

WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

MINUTES July 18, 2012

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

Philip Rosenberg (entered the meeting at 7:37 pm)

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

Ms. Napolitani moved and Mr. Scott seconded to approve the minutes of the June 20, 2012 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	Absent	Chairman Chamberlain	Yes
Mr. Piazza	Abstain		

CORRESPONDENCE

Ms. Napolitani recapped the correspondence:

1. A revised Notice of Commission Meeting and Public Hearing dated June 26, 2012, from the DRBC.
2. A collection system report dated July 2, 2012, from Mr. Guida, Collection System Operator for the Township of Oxford.
3. A letter dated July 10, 2012, from CP Engineers, LLC regarding assignment of the professional services agreement dated September 21, 2011 related to the Oxford WWTP Upgrade.
4. A letter dated July 10, 2012, from CP Engineers, LLC regarding assignment of the professional services agreements dated February 15, 2012, related to professional engineering services and professional consulting services for management and operations of the Authority.

CFO'S REPORT

Mr. Houck commented on the monthly financial report prepared by his office. The Authority is doing well.

He expressed concern regarding the substantial costs incurred so far for the preliminary design and engineering for the Oxford WWTP Upgrade. He suggested contacting the State about getting some advance draws of money, so that we do not deplete our operating cash, until the financing is in place and asked Mr. Donati about the process.

Mr. Donati stated it is part of obtaining the interim financing, and Bond Counsel has to submit the financial addendum and recommended obtaining a schedule from them on their tasks. He believes once we get authorization from the Trust to go out to bid we can then request the interim financing.

Mr. Rosenberg entered the meeting.

Mr. Houck spoke with Bond Counsel earlier today to discuss the process and will contact him again tomorrow about the interim financing.

Mr. Houck left the meeting.

GENERAL COUNSEL'S REPORT

Mr. Tipton did not see any problems with the assignment of the contracts with CP Engineers (corr. #3 & 4). The contracts were not bid out; they were for professional services. The assignments are just a legal mechanism to have the same services continue.

At last month's meeting, there were some labor and employment law questions regarding benefits for part-time employees. These questions came about because Mr. Wasser requested authorization to increase the part-time worker's hours to 40 hours for seasonal employment. The

Board was concerned on how this would affect the Authority financially. Mr. Kinsey, a labor/employment law expert from Mr. Tipton's office, responded to Ms. Kaspereen with various exhibits. He offered to have Mr. Kinsey attend the next board meeting.

This matter will also affect the newly posted position for a part-time plant superintendent. Mr. Kinsey furnished Ms. Kaspereen with a resolution in which the Board can establish how many hours are required for "full-time" status to qualify for health benefits. By law, 25 hours is the minimum but Chairman Chamberlain felt the number was too low. He directed Mr. Tipton to ask Mr. Kinsey if the commissioners were limited to any number above the required 25 hours, instead of asking him to attend the next meeting.

Regarding the assignments of contracts, Mr. Scott moved to approve the Assignment of Contract to CP Engineers for the professional engineering services related to the design phase of the Oxford WWTP Upgrade dated September 21, 2011. Mr. Piazza seconded, all in favor.

Mr. Rosenberg moved to approve the Assignment of Contracts to CP Engineers for professional engineering services related to agreements for consulting, and management and operations, dated February 15, 2012. Mr. Scott seconded, all in favor.

ENGINEER'S REPORT

Operations: CPE coordinated an inspection of the process pumps at the Belvidere facility. The rep for the pumps came out to replace the bearing in one pump, and will do a full analysis on each pump for improved performance.

CPE also assisted in recalibrating the effluent flow meters at both plants and with training the operators on how to utilize the data. The DEP requires flow records be kept on site.

Oxford Upgrade Permitting: Different avenues were employed to fight the proposed nitrate limit from the DRBC, after which they agreed to relax the limit. Mr. Donati is still concerned and he would like to see the limit removed or further relaxed. The Docket was scheduled for approval on July 11. On July 10, the DEP contacted Mr. Donati about the limit. The DEP felt there should not be a nitrate limit, and asked if it would be a problem if the Docket approval was postponed until September so they could look into the matter. He explained to DEP that the only problem might be meeting their compliance date, but stressed the importance of having the limit further relaxed or removed completely. The rep from the DEP verbally assured him that they would work with the MUA regarding the schedule if an extension is needed. On July 11, the DRBC contacted Mr. Donati to inform him that the Docket approval would be postponed until September. He will follow up with the DEP and will prepare a letter documenting the Authority's good-faith efforts and the hurdles we have had to overcome to get this project to the end.

There was further discussion on what action would be taken in the event the DRBC does not relax or remove the nitrate limit.

The NJDEP FHA (Flood Hazard Application) permit continues to be an issue. The Authority will probably not have to pay the \$3,000 permit fee discussed at last month's meeting but, due to another issue, may have to pay a \$4,000 fee for a "hardship request". Mr. Donati requested authorization from the Board to get a check from the Authority before next month's meeting for this fee, if necessary. The Board was agreeable to his request.

Upgrade Financing: The financial addendum and related resolution are needed from Bond Counsel for the 2012 NJEIP funding cycle. All permit approvals, a construction phase engineering agreement, and a Value Engineering Study are also needed for this financing. CPE will pursue proposals for the study and report back to the board.

Management of General Business: Mr. Donati distributed copies of a status report from Mr. Bale.

