO for the Oxford WWTF Upgrade. Chairman Chamberlain felt the request was reasonable, so, the Board agreed to his request.

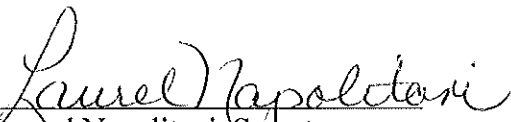
As there was no more business to come before the Authority, Mr. Kiszona moved and Mr. Scott seconded that the meeting be adjourned. All in favor, motion carried. The meeting was adjourned at 8:24 p.m.

Patricia Kaspereen
Administrative Assistant

RESOLUTION RE: EXPENDITURES FROM THE CAPITAL IMPROVEMENTS FUND FOR THE MONTH OF JUNE 2014.

I **HEREBY CERTIFY** that the bills listed for CAPITAL IMPROVEMENTS are in accordance with the Authority's June budget.


Chad Chamberlain, Chairman


Laurel Napolitani, Secretary

Certificate No. CI 343

Dated: June 11, 2014

Moved by: Mr. Piazza

Seconded by: Mr. Scott

Yes 6

No 0

Abstain 1

Absent 2

**CAPITAL IMPROVEMENT
BILLS LIST
June 11, 2014**

1. CP Engineers, LLC Period: May 2014 Engineering Services Axford Avenue Pump Station Rehab\$1,647.25
2. CP Engineers, LLC Period: May 2014 Engineering Services Construction Services Oxford WWTP Upgrade\$49,688.22 *
3. DeMaio Electrical Co., Inc, Payment Application #1 Contract No. 13-02 Axford Avenue Pump Station3,795.05
4. Gibbons P.C. Bonding Services for Interim Financing Program Oxford WWTP Upgrade11,956.75 *
5. Tomar Construction Services, Inc. Payment Application #5 Contract No. 12-01 Oxford WWTP Upgrade <u>187,915.00</u> *
Total	...\$255,002.27

* Bills to be submitted by CPE to request reimbursement from the NJEIT Financing Program

RESOLUTION RE:

EXPENDITURES FROM THE OPERATING FUND
DURING THE MONTH OF JUNE 2014.

I HEREBY CERTIFY, that the bills listed on the attached Resolution of June 11, 2014, regarding payment of bills from the Operating Fund were for the operating expenses and were in accordance with the Authority's 2014 budget.



Chad Chamberlain, Chairman



Laurel Napolitani, Secretary

Certificate No. OF 335

Dated: June 11, 2014

Moved by: Mr. Piazza

Seconded by: Mr. Niece

Yes 6

No 0

Abstain 1

Absent 2

APPROVAL OF BILLS TO BE PAID FROM THE OPERATING FUND

Meeting: June 11, 2014

BE IT RESOLVED, that the following bills are approved by the Authority for payment from the Operating Fund in accordance with the Authority's Bond Resolution:

Vendor Invoices:

Date:

