

MUSCONETCONG SEWERAGE AUTHORITY

Commissioners' Meeting
May 28, 2020

REGULAR MEETING OF THE MUSCONETCONG SEWERAGE AUTHORITY **HELD VIA RECORDED VIRTUAL/TELECONFERENCE DUE TO COVID-19**

Chairman Rattner called the meeting to order at 7:30 PM. Following the virtual Pledge of Allegiance to the Flag, announcement was made that adequate notice of this meeting had been provided for as defined by the "Open Public Meetings Act".

Members Present: James Benson, Michael Grogan, Brian McNeilly, Melanie Michetti, Michael Pucilowski, Steven Rattner, Thomas Romano, Richard Schindelar, Elmer Still, Jack Sylvester

Members Absent: Andrew Cangiano, Joseph Schwab

Others Present: Pat Dwyer Esq., Debbie Palma QPA, James Schilling MSA Director, Jilliam Martucci Administrative, Jim Wancho PE,

Attendance Roll Call:

| | | | |
|----------------|---------|----------------|---------|
| Mr. Benson | Present | Mr. Rattner | Present |
| Mr. Cangiano | Absent | Mr. Romano | Present |
| Mr. Grogan | Present | Mr. Schindelar | Present |
| Mr. McNeilly | Present | Mr. Schwab | Absent |
| Mrs. Michetti | Present | Mr. Still | Present |
| Mr. Pucilowski | Present | Mr. Sylvester | Present |

Chairman Rattner opened and closed the meeting to the public.

The "Regular" meeting minutes of April 23, 2020 were moved on a motion as amended offered by Mr. Still, seconded by Mr. Sylvester. Roll Call Vote:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

The Financial Reports for 2019 was accepted on a motion offered by Mr. Romano, seconded by Mr. Still.

Roll Call Vote:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

9:08 AM
05/22/20
Cash Basis

Musconetcong Sewerage Authority
Balance Sheet
As of December 31, 2019

| | Dec 31, 19 |
|--|----------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Operating Acct TD - 8169 | 1,695,363.42 |
| Payroll Account TD 2014 - 3717 | 24,857.24 |
| Capital Improvement TD - 5030 | 486,447.25 |
| Escrow Account TD Bank - 3226 | 8,582.99 |
| Renewal & Replacement TD -1360 | 368,123.51 |
| Petty Cash | 150.00 |
| Total Checking/Savings | 2,583,524.41 |
| Other Current Assets | |
| Prepaid Expenses | 179.99 |
| Total Other Current Assets | 179.99 |
| Total Current Assets | 2,583,704.40 |
| Fixed Assets | |
| Construction in Progress | 505,067.77 |
| Accumulated Depreciation | -36,330,914.17 |
| Capital Assets, Depreciated | 61,039,290.64 |
| Land | 505,700.00 |
| Total Fixed Assets | 25,719,144.24 |
| Other Assets | |
| Def. Pension Outflows | 579,237.00 |
| Total Other Assets | 579,237.00 |
| TOTAL ASSETS | 28,882,085.64 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 20000 · Accounts Payable | 70,879.67 |
| Total Accounts Payable | 70,879.67 |
| Other Current Liabilities | |
| Accrued Payroll Liabilities | |
| VALIC | -450.00 |
| PERS - Contributions | 5,985.03 |
| PERS - Loans | 15,868.78 |
| PERS - Insurance | 787.84 |
| Union Dues | 682.50 |
| Accrued Payroll Liabilities - Other | 10,364.37 |
| Total Accrued Payroll Liabilities | 33,238.52 |
| Escrow Deposits Payable | |
| 40 · Bank Street Crown Walk Urban Re | -1,385.00 |
| 34 Bnk Street Urban Renewal LLC | 712.50 |
| QuickChek Roxbury | 210.00 |
| 700 International Drive | -110.00 |
| Waterloo Valley Road Sewer Ext. | 100.75 |
| Hopatcong State Park WQMP Amend | 792.50 |
| Crownpoint Multifamily Project | 904.25 |
| Escrow Deposits Payable - Other | 5,561.49 |
| Total Escrow Deposits Payable | 6,786.49 |

9:08 AM
 05/22/20
 Cash Basis

Musconetcong Sewerage Authority
Balance Sheet
 As of December 31, 2019

| | Dec 31, 19 |
|---------------------------------------|----------------------|
| Due to Municipalities | 1.00 |
| Compensated Absences Payable | 57,504.16 |
| Accrued Interest Payable | 38,431.25 |
| Accounts Payable - Pension | 96,046.00 |
| Accrued Liabilities | 8,550.22 |
| Total Other Current Liabilities | 240,557.64 |
| Total Current Liabilities | 311,437.31 |
| Long Term Liabilities | |
| Net Pension Liability | 1,901,218.00 |
| Loans Payable | 2,784,238.38 |
| Def. Inflows of Resources | |
| Unamort Gain on Refunding 2007 | 23,800.00 |
| Def. Pension Inflows | 872,269.00 |
| Total Def. Inflows of Resources | 896,069.00 |
| Total Long Term Liabilities | 5,581,525.38 |
| Total Liabilities | 5,892,962.69 |
| Equity | |
| Net Investment in Capital Asset | 22,280,460.00 |
| Restricted | |
| Current Debt Service | 32,673.00 |
| Future Retirement Reserve | 50,000.00 |
| B-29 Capital Improvements | |
| Contract 310 Phase III Air Pemt | 13.42 |
| Contract 305 NJIB Application | 284.44 |
| Contract 300 Influent Screening | 105,384.17 |
| Contract 295 Tertiary Trtmt | 301,851.88 |
| B-29 Capital Improvements - Other | 16,056.44 |
| Total B-29 Capital Improvements | 423,590.35 |
| B-30 Renewal and Replacement | |
| Contract 320 #3 & 4 Drive Units | 4,016.54 |
| Contract 315 Sludge Pumps Eval | -114.96 |
| B-30 Renewal and Replacement - Other | 386,434.40 |
| Total B-30 Renewal and Replacement | 390,335.98 |
| Operations | 50,000.00 |
| Total Restricted | 946,599.33 |
| Unrestricted | |
| Undesignated | -485,563.70 |
| Total Unrestricted | -485,563.70 |
| 32000 - Retained Earnings | -616,257.91 |
| Net Income | 863,885.23 |
| Total Equity | 22,989,122.95 |
| TOTAL LIABILITIES & EQUITY | 28,882,085.64 |

