

# WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

## MINUTES June 15, 2011

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The regular meeting of the Warren County (Pequest River) Municipal Utilities Authority was called to order by Chairman Chamberlain 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	Angelo Accetturo	Absent
Morris Scott, Jr., Vice Chairman	Michael Walsh	Absent
Laurel Napolitani, Secretary	Philip Rosenberg	Absent
Robert Piazza, Treasurer		
Drew Kiszonak		
Everdina O'Connor		

Also, in attendance were:

Stephen Donati, P.E., Authority Engineer and Consultant; 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. Piazza moved and Mr. Kiszonak seconded to approve the minutes of the May 18, 2011 regular meeting, as presented. The motion passed. Roll call was as follows:

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

### CORRESPONDENCE

Ms. Napolitani recapped the correspondence; Mr. Donati addressed his items during his report.

1. A letter dated May 18, 2011, from the NJDEP to Becrett of White Township, LLC granting a one-year extension to proceed with construction of its treatment works.
2. A letter dated May 23, 2011, from Richard Homa thanking the Authority for giving him and his students the opportunity to develop the Authority's website.
3. A letter dated May 31, 2011, from Stephen Donati, P.E., C&P to the NJDEP submitting the Compliance Schedule Progress Report for May 2011. (required by permit)
4. A letter dated June 1, 2011, from Mr. Guida, Collection System Operator for the Township of Oxford, submitting his monthly report.
5. A letter dated June 2, 2011, from Stephen Donati, P.E., C&P to Finelli Consulting Engineers providing the requested sewer allocation information for the Township of Oxford.
6. A letter dated June 9, 2011, from the DRBC to the Authority regarding Special Protection Waters regulations and sampling. (this was also done last year)
7. A memo dated June 11, 2011, from J.A. Montgomery Risk Control to Ms. Kaspereen, Fund Commissioner submitting the NJUA JIF Loss Control Report.

#### GENERAL COUNSEL'S REPORT

As directed by the Board at last month's meeting, Mr. Tipton contacted the attorney for the Augustinian Recollects Center to invite him to the meeting to discuss connection fees and flow numbers.

Mr. Tipton reiterated past statements about the uniqueness of the property and its use. He outlined the three scenarios for the Board's consideration. Mr. Donati developed these various options using DEP criteria. The biggest issue was the definition of the "lodging rooms," which could fall into various DEP categories. The other issue is the "dormitory" area, which can also fall into different categories.

The other option discussed at previous meetings, was a contractual agreement with the user to recognize a lesser use now, monitor it, and then attempt to increase the connection fee later if the flow is higher. However, Mr. Tipton cautioned the Board because the law is narrowly defined regarding connection fees. Connection fees can be charged only once, at the time the connection physically occurs, and cannot be increased if there is a change in use in the future, with one exception. The one exception is if the physical connection has to be redone. He does not see this as a viable option in this case. He suggested the safest avenue would be for the Board to choose one of Mr. Donati's plans.

Mr. Donati explained the three scenarios in more detail. The flow numbers for the conference room and the small two-bedroom dwelling are the same for each of the scenarios. The gallons per day for the “lodging rooms” could be reduced to 40 per unit, by using the DEP category of labor camp, thus lowering the total connection fees to \$67,773 instead of \$83,378.63. The last option would not only re-categorize the lodging rooms, but would also re-categorize the “dormitory” to a boarding house. This scenario would reduce the gallons per day for the boarding house to 50 per unit; lowering the total connection fee to \$63,760.00

Mr. Sanchez (the attorney for the Recollect Sisters) stated the Sisters are in favor of working with the Authority.

The consensus of the Board was to use plan C (the last option), which has a total flow number of 2,145 gallons per day: small 2-bedroom dwelling – 225; conference – 180; boarding house (14x50) – 700; labor camp (26x40) – 1,040. Using the 2011 connection fee of \$5,945 per EDU, results in a total connection fee of \$63,760. Mr. Donati explained that the connection fee per EDU changes annually, so the agreement with the Sisters should be for the total flow number of 2,145.

Chairman Chamberlain asked Mr. Sanchez to contact the Sisters for their approval. Mr. Sanchez asked if there was a possibility of a payment plan. There was concern expressed by the Board and Mr. Tipton of setting a precedent for future users. Mr. Sanchez stepped out of the meeting briefly to contact the Sisters.

### ENGINEER’S REPORT

Under sewer extensions, C&P responded to Oxford Township’s engineer (corr. no. 5). C&P reviewed five years worth of flow and added a reasonable buffer.

Regarding operations, an issue was discovered with the EFR flow meter. After contacting all the parties involved, it was agreed to use the average of the last six months flow for Covanta. ABB will be returning on the 20<sup>th</sup> to recheck the Covanta meter. PCFA and Covanta’s meters are calibrated quarterly.

The feasibility study for the Oxford upgrade was in preliminary draft form, a copy was passed among the commissioners. A plan for sludge reduction and the influent pump station must be addressed.

Mr. Sanchez reentered the meeting and reported that the Sisters have agreed to the Authority’s proposal. Mr. Donati stressed that the connection fee per EDU changes annually, so as long as they pay the fee this calendar year the fee will be \$63,670. The commitment from the Authority would be for the total flow number of 2,145.

Mr. Scott moved to utilize the flow numbers as Mr. Donati presented in plan C, of 2,145 gallons per day, as the figures for the Augustinian Recollect Center connection fee. (A memo dated April 21, 2011, with Mr. Donati's handwritten notes detail the options discussed.) A form of resolution will be prepared for next month's meeting memorializing the action taken this evening. Ms. O'Connor seconded the motion; roll call was as follows.

