

REGULAR MEETING OF THE MUSCONETCONG SEWERAGE AUTHORITY

Chairman Rattner called the meeting to order at 7:35 PM. Following salute to colors, announcement was made that adequate notice of this meeting had been provided for as defined by the "Open Public Meetings Act".

MEMBERS PRESENT: Donald Bates, James Benson, Michael Grogan, John Keiser, Melanie Michetti, Daren Phil, Michael Pucilowski, Steven Rattner, Joseph Schwab, John Sylvester

MEMBERS ABSENT: David Hoyt, Edward Schwartz

OTHERS PRESENT: Larry Kron, Esq., Lee Purcell, PE, Fenton Purcell, PE, James Schilling, Marvin Joss, QPA

MSA Attorney Larry Kron swore in Commissioner John Sylvester of Netcong.

Chairman Rattner open and closed the meeting to the public.

The meeting minutes of December 20, 2012 were approved on a motion offered by Mr. Benson, seconded by Mr. Sylvester. Roll Call:

Mr. Bates	Yes	Mr. Phil	Abstained
Mr. Benson	Yes	Mr. Pucilowski	Yes
Mr. Grogan	Abstained	Mr. Rattner	Yes
Mr. Keiser	Abstained	Mr. Schwab	Yes
Mrs. Michetti	Abstained	Mr. Sylvester	Yes

The meeting minutes of January 31, 2013 were approved on a motion offered by Mr. Benson, seconded by Mr. Bates. Roll Call:

Mr. Bates	Yes	Mr. Phil	Abstained
Mr. Benson	Yes	Mr. Pucilowski	Yes
Mr. Grogan	Abstained	Mr. Rattner	Yes
Mr. Keiser	Yes	Mr. Schwab	Abstained
Mrs. Michetti	Yes	Mr. Sylvester	Abstained

The reorganization meeting minutes of February 6, 2013 were approved on a motion offered by Mr. Benson, seconded by Mr. Bates. Roll Call:

Mr. Bates	Yes	Mr. Phil	Yes
Mr. Benson	Yes	Mr. Pucilowski	Abstained
Mr. Grogan	Yes	Mr. Rattner	Yes
Mr. Keiser	Yes	Mr. Schwab	Yes
Mrs. Michetti	Yes	Mr. Sylvester	Yes

Commissioner Schwab reviewed the Expenditures/Treasurer's Report and noted that the date was not correct. He also reviewed the corrected and amended January Expenditures/Treasurer's Report and the updated 2012 expenditures. The Expenditures/Treasurer's Report of January and February were accepted on a motion offered by Mr. Schwab seconded by Mr. Benson and the affirmative roll call vote of members present.

Commissioner Schwab noted that Mr. Joss had reviewed the pending vouchers earlier. The pending vouchers were also reviewed by Mr. Rattner, Mr. Benson and himself before the meeting and everything was in order. The pending vouchers were approved for payment on a motion offered by Mr. Schwab, seconded by Mr. Benson and the affirmative roll call vote of members present.

CONSTRUCTION ACCOUNT	
Nussbaum Stein - Final Payment Contract 220	\$405.00
OPERATING ACCOUNT	
ABB	\$1,409.20
ADP	\$463.53
AmeriGas	\$1,310.75
Bio Triad Environmental	\$2,600.00
Cintas Corp.	\$467.28
Culligan Water	\$120.00
Daily Record	\$8.84
Federal Express	\$186.36

Fisher Scientific	\$996.75
Hach	\$51.30
Hayes Pump	\$866.60
Hess	\$3,525.69
JCP&L	\$11,703.53
LTPA	\$1,615.00
Motion Industries	\$301.41
NJ American Water (\$546.30
North Jersey Section, NJWEA	\$300.00
Nussbaum Stein	\$4,900.00
Parsippany Troy-Hills Water/Sewer Dept	\$26,040.00
Passaic Valley Sewerage	\$17,974.00
Peterson & Sons Tree Service	\$300.00
QC Labs	\$405.00
Roxbury Twp Water Dept	\$132.30
James Schilling	\$105.37
Shell Fleet Plus	\$601.28
Spectraserve	\$15,462.00
Staples	\$258.64
Univar USA	\$9,540.78
Verizon	\$655.17
Verizon Communications	\$49.99
E.A. Wactjen	\$282.50
Waste Management	\$467.83
Water Environment Federation	\$556.00