Musconetcong Sewerage Authority
Budget vs. Actual Expenditure Report
 January through December 2019

| | Jan - Dec 19 | Budget | \$ Over Budget | % of Budget |
|---|---------------------|---------------------|--------------------|---------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| Net Position Utilized | 107,978.00 | 107,978.00 | 0.00 | 100.0% |
| budget reimbursement | 0.00 | 0.00 | 0.00 | 0.0% |
| Interest | 21,061.17 | | | |
| trustee passdown | 4,427,302.17 | 4,427,402.00 | -99.83 | 100.0% |
| Total Income | 4,556,341.34 | 4,535,380.00 | 20,961.34 | 100.5% |
| Gross Profit | 4,556,341.34 | 4,535,380.00 | 20,961.34 | 100.5% |
| Expense | | | | |
| Personnel Services | | | | |
| B-1 · Administrative-S&W | 146,882.65 | 172,000.00 | -25,117.35 | 85.4% |
| B-14 · Operating-S&W | 633,268.26 | 667,500.00 | -34,231.74 | 94.9% |
| Total Personnel Services | 780,150.91 | 839,500.00 | -59,349.09 | 92.9% |
| Employee Benefits | | | | |
| B-9 · Pension | 95,511.78 | 102,000.00 | -6,488.22 | 94.6% |
| B-8 · Social Security | 58,848.23 | 65,500.00 | -6,651.77 | 89.8% |
| B-10 · Hosp | | | | |
| Dental/Eyeglass | 5,372.16 | | | |
| Hospitalization | 73,446.57 | | | |
| B-10 · Hosp - Other | 57,627.01 | 200,000.00 | -142,372.99 | 28.8% |
| Total B-10 · Hosp | 136,445.74 | 200,000.00 | -63,554.26 | 68.2% |
| B-11 · Disability Insurance | 7,364.41 | 10,000.00 | -2,635.59 | 73.6% |
| B-6 · Unemployment | 6,060.02 | 7,000.00 | -939.98 | 86.6% |
| Total Employee Benefits | 305,230.18 | 384,500.00 | -79,269.82 | 79.4% |
| Administration Expenses | | | | |
| B-2 · Administrative-OE | 18,826.37 | 40,000.00 | -21,173.63 | 47.1% |
| Total Administration Expenses | 18,826.37 | 40,000.00 | -21,173.63 | 47.1% |
| Operations and Maintenance | | | | |
| B-3 · Legal | 25,468.30 | 30,000.00 | -4,531.70 | 84.9% |
| B-4 · Audit | 14,309.05 | 15,000.00 | -690.95 | 95.4% |
| B-5 · Engineer | 24,479.55 | 30,000.00 | -5,520.45 | 81.6% |
| B-15 · Telephone | 21,013.21 | 25,000.00 | -3,986.79 | 84.1% |
| B-16 · Electric | 369,557.65 | 477,500.00 | -107,942.35 | 77.4% |
| B-17 · Propane/Fuel Oil | 15,336.66 | 29,000.00 | -13,663.34 | 52.9% |
| B-18 · Supplies/Chemicals | 179,423.15 | 200,000.00 | -20,576.85 | 89.7% |
| B-27 · Laboratory Supplies | 6,321.64 | 12,000.00 | -5,678.36 | 52.7% |
| B-13 · Office | 25,305.45 | 25,000.00 | 305.45 | 101.2% |
| B-31 · External Services | 41,226.71 | 70,000.00 | -28,773.29 | 58.9% |
| B-28 · Education/Training | 19,984.48 | 20,000.00 | -15.52 | 100.0% |
| B-25 · Laboratory Fees | 14,875.32 | 30,000.00 | -15,124.68 | 49.6% |
| B-19 · Maintenance/Repairs | 178,805.98 | 200,000.00 | -21,194.02 | 89.4% |
| B-20 · Insurance | 99,361.00 | 110,000.00 | -10,639.00 | 90.3% |
| B-24 · NJDEP Fees | 20,487.15 | 25,000.00 | -4,512.85 | 81.9% |
| B-12 · Trustee Admin Fee | 15,030.00 | 20,000.00 | -4,970.00 | 75.2% |
| B-23 · Permit Appl/Compliance Fees | 11,029.60 | 25,000.00 | -13,970.40 | 44.1% |
| B-21 · Equipment | 43,300.05 | 60,000.00 | -16,699.95 | 72.2% |
| B-26 · Sludge Disposal | 615,126.95 | 720,000.00 | -104,873.05 | 85.4% |
| B-22 · Contingency | 18,527.50 | 25,000.00 | -6,472.50 | 74.1% |
| Total Operations and Maintenance | 1,758,959.40 | 2,148,500.00 | -389,540.60 | 81.9% |
| Debt Service | | | | |
| Debt Svs - Principal Payment | 630,644.08 | 630,645.00 | -0.92 | 100.0% |
| Debt Svs - Interest Payment | 73,271.65 | 92,235.00 | -18,963.35 | 79.4% |
| Total Debt Service | 703,915.73 | 722,880.00 | -18,964.27 | 97.4% |
| Reserves | | | | |
| B-29 · Capital Improvement | 300,000.00 | 300,000.00 | 0.00 | 100.0% |
| B-30 · Renewal & Replacement | 100,000.00 | 100,000.00 | 0.00 | 100.0% |
| Total Reserves | 400,000.00 | 400,000.00 | 0.00 | 100.0% |
| Total Expense | 3,967,082.59 | 4,535,380.00 | -568,297.41 | 87.5% |

9:08 AM

05/22/20

Accrual Basis

Musconetcong Sewerage Authority
Budget vs. Actual Expenditure Report
January through December 2019

| | Jan - Dec 19 | Budget | \$ Over Budget | % of Budget |
|----------------------|-------------------|-------------|-------------------|---------------|
| Net Ordinary Income | 589,258.75 | 0.00 | 589,258.75 | 100.0% |
| Other Income/Expense | | | | |
| Other Income | | | | |
| OPRA request | 28.00 | | | |
| Total Other Income | 28.00 | | | |
| Net Other Income | 28.00 | | | |
| Net Income | <u>589,286.75</u> | <u>0.00</u> | <u>589,286.75</u> | <u>100.0%</u> |

The Financial Reports for 2020 was accepted on a motion offered by Mr. Romano, seconded by Mr. Still.
 Roll Call Vote:

| | | | |
|----------------|--------|----------------|-----|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Yes |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

COMMENTS:

- Chairman Rattner commented on the request from Mr. Schwab (not present) to make an internal transfer.
- Director Schilling explained to internal transfer in detail.

