

WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

MINUTES September 18, 2018

Chairman Chamberlain called the regular meeting of the Warren County (Pequest River) Municipal Utilities Authority to order at 7:32 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		
Laurel Napolitani, Secretary		
Robert Piazza, Treasurer		
Drew Kiszonak		
Donald Niece		
Robert Nyland		
Everdina O'Connor		

Also, in attendance were: Brian Tipton, Esq., Authority Legal Counsel; Daniel Olshefski, Authority CFO; Kim Francisco, Authority Fiscal Officer; Billy J. Wauhop, Authority Consultant; and Patricia Kaspereen, Administrative Assistant.

Chairman Chamberlain led everyone in the Pledge of Allegiance and then read the Introductory Statement.

MINUTES

Mr. Scott moved, and Ms. Napolitani seconded to approve the minutes of the August 21, 2018 regular meeting, as presented. The motion passed. Roll call was as follows:

Mr. Deutsch	Absent	Ms. O'Connor	Yes
Mr. Kiszonak	Yes	Mr. Piazza	Yes
Ms. Napolitani	Yes	Mr. Scott	Yes
Mr. Niece	Yes	Chairman Chamberlain	Yes
Mr. Nyland	Yes		

Mr. Scott moved, and Ms. O'Connor seconded to approve the minutes of the August 21, 2018 executive session, as presented. The motion passed. Roll call was as follows:

Mr. Deutsch	Absent	Ms. O'Connor	Yes
Mr. Kiszonak	Yes	Mr. Piazza	Yes

Ms. Napolitani	Yes	Mr. Scott	Yes
Mr. Niece	Yes	Chairman Chamberlain	Yes
Mr. Nyland	Yes		

CORRESPONDENCE

Ms. Napolitani recapped the correspondence listed below:

- 1) A letter dated August 17, 2018, from Charles Cavanagh, Environmental Specialist 3, Northern Bureau of Water Compliance & Enforcement, NJDEP to John Wasser, Licensed Operator, regarding the Compliance Evaluation & Assistance Inspection conducted at the Belvidere Area WWTF.
- 2) A letter dated August 27, 2018, from Richelle Wormley, Acting Assistant Commissioner, Compliance & Enforcement, NJDEP to the Authority, closing out the compliance inspection at the Oxford WWTP.
- 3) A letter dated September 6, 2018, from Jenna Majchrzak, Research Scientist 3, Office of Quality Assurance, NJDEP to John Wasser regarding the scheduled On-Site Audit of the laboratory at the Belvidere WWTP.

EXECUTIVE SESSION

At approximately 7:35 pm, Mr. Scott moved, and Mr. Kiszonak seconded to adopt Resolution #18-34, to enter an executive session to discuss personnel and litigation. All in favor, motion carried.

At 8:07 p.m., Mr. Scott moved, and Ms. O’Connor seconded to return to open session. All in favor, motion carried.

CFO’S REPORT

Regarding the monthly financial report, there were no surprises. Mr. Olshefski recommended consolidating two money market accounts, currently being held at Fulton Bank, into one account and seeing if they can match the rate at Valley National Bank. If not, he will transfer most of that money to Valley National. Our Cash Balance through August is about \$6.1 million dollars. Expenditures are in line. The only line item that looks like it is over expensed is Professional Services. However, he reminded everyone that the engineering services line item was decreased by \$10,000 this year, and there was some additional expense over the year with the PCFA Pilot Study. Capital expenditures are at a minimum, and a lot of this is due to Mr. Wauhopp’s oversight and costs savings by the operators doing jobs in-house.

FY 2019 Budget: Mr. Olshefski distributed handouts for all the members to review. Yesterday, he and Mr. Francisco met with Mr. Wauhopp and the Finance Committee to discuss what was presented. He summarized the highlights of the budget. The main concern is the management

transition for when Mr. Wauhop's contract expires next year. The second issue is alternate revenue sources; Mr. Wauhop is looking into this. Revenue from our industrial users is down. The overall Appropriations increased by \$42,000. If we are unable to find an additional revenue source, we will need to gradually increase the user rate 1-2% per year starting in 2021. To offset the budget, we are utilizing funds from the \$6.1 million until 2024. The proposed overall amount of revenue from residential users for 2019 is the same as the last four years. However, billing for individual users could change depending on their flow. Mr. Wauhop will be looking at the I&I (Inflow & Infiltration); we are currently using 11%. Line items are basically flat. Overall, it is a flat budget. Proposed Capital projects were discussed in more detail. The long-term plan for the utilization of our fund balance was discussed next. Funds are being held in reserve until the Tomar issue is resolved. After considering the 6-year plan for utilizing funds from the Rate Stabilization Fund, the 5-year Capital Plan and loss of revenue from PCFA, by the end of 2024 we will have \$2,000,000 remaining. This is the reason Mr. Olshefski recommended increasing the rate 1-2% per year starting in 2021. The last sheet of the handout shows the compounding effect of the proposed rate increase.

