

WARREN COUNTY (PEQUEST RIVER)
MUNICIPAL UTILITIES AUTHORITY

MINUTES
December 19, 2012

Chairman Chamberlain called the regular meeting of the Warren County (Pequest River) Municipal Utilities Authority to order at 7:38 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	Sidney Deutsch	Absent
Morris Scott, Jr., Vice Chairman	Drew Kiszonak	Absent
Robert Piazza, Treasurer		
Laurel Napolitani, Secretary		
Angelo Accetturo		
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; Billy J. Wauhop, Authority Consultant; John Daly, Authority Risk Manager; and Patricia Kaspereen, Administrative Assistant.

Chairman Chamberlain read the Introductory Statement.

MINUTES

Mr. Scott moved and Mr. Accetturo seconded to approve the minutes of the November 20, 2012 regular meeting, as presented. The motion passed. Roll call was as follows:

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

Mr. Scott moved and Ms. O'Connor seconded to approve the minutes of the November 20, 2012 executive session, as presented. The motion passed. Roll call was as follows:

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

CORRESPONDENCE

Ms. Napolitani recapped the correspondence.

1. A NJEIT Schedule from the Local Finance Board October 10, 2012 meeting, with resolutions.
2. A letter dated December 1, 2012, from Mr. Guida, Collection System Operator for the Township of Oxford submitting the township's monthly collection system report.
3. A letter dated December 4, 2012, from the NJDEP to Chairman Chamberlain enclosing the final surface water minor modification permit action for the Oxford Area WWTF.
4. A letter dated December 7, 2012, from the NJDEP to Mr. Wasser regarding the March 2013 PT Study for the Belvidere Area WWTP.
5. A letter dated December 7, 2012, from the NJDEP to Mr. Schnorrbusch regarding the March 2013 PT Study for the Oxford Area WWTP.
6. A letter dated December 11, 2012, from Nisivoccia LLP to the Authority with regard to performing the FY2012 audit.
7. A letter dated December 11, 2012, from Nisivoccia LLP to the Authority with regard to performing the FY2013 audit.
8. A letter dated December 13, 2012, from Troy & Banks with the results from the utility bill audit.
9. A letter dated December 13, 2012, from the NJDEP regarding the Compliance Inspection conducted on October 1, 2012 at the Belvidere Area WWTF.

CFO'S REPORT

Warren County closed on the property discussed at last month's meeting. Mr. Houck presented a check payable to the Authority for \$95,596 for the connection fees. The Authority will start billing the County for sewage treatment charges effective January 1, 2013. The amount will be \$12,000 for the year, to be paid in quarterly installments of \$4,000. The flows will be reviewed at the end of the year.

Mr. Houck presented the resolution and certification for adoption of the FY2013 Capital and Operating Budgets.

Mr. Piazza moved to adopt Resolution #12-48, for the adoption and certification of the FY2013 Annual Operating Budget and Capital Budget/Program. Mr. Scott seconded and the motion passed unanimously on a roll call vote.

Mr. Houck presented the resolutions for the amendment of the Authority's Rules and Regulations and Connection Fee for FY2013.

Mr. Piazza moved to adopt Resolution #12-49 and Resolution #12-50, for the amendment of the Authority's Service Rules to incorporate the changes in user fees set at \$11.50 for residential and \$23.00 for industrial, and for approval of the FY2013 Connection Fee set at \$6,580.00 per EDU. Mr. Scott seconded and the motion passed unanimously on a roll call vote.

Bond Counsel prepared a resolution and group affidavit form for acknowledgement of the LFB findings related to financing the Oxford WWTF Upgrade.

Mr. Piazza moved to adopt Resolution #12-51, which acknowledges the LFB findings related to financing the Oxford WWTF Upgrade. Each commissioner signed the Group Affidavit Form. Mr. Scott seconded and the motion passed unanimously on a roll call vote.

The next two resolutions presented by Mr. Houck relate to the audit. He explained the options to the commissioners. Discussion ensued regarding the auditor's rate.

Mr. Piazza moved to adopt Resolution #12-52, authorizing the appointment of Nisivoccia & Company, LLP, to provide the professional services of auditor for FY2012. Mr. Accetturo seconded. The motion passed unanimously on a roll call vote.

For the purposes of discussion, Mr. Piazza moved Resolution #12-53, authorizing the appointment of Nisivoccia & Company, LLP, to provide the professional services of auditor for FY2013. Mr. Scott seconded. After discussing the advantages and disadvantages, the fee, and other issues, the motion passed unanimously on a roll call vote.

