

WARREN COUNTY (PEQUEST RIVER)
MUNICIPAL UTILITIES AUTHORITY

MINUTES
December 15, 2010

The regular meeting of the Warren County (Pequest River) Municipal Utilities Authority was called to order by Chairman Chamberlain at 8:27 p.m. The meeting was held at the Pollution Control Financing Authority of Warren County administration building located at 500 Mt. Pisgah Ave., Oxford, New Jersey.

Present at Roll Call:

Chad Chamberlain, Chairman
A. Morris Scott, Jr., Vice Chairman
Laurel Napolitani, Secretary
Angelo Accetturo, Treasurer
Drew Kiszona
Everdina O'Connor
Robert Piazza
Philip Rosenberg
Michael Walsh

Also, in attendance were:

Stephen Donati, P.E., Authority Engineer and Consultant; Charles Houck, Authority Chief Financial Officer; Brian Tipton, Esq., Authority Legal Counsel; and Patricia Kasperen, Administrative Assistant.

Chairman Chamberlain read the Introductory Statement.

MINUTES

Mr. Kiszona moved and Mr. Rosenberg seconded to approve the minutes of the November 17, 2010 regular meeting, as presented. The motion passed unanimously; Roll call was as follows:

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

Mr. Scott moved and Mr. Rosenberg seconded to approve the minutes of the November 17, 2010 executive session, as presented. The motion passed unanimously; Roll call was as follows:

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

CORRESPONDENCE

Ms. Napolitani reviewed the correspondence; these items will be addressed during the engineer's report.

1. A memo dated December 2, 2010, from PERMA informing the Authority of its 2010 dividend.
2. A letter dated December 6, 2010, from the NJDEP with the FY2011 Annual Fee Report and Assessment of Fees for the Oxford NJPDES permit.
3. A letter dated December 6, 2010, from the NJDEP with the FY2011 Annual Fee Report and Assessment of Fees for the Belvidere NJPDES permit.
4. A letter dated December 14, 2010, from Mr. Cavanagh, NJDEP to Mr. Bale regarding the Compliance Evaluation and Assistance Inspection for the Oxford WTP.

In order to accommodate a guest, Chairman Chamberlain invited Mr. Dibble to present the FY2011 insurance proposal.

Jack Dibble, from Bollinger Insurance, distributed copies of the NJUA JIF insurance proposal for 2011. He reviewed the proposal and answered questions from the Board. There was a minor typo in the proposal, which he will correct and send to Ms. Kaspereen. The coverage for the buildings will increase from \$6,392,937 to \$7,691,706; all other coverage remains the same. The premium will only increase by less than 5%. The new premium will be \$33,132.60, but the Authority will receive back a dividend of \$8,960.83.

The NJUA JIF is managed solely for utility authorities, which cuts out a lot of expense.

There was a brief discussion on the amount of coverage needed. Mr. Scott remarked that even with the increase in coverage, the Authority would still save about \$4,000 over last year.

GENERAL COUNSEL'S REPORT

Mr. Tipton had nothing to report.

ENGINEER'S REPORT

Under sewer extensions, Mr. Donati stated the county has been contacted about their request to connect the truck-wash facility to the Authority's system. The county is proceeding ahead with the plan, and they will inform the Authority when the work is to be done so we know when to expect their flow.

Under operations, C&P is assisting the operators at the Belvidere plant with adjusting the operational settings. Work was done to improve flow metering and reduce the amount of sludge.

The Oxford WWTP permit: C&P continues to monitor the status of the TMDL report. The MUA has still not received anything official from the DEP that the 3-year compliance schedule has begun, but the Authority is proceeding to meet the 3-year window.

Feasibility Study for the Oxford Upgrade: the first meeting between the subcommittee and Mr. Donati took place and was very productive. The meeting focused on shutting down the Oxford plant and pumping the flow over to either the Belvidere plant or DSM. Both regulatory costs and estimated costs were discussed in detail.

Mr. Piazza, who serves on the subcommittee, said the estimated costs are significantly higher than upgrading the plant. Finances aside, the subcommittee learned of several regulatory challenges.

Chairman Chamberlain was of the opinion that the alternate options could not be done within the 3-year compliance window.

Nevertheless, Mr. Donati felt the meeting was very productive and served the purpose of eliminating options and allowing the MUA to concentrate on viable options.

Mr. Kiszonak, who also serves on the subcommittee, said the hurdles are unimaginable. The subcommittee made a decision based on all the possibilities.

