

WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

MINUTES October 15, 2019

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	Sidney Deutsch	Absent
Morris Scott, Jr., Vice Chairman	Everdina O'Connor	Absent
Laurel Napolitani, Secretary	Donald Niece	(absent at roll call, entered at 7:32)
Robert Piazza, Treasurer		
Drew Kiszonak		
Robert Nyland		

Also, in attendance: Brian Tipton, Esq., Authority Legal Counsel; Stephen Donati, Authority Engineer; Kim Francisco, Authority CFO; Kevin Shoudt, Authority Consultant; 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. Piazza seconded to approve the minutes of the September 17, 2019 regular meeting, as presented. (Mr. Niece entered the meeting.) The motion passed. Roll call was as follows:

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

CORRESPONDENCE

Ms. Napolitani recapped the correspondence listed below:

- 1) A memo dated September 2019 from the Municipal Excess Liability Joint Insurance Fund (MEL JIF) to all Fund Commissioners & Risk Managers enclosing a copy of MEL's brochure.

- 2) A memo dated September 18, 2019, from the Public Alliance Insurance Coverage Fund to the Authority, enclosing a surplus check in the amount of \$967.00.
- 3) A letter dated September 19, 2019, from Charles Cavanaugh, Environmental Specialist 3, Northern Bureau of Water Compliance & Enforcement, NJDEP, to John Wasser, Licensed Operator in Charge, with the results of the Compliance Evaluation & Assistance Inspection conducted on July 15, 2019 at the Oxford Area WWTF.
- 4) A memo dated October 1, 2019, from Jeff Longberg & Stephen Donati, CP Engineers to Billy Wauhop, Authority Consultant, regarding the inspection of the aeration basin/clarifier AB-3 at the Belvidere WWTP.
- 5) A letter dated October 10, 2019, from Joseph Mikulka, C.P.M., Senior Project Manager, CP Engineers to Charles Cavanaugh, Environmental Specialist 3, Northern Bureau of Water Compliance & Enforcement, NJDEP in response to correspondence #3.

EXECUTIVE SESSION

At approximately 7:33 pm, Mr. Scott moved, and Mr. Nyland seconded to adopt Resolution #19-39, to enter an executive session to discuss personnel matters. All in favor, motion carried.

At 7:40 p.m., Mr. Scott moved, and Mr. Nyland seconded to return to open session. All in favor, motion carried.

CFO'S REPORT

As discussed at last month's meeting, appropriations for the FY2020 Budget will remain the same as in 2019, and the anticipated revenue from our users will remain the same. Due to the decrease in revenue from our industrial users, we will use \$560,000 from surplus to balance the budget, which is \$28,500 more than in 2019. Mr. Francisco said that overall, there will be no changes to the bottom line of the budget. As in 2019, it will cost \$2,829,744 to operate the plants in 2020. A few minor adjustments were made to some line items, but there will be a zero increase to the bottom line.

Mr. Piazza moved to adopt Resolution #19-40, for approval of the introduced FY2020 Annual Operating and Capital Budgets, and to certify the FY2020 Annual Budget, including all related schedules, and the FY2020 Capital Budget/Program as presented. Mr. Scott seconded. The motion passed unanimously on a roll call vote.

Tomorrow, the introduced budget will be sent to Trenton. The annual public hearing and adoption of the budget will take place on December 17, 2019.

Mr. Francisco summarized the monthly financial report. The monthly activity was routine. Our cash balance at the end September was approximately \$5.3 million dollars; we are in good shape. We are three-quarters of the way through the year, and our revenues are at 76% and expenses are below budget at 66%. No surprises.

Mr. Francisco will look into getting one credit card for each plant.

GENERAL COUNSEL'S REPORT

Mr. Tipton had nothing to report.

ENGINEER'S REPORT

Mr. Donati's report was included in the agenda packets.

