

WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

MINUTES December 17, 2019

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	Morris Scott, Jr.	Absent
Laurel Napolitani, Secretary	Drew Kiszonak	Absent
Robert Piazza, Treasurer	Donald Niece	Absent
Sidney Deutsch		
Robert Nyland		
Everdina O'Connor		

Also, in attendance were:

Brian Tipton, Esq., Authority Legal Counsel; Kim Francisco, Authority Chief Financial Officer; Stephen Donati, Authority Engineer; Kevin Shoudt, Authority Consultant; and Patricia Kaspereen, Administrative Assistant.

Chairman Chamberlain read the Introductory Statement.

MINUTES

Ms. Napolitani moved, and Ms. O'Connor seconded to approve the minutes of the November 19, 2019 regular meeting, as presented. The motion passed. Roll call was as follows:

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

CORRESPONDENCE

Ms. Napolitani recapped the correspondence listed below:

- 1) A letter dated November 1, 2019, from Conner Strong & Buckelew to the Authority enclosing our renewal documents (Auto ID cards & Workers Compensation Notices) for 2020.

- 2) A letter dated November 14, 2019, from Michele Potter, Manager, Office of Quality Assurance, NJDEP to our laboratory manager reporting that our Belvidere STP laboratory performed acceptably on all parameters regarding the 2019 Make-up Non-Potable Water Proficiency Test Study.
- 3) A letter dated November 14, 2019, from Michele Potter, Manager, Office of Quality Assurance, NJDEP to our laboratory manager reporting that our Oxford STP laboratory performed acceptably on all parameters regarding the 2019 Make-up Non-Potable Water Proficiency Test Study.
- 4) A Notice of Public Hearing to be conducted on December 10, 2019, from the Attorney for Jaindl Land Company, who is seeking White Township Planning Board preliminary site plan approval to permit construction of a high cube warehouse and associated offices of approximately 800,000 sf, etc., for property known as 39 Foul Rift Road.

EXECUTIVE SESSION

After consulting with Mr. Shoudt, Mr. Tipton and Ms. Kaspereen, Chairman Chamberlain recommended tabling the executive session to next month, if there were no objections. No objections were made.

CFO'S REPORT

Monthly Financial Report: As of November 30th, our cash balance is \$5.6 million dollars. Mr. Francisco believes we will end the year with about \$5.5 million dollars. We are 92% through the year and have collected 100% of anticipated revenue. We anticipated collecting \$2.298 million dollars in revenue and collected \$2.3 million. Regarding expenditures, we are well under budget.

Mr. Francisco presented the resolution and certification for adoption of the FY2020 Annual Operating Budget and Capital Budget/Program. The total budget is \$2,829,744.00; we will use \$2,269,744.00 from revenues and \$560,000 from our fund balance.

Mr. Piazza moved to adopt Resolution #19-46, for adoption and certification of the FY2020 Annual Operating Budget and Capital Budget/Program. Mr. Nyland seconded, and the motion passed unanimously on a roll call vote.

Mr. Francisco presented a resolution for amendment of the Authority's Rules and Regulations.

Mr. Piazza moved to adopt Resolution #19-47, for the amendment of the Authority's Rules and Regulations to incorporate the changes in user fees set at \$10.30 per billing unit for residential users and \$20.60 for industrial users (Appendix C), as discussed at the Annual Rate Hearing. Mr. Nyland seconded, and the motion passed unanimously on a roll call vote.

Mr. Francisco presented a resolution for the Connection Fee for 2020.

Mr. Piazza moved, and Ms. O'Connor seconded to adopt Resolution #19-48, which sets the

Connection Fee for FY2020 at \$6,642 per EDU, the same as in 2019. A single-family home is considered 1 EDU. The motion passed unanimously on a roll call vote.

The next item on the agenda is establishing an escrow agreement with Jaindl. The Authority's Special Counsel drafted an escrow agreement, but Jaindl's attorney did not return it. Jaindl had an issue with some language in the agreement.

Next, Mr. Francisco presented a resolution for the appointment of Auditor for FY2020. Nisivoccia LLP submitted a proposal.

Ms. Napolitani moved to adopt Resolution #19-49, authorizing the appointment of Nisivoccia LLP to provide the professional services of auditor for FY2020 for \$15,050. Mr. Piazza seconded. The motion passed unanimously on a roll call vote.

Chairman Chamberlain thanked Mr. Francisco for the fantastic job and continuity that we have had from the County. He said the Authority's financial situation has been terrific since the County has become involved, and he hopes the County will stay involved for a very long time.

GENERAL COUNSEL'S REPORT

Mr. Tipton had nothing to report.

ENGINEER'S REPORT

Mr. Donati's report was included in the Agenda Packets.