Mr. Donati said by the next meeting he will report to the Board on the alternatives for the upgrade.

Mr. Piazza added that the rag problem was discussed at length at the feasibility study meeting. Apparently, the problem is more serious than he was aware. The subcommittee was prepared to recommend serious consideration be given in addressing the rag problem at the Belvidere plant, at the expense of any other capital projects presently under consideration. The subcommittee felt this was a priority. The problem at Oxford can be addressed during its upgrade. The subcommittee also hopes Mr. Donati can discover a more economical solution with the problem at Belvidere than was previously discussed.

Chairman Chamberlain asked if the ragging problem was anticipated during the Belvidere upgrade.

Mr. Wasser, an operator at the plant, said the old plant was all gravity feed and without pumps. The rags may have been present, but now, with the presence of pumps, rags are caught up in these pumps. In addition, the new disposal wipes do not breakdown.

Based on the subcommittee's recommendation, C&P will meet with the operators to discuss ways to simplify the rag disposal process and cut costs. A sketch of a screen is being drawn up and estimated costs obtained. Contract No. 09-01 has not been closed out yet due to the ragging problem. Mr. Donati suggested taking the sketch and approaching that contractor to see what it would cost for him to install the screen under a change order. Final decision would be the Board's. Many other wastewater treatment facilities are experiencing the same problem.

Mr. Rosenberg wondered why, with the problem being so widespread, there was not some political solution in dealing with the manufacturers of these disposable wipes.

The screens are effective for more than rags.

Budgeting for the screens was discussed with Mr. Houck.

The subcommittee will meet regularly with Mr. Donati.

Mr. Accetturo suggested a subcommittee be formed to discuss possible political remedies.

Mr. Rosenberg suggested appealing to Trenton for some relief.

DSM responded to the Authority's request to consider taking our flow from the Oxford plant. They are reluctant but are willing to meet with the Authority. This eliminates the DSM option. However, DSM has a sludge processing facility so it may be worth meeting with them for this reason.

Funding Sources for the Upgrade: C&P is continuing with preparing the eligibility application with the U.S.D.A.

Under miscellaneous, DEP informed us that the air permit for the Oxford emergency generator is expiring. Payment is in the Bills List. Renewal can be done online; an authorization form was included in the agenda packets.

Management of General Business: Mr. Donati presented a resolution and agreement to reappoint Mr. Dibble of Bollinger Insurance as the Authority's Risk Management Consultant for 2011.

Mr. Scott moved to adopt Resolution #10-43, reappointing Mr. Dibble of Bollinger Insurance as the Authority's Risk Management Consultant for 2011. Ms. O'Connor seconded and the motion passed unanimously on a roll call vote.

The bid opening for the annual chemical contract was on December 1. Two companies submitted bids: Univar USA, \$24,982.00; and Main Pool & Chemical Company, \$26,064.00. Mr. Donati and Mr. Tipton reviewed the bid documents. Mr. Donati recommended awarding Contract No. 10-01 to the lowest responsive and responsible bidder, Univar USA.

Mr. Rosenberg moved to adopt Resolution #10-42, authorizing the award of Contract No. 10-01 to the lowest responsive and responsible bidder, Univar USA, for the purchase of combined chemicals for 2011 for a total delivery price of \$24,982.00. Mr. Scott seconded and the motion passed unanimously on a roll call vote.

The mayor of Oxford Township contacted Mr. Donati regarding the possibility of a shared service agreement, whereby the MUA would provide a licensed operator for licensing purposing for Oxford's collection system. This subject was brought up at a previous meeting. One of the concerns is the license is held, not by the Authority, but by the licensed operator. This has the potential to put liability on a particular individual. Mr. Bale spoke to the operators. There was also concern the operator may be called out in the middle of the night. There was further discussion regarding the matter.

Mr. Rosenberg felt that because Oxford was the Authority's biggest customer, we should accommodate them. If there were an expense to the Authority, Oxford would be responsible.

Chairman Chamberlain said there may be some legal liability involved and he wanted legal counsel to look at it further. Mr. Tipton was unfamiliar with what this person does.

Mr. Wasser informed the Board that he has S2 and C2 licenses currently hanging with the Authority for the Belvidere plant. He is the responsible party not the Authority, which puts the liability on him. Mr. Schnorrbusch is the licensed operator for the Authority's Oxford plant. John Synder (a Belvidere employee) is the licensed operator for the Town of Belvidere's collection system.