The monthly correspondence was discussed. One of the commissioners asked about the monthly collection system report received from Mount Olive Township. Mr. Schilling said that the MSA receives a report every month, but it is not put on the correspondence. Chairman Rattner said that it was interesting to see and asked why the other towns do not submit reports. Mr. Schilling said the towns should be submitting monthly reports and he would like to see monthly reports submitted from each of the member towns, although the MSA has no authority over how the towns manage their systems, but if there were any issues in their collection systems or pump stations it would be good to know. The commissioners further discussed what should be required from the member towns and that the MSA should be notified for any work completed, or issues that arise, that specifically include the Authority's system and property.

The following correspondence for the month of February was received and filed on a motion offered by Mr. Sylvester, seconded by Mr. Pucilowski and the affirmative vote of members present.

- A. 2/1/13 NJ Div. of Pensions & Benefits – Elmer M. Still retirement application
- B. 2/6/13 Mt. Olive Twp Water & Sewer Dept – Monthly Collection System Report
- C. 2/7/13 JA Montgomery Risk Control – Loss Control Report
- D. 2/11/13 Dynamic Engineering – Site Improvements, Rt. 46 & Orben Drive, Roxbury
- E. 2/11/13 Larry Kron, Esq. – Appointment of VM Associates
- F. 2/11/13 Larry Kron, Esq. – Appointment of Hawkins Delafield & Wood
- G. 2/11/13 Larry Kron, Esq. – QC Labs
- H. 2/11/13 Larry Kron, Esq. – Awarding Contract to Valiante & Son for PS #6
- I. 2/12/13 Larry Kron, Esq. – US Bank Bond Reserve Fund Account
- J. 2/13/13 Larry Kron, Esq. – Lee T. Purcell Associates engineering services contract
- K. 2/13/13 Township of Byram – Sussex County Water Quality Mgmt. Plan Amendment
- L. 2/14/13 VM Associates – Insurance Certificate
- M. 2/14/13 Larry Kron, Esq. – Prof. Services Contract between Larry I. Kron, Esq. & MSA
- N. 2/15/13 Township of Roxbury - Sussex County Water Quality Mgmt. Plan Amendment
- O. 2/15/13 Larry Kron, Esq. – Prof. Services Contract between Vincent Montanino & MSA
- P. 2/15/13 Larry Kron, Esq. – Prof. Services Contract between Robert Beinfeld, Esq. & MSA
- Q. 2/20/13 NJDEP – Final Payment Requisition for Project No. S340384-08

Mr. Schilling asked if the commissioners all had a chance to review his monthly report and if anyone had any questions. Mr. Schilling updated the commissioners on the sludge disposal for the month of February.

Mr. Schilling also asked about the Quick Check proposed and asked Chairman Rattner about the allocation for the project. Mr. Schilling reported that he had forwarded the letter to the commissioners via e-mail because the engineering firm that submitted the letter referenced a few projects. These projects could potentially be impacting many of the seven member towns and the MSA may want more visibility as to how these projects may affect each of the towns. Currently, the project engineer is talking about property in Byram Township and the proposed Quick Check will be between Byram and Stanhope. He said he corresponded with the project engineer who said there are also projects under consideration in Roxbury, Mount Olive and Netcong. Mr. Kron suggested that the Quick Check project engineer should be instructed that they need to contact each of the individual towns involved for the property allocations. Mr. Schilling said he forwarded the information to the commissioners so that each of them would be aware of what is being planned in their municipalities. The commissioners further discussed the available

allocations for each of the towns. Mr. Kron said that he would forward to the commissioners a letter he had prepared some time ago regarding the sale of gallonage for the member towns.

The Repairs and Maintenance Report was accepted on a motion offered by Mr. Schwab, seconded by Mr. Benson and the affirmative vote of members present.

Lee Purcell, P.E. reported there is still no new progress on the request for appeal process/stay.

Lee Purcell, P.E. also discussed that NJDEP Asset Management Program and suggested that the MSA start drafting a plan. He mentioned that having the Asset Management Program in place would be beneficial when applying for funding through the New Jersey Environmental Infrastructure Program. The commissioners discussed starting an Asset Management Program and what would be included. Mr. Purcell also recommended that LTPA and Mr. Schilling meet with Alan Dillon of the NJDEP Asset Management Program.