He followed up on Mr. Francisco's comments about Jaindl. Jaindl had issues with some language in the draft agreement and the dollar amount requested to establish the account. Earlier today, Special Counsel informed Mr. Donati that Jaindl is now considering a significantly downsized warehouse of 800,000 sf, which based on the numbers can get approved through septic regs. So, they could put a septic on site. Any further development above that would require a sewer connection, which requires a Wastewater Management Plan Amendment. At this point, the escrow account is not a priority for them and there is not much activity on our end.

Regarding the status of the UV project at the Oxford facility, 90% of the design has been completed. Mr. Donati intended to meet with Mr. Shoudt earlier today but was unable to due to bad weather. They will get together later this week to review 95% of the design. CP Engineers is also working on the TWA (Treatment Works Approval) application. Mr. Piazza questioned the need for a TWA. Mr. Donati said it is because it is a change in the process by going from chlorination to UV disinfection. As part of the process, the Authority has to pass a resolution endorsing submission of the TWA application. This allows CPE to represent the Authority in submitting the application to the State. There is also an application fee of \$4,672 that has to be submitted.

For the benefit of the public present, Mr. Piazza asked Mr. Donati to explain why it may not seem smart for the Authority to change the process after we just upgraded the Oxford plant. Mr.

Donati explained that the upgraded plant was designed based on accepting leachate from PCFA's landfill. Leachate is not conducive to UV disinfection, so the Authority could not utilize a UV system although it would have been our preference. So, we went with chlorination and dichlorination; DEP is cracking down on this. For a number of reasons, mostly to meet new permit limits, the Authority is switching over to UV disinfection. In the long term, it is a money saver because chemical purchases and storage are expensive, and some chemicals are corrosive. UV is also safer for the operators. If we had not been told that we must accept PCFA's leachate, we would have used UV instead of chemicals as we do at the Belvidere STP. The Authority is taking a very cost-effective approach, where we are utilizing existing facilities. Mr. Donati outlined the schedule for the UV project; it will be almost a year before it is in place.

Mr. Donati presented a resolution for the filing of the TWA application. Mr. Shoudt asked if we could go out to bid at the same time that we are waiting for TWA approval. Mr. Donati urged caution in the event DEP requested changes during their TWA review, but he said maybe we could wait for initial comments from DEP. He advised to not go out to bid too early. The reason Mr. Shoudt asked is because DEP is clamping down on chlorine readings and is lowering limits.

Mr. Piazza moved to adopt Resolution #19-50, authorizing CP Engineers to file the NJDEP TWA permit application. Mr. Deutsch seconded. The motion passed unanimously on a roll call vote.

CP Engineers is moving forward on bid documents for the CCTV inspection of the Authority's interceptor system. They are working with Mr. Shoudt so that the Authority is more electronically digitized rather than the paper versions of the system the Authority has currently. There is no overall map of the Authority's system. Since the Authority is going out for public bid, we need to supply contractors with an overall drawing. For really no additional costs, CPE is going to combine all the information into a GIS System. It will be an AutoCAD map tied in with GIS. Mr. Donati explained the system in more detail.

Mr. Piazza asked if an AutoCAD system is something that the Authority should be responsible for or the Consulting Engineering firm? Mr. Donati said the cost is on CP Engineers. He would not expect the Authority to purchase AutoCAD or GIS because it is very expensive. They are putting the system together and will give the Authority the data, so the next consultant or the Authority themselves can take that data and open it up in a CAD program they purchase and use it. At that time, it will be up to the Authority if we want to spend the money to maintain the software. At this point, CPE owns the software so they are doing the work.

The time frame for the CCTV project was discussed. Mr. Shoudt said about 1,000 to 1,500 feet a day can usually be done. This would be about 3 weeks for the Authority.

AUTHORITY CONSULTANT

Mr. Shoudt informed the Board that Mr. Wauhop was in the hospital and could not attend the meeting.

Climbing Screen: Mr. Wauhop has all the drawings done and they should be going to Mott

MacDonald for review soon. Mr. Shoudt believes the motor is on its way. Mr. Wauhop informed him that the climber should be up and running next month and he should be here after the holidays.

Regarding the paving project that had been approved at the Oxford plant, Mr. Shoudt does not want the contractor to rush the job. So, this project might be delayed until spring.

The tractor is at Smith Tractor & Equipment for repairs and should be coming back soon.

The lights outside the administration building are working temporarily. The electrician had to order some sensors.

There are issues with the new security system for the front door of the admin building. Mr. Piazza has spoken to the salesperson and Mr. Shoudt sent him an email about the issues. ADT is supposed to return tomorrow to resolve the issues.

Chairman Chamberlain presented a resolution for appointment of our risk manager for 2020.