Check # 16165-16170

5/29/14

\$2,386.15

Due 6/11/14

47,202.16

Total

\$49,588.31

PENTAMATION
 DATE: 05/29/2014
 TIME: 13:48:25

PAGE NUMBER: 1
 VENCHK11
 ACCOUNTING PERIOD: 5/14

MUNICIPAL UTILITY AUTHORITY
 CHECK REGISTER

FUND - MUA01 - MUN UTILITY AUTH GEN FUND

CHECK NUMBER	CASH ACCT	DATE ISSUED	VENDOR	ACCT	DESCRIPTION	AMOUNT
16165	10101	05/29/14	CENTURYLINK	5076	TELE/ALRM/FAX/LAN	278.94
16165	10101	05/29/14	CENTURYLINK	5076	TELE/ALRM S WTR ST	33.00
16165	10101	05/29/14	CENTURYLINK	5076	TELE/ALRM BRKFLD	19.90
	TOTAL	CHECK				331.84
16166	10101	05/29/14	JCP&L	5071	ELECT BRKFLD MTR	3.25
16167	10101	05/29/14	MAIN POOL & CHEMICAL CO.,	5521	CHEMICALS	1,604.10
16167	10101	05/29/14	MAIN POOL & CHEMICAL CO.,	5521	S02	330.00
	TOTAL	CHECK				1,934.10
16168	10101	05/29/14	NEW JERSEY AMERICAN WATER	5072	WATER SERVICE	12.10
16169	10101	05/29/14	ONE CALL CONCEPTS, INC.	5024	ONE CALL LOCATES APRIL	2.44
16170	10101	05/29/14	VERIZON WIRELESS	5076	MOBILE PHONES & OCCS	102.42
	TOTAL	FUND				2,386.15
	TOTAL	REPORT				2,386.15

PENTAMATION
 DATE: 06/06/2014
 TIME: 11:00:08

MUNICIPAL UTILITY AUTHORITY
 CHECK REGISTER

PAGE NUMBER: 1
 VENCHK11
 ACCOUNTING PERIOD: 6/14

FUND - MUA01 - MUN UTILITY AUTH GEN FUND

CHECK NUMBER	CASH ACCT	DATE ISSUED	VENDOR	ACCT	DESCRIPTION	AMOUNT
16171	10101	06/11/14	BILLY WAUHOP & ASSOCIATES	5029	MGMT/OPER SUPER OWNER REP	6,384.40
16172	10101	06/11/14	C & M AUTO PARTS	5024	GASKETS	14.98
16172	10101	06/11/14	C & M AUTO PARTS	5024	SPARK PLUG	1.99
16172	10101	06/11/14	C & M AUTO PARTS	5024	MISC MAINT SUPPLIES	25.98
		TOTAL CHECK				42.95
16173	10101	06/11/14	CENTURYLINK	5076	TELE/ALRM WH1	32.85
16173	10101	06/11/14	CENTURYLINK	5076	TELE/ALRM AXF AVE PS	36.73
16173	10101	06/11/14	CENTURYLINK	5076	TELE/FAX/INT OXF STP	123.90
16173	10101	06/11/14	CENTURYLINK	5076	TELE/ALRM WH2	46.12
		TOTAL CHECK				239.60
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	7.24
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	7.24
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	12.24
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	12.24
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	12.24
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	7.24
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	12.24
16174	10101	06/11/14	CINTAS CORPORATION #101	5043	UNIFORMS	77.92
		TOTAL CHECK				1,000.00
16175	10101	06/11/14	COUNTY OF WARREN	5028	FINANCE OFFICE SUPPORT	
16176	10101	06/11/14	CP ENGINEERS, LLC	5545	ENGINEERING SERVICES 5/14	891.25
16176	10101	06/11/14	CP ENGINEERS, LLC	5545	ENGINEERING SERVICES 5/14	220.50
16176	10101	06/11/14	CP ENGINEERS, LLC	5545	ENGINEERING SERVICES 5/14	116.25
16176	10101	06/11/14	CP ENGINEERS, LLC	5545	ENGINEERING SERVICES 5/14	507.00
		TOTAL CHECK				1,735.00
16177	10101	06/11/14	DELAWARE RIVER BASIN COMM	5049	DOCKET RENEWAL FEE BEL	500.00
16178	10101	06/11/14	DEUTSCH, SIDNEY	5011	STIPEND JUNE	166.67
16179	10101	06/11/14	INDUSTRIAL CHEM LABS & SE	5024	LIFT STATION DEGREASER	120.36
16180	10101	06/11/14	JCP&L	5071	ELECT BEL STP	7,368.26
16180	10101	06/11/14	JCP&L	5071	ELECT WH2 PS	373.08
16180	10101	06/11/14	JCP&L	5071	ELECT WTR ST PS	726.09
16180	10101	06/11/14	JCP&L	5071	ELECT OXF STP	5,456.87
		TOTAL CHECK				13,924.30
16181	10101	06/11/14	JIORLE'S OFFICE SUPPLIES	5030	OFFICE SUPPLIES	239.79
16182	10101	06/11/14	KASPEREN, PATRICIA	5030	PETTY CASH OFFICE SUP	50.00
16182	10101	06/11/14	KASPEREN, PATRICIA	5022	PETTY CASH POSTAGE	25.56
16182	10101	06/11/14	KASPEREN, PATRICIA	5710	PETTY CASH MISC REIMB	64.45
		TOTAL CHECK				140.01
16183	10101	06/11/14	KISZONAK, DREW	5011	STIPEND JUNE	166.67
16184	10101	06/11/14	KUSTOM CONTROL SOLUTIONS	5024	CONTROL SYSTEM REPLACEMENT	5,220.00
16185	10101	06/11/14	MAIN POOL & CHEMICAL CO.,	5521	CHEMICALS	1,169.10