Financial Report – April 30, 2020

10:25 PM
 05/26/20
 Cash Basis

Musconetcong Sewerage Authority
Balance Sheet
 As of April 30, 2020

| | <u>Apr 30, 20</u> |
|--|-----------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| Operating Acct TD - 8169 | 1,492,058.99 |
| Payroll Account TD 2014 - 3717 | 69,869.84 |
| Capital Improvement TD - 5030 | 897,353.65 |
| Escrow Account TD Bank - 3226 | 9,392.99 |
| Renewal & Replacement TD -1360 | 415,335.55 |
| Petty Cash | 150.00 |
| Total Checking/Savings | <u>2,884,161.02</u> |
| Other Current Assets | |
| Prepaid Expenses | 179.99 |
| Total Other Current Assets | <u>179.99</u> |
| Total Current Assets | <u>2,884,341.01</u> |
| Fixed Assets | |
| Construction in Progress | 505,067.77 |
| Accumulated Depreciation | -36,330,914.17 |
| Capital Assets, Depreciated | 61,039,290.64 |
| Land | 505,700.00 |
| Total Fixed Assets | <u>25,719,144.24</u> |
| Other Assets | |
| Def. Pension Outflows | 579,237.00 |
| Total Other Assets | <u>579,237.00</u> |
| TOTAL ASSETS | <u><u>29,182,722.25</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 20000 - Accounts Payable | -67,046.62 |
| Total Accounts Payable | <u>-67,046.62</u> |
| Other Current Liabilities | |
| Accrued Payroll Liabilities | |
| VALIC | -450.00 |
| PERS - Contributions | -1,177.15 |
| PERS - Loans | 27,669.66 |
| PERS - Insurance | 1,189.01 |
| Union Dues | -682.50 |
| Accrued Payroll Liabilities - Other | -5,955.96 |
| Total Accrued Payroll Liabilities | <u>20,593.06</u> |
| Escrow Deposits Payable | |
| 40 - Bank Street Crown Walk Urban Re | 1,825.00 |
| 34 Bnk Street Urban Renewal LLC | 12.50 |
| QuickChek Roxbury | 210.00 |
| Waterloo Valley Road Sewer Ext. | 100.75 |
| Hopatcong State Park WQMP Amend | 792.50 |
| Crownpoint Multifamily Project | 904.25 |
| Escrow Deposits Payable - Other | 5,561.49 |
| Total Escrow Deposits Payable | <u>9,406.49</u> |

Musconetcong Sewerage Authority
Balance Sheet
 As of April 30, 2020

| | Apr 30, 20 |
|--|----------------------|
| Due to Municipalities | 1.00 |
| Compensated Absenses Payable | 57,504.16 |
| Accrued Interest Payable | 38,431.25 |
| Accounts Payable - Pension | 96,046.00 |
| Accrued Liabilities | 8,550.22 |
| Total Other Current Liabilities | 230,532.18 |
| Total Current Liabilities | 163,485.56 |
| Long Term Liabilities | |
| Net Pension Liability | 1,901,218.00 |
| Loans Payable | 2,784,238.38 |
| Def. Inflows of Resources | |
| Unamort Gain on Refundng 2007 | 23,800.00 |
| Def. Pension Inflows | 872,269.00 |
| Total Def. Inflows of Resources | 896,069.00 |
| Total Long Term Liabilities | 5,581,525.38 |
| Total Liabilities | 5,745,010.94 |
| Equity | |
| Net Investment in Capital Asset Restricted | 22,280,460.00 |
| Current Debt Service | 32,673.00 |
| Future Retirement Reserve | 50,000.00 |
| B-29 Capital Improvements | |
| 325 - Contract 325 - SC 3&4 | 136,527.40 |
| 330 - Contract 330 GT 1 | 65,753.00 |
| Contract 310 Phase III Air Pemt | -1,794.08 |
| Contract 305 NJIB Application | 284.44 |
| Contract 300 Influent Screening | 98,549.30 |
| Contract 295 Tertiary Trtmt | 292,076.88 |
| B-29 Capital Improvements - Other | 559,340.60 |
| Total B-29 Capital Improvements | 1,150,737.54 |
| B-30 Renewal and Replacement | 440,335.98 |
| Operations | 50,000.00 |
| Total Restricted | 1,723,746.52 |
| Unrestricted | |
| Undesignated | -485,563.70 |
| Total Unrestricted | -485,563.70 |
| 3000 - Opening Bal Equity | -272,000.00 |
| 32000 - Retained Earnings | 247,627.32 |
| Net Income | -56,558.83 |
| Total Equity | 23,437,711.31 |
| TOTAL LIABILITIES & EQUITY | 29,182,722.25 |

Musconetcong Sewerage Authority Budget vs. Actual Expenditure Report January through April 2020

| | Jan - Apr 20 | Budget | \$ Over Budget | % of Budget |
|---|--------------|--------------|----------------|-------------|
| Ordinary Income/Expense | | | | |
| Income | | | | |
| Net Position Utilized | 0.00 | 107,978.00 | -107,978.00 | 0.0% |
| Interest | 9,628.48 | | | |
| trustee passdown | 2,230,700.98 | 4,427,402.00 | -2,196,701.02 | 50.4% |
| Total Income | 2,240,329.46 | 4,535,380.00 | -2,295,050.54 | 49.4% |
| Gross Profit | 2,240,329.46 | 4,535,380.00 | -2,295,050.54 | 49.4% |
| Expense | | | | |
| Personnel Services | | | | |
| B-1 - Administrative-S&W | 48,269.12 | 165,958.00 | -117,688.88 | 29.1% |
| B-14 - Operating-S&W | 202,019.88 | 667,500.00 | -465,480.12 | 30.3% |
| Total Personnel Services | 250,289.00 | 833,458.00 | -583,169.00 | 30.0% |
| Employee Benefits | | | | |
| B-9 - Pension | 101,018.00 | 102,000.00 | -982.00 | 99.0% |
| B-8 - Social Security | 18,788.52 | 65,500.00 | -46,711.48 | 28.7% |
| B-10 - Hosp | | | | |
| Dental/Eyeglass | 1,707.40 | | | |
| Hospitalization | 46,749.41 | 200,000.00 | -153,250.59 | 23.4% |
| B-10 - Hosp - Other | -2,222.65 | | | |
| Total B-10 - Hosp | 46,234.16 | 200,000.00 | -153,765.84 | 23.1% |
| B-11 - Disability Insurance | 1,440.03 | 10,000.00 | -8,559.97 | 14.4% |
| B-6 - Unemployment | 3,654.47 | 7,000.00 | -3,345.53 | 52.2% |
| Employee Benefits - Other | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Employee Benefits | 171,135.18 | 384,500.00 | -213,364.82 | 44.5% |
| Administration Expenses | | | | |
| B-2 - Administrative-OE | 9,034.86 | 40,000.00 | -30,965.14 | 22.6% |
| Administration Expenses - Other | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Administration Expenses | 9,034.86 | 40,000.00 | -30,965.14 | 22.6% |
| Operations and Maintenance | | | | |
| B-3 - Legal | 7,924.00 | 30,000.00 | -22,076.00 | 26.4% |
| B-4 - Audit | 1,704.45 | 15,000.00 | -13,295.55 | 11.4% |
| B-5 - Engineer | 5,225.03 | 30,000.00 | -24,774.97 | 17.4% |
| B-15 - Telephone | 10,352.93 | 20,000.00 | -9,647.07 | 51.8% |
| B-16 - Electric | 116,391.69 | 482,500.00 | -366,108.31 | 24.1% |
| B-17 - Propane/Fuel Oil | 5,282.11 | 29,000.00 | -23,717.89 | 18.2% |
| B-18 - Supplies/Chemicals | 54,957.74 | 200,000.00 | -145,042.26 | 27.5% |
| B-27 - Laboratory Supplies | 1,198.05 | 12,000.00 | -10,801.95 | 10.0% |
| B-13 - Office | 13,768.27 | 30,000.00 | -16,231.73 | 45.9% |
| B-31 - External Services | 16,080.93 | 70,000.00 | -53,919.07 | 23.0% |
| B-28 - Education/Training | 5,999.16 | 20,000.00 | -14,000.84 | 30.0% |
| B-25 - Laboratory Fees | 2,773.10 | 30,000.00 | -27,226.90 | 9.2% |
| B-19 - Maintenance/Repairs | 73,854.74 | 200,000.00 | -126,145.26 | 36.9% |
| B-20 - Insurance | 105,037.00 | 110,000.00 | -4,963.00 | 95.5% |
| B-24 - NJDEP Fees | 7,133.00 | 25,000.00 | -17,867.00 | 28.5% |
| B-12 - Trustee Admin Fee | 7,515.00 | 20,000.00 | -12,485.00 | 37.6% |
| B-23 - Permit Appl/Compliance Fees | 2,782.38 | 25,000.00 | -22,217.62 | 11.1% |
| B-21 - Equipment | 0.00 | 70,000.00 | -70,000.00 | 0.0% |
| B-26 - Sludge Disposal | 183,802.35 | 720,000.00 | -536,197.65 | 25.5% |
| B-22 - Contingency | 0.00 | 25,000.00 | -25,000.00 | 0.0% |
| Operations and Maintenance - Other | 0.00 | 0.00 | 0.00 | 0.0% |
| Total Operations and Maintenance | 621,781.93 | 2,163,500.00 | -1,541,718.07 | 28.7% |
| Debt Service | | | | |
| Debt Svs - Principal Payment | 41,155.50 | 638,837.00 | -597,681.50 | 6.4% |
| Debt Svs - Interest Payment | 30,107.97 | 75,085.00 | -44,977.03 | 40.1% |
| Total Debt Service | 71,263.47 | 713,922.00 | -642,658.53 | 10.0% |
| Reserves | | | | |
| B-29 - Capital Improvement | 150,000.00 | 300,000.00 | -150,000.00 | 50.0% |
| B-30 - Renewal & Replacement | 50,000.00 | 100,000.00 | -50,000.00 | 50.0% |
| Total Reserves | 200,000.00 | 400,000.00 | -200,000.00 | 50.0% |