The overall rate will remain flat. The base year for flows ends at the end of September, so the full year's data should be known by the October meeting. The information will be used to calculate individual user charges for the November meeting

Mr. Kiszona had questions on the Capital Expenditures. Mr. Olshefski explained that this is just the Operating Budget, the Capital Budget is separate and comes out of the \$6.1 million dollars.

After further discussion, the Board was in favor of the proposed budget.

Mr. Olshefski and Mr. Francisco left the meeting.

GENERAL COUNSEL'S REPORT

Mr. Tipton had nothing to report.

ENGINEER'S REPORT

Mr. Donati was not present, but his report was included in the agenda packets.

AUTHORITY CONSULTANT

Mr. Wauhop's report was distributed prior to the meeting.

He recapped maintenance items performed at the Belvidere plant during the month. Landscaped and cleaned the area around the A&P meter. All the process pit pumps were greased. The mixer was removed from the storage tank and a replacement was ordered.

Grease was removed from the county-line grease tank; photos were taken. Hay bags are used to

trap the debris, which is then disposed of in the Sanico dumpster at the Oxford STP. Over the past 3 months, the operators at the Belvidere plant saved the Authority almost \$20,000 in trucking costs by using these bags. A climbing screen will remedy this issue, because having the operators use the bags in the winter is not feasible. Yesterday, we got a slug of grease at the same time the operators were cleaning out the grease tank. The grease coagulates into balls. Mr. Wauhoh does not know where it is coming from even though he questioned some local businesses. He will contact the DEP on the matter. The climbing screen will not resolve the grease problem.

The No. 1 and No. 2 FST units were greased, as well as the commutator.

He recapped maintenance items performed at the Oxford plant during the month. Cleaned out the wasting pumps and returns. Removed and cleaned all the Dissolved Oxygen probes in the aeration zone. Re-piped the aluminum shed with PVC piping in place of the existing hose. Removed the mixer from the chlorine contact tank and ordered a replacement. Removed rags from the wet wells and greased all pump stations. Greased both disc filters and discovered that Tomar did not install seals and collars around the inside bearings. Pumping Services came out to check out the situation and confirmed that they were not installed. Mr. Wauhoh will contact Mr. Donati and inquired as to who would pay for them. Tomar must be notified and may be back charged if we need to hire a contractor to do the job.

Under General Business, Mr. Wauhoh requested permission to enter into a contract for Electricity Supply Services. Ambit was the winning (lowest) bidder from the Reverse Online Auction conducted by EMEX. The rate is lower than our current rate. He presented a resolution and contract for the Board's consideration.

Mr. Scott moved, and Mr. Kiszonak seconded, to adopt Resolution #18-35 authorizing the purchase of electrical supply services from Ambit Energy at a rate of \$0.0740 kWh for a 24-month period. All in favor, motion carried.

By the end of the week, Mr. Wauhoh should be able to order parts for the climbing screen.

He mentioned advertising for his replacement.

Ms. Napolitani asked about correspondence #1. Mr. Wauhoh stated the matter will be resolved.

FINANCE (Treasurer)

Mr. Piazza moved that Resolution #18-36 (Certificate No. 386: \$47,468.85) be approved to pay all bills from the Operating Fund, as presented. Mr. Scott seconded. The motion passed unanimously on a roll call vote.

M. Piazza moved that Resolution #18-37 (Certificate No. 394: \$112.00) be approved to pay all bills from the Capital Improvements Fund as presented. Mr. Scott seconded. The motion passed unanimously on roll call vote.

UNFINISHED BUSINESS

There was no unfinished business to report.

NEW BUSINESS

There was no new business to report.

PUBLIC COMMENT

There was no public comment.

As there was no more business to come before the Authority, Ms. Napolitani moved, and Mr. Scott seconded that the meeting be adjourned. All in favor, motion carried. The meeting was adjourned at 8:52 p.m.

Patricia Kaspereen
Administrative Assistant

RESOLUTION

WHEREAS, Section 8 of the Open Public Meetings Act, Chapter 231, P.L. 1975, permits the exclusion of the public from a meeting in certain circumstances; and

WHEREAS, this public body is of the opinion that such circumstances presently exist.

