

WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

MINUTES

August 17, 2011

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 | Michael Walsh | Absent |
| Laurel Napolitani, Secretary | | |
| Robert Piazza, Treasurer | | |
| Drew Kiszonak | | |
| Everdina O'Connor | | |
| Philip Rosenberg | | |

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. Piazza moved and Ms. Napolitani seconded to approve the minutes of the July 20, 2011 regular meeting, as presented. The motion passed. Roll call was as follows:

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

CORRESPONDENCE

Ms. Napolitani summarized the correspondence.

1. A letter dated July 19, 2011, from Mr. Donati, P.E., Senior Associate, Cerenzio & Panaro to Mayor Liegel concerning DEP's proposed draft sewer service area map.
2. A letter dated July 27, 2011, from Mr. Donati enclosing the Annual Inspection Report for 2010.
3. A letter dated August 1, 2011, from PERMA regarding membership renewal in the NJUA JIF.
4. A letter dated August 2, 2011, from Mr. Mikulka, Senior Project Manager, C&P to Chairman Chamberlain submitting pay-to-play forms.
5. A letter dated August 3, 2011, from the DEP to Chairman Chamberlain enclosing the draft surface water renewal permit action.

GENERAL COUNSEL'S REPORT

Mr. Tipton had an item to be discussed under Executive Session, later in the meeting.

ENGINEER'S REPORT

While attempting to obtain historic flow information for the Oxford upgrade, C&P discovered a glitch in the system. Mr. Donati informed the Board that this information should be processed, saved and readily available. C&P is working with the operating staff to rectify the problem. There are no problems with the flows as far as reporting is concerned.

The NJDEP sent a copy of the draft surface water renewal permit action for the Oxford Area WWTP (corr. no. 5). C&P is reviewing it for technical issues. They will submit comments on a few items.

Included in the commissioners' agenda packets was a form of agreement for design services for the Oxford upgrade. As authorized at last month's meeting, C&P continued with the preliminary investigation for the design of the upgrade.

Mr. Donati spoke with Mr. Houck regarding the financing of the upgrade.

The Belvidere WWTP influent screening project is progressing, albeit slowly.

The engineer for Belvidere and White Township contacted Mr. Donati about meeting to discuss the DEP draft wastewater management plan map. Belvidere is in good shape. Mr. Sterbenz just received approval from the Township of White to proceed with review of the town's sewer service area needs.

CHIEF OPERATOR'S REPORT

Mr. Wasser reported that both plants were operating well.

He requested approval to eliminate Abcode Security for the alarms and install direct dialers. Of the three quotes he obtained, the lowest was for \$6,496 for seven dialers including installation. The cost of the dialers would pay for themselves in 5 years.

Mr. Piazza moved to grant Mr. Wasser's request to hire R&R Pump & Control Service, for the installation of seven dialers for the alarm system for a cost of \$6,496 (dialers & installation). Mr. Scott seconded. The motion passed unanimously on a roll call vote.

FINANCE (Treasurer's Report)

Mr. Piazza reviewed the monthly financial reports with the Board. Expenditures are below budget for this time of year. He commended the staff for controlling expenditures.

Mr. Piazza moved that Resolution #11-34 (Certificate No. 301: \$47,001.35) be approved to pay all bills from the Operating Fund. Ms. Napolitani seconded. The motion passed unanimously on a roll call vote.

Mr. Piazza moved that Resolution #11-35 (Certificate No. 309: \$22,021.50) be approved to pay all bills from the Capital Improvements Fund. Mr. Scott seconded. The motion passed unanimously on a roll call vote.

CFO's REPORT

Mr. Houck reminded everyone that it is time to begin preparing the FY2012 budget. He will meet with the Finance Committee. The budget must be sent to the State by the end of October.

A schedule of the Authority's debt service was distributed to the commissioners.

Per state statute, employees must significantly increase their contributions toward their pensions and health benefits. Another provision of the statute is to have the Certifying Officer and Supervising Certifying Officer acquire certification. Since county personnel must be certified, Mr. Houck suggested the Authority authorize the County to act as our Certifying Officer and Supervising Certifying Officer. This can be done by modifying the existing agreement between the Authority and the County. He suggested sending a letter and/or resolution to the County with this request. There would be no additional costs to the Authority.