11:06 PM
 05/26/20
 Accrual Basis

**Musconetcong Sewerage Authority
 Budget vs. Actual Expenditure Report
 January through April 2020**

| | Jan - Apr 20 | Budget | \$ Over Budget | % of Budget |
|----------------------------|---------------------|---------------------|----------------------|---------------|
| Union Dues | -156.00 | | | |
| Total Expense | 1,323,348.44 | 4,535,380.00 | -3,212,031.56 | 29.2% |
| Net Ordinary Income | 916,981.02 | 0.00 | 916,981.02 | 100.0% |
| Other Income/Expense | | | | |
| Other Expense | | | | |
| Bank Fee | 0.00 | | | |
| Total Other Expense | 0.00 | | | |
| Net Other Income | 0.00 | | | |
| Net Income | 916,981.02 | 0.00 | 916,981.02 | 100.0% |

The Pending Vouchers for the month of May 22, 2020 were approved for payment on a motion offered by Mr. Still, seconded by Mr. Pucilowski and the affirmative roll call vote of members present.

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

Musconetcong Sewerage Authority
Transaction List by Date
December 31, 2019 through May 22, 2020

| | Name | Memo | Split | Amount |
|--------------------------|-------------------------------|-------------------------------------|--------------------------|-----------|
| <u>OPERATING:</u> | ADP, LLC | Invoice 556542000 | B-2 · Administrative-OE | 39.60 |
| | AmeriGas Propane | Inv 3105384697 - 04.09.2020 Prop | B-17 · Propane/Fuel Oil | 751.67 |
| | AmeriGas Propane | Invoice 3106594322 | B-17 · Propane/Fuel Oil | 632.01 |
| | American Wear | Inv 686841, 689277, 291756, 294 | B-31 · External Services | 759.10 |
| | Aqua Pro-Tech Laboratories | Inv 0040090M - Influent/Effluent S | B-25 · Laboratory Fees | 499.55 |
| | BioTriad | Odor Control - Invoice # 6999 | B-18 · Supplies/Chemica | 16,061.00 |
| | Blue Diamond Disposal, Inc. | Monthly Trash Service 05.01.20 - (| B-31 · External Services | 312.37 |
| | Cintas First Aid & Safety | Inv 5016858370 - First Aid Supplie | B-31 · External Services | 81.38 |
| | Cleary Giacobbe Alfieri Jacol | Inv 80648, File # 4524, Client 977 | B-3 · Legal | 35.00 |
| | Constellation New Energy Ini | inv 7285915-6 - Main Plant 03.28. | B-16 · Electric | 20,659.54 |
| | Daily Record | Tertiary Treatment Project Bid Adv | B-2 · Administrative-OE | 170.02 |
| | Domain Listings | Annual Website Hosting 06.01.20 | B-13 · Office | 228.00 |
| | Fisher Scientific | PO 7248/Inv 5087147, 5361742 | B-27 · Laboratory Suppli | 475.86 |
| | JCP&L | Inv 95008584642 Pump Stations C | B-16 · Electric | 5,185.81 |
| | Lowe's Companies, Inc. | Shop Supplies | B-19 · Maintenance/Rep: | 404.03 |
| | Maryland Biochemical Co., Ir | Inv 4NN1079 - Wastewater Treatr | B-18 · Supplies/Chemica | 3,554.34 |
| | Napa Auto Parts | Invoice # 200007736 | B-19 · Maintenance/Rep: | 155.45 |
| | Netcong Hardware Co. | INV A262992 | B-19 · Maintenance/Rep: | 117.12 |
| | NJ American Water Co. | Water Service 04.08.20 - 05.06.20 | B-31 · External Services | 678.63 |
| | Nusbaum Stein Goldstein Br | Legal Services April, May, June | B-3 · Legal | 4,404.60 |
| | Office Concepts Group | Inv 947268, 947327 - office suppli | B-13 · Office | 528.13 |
| | Office Concepts Group | Inv 949898-0 - gloves & disinfectin | B-13 · Office | 368.56 |
| | One Call Concepts, Inc. | April 2020 - 39 Markouts | B-2 · Administrative-OE | 63.92 |
| | Passaic Valley Sewerage Co | Inv 517597 - Liquid Waste 04.01.2 | B-26 · Sludge Disposal | 32,619.30 |
| | PS&S | Inv 139088 - Engineer Consulting | B-5 Engineering Service: | 1,456.25 |
| | Pumping Service, Inc. | Inv 1115824 - PS 5 04.13.20 | B-19 · Maintenance/Rep: | 4,600.00 |
| | Pumping Service, Inc. | Inv 113849 - PS#4 - Acct # 960 - C | B-19 · Maintenance/Rep: | 3,230.22 |
| | Pumping Service, Inc. | Invoice 1116136 - PS#5 Repairs | B-19 · Maintenance/Rep: | 5,840.00 |
| | Quadient | Postage Meter Rental - Inv 57334 | B-13 · Office | 75.00 |
| | Reiner Pump Systems, Inc | Inv JNP1271NJ - Wet End Serv Ki | B-19 · Maintenance/Rep: | 1,328.11 |
| | Russell Reid | Inv 0005898011 - Sludge Disposal | B-26 · Sludge Disposal | 23,557.80 |
| | Russell Reid | Inv 5830222 - 01.31.2020 - 525 All | B-26 · Sludge Disposal | 1,244.31 |
| | Sanitation Squad | Sanitizing & Cleaning of MSA Of | B-31 · External Services | 3,300.00 |
| | Sanitation Squad | REISSUE - Check Damaged - Sai | B-31 · External Services | 3,850.00 |
| | State Chemical Solutions | Odor Control - Invoice # 90148001 | B-18 · Supplies/Chemica | 4,264.16 |
| | United Federated Systems | Inv 243357 | B-19 · Maintenance/Rep: | 190.00 |