PENTAWATION
 DATE: 06/06/2014
 TIME: 11:00:08

MUNICIPAL UTILITY AUTHORITY
 CHECK REGISTER

PAGE NUMBER: 2
 VENCHK11
 ACCOUNTING PERIOD: 6/14

FUND - MUA01 - MUN UTILITY AUTH GEN FUND

CHECK NUMBER	CASH ACCT	DATE ISSUED	VENDOR	ACCT	DESCRIPTION	AMOUNT
16186	10101	06/11/14	NAPOLITANI, LAUREL	5011	STIPEND JUNE	291.67
16187	10101	06/11/14	NIECE, DONALD L.	5011	STIPEND JUNE	166.67
16188	10101	06/11/14	PASSAIC VALLEY SEWERAGE C	5079	SLUDGE DISPOSAL	5,040.00
16189	10101	06/11/14	PIAZZA, ROBERT	5011	STIPEND JUNE	291.67
16190	10101	06/11/14	QC LABORATORIES INC.	5509	LAB ANALYSIS	60.50
16190	10101	06/11/14	QC LABORATORIES INC.	5509	LAB ANALYSIS	234.50
16190	10101	06/11/14	QC LABORATORIES INC.	5509	LAB ANALYSIS	278.50
16190	10101	06/11/14	QC LABORATORIES INC.	5509	LAB ANALYSIS	269.50
16190	10101	06/11/14	QC LABORATORIES INC.	5509	LAB ANALYSIS	12.50
			TOTAL CHECK			855.50
16191	10101	06/11/14	RICOH USA, INC.	5026	MTHLY COPIER LEASE	73.64
16192	10101	06/11/14	RIGO GENERAL HARDWARE	5024	MISC MAINT SUPPLIES	18.58
16192	10101	06/11/14	RIGO GENERAL HARDWARE	5024	MISC MAINT SUPPLIES	4.89
16192	10101	06/11/14	RIGO GENERAL HARDWARE	5024	PADLOCKS	55.45
16192	10101	06/11/14	RIGO GENERAL HARDWARE	5024	MISC MAINT SUPPLIES	5.89
16192	10101	06/11/14	RIGO GENERAL HARDWARE	5024	MISC MAINT SUPPLIES	8.95
16192	10101	06/11/14	RIGO GENERAL HARDWARE	5024	PAINT	74.21
			TOTAL CHECK			167.97
16193	10101	06/11/14	ROSENBERG, PHILIP H.	5011	STIPEND JUNE	166.67
16194	10101	06/11/14	RUSSELL REID INC.	5079	SLUDGE HAULING BEL	3,665.20
16194	10101	06/11/14	RUSSELL REID INC.	5079	SLUDGE HAULING OXF	2,332.40
16194	10101	06/11/14	RUSSELL REID INC.	5024	GREASE REMOVAL	1,700.00
			TOTAL CHECK			7,697.60
16195	10101	06/11/14	RUSSELL REID INC.	5024	JET VAC WET WELLS	1,324.00
			TOTAL FUND			47,202.16
			TOTAL REPORT			47,202.16