Mr. Houck wished everyone Happy Holidays and exited the meeting

GENERAL COUNSEL'S REPORT

Mr. Tipton, Mr. Donati and Mr. Wauhoh reviewed the chemical bid documents going out for bid.

The JIF is requiring Mr. Tipton to get involved in the review of the Authority's Personnel Policy in order to qualify for deductible and co-insurance buy down options related to employment practices. The Authority's premiums are also affected.

Mr. Daly clarified the JIF's requirements.

The Board authorized Mr. Tipton to work with Mr. Wauhop in getting the policy updated to comply with the JIF's requirements.

ENGINEER'S REPORT

Nature's Choice: As directed at last month's meeting, Mr. Donati asked Nature's Choice to establish an escrow account with the Authority before meeting with them. Their response was negative. The tentatively scheduled meeting did not take place.

Belstra Property: Their engineer (Finelli) contacted Mr. Donati about the possible sewer connection that was discussed months ago. The issue is technical and the Authority cannot assume any liability because the town of Belvidere owns the line. Mr. Tipton's understanding is that Mr. Sterbenz thought it was a building inspection issue not an engineering issue. Therefore, Mr. Tipton directed Finelli Engineering to the Belvidere plumbing inspection department.

Oxford Upgrade: As authorized and based on the results of the VE Study, CPE has begun the redesign of the facility for the nine "acceptance recommended" items and further evaluation of the disk filter. They feel comfortable with the disk filter and did a preliminary design. Mr. Donati estimates the costs saving to be between \$800,000 to one million dollars based on this change, but the changes will be far reaching. For instance, the engineering costs to do the redesign could be considerable (roughly \$300,000).

Mr. Wauhop agreed the net savings could be significant (roughly \$500,000).

Mr. Donati suggested meeting again with Mr. Wauhop to review all of the numbers, but did not want to move forward without authorization from the Board.

Mr. Scott moved to authorize CPE to continue working for another month on the changes needed to implement the disk filter for an amount not to exceed \$66,000. Mr. Rosenberg seconded. The motion passed unanimously on a roll call vote.

AUTHORITY CONSULTANT'S REPORT

Mr. Wauhop distributed his report.

All of the generators have been serviced, as well as all the equipment used during Superstorm Sandy to keep the plants running.

Parts have been ordered to repair the last five worm gears.

A technician made an onsite visit to evaluate the ultraviolet lights used for disinfection at the Belvidere facility. Mr. Wauhop is looking into overhauling these lights.

A new flow meter is needed for the effluent discharge channel; the cost is about \$3,305.00 (installed and calibrated).

Mr. Wauhop has started the first of monthly meetings with the operators and prepared a work list.

We are still getting food wrappers and other items that are flushed down the toilets from the county jail.

Mr. Wauhop notified PCFA that we could accept at least one truckload of leachate a day at the Belvidere facility, and we will continue receiving their flow as usual at the Oxford plant.

He presented a resolution and agreement for the appointment of a Risk Management Consultant for 2013; this is required by our JIF.

Mr. Scott moved to adopt Resolution #12-54, for the reappointment of John Daly of Wells Fargo Insurance Services as the Authority's Risk Management Consultant for 2013. Mr. Accetturo seconded. Discussion ensued about the matter. Mr. Daly explained that payment for his services is received directly from the JIF. He recommended the Authority obtain flood insurance. Roll call was as follows:

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

FINANCE (TREASURER'S REPORT)

Mr. Piazza questioned the bill for reimbursement of health benefits for a retiree. He and other commissioners were wondering if there was some type of annuity or policy that would make better use of the Authority's money to cover this insurance. Mr. Rosenberg suggested asking the Authority's CFO. Chairman Chamberlain asked Mr. Piazza to ask Mr. Houck about the matter.

Mr. Piazza moved that Resolution #12-55 (Certificate No. 317: \$55,632.87) 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 #12-56 (Certificate No. 325: \$44,600.17) 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

There was no unfinished business to report.

NEW BUSINESS

There was no new business to report.

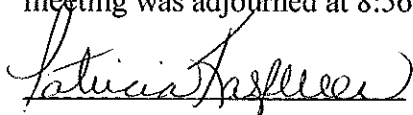
PUBLIC COMMENT

Mr. Niece from the town of Oxford said he just wanted to see how things were going.

EXECUTIVE SESSION

Chairman Chamberlain announced that there would be no executive session.

As there was no more business to come before the Authority, Mr. Scott moved and Ms. O'Connor seconded that the meeting be adjourned. The motion passed unanimously. The meeting was adjourned at 8:56 p.m.



Patricia Kaspereen
Administrative Assistant