| | Name | Memo | Split | Amount |
|-----------------------------------|-----------------------------|--|-----------------------------|-------------------|
| | USA Bluebook | Inv 204340 - Powerseal Insta-Flan B-19 | Maintenance/Rep | 548.10 |
| | USALCO | Invoice 1370456 - | B-18 · Supplies/Chemica | 6,763.62 |
| | Verizon | Inv 542023849-0001 - | B-15 · Telephone | 1,500.18 |
| | Verizon | Inv 155.312.102.0001.73 - | Interne B-15 · Telephone | 138.86 |
| | Verizon | Acct 756.215.705.0001.07 - | Fax Li B-15 · Telephone | 176.57 |
| | Wex Bank | Fuel Purchases - April 2020 | B-17 · Propane/Fuel Oil | 216.18 |
| | WRS Environmental Service: | Inv 22505 - 04.09.2020 & 04.13.20 | B-26 · Sludge Disposal | <u>10,230.60</u> |
| | | | TOTAL: | 161,294.95 |
| CAPITAL: | ATS Environmental | Inv GS2020125TP - 05.07.20 | Hou: B-31 External Services | 5,968.00 |
| | GMH Associates of America | Inv 20C3028S - 10% Design & En | B-29 Capital Improveme | 13,472.60 |
| | PS&S | Inv 139086 - Contract 330 GT Thic | B-29 Capital Improveme | 3,066.44 |
| | PS&S | Inv 139087 - Contract 295 Tertiary | B-29 Capital Improveme | 3,921.80 |
| | PS&S | Inv 139089 - Contract 325 - Secon | B-29 Capital Improveme | 242.50 |
| | PS&S | Inv 139094 - Contract 300, New In | B-29 Capital Improveme | <u>9,133.39</u> |
| | | | TOTAL: | 35,804.73 |
| PAYROLL: | Primepoint Payroll Services | 05.01.2020 Payroll Processing | B-1, B-14 | 32,463.33 |
| | Primepoint Payroll Services | 05.15.2020 Payroll Processing | B-1, B-14 | <u>31,737.83</u> |
| | | | TOTAL: | 64,201.16 |
| ONLINE: | NJ Division Bensions & Ben | 05.06.2020 | Estimated Monthly Pensi | 7,409.16 |
| | VALIC | 05.12.2020 | B-1, B-14 | 450.00 |
| | NJ State Health Benefits | 05.14.2020 | B-10 Hospitalization | <u>10,897.00</u> |
| | | | TOTAL: | 18,756.16 |
| ESCROW: | | | TOTAL: | 0.00 |
| RENEWAL & REPLACEMENT: | | | TOTAL: | 0.00 |

The following **correspondence** for the month of April, 2020 was received and filed on a motion offered by Mr. Sylvester, seconded by Mr. Schindelar. Roll Call Vote:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

Correspondence:

- A. PS&S Contract No. 300 Influent Screening Facility, additional rejections of bids. (A1, A2)
- B. PS&S Tertiary Treatment Replacement Project, Contract 295, Bid schedule.
- C. MSA Certificate of Excellence WP-302 issued by ERA
- D. State of NJ, DEP – Water Quality Compliance Inspection BCI200001
- E. PS&S Contract Amendment, NJ IBank Coordination
- F. PS&S Air Permitting Services, Additional Service Request

COMMENTS:

- Chairman Rattner acknowledges the Certificate of Excellence the MSA received
- Director Schilling advised Pat Dwyer, ESQ. was joining the meeting via speaker telephone, he was having some connectivity issues.
- Chairman Rattner also spoke on the approval Water Quality Compliance, Annual Plant Inspection by DEP Enforcement

Monthly Reports:

The Director's Report, and Maintenance and Repairs Report, for the month of May, 2020 and Flow Data for April 2020 was accepted on a motion offered by Mr. Still and seconded by Mr. McNeilly. Roll Call Vote:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

COMMENTS:

- Chairman Rattner asked for clarification under meetings and events for the Pre-Construction Bid for Contract 295 conducted on 05.14.2020 & 05.15.2020, he wanted to clarify that the contractors were only allowed on premises one at a time, not that we only had one contractor.
- Director Schilling advised that only one contractor at a time was allowed to attend and by appointment only, no one at any point entered the MSA facility and that PS&S handled the entire process, 7 contractors on 05.14.2020 and 7 contractors on 05.15.2020.
- Chairman Rattner asked about the permit limit for the roof drum thickening building, he wanted to verify that the allowable permit limit of -0.1 rating was not measurable.
- Director Schilling confirmed that MSA did meet lower than thresholds and was in fact under -0.1, he would have to get the exact amount from Marissa at PS&S.
- Jim Wancho, PE clarified that you begin to lose accuracy in measuring under a certain amount, the detection limit is the safe limit for reporting.
- Director Schilling advised that the NJWEA Annual Conference has been canceled.
- Chairman Rattner commented on Flow Data report reflects 3 towns at 70% usage, some of these towns are having new construction projects, he would like to watch these numbers in the event that any of them get close to the threshold we would have to notify the DEP
- Jim Wancho, PE advised the new NJDEP rolling average is 95% for 12 months.
- Mr. Schindelar asked what the MSA would do in the event this did happen.