Ms. O'Connor moved to adopt Resolution #19-51, reappointing Sharon Cooper of Public Entity Advocates as our Risk Management Consultant for 2020. Ms. Napolitani seconded. The motion pass unanimously on a roll call vote.

Mr. Shoudt presented the resolution and agreement authorizing the award of a non-fair and open contract for professional services for laboratory testing to New Jersey Analytical Laboratories (NJAL) for one year.

Mr. Nyland moved to adopt Resolution #19-52, awarding the non-fair and open contract for the professional services of laboratory testing to New Jersey Analytical Laboratories for one year. Mr. Deutsch seconded. The motion passed unanimously on a roll call vote.

A few months back, the Board approved the replacement of doors at the Oxford facility for \$17,500. The contractor, Walter N. Gross, is requesting 50% of the funds up front in order to purchase the doors. There was a brief discussion. Several of the Board members are familiar with his work and were favorable to his request. The rest of the Board agreed.

Mr. Nyland stated that the Township of Oxford contacted Donnelly Electric about an energy assessment program to save money on energy costs. He asked the Board if they were interested in having Donnelly come out and evaluate our needs and give us an estimate. Chairman Chamberlain asked him to forward the information to Mr. Shoudt.

FINANCE (Treasurer)

Mr. Piazza informed the Board about his phone call to the ADT salesperson. He will be present when ADT comes out to resolve the issues. Chairman Chamberlain thanked Mr. Piazza.

Mr. Piazza moved that Resolution #19-53 (Certificate No. 401: \$58,509.72) be approved to pay

all bills from the Operating Fund, as presented. Mr. Nyland seconded. The motion passed unanimously on a roll call vote.

Mr. Piazza moved that Resolution #19-54 (Certificate No. 408: \$19,064.80) be approved to pay all bills from the Capital Improvements Fund as presented. Mr. Nyland seconded. The motion passed unanimously on roll call vote.

UNFINISHED BUSINESS

Chairman Chamberlain asked Mr. Tipton to see if there is any requirement that the Authority must have a Court Reporter at our Annual Rate Hearings, since we record these meetings.

NEW BUSINESS

There was no new business.

PUBLIC COMMENT

Bill from Belvidere asked about an earlier comment about 442,000 gallons of flow running through our system and that it was close to capacity. He wondered if that problem had been corrected? Mr. Donati stated we are back down to about 280,000 gallons and the high flow was during a time of very high groundwater and I&I in the system. Bill expressed concern about adding anymore users to the system if we are almost at capacity. Mr. Donati and Chairman Chamberlain explained that a running average is used by DEP. Bill said there was a comment made about Jaindl wanting to build an 800,000 sf warehouse. He commented more on Jaindl's application with White Township and what was said at the meeting with White Township. He asked about the previously discussed escrow account. Mr. Donati explained that a developer puts money in an escrow account to pay the Authority's professionals for services related to that development, so that the ratepayers of the Authority are not paying for those costs. Mr. Piazza explained it further. Jaindl has no formal application with the WC(PR)MUA. Bill asked if the MUA was going to buy the sewer line running down Route 519 that is owned by the County or is the County going to donate it to us? Chairman Chamberlain said that we have no idea.

Teresa Chapman from Harmony asked if the maximum average flow per day is 500,000 gpd? She then asked what the flows were for October and November? (There was a great deal of paper rattling so the response was unclear.) Mr. Piazza said that the average flow for November was 278,000 gallons a day and we can take up to 500,000 gpd. Ms. Chapman asked if it is correct that we are only allowed to run at 80%? Mr. Donati stated it is 95%. He explained that from the Authority's perspective this is not a bad project because we could use the flow to keep the rates down and based on what Jaindl is projecting it fits within our capacity allocation.

George Stafford from Wharton, and with the NJ Highlands Coalition, spoke next. He is working with groups in White Township. With regard to possible lawsuits, he said the township is not alone and other groups are raising funds to challenge this project. Chairman Chamberlain said that he is a White Township resident and, as such, he will be on the hook as a taxpayer for a

lawsuit. So, he hopes things can be worked out. Mr. Stafford had not heard anything about Jaindl considering septic on that site.

Chairman Chamberlain explained that the Authority's portion in this is extremely small, and from what we have been told now about them considering septic, we may be out of this all together.

Mr. Stafford thanked the Board for their time.

Ms. Chapman asked about the new housing development in Belvidere that wants to hook into the Belvidere plant. Ms. Napolitani stated that none of that has gone anywhere yet with the Planning Board. Discussion was premature, said Ms. Napolitani.

As there was no more business to come before the Authority, Ms. Napolitani moved and Ms. O'Connor seconded that the meeting be adjourned. All in favor, motion carried. The meeting was adjourned at 8:37 p.m.

Patricia Kaspereen
Administrative Assistant