NOW, THEREFORE, BE IT RESOLVED by the Warren County (Pequest River) Municipal Utilities Authority of the Township of White, County of Warren and State of New Jersey, as follows:

1. The public shall be excluded from discussion of and action upon the hereinafter specified subject matter.
2. The General nature of the subject matter to be discussed is as follows:

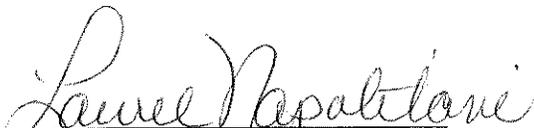
 Personnel

 Litigation
3. It is anticipated at this time that the above subject matter will be made public when appropriate.
4. This Resolution shall take effect immediately.

WARREN COUNTY (PEQUEST RIVER)
MUNICIPAL UTILITIES AUTHORITY



Chad Chamberlain, Chairperson



Laurel Napolitani, Secretary

DATED: September 18, 2018

RESOLUTION NO. 18-35

A RESOLUTION OF WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY AUTHORIZING THE PURCHASE OF ELECTRICITY SUPPLY SERVICES FOR PUBLIC USE ON AN ONLINE AUCTION WEBSITE

September 18, 2018

WHEREAS, Warren County (Pequest River) Municipal Utilities Authority has determined to move forward with the EMEX Reverse Auction in order procure electricity for Warren County (Pequest River) Municipal Utilities Authority; and

WHEREAS, the Local Unit Technology Pilot Program and Study Act (P.L. 2001, c. 30) (the "Act") authorizes the purchase of electricity supply service for public use through the use of an online auction service; and

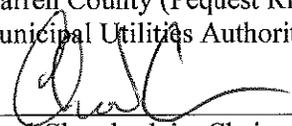
WHEREAS, the Warren County (Pequest River) Municipal Utilities Authority will utilize the online auction services of EMEX, LLC, an approved vendor pursuant to the Act, waiver number EMEX LLC-1, located at www.energymarketexchange.com; and

WHEREAS, EMEX, LLC is compensated for all services rendered through the participating supplier that a contract is awarded to; and

WHEREAS, the auction will be conducted pursuant to the Act; and

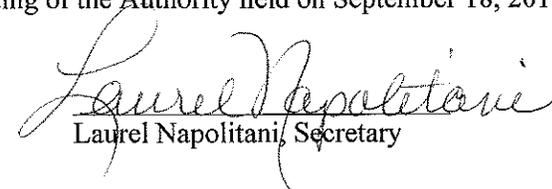
NOW THEREFORE BE IT RESOLVED, that Billy J. Wauhop, Authority Consultant, of the Warren County (Pequest River) Municipal Utilities Authority is hereby authorized to execute on behalf of the Warren County (Pequest River) Municipal Utilities Authority any electricity contract proffered by the participating supplier that submits the winning bid in the EMEX Reverse Auction.

Warren County (Pequest River)
Municipal Utilities Authority


Chad Chamberlain, Chairperson

Certification

I, Laurel Napolitani, Secretary of the Warren County (Pequest River) Municipal Utilities Authority, do certify the foregoing to be a true copy and demoralization of a resolution adopted by a majority of all members of the Authority present at a regular meeting of the Authority held on September 18, 2018.

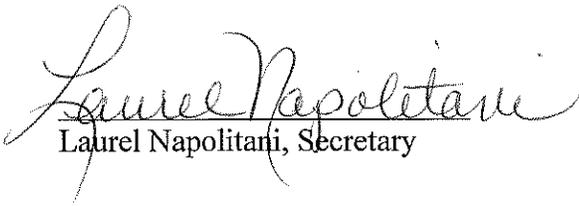

Laurel Napolitani, Secretary

RESOLUTION RE:

**EXPENDITURES FROM THE OPERATING FUND
DURING THE MONTH OF SEPTEMBER 2018.**

I HEREBY CERTIFY, that the bills listed on the attached Resolution of September 18, 2018, regarding payment of bills from the Operating Fund were for the operating expenses and were in accordance with the Authority's 2018 budget.