- Jim Wancho, PE advised we would have to prepare a Capacity Assurance Plan and show that action was taken to reign in flows, so long as DEP approves the plan, they would not reject a TWA permit. If Capacity Assurance Program was violated, they may take action.
- Director Schilling advised that if any member town approached those flows the individual town would look into I&I
- Chairman Rattner added that there is no problem at the plant, it would be an individual town issue with the DEP.
- Mr. McNeilly discussed the rainfall and the impact it has had on each municipality.
- Director Schilling referred back to Mr. McNeilly's statement and again referenced I&I.

The Engineer's Report for the month of April, 2020 was accepted on a motion offered by Mr. Pucilowski, seconded by Mr. Still. Roll Call Vote:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

COMMENTS:

- Jim Wancho, PE spoke on having received the Final Permit for Air Permit. Notice of violation has been satisfied.
- Jim Wancho, PE Tertiary Treatment project, 13 contractors picked up documents. Addendum issued week prior. Bid opening is June 11, 2020.
- Jim Wancho, PE Contract 300, finalized re-bid documents, will be uploaded to DEP IBank website, once authorization is received, we can advertise.
- Chairman Rattner asked Jim Wancho, PE to be sure that he is requesting funds prior to billing.
- Jim Wancho, PE advised that he originally suggested waiting on requesting the additional funds until the final permit was issued. Mr. Wancho agreed that he will do that going forward
- Chairman Rattner requested that PS&S sends a monthly report with invoices categorized for each project
- Jim Wancho, PE advised this report is submitted each month.
- Director Schilling confirmed that this report is in fact sent every month & forwarded to Commissioner Schwab every month. Mr. Schilling also pointed out that the Air Permit Resolution 20-27 is on the agenda for consideration.
- Jim Wancho, PE proposal on agenda for additional funding for the IBank based on additional work required to close out the loan process, also would like to train Jill (admin) on seeking proper reimbursement.
- Pat Dwyer, ESQ explained that he detailed the resolution 20-27 with the history of phases.

New Business:

- Resolution 20-27, PS&S NJDEP Air Permit Contract 310
- *Resolution 20-28, PS&S Application for IBank Funding - Contract 295 Tertiary Treatment Facility, Contract 300 for Influent Screening Facility, Contract 305 Purchase of 19 Pumps
- Verizon Refund on landline account \$883.54
- Optimum/Altice re-evaluating service options
- Permit Litigation

1. Resolution No. 20-27 was offered on a motion by Mr. Romano seconded by Mr. Schindelar and the affirmative roll call vote of members present. Roll Call:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

See attached resolution

2. Resolution No. 20-28 was offered on a motion by Mr. Pucilowski, seconded by Mr. Still and the affirmative roll call vote of members present. Roll Call:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

See attached resolution

COMMENTS:

- Chairman Rattner elaborated on the multiple layers included in the resolution.
- Director Schilling explained that this related to the IBank funding, PS&S is managing the three projects and due to the complexities additional funding is needed.

3. Verizon Refund \$883.54

COMMENTS:

- Director Schilling advised that we are handling this very delicately to ensure we do not disconnect anything that still requires services.

4. Optimum/Altice Re-evaluating Services

COMMENTS:

- Chairman Rattner inquired if we know what service the old BASF ran internet service.
- Director Schilling advised that we can certainly look into what service was there.

5. Permit Litigation

COMMENTS:

- Pat Dwyer, ESQ. check in with Judge on May 14, 2020 PS&S draft renewal permit was sent to Delaware River Basin we can expect a copy by the end of June, next steps will be determined on what the permit says. DRBC has 30 days to respond. DAG advised that the permit has changes but did not specify what they are.
- 08:15pm Debbie Palma, QPA & Jim Wancho, PE exited the meeting.
- 08:16pm Jilliam Martucci, Administrative exited meeting

Closed Session 8:16pm:

Motion made by Mr. Sylvester, seconded by Mrs. Michetti and the All in Favor Vote of members present, Chairman Rattner adjourned the meeting at 8:16PM.

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Aye | Mr. Rattner | Aye |
| Mr. Cangiano | Absent | Mr. Romano | Aye |
| Mr. Grogan | Aye | Mr. Schindelar | Aye |
| Mr. McNeilly | Aye | Mr. Schwab | Absent |
| Mrs. Michetti | Aye | Mr. Still | Aye |
| Mr. Pucilowski | Aye | Mr. Sylvester | Aye |

CLOSED SESSION OF THE MUSCONETCONG SEWERAGE AUTHORITY
For the Purpose of Discussing Personnel and Union Contract Negotiations

MEMBERS PRESENT: Michael Pucilowski, Elmer Still, Melanie Michetti, Joseph Schwab,
Thomas Romano, Brian McNeilly, Andrew Cangiano, Richard
Schindelar, John Sylvester, Michael Grogan, Steven Rattner

MEMBERS ABSENT: James Benson

OTHERS PRESENT: James Schilling
Patrick Dwyer, Esq.

Motion made by the affirmative vote of members present for the Commissioners to go into closed session to discuss personnel / labor issues at 8:16 p.m.

WHEREAS, Section 8 of the Open Public Meetings Act (N.J.S.A. 10:4-12 (b) (1-9) permits the exclusion of the public from meeting in certain circumstances; and

WHEREAS, the Commissioners of the Musconetcong Sewerage Authority are of the opinion that such circumstances exist.

NOW, THEREFORE, BE IT RESOLVED by the Commissioners of the Musconetcong Sewerage Authority as follows:

1. The public shall be excluded from discussion and action of the closed session of the Musconetcong Sewerage Authority;
2. The general nature of the subject matter to be discussed is as follows: Personnel and Union Contract Negotiations.
3. The above subject matter will be made public once the contract has been finalized.

The Commissioners discussed ongoing contract negotiations with the union. The Personnel Committee issued its recommendations for the remaining open items, namely, wages and personal days under a new agreement, along with a recommendation that this would be the Authority's best and final offer. There was a brief discussion among the Commissioners which agreed with the Committee's recommendations and directed that it be relayed to the union representative.

After excusing James Schilling from the meeting the Personnel Committee issued its recommendation for a 2% wage increase for James Schilling for calendar year 2020 along with a one-time 2% bonus of his 2019 salary, excluding license bonuses, in recognition of his performance of additional duties during the period after the Administrative Assistant quit on April 12, 2019. Mr. Schilling then re-entered the meeting and waived his right to Rice Notice.

l

Motion to reopen the meeting to the public was approved by the affirmative vote of members present at 8:27 p.m.