Mr. Purcell also reported on the water service for Pump Station No. 6 and is still recommending that the MSA award the contract for the work to Tom Valiante and Son, Inc.

Mr. Purcell also reported that the winter work for the emergency handrail repairs has been completed. He said there is more work to be completed that is weather dependent and the contractor will come back to finish the work when the weather permits.

Mr. Keiser asked Mr. Purcell about the proposal he submitted to finish the handrail design work for the remainder of the repairs. Mr. Purcell reported that he had submitted a proposal for the completion of the handrail repairs to the commissioners, which was attached to his report for the meeting. The commissioners discussed Mr. Purcell's proposal and the work that would need to be completed. Mr. Purcell explained the time lines for the project from the design process, to bidding and completing the work. He recommended starting the project as soon as possible so that the work can be done in the warmer weather. Mr. Keiser suggested that the Operations, Maintenance and Safety Committee should meet and go over the proposal. Mr. Schwab suggested that the commissioners approve the design and bid period work for LTPA to start and hold off on the construction period. Motion offered by Mr. Benson, seconded by Mr. Keiser to authorize a contract with LTPA for the handrail repair engineering fees for the design period in the amount of \$15,000.00 and the bid period in the amount of \$2,000.00 for a total of \$17,000.00. Roll Call:

Mr. Bates	Yes	Mr. Phil	Yes
Mr. Benson	Yes	Mr. Pucilowski	Yes
Mr. Grogan	Yes	Mr. Rattner	Yes
Mr. Keiser	Yes	Mr. Schwab	Yes
Mrs. Michetti	Yes	Mr. Sylvester	No

Mr. Purcell also reported on the proposal he submitted for the repairs to the MSA interceptor that have been discussed previously. LTPA was not able to include the work required as a change order on the contractor's contract because of the legal impediments. LTPA's proposal for the project would be a total of \$34,000.00. He explained the importance of the work to the MSA system and not completing the work needed would cause the system to deteriorate in time. Mr. Pucilowski suggested that the Operations, Maintenance and Safety Committee should review it and get back to the commissioners at the next meeting. Mr. Purcell also offered to meet with the committee to discuss the work needed.

The Engineer's Report was accepted on a motion offered by Mr. Bates, seconded by Mr. Benson and the affirmative vote of members present.

Res. No. 13-07 Awarding a Contract to QC Laboratories for Permit Compliance Laboratory Services in Accordance with N.J.S.A. 40A:11-6.1, was moved by Mr. Pucilowski, seconded by Mr. Benson and the affirmative roll call vote of members present.

RESOLUTION NO. 13-07

**Resolution of the Musconetcong Sewerage Authority
Awarding a Contract to QC Laboratories for Permit
Compliance Laboratory Services in Accordance
with N.J.S.A. 40A:11-6.1**

WHEREAS, N.J.S.A. 40A:11-6.1 provides for all contracts that in aggregate are less than the bid threshold of Seventeen Thousand Five Hundred (\$17,500.00) Dollars, but more than Two Thousand Six Hundred Twenty Five (\$2,625.00) Dollars, the contracting agent shall award the contract after soliciting at least two (2) competitive quotations if practical; and

WHEREAS, the Musconetcong Sewerage Authority (hereinafter "MSA") has solicited the following quotations for Permit Compliance Laboratory Services:

1. QC Laboratories \$14,715.00
1205 Industrial Blvd.; PO Box 514
Southampton, PA 18966-0514

Quantity	Matrix	Analysis	Unit Price	Total Price
60	Wastewater	E.Coli	60.00	3,600.00
52	Wastewater	Nitrate Nitrogen	18.00	936.00
12	Wastewater	Oil & Grease Via 1664 Hem	50.00	600.00
12	Wastewater	Copper	14.00	168.00
2	Wastewater	Zinc	14.00	28.00
2	Wastewater	Total Dissolved Solids	8.00	16.00
2	Wastewater	Chronic Bioassay	1,500.00	3,000.00
1	Wastewater	WCR	1,313.00	1,313.00
4	Sludge	Sqar Table 1	248.00	992.00
1	Sludge	Sqar Table 2-6	876.00	876.00
52	Misc	Pick Up Charge	15.00	780.00
52	Misc	Fuel Surcharge	7.50	390.00
16	Ground Wtr	Field PH	5.00	80.00
16	Ground Wtr	Fecal Coliform	20.00	320.00
16	Ground Wtr	BOD	20.00	320.00
16	Ground Wtr	TDS	8.00	128.00
16	Ground Wtr	Nitrate	14.00	224.00
16	Ground Wtr	Ammonia Nitrogen	9.00	144.00
16	Ground Wtr	Depth to Water Table	0.00	0.00
16	Misc	Collection Charge for Wells	50.00	800.00

2. Accutest Laboratories
2235 Route 103
Dayton, NJ 08810

Accutest Laboratories was not able to provide a price quotation as they did not offer the full range of services required

3. Integrated Analytical Laboratories, LLC
273 Franklin Road
Randolph, NJ 07869

Integrated Analytical Laboratories, LLC was unable to submit a Bid as they indicated there were a number of compounds which they did not test for; and

WHEREAS, the bid of QC Laboratories, is the lowest bid.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that a Contract is hereby awarded to QC Laboratories on its bid of \$14,715.00 to provide Compliance Laboratory Services as detailed in its Quotation for a total amount of \$14,715.00; and be it

FURTHER RESOLVED, that the amount of the Contract shall not exceed \$14,715.00 without further approval from the Musconetcong Sewerage Authority, and the Musconetcong Sewerage Authority shall not be liable to pay any amount over and above \$14,715.00 without prior written approval; and be it

FURTHER RESOLVED, that Steven Rattner as Chairman is hereby authorized to execute the Contract with QC Laboratories on behalf of the Musconetcong Sewerage Authority.

Res. No. 13-08 Awarding a Contract to Tom Valiante and Son, Inc., to provide a Water Service Connection to MSA Regional Pumping Station No. 6 in accordance with N.J.S.A. 40A:11-6.1, was moved by Mr. Phil, seconded by Mr. Schwab and the affirmative roll call vote of members present.

RESOLUTION NO. 13-08

Resolution of the Musconetcong Sewerage Authority
Awarding a Contract to Tom Valiante and Son, Inc.,
to provide a Water Service Connection to MSA
Regional Pumping Station No. 6 in accordance with
N.J.S.A. 40A:11-6.1

WHEREAS, N.J.S.A. 40A:11-6.1 provides for all contracts that in aggregate are less than the bid threshold of Seventeen Thousand Five Hundred (\$17,500.00) Dollars, but more than Two Thousand Six Hundred Twenty Five (\$2,625.00) Dollars, the contracting agent shall award the contract after soliciting at least two (2) competitive quotations if practical; and

WHEREAS, the Musconetcong Sewerage Authority (hereinafter "MSA") has received the following quotations to provide a Water Service Connection to MSA Regional Pumping Station No. 6 in accordance with Project Description of Lee T. Purcell Associates:

	<u>Total Price</u>
1. Tom Valiante and Son, Inc. 117 Lakeside Boulevard Landing, New Jersey 07850	\$12,500.00
2. Salmon Brothers, Inc. PO Box 67 Netcong, NJ 07857	\$23,736.03

WHEREAS, the bid of Tom Valiante and Son, Inc., is the lowest bid.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that a Contract is hereby awarded to Tom Valiante and Son, Inc., on its bid of \$12,500.00 to provide a Water Service Connection to MSA Regional Pumping Station No. 6 in accordance with the Project Description of Lee T. Purcell Associates; and be it

FURTHER RESOLVED, that the amount of the Contract shall not exceed \$12,500.00 without further approval from the Musconetcong Sewerage Authority, and the Musconetcong Sewerage Authority shall not be liable to pay any amount over and above \$12,500.00 without prior written approval; and be it

FURTHER RESOLVED, that Steven Rattner as Chairman is hereby authorized to execute the Contract with Tom Valiante and Son, Inc., on behalf of the Musconetcong Sewerage Authority.