Chad Chamberlain, Chairperson


Laurel Napolitani, Secretary

Certificate No. OP 386

Dated: September 18, 2018

Moved by: Mr. Piazza

Seconded by: Mr. Scott

Yes 8

No 0

Abstain 0

Absent 1

APPROVAL OF BILLS TO BE PAID FROM THE OPERATING FUND

Meeting: September 18, 2018

BE IT RESOLVED, that the following bills are approved by the Authority for payment from the Operating Fund in accordance with the Authority's Bond Resolution:

Vendor Invoices:

Date:

Check #18727 - #18736

8/30/18	\$8,071.47
Due 9/18/18	<u>39,397.38</u>
Total	\$47,468.85

PENTAMATION
 DATE: 10/12/2018
 TIME: 13:16:06

MUNICIPAL UTILITY AUTHORITY
 CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 1
 ACCTPA21
 ACCOUNTING PERIOD: 10/18

SELECTION CRITERIA: chkstat.disp_fund='MUA01' and chkstat.rundate='08/30/2018'
 DISTRIBUTION FUND: MUA01

CHECK NUMBER	ISSUE DATE	VENDOR	STATUS	TOTAL DESCRIPTION
18727	08/30/2018	CENTURYLINK	R	64.67 ACCOUNTS PAYABLE CHECK
18728	08/30/2018	COMCAST	R	201.43 ACCOUNTS PAYABLE CHECK
18729	08/30/2018	JCP&L	R	3.15 ACCOUNTS PAYABLE CHECK
18730	08/30/2018	MAIN POOL & CHEMICAL CO.,	R	1747.80 ACCOUNTS PAYABLE CHECK
18731	08/30/2018	NATIONAL DRUG SCREEN, INC	R	60.00 ACCOUNTS PAYABLE CHECK
18732	08/30/2018	NEW JERSEY ANALYTICAL LAB	R	1055.00 ACCOUNTS PAYABLE CHECK
18733	08/30/2018	PASSAIC VALLEY SEWERAGE C	R	4480.00 ACCOUNTS PAYABLE CHECK
18734	08/30/2018	VERIZON WIRELESS	R	113.80 ACCOUNTS PAYABLE CHECK
18735	08/30/2018	WELLS FARGO VENDOR FINANC.	R	237.12 ACCOUNTS PAYABLE CHECK
18736	08/30/2018	WILSON PRODUCTS	R	108.50 ACCOUNTS PAYABLE CHECK
TOTAL FUND				8071.47

TOTAL REPORT 8071.47

PENTAMATION
 DATE: 10/12/2018
 TIME: 13:18:30

MUNICIPAL UTILITY AUTHORITY
 CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 1
 ACCTPA21
 ACCOUNTING PERIOD: 10/18

SELECTION CRITERIA: chkstat.disp_fund='MUA01' and chkstat.rundate='09/18/2018'