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

Mr. Donati finished reporting on the feasibility study. He distributed an updated task schedule for the Oxford upgrade. At the next meeting, C&P will be seeking Board authorization for design and funding application services.

Change Order No. 2 for Contract No. 09-01, was forwarded to HC Constructors for the Belvidere WWTP influent screening. C&P met with them to discuss formal documents and to review a preliminary shop drawing.

As directed, Mr. Donati spoke with Mr. Sterbenz and Mr. Finelli about Wastewater Management mapping. Mr. Sterbenz asked if a representative from the Authority could attend a July meeting with the DEP. Mr. Donati will be attending; Chairman Chamberlain asked to be informed of the date so he could attend the meeting. Mr. Scott requested a letter be sent to the Belvidere Town Council.

Under supervision of operations, C&P assisted Mr. Wasser in researching Federal and State requirements for training a new wastewater operator. The only requirement is to have training procedures. Mr. Bale helped Mr. Wasser develop the procedures.

Chairman Chamberlain asked for further information about the handling of sludge and its relation to cost projections for the Oxford upgrade. Mr. Donati said the costs included a tank for gravity thickening. Anything further will need to be considered on a cost/benefit basis. The possibility of purchasing a tanker truck was discussed. Mr. Piazza suggested Mr. Donati contact BASF about its tank farm.

#### CHIEF OPERATOR'S REPORT

The summer helper received his inoculations.

Mr. Wasser reported that both plants are operating well.

The annual contract for ABB has been received. He requested Board approval to renew the contract. The amount is \$4,308.

FINANCE (Treasurer's Report)

Mr. Piazza reviewed the monthly financial reports with the Board. So far, the Authority is in good shape. All bills sent out to our customers have been paid. Expenditures are in line with the budget.

He expressed concern with the small amount of interest the Authority is collecting on its money market account. He will discuss this with Mr. Houck.

State statute allows certain bills to be paid between meetings. This will help the Authority avoid late fees, Mr. Piazza remarked.

Ms. Napolitani stated PCFA pays certain bills in this manner. Reoccurring monthly bills such as leases and utility bills are paid this way, and they take advantage of discounts if possible. Professional services cannot be paid in this manner.

Mr. Piazza moved to designate the CFO as the person to approve and pay bills between the Authority's monthly meetings, pursuant to N.J.S.A. 40A:5-17. Mr. Scott seconded. Roll call was as follows:

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

Mr. Piazza moved that Resolution #11-29 (Certificate No. 299: \$52,242.24) be approved to pay all bills from the Operating Fund. Mr. Scott seconded. Roll call was as follows:

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

Mr. Piazza moved that Resolution #11-30 (Certificate No. 307: \$21,990.87) be approved to pay all bills from the Capital Improvements Fund. Ms. O'Connor seconded. Roll call was as follows:

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

Ms. Napolitani initiated discussion about the cost of uniforms for the operators. She suggested to Mr. Piazza that the Authority consider other vendors during the budget process. Last year, PCFA switched uniform vendors. She will give him the information.

PERSONNEL COMMITTEE

There was nothing to report.

UNFINISHED BUSINESS

The RFP for risk management was posted on the Authority and County's websites. Four proposals were received. Mr. Tipton and each commissioner present were given a copy of the proposals.

Chairman Chamberlain requested a committee be formed to review the proposals, conduct interviews if necessary, and then make a recommendation for the next regular public meeting.

The renewal application for a three-year agreement with the JIF has been received. The risk manager will need time to assess the Authority's needs and make a recommendation.

Chairman Chamberlain asked for Mr. Grossman's advice on the matter since, as the county's risk manager, he understands the process.

Mr. Grossman reiterated Chairman Chamberlain's statements. In order for the new person to assess our needs, that person will need to start from scratch. Our current risk manager did not submit a proposal. He suggested the Authority send a letter to our current JIF informing them that the Authority is reserving the right to shop around. Chairman Chamberlain asked him if he could supply a template of such a letter, with the appropriate language. Mr. Grossman suggested a simple letter stating the Authority reserves the right not to renew in the fiscal year 2012. He said to refer to their bylaws. Chairman Chamberlain, hearing no objections, said a letter will be sent.

Chairman Chamberlain, Mr. Kiszonak, and Mr. Scott volunteered to be on the committee, who will need to meet at least twice before the July regular meeting. The chair will coordinate with Ms. Kaspereen to schedule the meetings.

Mr. Grossman offered to assist.

Mr. Rosenberg will be contacted to see if he is interested in being on the committee.

As directed at last month's meeting, Ms. Kaspereen prepared a resolution memorializing action taken by the Board concerning the lease of a new copier.

Mr. Scott moved to adopt Resolution #11-28, authorizing the Chairman to execute a lease agreement between the Authority and Ikon Office Solutions for a Ricoh copier under State Contract #A64039. The lease is for four years at \$73.64 per month. The service agreement is included in the price and covers everything except paper. Ms. Napolitani seconded. Roll call was as follows:

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

#### NEW BUSINESS

There was no new business.

#### PUBLIC COMMENT

Mr. Grossman suggested state bonds for investments.

Mr. Daly from Wells Fargo offered to answer any questions from the Board about the risk management proposal. He said the Authority would need to give the JIF between 90-120 days notice and urged the Authority to complete the application. Other markets may be competitive with the current JIF.

As there was no more business to come before the Authority, Mr. Scott moved and Ms. Napolitani seconded that the meeting be adjourned. The motion passed unanimously. The meeting was adjourned at 9:04 p.m.

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Patricia Kaspereen  
Administrative Assistant