Respectfully Submitted:
/s/
Patrick J. Dwyer, Esq.
Counsel to the MSA

Open Session 8:27pm:

- Director Schilling & Jilliam Martucci, Administrative returned to the meeting

Personnel Committee:

Union membership contract a motion was offered on a motion by Mr. Sylvester, seconded by Mr. Pucilowski and the affirmative roll call vote of members present. Roll Call:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

- Mr. Sylvester advised on behalf of the personnel committee recommended that the union membership offer for the 4-year contract 2019 to be 2% increase and 2020, 2021, 2022 be a \$0.75 per hour increase, in addition to the additional half day personal.
- Pat Dwyer, ESQ. verified that this is the personnel committees final offer, last & best.

Personnel Committee:

Compensation for Director James Schilling, a motion was offered on a motion by Mr. Sylvester, seconded by Mr. Schindelar and the affirmative roll call vote of members present. Roll Call:

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Yes | Mr. Rattner | Yes |
| Mr. Cangiano | Absent | Mr. Romano | Yes |
| Mr. Grogan | Yes | Mr. Schindelar | Yes |
| Mr. McNeilly | Yes | Mr. Schwab | Absent |
| Mrs. Michetti | Yes | Mr. Still | Yes |
| Mr. Pucilowski | Yes | Mr. Sylvester | Yes |

COMMENTS:

- James Schilling, Director retroactively waived his RICE notice rights.
- Mr. Sylvester advised that Mr. Schilling would be offered a one-time bonus of 2% of his annual salary. In addition to a 2% annual salary increase. Clarified that the bonus is based on current salary less stipends and that the annual increase less stipends.

Adjournment:

Motion made by Mr. Still, seconded by Mr. Schindelar and the All in Favor Vote of members present, Chairman Rattner adjourned the meeting at 8:32PM.

| | | | |
|----------------|--------|----------------|--------|
| Mr. Benson | Aye | Mr. Rattner | Aye |
| Mr. Cangiano | Absent | Mr. Romano | Aye |
| Mr. Grogan | Aye | Mr. Schindelar | Aye |
| Mr. McNeilly | Aye | Mr. Schwab | Absent |
| Mrs. Michetti | Aye | Mr. Still | Aye |
| Mr. Pucilowski | Aye | Mr. Sylvester | Aye |

Respectfully Submitted:
Jilliam Martucci
Administrative Assistant

RESOLUTION NO. 20-27

Resolution of the Musconetcong Sewerage Authority ("MSA")
Authorizing a Change Order in a Contract for Professional Services Awarded to
Paulus, Sokolowski & Sartor, LLC ("PS&S") in Connection
with a Notice of Violation issued to the MSA by the New Jersey Department of
Environmental Protection Division of Air Enforcement and Subsequent Application for
an NJDEP Air Permit (Contract #310)

WHEREAS on June 15, 2017 the New Jersey Department of Environmental
Protection ("NJDEP") conducted a compliance inspection of MSA's facilities; and

WHEREAS the inspector gave verbal indication to MSA that an Air Permit was
required; and

WHEREAS on August 28, 2017 MSA wrote a response letter challenging
NJDEP's determination that its facilities are subject to Air Permit regulations; and

WHEREAS by letter dated December 19, 2017 NJDEP confirmed its inspection
findings that "a State air permit is required" for MSA's facilities; and

WHEREAS the MSA determined that it should undertake prompt corrective
action; and

WHEREAS at its meeting held on January 25, 2018 MSA authorized PS&S to
"begin work on the MSA's behalf toward permit compliance with the NJDEP at a cost not to
exceed \$10,000.00" which work is referred to by MSA as Phase I; and

WHEREAS on February 5, 2018 MSA received a Notice of Violation ("NOV") from
NJDEP for air quality non-compliance which NOV was dated December 19, 2017; and

WHEREAS MSA determined that it needed additional consulting engineering
services to address the NOV; and

WHEREAS PS&S submitted a Proposal dated February 21, 2018 to provide those services; and

WHEREAS at its meeting held on February 22, 2018 the MSA adopted Resolution No.18-14 authorizing PS&S to perform the services outlined in its Proposal dated February 21, 2018 in an amount not to exceed \$11,000 (Phase 2); and

WHEREAS on or about April 5, 2018 MSA, through its Consulting Engineer PS&S, submitted a Draft Air Permit Application to NJDEP; and

WHEREAS on June 13, 2018 PS&S was notified by NJDEP that the modeling results in its application, although based upon federal EPA guidelines, were nevertheless unacceptable and requesting MSA to provide mitigation plans; and

WHEREAS MSA determined it had a need for more accurate data to determine how best to respond to and/or comply with NJDEP's decision; and

WHEREAS, MSA determined that it required additional consulting engineering services in connection with engaging and overseeing subcontractors to obtain, model and analyze said data, and submit a revised Air Permit application ("Phase 3" and the "Work"); and

WHEREAS MSA requested PS&S to submit a proposal for those services; and

WHEREAS PS&S submitted a proposal dated August 23, 2018 to render professional engineering services in connection with the Work, and to subcontract part of the Work as described in their Proposal; and

WHEREAS PS&S' proposal dated August 23, 2018 included engaging Prism Analytical Technologies and Trinity Consultants and overseeing their performance of the Work; and

WHEREAS PS&S proposal dated August 23, 2018 also included services to be performed directly by PS&S, including submitting a revised Air Permit Application which would include the results of the sampling and modeling performed by Prism Analytical Technologies and Trinity Consultants; and

WHEREAS the total cost of PS&S' proposal dated August 23, 2018, including the work to be performed by Prism Analytical Technologies and Trinity Consultants was \$40,678.00; and

WHEREAS on August 23, 2018 MSA adopted Resolution No. 18-43 authorizing PS&S to perform the services in its Proposal dated August 23, 2018 in an amount not to exceed \$40,678.00; and

WHEREAS by letter dated August 15, 2019 and revised September 17, 2019 PS&S notified MSA that the Work performed under Phase 3 was more than originally anticipated and requesting that the amount payable under Phase 3 be increased by \$20,200.00; and

WHEREAS by Resolution No 19-46 adopted on September 26, 2019 the MSA agreed to a change order in PS&S's proposal dated August 23, 2018 in an amount not to exceed \$20,200.00; and

WHEREAS PS&S submitted a Proposal dated April 10, 2020 indicating that ongoing discussions and comments with NJDEP regarding proposed Permit (PCP200001) required additional services; and

WHEREAS by Resolution No. 20-25 adopted on April 23, 2020 MSA agreed to pay PS&S a sum not to exceed \$15,500.00 based on PS&S' representation that it

originally intended to subcontract the work out but the least expensive quote it found was \$27,000.00 so PS&S decided to do the work itself; and

WHEREAS by letter dated May 19, 2020 PS&S has indicated that after several rounds of comments and negotiation of the Draft Permit NJDEP issued Permit PCP200001 on April 27, 2020; and

WHEREAS in its letter dated May 19, 2020 PS&S has indicated that the Notice of Violation was "closed out" on May 4, 2020; and

WHEREAS PS&S in its letter dated May 19, 2020 indicates that additional services were required to finalize the work in connection with the Permit and requested that its budget be increased by \$3,600.00 to accommodate these additional services;


NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that a Change Order is added to PS&S Proposal dated August 23, 2018 to increase the scope of work to include the additional work performed by PS&S in the amount of \$3,600.00 as outlined in PS&S' letter dated May 19, 2020, and that said monies are available in the 2020 Budget (B-23 Compliance Fees); and it is


FURTHER RESOLVED that the above amount of \$3,600.00 shall not be increased without further authorization by the Musconetcong Sewerage Authority; and be it

FURTHER RESOLVED, that the Musconetcong Sewerage Authority publish a legal advertisement in the official newspaper of publication of the Authority advising of the award as required by N.J.S.A. 40A:11-5.