Under operations, both plants are doing well. A letter (corr. no. 4) was sent by the DEP about the September 24th inspection of the Oxford WWTP. Solids were noted and specifically noted was the color in the effluent. The DEP was attempting to access how much leachate was discharged to the plant, but the flow meter has never been connected and the DEP was somewhat displeased. PCFA has to do its final connection. The DEP has requested that in 60 days the Authority submit a report on how we are going to address the issues.

Chairman Chamberlain thanked Mr. Donati for his presentation at the hearing and for the written report included in the commissioners' agenda packet.

FINANCE

Mr. Accetturo moved that Resolution #10-44 (Certificate No. 293: \$51,763.83) be approved to pay all bills from the Operating Fund. Mr. Scott seconded. Ms. Napolitani asked for clarification on the bill for mileage for Ms. Kaspreen. The motion passed unanimously on a roll call vote.

Mr. Accetturo moved that Resolution #10-45 (Certificate No. 301: \$7,182.00) be approved to pay all bills from the Capital Improvements Fund. Mr. Scott seconded. The motion passed unanimously on a roll call vote.

Mr. Accetturo said discussion at one of the Finance Committee meetings was about energy programs. He asked Mr. Houck to make a presentation at the Authority's next regular meeting on how the county handled their RFP for discounted energy.

Mr. Houck has the county RFP and approved bidders list and the only other information needed is the Authority's energy consumption. Ms. Kaspreen will supply him with the information.

CFO REPORT

Mr. Houck announced that the FY2011 budget was approved by the DCA.

Chairman Chamberlain presented the resolution to adopt the FY2011 Operating and Capital Budgets.

Mr. Scott moved to adopt Resolution #10-46, for the adoption and certification of the FY2011 Operating and Capital Budgets, as approved by the DCA and presented at the Public Budget Hearing. Ms. Napolitani seconded and the motion passed unanimously on a roll call vote.

Chairman Chamberlain presented the resolution for the amendment of the Authority's Rules and Regulations (Appendix C, Section 1A-1C).

Mr. Scott moved to adopt Resolution #10-47, for the amendment of the Authority's Service Rules to incorporate the new rates and fees, and the change to billing system (Appendix C, Section 1A), including the 2011 fee schedule for residential users at \$10.95 per billing unit and industrial users at \$21.90/1,000 gallons (Appendix C, Section 1B). Ms. O'Connor seconded and the motion passed unanimously on a roll call vote.

Chairman Chamberlain presented the resolution for approval of the connection fee for FY2011.

Mr. Scott moved to adopt Resolution #10-48, for the approval of the FY2011 Connection Fee set at \$5,945 per EDU. Ms. O'Connor seconded; the motion passed unanimously on a roll call vote.

Chairman Chamberlain thanked Mr. Houck for all his hard work in preparing the FY2011 budget and change to the billing system.

Mr. Houck stated it was an honor to serve.

PERSONNEL COMMITTEE

Discussed under Executive Session at the end of meeting.

UNFINISHED BUSINESS

Progress is being made on the future website. Ms. Kaspereen wondered if the Board wanted the approved minutes placed on the site. The consensus of the Board was to place the approved minutes on the website.

NEW BUSINESS

There was no new business to report.

PUBLIC COMMENT

Regarding the issue of the rags, Ms. Stettler, council member from Belvidere, suggested the Authority work together with the municipalities in making a statement to the users encouraging them to use preventive measures, and promoting cost savings to the users.

Chairman Chamberlain felt her suggestions were excellent.

Ms. O'Connor stressed one of the biggest problems is the labeling on the packaging – flushable does not necessarily mean biodegradable.

Several commissioners recommended having the info sent to the towns, to be included with the sewer/tax bills. Once the website is established, this information can be placed on the site.

Ms. Stettler agreed and recommended including the info with Belvidere's recycling calendar. Ms. Kaspereen will work with Mr. Donati in preparing the information.

Ms. Stettler asked Mr. Houck a few more questions about potential developments.

EXECUTIVE SESSION

Mr. Kiszona moved to enter into Executive Session at approximately 9:35 p.m., for the purpose of discussing personnel issues relative to Authority supervision. Mr. Scott seconded, all in favor.

Mr. Accetturo moved to return to open session at approximately 10:40 p.m. Ms. O'Connor 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 10:42 p.m.

Patricia Kaspereen
Administrative Assistant