Jaindl Development: Last month, Maraziti Falcon, LLC, submitted a proposal for signature for Special Conflict Counsel. Brent Carney, Esq., will be our primary contact. One of their first tasks will be to pursue an escrow agreement with the developer. The MUA has heard very little from the developer in the last several months.

Mr. Scott made a motion to adopt Resolution #19-41, authorizing the award of a non-fair and open contract for a professional services agreement to Maraziti Falcon LLP as Special Counsel in legal matters regarding Jaindl Land Company. Mr. Piazza seconded; the motion passed unanimously on a roll call vote.

Permit Compliance: As addressed in correspondence #3 and #5, there was a major violation but a minor occurrence. There were very high flows due do extreme weather conditions in December 2018. Mr. Donati explained the situation in more detail. There is the potential for a fine.

Belvidere Clarifier Restoration: CP Engineers prepared a memo (correspondence #4), which was included in the agenda packets. CP's inspection noted a lot of corrosion and gave a more detailed explanation. CP recommended going out to bid for this project.

Oxford UV Installation: A 30% design meeting was held with Mr. Shoudt and the operators.

Interceptor Inspection: Progress is being made.

AUTHORITY CONSULTANT

Mr. Shoudt distributed his report prior to the meeting.

Equipment & Maintenance: All routine and scheduled maintenance was completed this month for both plants.

General Business:

We are waiting for an install date for the security system at the administration building. The computer for the Administrative Assistant has been ordered and should be here and installed this week. Mr. Shoudt will be doing a review of all the computers at both sites. The HVAC contractor is scheduled to install the new unit this Friday. Mr. Shoudt requested authorization to spend \$9,565 for a mixer at the Oxford plant. He

included the quote with his report and felt it would be a good investment and we could get a return on the expenditure if a few loads of sludge were eliminated.

Ms. Napolitani moved, and Mr. Scott seconded to authorize the above expenditure on the mixer. Mr. Piazza expressed concern and was surprised for the need of a new mixer after spending over \$8 million dollars on a major upgrade. After further discussion, the matter was tabled until next month's meeting. Ms. Napolitani and Mr. Scott withdrew their motion and second. Mr. Shoudt will obtain a second quote.

The replacement of the doors at Oxford is supposed to start at the end of October. Mr. Shoudt is working on the renewal of the lab contract that expires mid-December. At the meeting to discuss the UV installation at the Oxford plant, the operators suggested some changes; Mr. Donati will make those changes. We should have 95% complete drawings for the November meeting. Regarding paving the access road at the Oxford plant, Mr. Shoudt is meeting with Bartha Excavating by the end of the week to discuss the situation. The operators had to pull out a great deal of rags from the clarifier at Belvidere, as well as replace all the diffusers. It will be put back on-line for the winter. Interceptor Inspections: Working with Mr. Donati to get the final specs.

Personnel: As Chairman Chamberlain stated, everything went well with the meeting between the committee and personnel. Mr. Shoudt would like to start working on a 5-year capital plan, especially with the Belvidere plant because it is older.

Computer Programs: Mr. Shoudt stated that DEP is pushing for centralized maintenance programs and asset management. He is looking into the matter and obtaining prices. Another computer program would be a centralized data program. He met with one company who has these programs. Ms. Napolitani and the staff were present at that meeting. Ms. Napolitani said the Authority is way behind in being automated.

FINANCE (Treasurer)

Mr. Piazza moved that Resolution #19-42 (Certificate No. 399: \$51,237.16) be approved to pay all bills from the Operating Fund, as presented. Mr. Scott seconded. The motion passed unanimously on a roll call vote.

Mr. Piazza moved that Resolution #19-43 (Certificate No. 406: \$8,130.25) 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

Mr. Francisco will be contacting Mr. Wauhup about I&I. We currently use 11% for the rate calculation but it has been a very wet base year, so the I&I factor may need to be increased. Our base year for tracking flows for billing purposes is October 1 – September 30.

NEW BUSINESS

There was no new business.

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 8:07 p.m.

Patricia Kaspereen
Administrative Assistant