Chairman Rattner discussed Resolution No. 13-09 and noted that it was suggested by the MSA Accountant. Mr. Schwab indicated that the MSA was discussing possibly finding another bank for the trustee account and asked if the Authority should hold off on the resolution and have the Finance/Audit Committee look into the matter. Mr. Schwab suggested that the Finance/Audit Committee meet with the TD Bank Trustee representative. The commissioners discussed the various other banks that could be appointed as MSA trustee bank.

Res. No. 13-09 Authorizing US Bank, N.A., to Invest the Monies in the Bond Reserve Fund Account in Treasury Notes or Treasury Bills to Yield the Maximum Rate of Return, was moved by Mr. Bates, seconded by Mr. Sylvester and the affirmative roll call vote of members present.

RESOLUTION NO. 13-09

Resolution of the Musconetcong Sewerage Authority Authorizing US Bank, N.A., to Invest the Monies in the Bond Reserve Fund Account in Treasury Notes or Treasury Bills to Yield the Maximum Rate of Return

WHEREAS, on December 20, 2012, the Commissioners of the Musconetcong Sewerage Authority adopted Resolution No. 12-45 which included a Corrective Action Plan to contact area banks for investment options and rates; and

WHEREAS, it is in the best interest of the MSA to invest the monies in the Bond Reserve Fund Account Number 2576021761 totaling \$1,538,475.00 in Treasury Notes or Treasury Bills to yield the maximum rate of return, and that these funds should be invested, but be made available on December 31, 2013 to be used to make the Final Debt Service Payment on the 2002 Refunding Bonds on January 1, 2014.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that Steven Rattner as Chairman is directed to authorize US Bank, N.A., to invest the monies in Bond Reserve Fund Account No. 2576021761 totaling \$1,538,475.00 in Treasury Notes or Treasury Bills to yield the maximum rate of return, but that these funds must be available on December 31, 2013 to be used to make the Final Debt Service Payment on the 2013 Refunding Bonds on January 1, 2014.

Mr. Keiser said that the acceptance of the alternate engineer was to be discussed and the Plant Director had a recommendation for the alternate engineer. Mr. Schilling reported that since the commissioners discussed the matter at the last meeting, the committee had interviewed two of the engineering firms after receiving proposals from six firms. He reiterated that they had recommended CP Engineers at the last meeting and that he is still recommending that the Authority appoint CP Engineers as the alternate engineer for the MSA. Mr. Kron suggested that the information should be sent to him and he would prepare a resolution for approval at the next meeting.

Mr. Benson reported he and Mr. Schilling met with some potential new risk management consultants, since there was a lack of satisfaction with the risk management consultant the MSA had appointed over the last several years. He recommended Stanford Risk Management Services and indicated they were a lot more comprehensive than the MSA's former consultant. Mr. Benson further explained some of the other services that would be provided by Stanford Risk Management. The commissioners decided to appoint Stanford Risk Management as the MSA risk management consultant. Mr. Kron would prepare a resolution for approval at the next meeting.

Motion made by Mr. Pucilowski, seconded by Mr. Sylvester and the affirmative roll call vote of members present for the commissioners to go into closed session to discuss personnel matters at 9:07 PM:

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;

WHEREAS, the Commissioners of the Musconetcong Sewerage Authority is 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 of, action on and hearing the tape of closed session of the Musconetcong Sewerage Authority;
2. The general nature of the subject matter to be discussed is as follows: Personnel/Contract Negotiations

The above subject matter will be made public as soon therefore as it is deemed to be in the public interest.

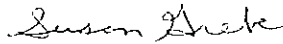
Motion to reopen the meeting to the public was offered by Mr. Schwab, seconded by Mr. Benson and the affirmative vote of members present.

Motion was offered by Mr. Phil, seconded by Mr. Bates to increase James Schilling's salary from \$88,000.00 to \$94,000.00 retroactive to January 1, 2013. Roll Call:

Mr. Bates	Yes	Mr. Phil	Yes
Mr. Benson	Yes	Mr. Pucilowski	Yes
Mr. Grogan	Yes	Mr. Rattner	Yes
Mr. Keiser	Yes	Mr. Schwab	Yes
Mrs. Michetti	No	Mr. Sylvester	Yes

Motion made by Mr. Sylvester, seconded by Mr. Keiser and the affirmative roll call vote of members present, Chairman Rattner adjourned the meeting at 9:33 PM.

Respectfully Submitted:



Susan Grebe,
Administrative Assistant