Mr. Rosenberg moved to request that the County act as the Authority's Certifying Officer and Supervising Certifying Officer. Ms. O'Connor seconded. All in favor.

PERSONNEL COMMITTEE

There was nothing to report.

UNFINISHED BUSINESS

As instructed by the commissioners at last month's meeting, Ms. Kaspereen obtained three quotes for uniforms for the operators. Two of the three were very close. Since all three quotes were considerably less than the current price, the suggestion of giving a clothing allowance in lieu of the Authority renting uniforms was no longer practical. All three contracts have escalation clauses, but our current vendor mentioned the possibility of fixing the price for the three-year contract. The Board agreed to remain with the current vendor, if the vendor agrees to fix the new price (as quoted) for the next three years. Ms. Kaspereen will report to the Board at the next meeting.

Chairman Chamberlain expressed his displeasure with the service from our current agent for risk management. RFPs were posted on our website, as well as the County's. Four proposals were received and evaluated by the subcommittee. At the last meeting, the subcommittee recommended Wells Fargo for the professional service of risk management. However, the Board tabled the issue until tonight.

In the meantime, another agent from Bollinger insurance contacted Chairman Chamberlain. The agent asked if the Board would reconsider remaining with Bollinger if he took charge of our account.

Chairman Chamberlain asked for the Board's decision on whether to agree with the recommendation of the subcommittee for Wells Fargo to be our new risk manager, or to continue with Bollinger Insurance but with another agent.

There was further discussion regarding risk management and the Authority's future insurance needs. Mr. Tipton explained the options in relation to the RFP process and professional services.

Chairman Chamberlain asked if there was a motion to retain Bollinger Insurance, but with James Gilmore as our agent for FY2012.

Mr. Piazza moved to retain Bollinger Insurance as our risk manager, with James Gilmore as our new agent for one year. (No second)

More discussion and questions ensued. Mr. Grossmann, risk manager for the county, answered some of those questions.

Mr. Scott made a motion to appoint Wells Fargo Insurance as the Authority's Agent of Record.

More discussion and questions ensued.

Mr. Rosenberg moved that the Authority ask Mr. Gilmore to come before the Board at next month's meeting for an interview, as well as any other agent/firm that may be interested and can submit their proposal in time. He would prefer a local agency. (No second)

Chairman Chamberlain expressed concern about waiting until next month, because the application for the JIF needs to be completed and submitted before October 1.

Ms. Napolitani seconded Mr. Scott's motion to appoint John Daly from Wells Fargo Insurance as risk manager. The motion passed; roll call was as follows:

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

Mr. Grossmann distributed our current insurance coverage information.

NEW BUSINESS

There was no new business.

PUBLIC COMMENT

Bill Breslin, of Breslin-Shulman Insurance, introduced himself and made a brief presentation to the Board. He distributed his resume and work history.

EXECUTIVE SESSION

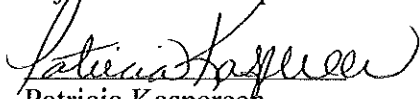
At approximately 9:06 p.m., Mr. Scott moved and Ms. O'Connor seconded to enter into executive session to discuss contract negotiations. All in favor.

At approximately 9:41 p.m., Mr. Rosenberg moved and Mr. Scott seconded to return to open session. All in favor.

The Board gave its endorsement for C&P to move forward with the design of the Oxford WWTP Upgrade, in order maintain the schedule for permit compliance.

Mr. Scott moved to table action until next month's meeting, on Cerenzio & Panaro's professional engineering services contract for the design and bid phase of the Oxford Area WWTP Upgrade. Mr. Rosenberg seconded. All in favor.

As there was no more business to come before the Authority, Mr. Piazza moved and Mr. Scott seconded that the meeting be adjourned. The motion passed unanimously. The meeting was adjourned at 9:42 p.m.


Patricia Kaspereen
Administrative Assistant