Sludge Transportation Contract No. 12-03: Bids were opened for the sludge transportation contract. Three bids were received. Russell Reid, our current hauler, was the lowest bidder for the 3-year contract. The bids were as follows: Russell Reid \$0.0476 per gallon to PVSC and \$0.0376 per gallon to Par-Troy – Total Bid Price \$96,104; Accurate Waste \$0.0484 to PVSC and \$0.04 to Par-Troy – Total Bid Price \$97,896; Spectraserv \$0.048 to PVSC and \$0.046 to Par-Troy – Total Bid Price \$97,720. The rates per gallon for the new contract will be lower than our current contract, but with the same vendor. Mr. Donati reviewed the bid documents and everything looked good. Mr. Tipton has the bids for his review.

Mr. Rosenberg moved to adopt Resolution #12-30, awarding Contract No. 12-03 to Russell Reid, Inc., the lowest responsible and responsive bidder, for transport of sludge to PVSC for a charge of \$0.0476 per gallon and to Par-Troy Sewer Authority for \$0.0376, subject to attorney review. The Total Bid Price is \$96,104. Mr. Kiszonak seconded; the motion passed unanimously on a roll call vote.

CHIEF OPERATOR'S REPORT

Operations: Both plants are running good.

The process pit will be taken down and cleaned on July 25 (around 3:30 am).

One of the employees had an injury and QualCare was contacted.

Mr. Wasser revisited the issue of the part-time worker's hours. The commissioners agreed to extend the increase in hours until the next meeting, as long as it does not trigger any thresholds for benefits as a full-time employee. If at the next meeting, another extension is needed for another couple of weeks, it can be discussed then.

Mr. Scott moved to extend the increase in the part-time worker's hours to 40 hours per week until the next regular meeting. Ms. Napolitani seconded, all in favor.

FINANCE

Mr. Piazza reviewed the financial reports and said we were doing a good job running the plants. He then presented the resolutions for the Operating and Capital bills.

Mr. Piazza moved that Resolution #12-31 (Certificate No. 312: \$46,757.29) 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 #12-32 (Certificate No. 320: \$79,195.36) 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

As directed by Chairman Chamberlain last month, Ms. Kaspereen obtained a proposal from Nisivoccia Consulting for the cost of a new computer, accessories, external hard-drive, software, and labor for transferring files, setting up the computer with our network and onsite and offsite backups. Mr. Rosenberg expressed concern with some of Nisivoccia's ancillary costs and thought a local person could do it for less. PCFA uses Nisivoccia Consulting.

Mr. Piazza moved to award Nisivoccia Consulting a contract not to exceed \$2,000 (to be spent at Ms. Kaspereen's discretion) for a computer, accessories, software, external hard-drive, and labor to set up the computer with our network and off-site/on-site backups. Mr. Scott seconded. The motion passed. Roll call was as follows:

Mr. Accetturo	Absent	Mr. Rosenberg	No
Mr. Kiszonak	Yes	Mr. Scott	Yes
Ms. Napolitani	Yes	Mr. Walsh	Absent
Ms. O'Connor	Absent	Chairman Chamberlain	Yes
Mr. Piazza	Yes		

NEW BUSINESS

Chairman Chamberlain initiated discussion on commissioner attendance at Authority meetings and asked what action the Board would like to take in the matter. The Authority bylaws contain language regarding attendance, which he read aloud for the benefit of those present; "In the event that a member is absent for three consecutive or a total of five regularly scheduled meetings within a year without sufficient cause, the Secretary of the Authority shall notify the Board of the Chosen Freeholders of Warren County thereof, to the end that the Board might take such action as it deems appropriate pursuant to the provisions of N.J.S.A 40:14B-16." Not counting this evening, one commissioner has missed seven within the last 12 months. The Chairman has spoken to this individual. Several others have missed four.

The Chairman spoke with Mr. Marvin, the Freeholder Clerk/County Administrator, earlier today and he reiterated what was contained in our bylaws. He also gave Chairman Chamberlain information on the process by which a member may be removed from the Authority Board.

Discussion ensued. Mr. Tipton said the Board must take into consideration what is considered "sufficient cause." In addition, notification of absences to Ms. Kaspereen has been spotty from some commissioners. He recommended the Authority notify all commissioners of what is included in the bylaws regarding attendance and that the provision will be enforced going forward, and to set policy for notification of absences.

After further discussion, it was decided that the notification to Mr. Walsh would include a clause offering him the opportunity to resign and that all, but he, are starting with a clean slate, because he is the only one currently in violation. Mr. Tipton also stated that the Board could offer to hold notification to the Freeholders in abeyance provided he meet certain conditions.

Mr. Tipton also suggested setting a policy, whereby all commissioners must notify Ms. Kaspereen in advance of a known absence and the reason for the absence (to establish a basis for sufficient cause). If an absence is an emergency and not known of beforehand, then the commissioner should notify her within 24-48 hours after the absence. Chairman Chamberlain will work with Ms. Kaspereen in preparing the notifications to the commissioners.

PUBLIC COMMENT

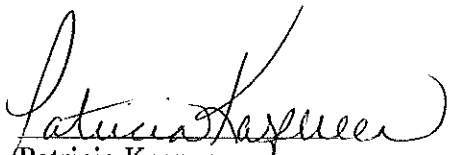
There was no public present.

EXECUTIVE SESSSION

At approximately 8:42 p.m., Mr. Piazza moved to enter into execution session for the purpose of discussing personnel matters. Mr. Scott seconded, all in favor.

Mr. Scott moved to return to open session at approximately 9:27 p.m. Mr. Rosenberg seconded, all in favor.

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 9:28 p.m.


Patricia Kaspereen
Administrative Assistant