ATTEST:

MUSCONETCONG SEWERAGE AUTHORITY


Joseph Schwab, Secretary-Treasurer


Steven Rattner, Chairman

DATED: May 28, 2020

RESOLUTION NO. 20-28

Resolution of the Musconetcong Sewerage Authority ("MSA")
Awarding a Contract for Additional Professional Services to
Paulus, Sokolowski & Sartor, LLC ("PS&S") for
Engineering Services in Connection with an Application for I-Bank Funding for Contract
295 for a Tertiary Treatment Facility, Contract 300 for an Influent Screening Facility and
Contract 305 for the Purchase of Nineteen (19) Pumps

WHEREAS, the MSA has submitted an application to the New Jersey I-Bank for
financing in connection with infrastructure upgrades and equipment needed for its
operations; and

WHEREAS, MSA's Consulting Engineer Paulus, Sokolowski and Sartor
("PS&S") prepared the application and has been authorized to coordinate with the I-
Bank regarding ongoing requests for information; and

WHEREAS, the application process has extended beyond its originally estimated
timeframe; and

WHEREAS the I-Bank has instituted a new Socially and Economically
Disadvantaged form which PS&S has completed and submitted; and

WHEREAS, PS&S has coordinated a reimbursement request to recover some of
the monies the MSA has expended during the Planning and Design phases of Contracts
295 and 300; and

WHEREAS, ongoing preparation of reimbursements packages was not included
within the original scope of work to be performed; and

WHEREAS by reason of the foregoing the budget for PS&S has been exhausted
and additional fees are requested; and

WHEREAS, PS&S has submitted a Proposal (049670013) dated May 20, 2020 seeking additional payment of \$5,450.00 (attached); and

WHEREAS, the Musconetcong Sewerage Authority requires continued consulting engineering services in connection with the additional services for Contract 295 and Contract 300 as well as to "close out" the loan application process; and;

WHEREAS, N.J.S.A. 40A:11-5 permits the award of a contract for professional services without public advertising or bidding; and

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that a contract is hereby awarded to PS&S to provide engineering services in connection with Contracts 295 and 300 and the I-Bank loan in an amount not to exceed \$5,450; and be it

FURTHER RESOLVED that the above total amount shall not be increased without further authorization by the Musconetcong Sewerage Authority; and be it

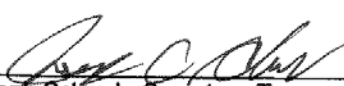
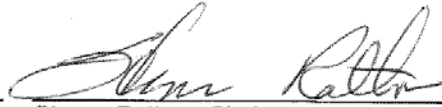
FURTHER RESOLVED, that James Schilling, as Director of the Musconetcong Sewerage Authority is hereby authorized to sign an Agreement between PS&S and the Musconetcong Sewerage Authority if required; and be it

FURTHER RESOLVED that the Treasurer has confirmed funds for such work is available in the Budget for 2020 (Budget line B29); and

FURTHER RESOLVED, that the Musconetcong Sewerage Authority publish a legal advertisement in the official newspaper of publication of the Authority advising of the award as required by N.J.S.A. 40A:11-5.

MUSCONETCONG SEWERAGE AUTHORITY

ATTEST:

 
Joseph Schwab, Secretary-Treasurer Steven Rattner, Chairman

DATED: May 28, 2020



May 20, 2020

Proposal 049670013

Mr. James Schilling, Director
Musconetcong Sewerage Authority
110 Continental Drive
Budd Lake, New Jersey 07828

**RE: Request for Contract Amendment
Wastewater Treatment Plant Improvements
New Jersey IBank Coordination**

Dear Mr. Schilling:

PS&S has been continuing to coordinate New Jersey (NJ) IBank services for the Musconetcong Sewerage Authority's (MSA) Wastewater Treatment Plant (WWTP) Improvements project consisting of Contract 300 – Influent Screening Facility, Contract 295 – Tertiary Treatment Facilities and procurement of nineteen (19) sludge and scum pumps. At this time, PS&S has assisted the MSA in obtaining approval for procurement of the nineteen (19) sludge and scum pumps and for obtaining Authorization to Advertise for both Contracts 295 and Contract 300. Contract 300 is currently being modified for re-bid and Contract 295 is currently in the bid phase.

As the project bid phases have extended past the originally anticipated schedule, PS&S has had to perform continued coordination with NJ IBank to assist in obtaining funding for these projects. The coordination effort with NJDEP and NJ IBank has taken more effort than was originally anticipated. In addition, the NJ IBank has instituted some new requirements consisting of Socially and Economically Disadvantaged forms which require completion on the H2Loans website. Lastly, PS&S coordinated and completed a reimbursement request for the MSA to obtain reimbursement for funds expended during the Planning and Design phase of the project. The continuing preparation of the reimbursement packages were not included as part of PS&S's original contract scope. The intent moving forward is to train MSA staff to prepare the applications with guidance from PS&S. As a result of these items, PS&S's budget has been exhausted and additional funds are required.

Below please find Table 1 which provides an estimate of the remaining tasks required to complete the NJ IBank tasks required for the MSA's WWTP Improvements projects:

pg. 1

Scanned with CamScanner



049670013
Mr. James Schilling
NJ IBank Services
May 20, 2020

| Table 1 -- Remaining Work Manhour Breakdown | | | |
|---|-----------------|-------------|----------------------|
| Task Description | Estimated Hours | Hourly Rate | Total Estimated Cost |
| Contract 300 -- Additional Services | | | |
| Sandra Smith | 12 | \$135 | \$1,620 |
| James Wancho | 4 | \$175 | \$700 |
| Contract 295 - Additional Services | | | |
| Sandra Smith | 10 | \$135 | \$1,350 |
| James Wancho | 2 | \$175 | \$350 |
| Short Term Loan Closeout | | | |
| Sandra Smith | 8 | \$135 | \$1,080 |
| James Wancho | 2 | \$175 | \$350 |
| | | Total | \$5,450 |

Should you have any questions concerning the above, please do not hesitate to contact me.

Very truly yours,

PS&S

James Wancho, P.E.
Vice President

c: Sandra Smith

pg. 2