DISTRIBUTION FUND: MUA01

CHECK NUMBER	ISSUE DATE	VENDOR	STATUS	TOTAL DESCRIPTION
18738	09/18/2018	ACCURATE WASTE REMOVAL SE	R	2175.00 ACCOUNTS PAYABLE CHECK
18739	09/18/2018	ARAE NETWORK SOLUTIONS LL	R	187.50 ACCOUNTS PAYABLE CHECK
18740	09/18/2018	BEIVIDERE NAPA AUTO PARTS	R	33.46 ACCOUNTS PAYABLE CHECK
18741	09/18/2018	BREGER, RUSSELL	R	50.00 ACCOUNTS PAYABLE CHECK
18742	09/18/2018	BILL HODGE ELECTRICAL CON	R	850.99 ACCOUNTS PAYABLE CHECK
18743	09/18/2018	BILLY WAUHOP & ASSOCIATES	R	7083.33 ACCOUNTS PAYABLE CHECK
18744	09/18/2018	C & M AUTO PARTS	R	127.98 ACCOUNTS PAYABLE CHECK
18745	09/18/2018	CENTRAL JERSEY EQUIPMENT	R	224.95 ACCOUNTS PAYABLE CHECK
18746	09/18/2018	CENTURYLINK	R	127.30 ACCOUNTS PAYABLE CHECK
18747	09/18/2018	CINTAS CORPORATION #101	R	273.32 ACCOUNTS PAYABLE CHECK
18748	09/18/2018	COMCAST	R	202.78 ACCOUNTS PAYABLE CHECK
18749	09/18/2018	COUNTY OF WARREN	R	1000.00 ACCOUNTS PAYABLE CHECK
18750	09/18/2018	CP ENGINEERS, LLC	R	3204.38 ACCOUNTS PAYABLE CHECK
18751	09/18/2018	DEUTSCH, SIDNEY	R	166.66 ACCOUNTS PAYABLE CHECK
18752	09/18/2018	FASTENAL COMPANY	R	616.41 ACCOUNTS PAYABLE CHECK
18753	09/18/2018	FLORIO PERRUCCI STEINHARD	R	640.00 ACCOUNTS PAYABLE CHECK
18754	09/18/2018	FRANK RYMON & SONS INC.	R	57.38 ACCOUNTS PAYABLE CHECK
18755	09/18/2018	GERO, WAYNE	R	516.34 ACCOUNTS PAYABLE CHECK
18756	09/18/2018	JCP&L	R	11582.96 ACCOUNTS PAYABLE CHECK
18757	09/18/2018	JTORLE'S OFFICE SUPPLIES	R	44.58 ACCOUNTS PAYABLE CHECK
18758	09/18/2018	KASPEREN, PATRICIA	R	168.18 ACCOUNTS PAYABLE CHECK
18759	09/18/2018	KASPEREN, PATRICIA	R	203.91 ACCOUNTS PAYABLE CHECK
18760	09/18/2018	KISZONAK, DREW	R	166.66 ACCOUNTS PAYABLE CHECK
18761	09/18/2018	LLN SUPPLY INC.	R	22.36 ACCOUNTS PAYABLE CHECK
18762	09/18/2018	MAIN POOL & CHEMICAL CO.,	R	1648.60 ACCOUNTS PAYABLE CHECK
18763	09/18/2018	NAPOLITANI, LAUREL	R	291.66 ACCOUNTS PAYABLE CHECK
18764	09/18/2018	NEW JERSEY AMERICAN WATER	R	17.26 ACCOUNTS PAYABLE CHECK
18765	09/18/2018	NEW JERSEY ANALYTICAL LAB	R	990.50 ACCOUNTS PAYABLE CHECK
18766	09/18/2018	NIECE, DONALD L.	R	166.66 ACCOUNTS PAYABLE CHECK
18767	09/18/2018	NYLAND, ROBERT F.	R	166.66 ACCOUNTS PAYABLE CHECK
18768	09/18/2018	PIAZZA, ROBERT	R	291.66 ACCOUNTS PAYABLE CHECK
18769	09/18/2018	RAW POWER GENERATOR SERVI	R	500.00 ACCOUNTS PAYABLE CHECK
18770	09/18/2018	RIGO GENERAL HARDWARE	R	60.86 ACCOUNTS PAYABLE CHECK
18771	09/18/2018	SANICO INC.	R	121.00 ACCOUNTS PAYABLE CHECK
18772	09/18/2018	SPECTRASERV INC	R	4788.00 ACCOUNTS PAYABLE CHECK
18773	09/18/2018	WASSER, JOHN E.	R	100.00 ACCOUNTS PAYABLE CHECK
18774	09/18/2018	WAUHOP, BILLY	R	419.59 ACCOUNTS PAYABLE CHECK
18775	09/18/2018	WILSON PRODUCTS	R	108.50 ACCOUNTS PAYABLE CHECK
TOTAL FUND				39397.38

TOTAL REPORT

39397.38

RESOLUTION RE: EXPENDITURES FROM THE CAPITAL IMPROVEMENTS
FUND FOR THE MONTH OF SEPTEMBER 2018.

I **HEREBY CERTIFY** that the bills listed for CAPITAL IMPROVEMENTS are in
accordance with the Authority's budget.



Chad Chamberlain, Chairperson



Laurel Napolitani, Secretary

Certificate No. CI 394

Dated: September 18, 2018

Moved by: Mr. Piazza

Seconded by: Mr. Scott

Yes 8

No 0

Abstain 0

Absent 1

**CAPITAL IMPROVEMENT
BILLS LIST**

Dated: September 17, 2018

1. Florio Perrucci Steinhardt & Cappelli	
Period: August 2018	
Legal Services	
Oxford WWTP Upgrade <u>\$112.00</u>
Total \$112.00

PENTAMATION
DATE: 09/13/2018
TIME: 11:36:37

FUND - MUA01 - MUN UTILITY AUTH GEN FUND

MUNICIPAL UTILITY AUTHORITY
CHECK REGISTER

PAGE NUMBER: 1
VENCHK11
ACCOUNTING PERIOD: 9/18

CHECK NUMBER	CASH ACCT	DATE ISSUED	VENDOR	ACCT	DESCRIPTION	AMOUNT
18737	10101	09/17/18	539	FLORIO PERRUCCI STEINHARD 13006	LGL SERV OXF UPGRADE	112.00
TOTAL FUND						112.00
TOTAL REPORT						112.00