

**REGULAR MEETING OF THE MUSCONETCONG SEWERAGE AUTHORITY**

Chairman Rattner called the meeting to order at 7:30 PM. Following the 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, Thomas Bruno, Andrew Cangiano, Michael Grogan, Brian McNeilly, Michael Pucilowski, Steven Rattner, Richard Schindelar, Joseph Schwab, Elmer Still, John Sylvester

**MEMBERS ABSENT:** Melanie Michetti

**OTHERS PRESENT:** Patrick Dwyer Esq., James Wancho PE, Debbie Palma QPA, James Schilling MSA Director, Susan Grebe Administrative Assistant

Chairman Rattner opened and closed the meeting to the public.

The regular meeting minutes of December 20, 2018 were approved on a motion offered by Mr. Schwab, seconded by Mr. McNeilly. Roll Call:

Mr. Benson	Abstain	Mr. Pucilowski	Abstain
Mr. Bruno	Yes	Mr. Rattner	Yes
Mr. Cangiano	Abstain	Mr. Schindelar	Yes
Mr. Grogan	Yes	Mr. Schwab	Yes
Mr. McNeilly	Yes	Mr. Still	Yes
Mrs. Michetti	Absent	Mr. Sylvester	Yes

The closed session minutes regarding potential litigation of December 20, 2018 were approved on a motion offered by Mr. Bruno, seconded by Mr. Sylvester. Roll Call:

Mr. Benson	Abstain	Mr. Pucilowski	Abstain
Mr. Bruno	Yes	Mr. Rattner	Yes
Mr. Cangiano	Abstain	Mr. Schindelar	Yes
Mr. Grogan	Yes	Mr. Schwab	Yes
Mr. McNeilly	Yes	Mr. Still	Yes
Mrs. Michetti	Absent	Mr. Sylvester	Yes

The closed session minutes regarding personnel of December 20, 2018 were approved on a motion offered by Mr. Schwab, seconded by Mr. McNeilly. Roll Call:

Mr. Benson	Abstain	Mr. Pucilowski	Abstain
Mr. Bruno	Yes	Mr. Rattner	Yes
Mr. Cangiano	Abstain	Mr. Schindelar	Yes
Mr. Grogan	Yes	Mr. Schwab	Yes
Mr. McNeilly	Yes	Mr. Still	Yes
Mrs. Michetti	Absent	Mr. Sylvester	Yes

Mr. Schwab explained that the Treasurer's/Expenditures Report would need to be amended because the 2018 Budget transfers that were approved at the November meeting were not shown correctly on the Expenditures Sheet. The Treasurer's/Expenditures Report of January 1, 2019 was tabled until the February 28<sup>th</sup> monthly meeting so that the corrections could be made.

The pending vouchers for the month of January were approved for payment on a motion offered by Mr. Schwab, seconded by Mr. Schindelar and the affirmative roll call vote of members present.

<b>CAPITAL IMPROVEMENT ACCCOUNT:</b>	
PS&S	\$47,256.55
<b>RENEWAL &amp; REPLACEMENT ACCOUNT:</b>	
PS&S	\$7,456.48
<b>OPERATING ACCOUNT:</b>	
Accurate Waste	\$21,912.50
ADP	\$557.64
Scott Allen (mileage)	\$54.28
American Wear	\$759.10
AmeriGas Propane	\$1,299.18

Aqua Pro-Tech Labs	\$255.00
Association of Environmental Authorities	\$3,700.00
Bearing Drive Solutions	\$684.26
Blue Diamond Disposal	\$312.37
Clintas First Aid	\$84.78
Coburn Chemicals	\$7,517.33
Robert Colabella (dental)	\$659.70
Constellation New Energy	\$22,180.88
Fisher Scientific	\$202.43
Grainger	\$827.91
Susan Grebe (petty cash & mileage)	\$45.58
Hach Co.	\$117.05
JCP&L	\$9,121.78
Lackawana Computer Repair	\$5,730.40
Lowe's	\$167.30
MSA Payroll 12/28/18	\$31,700.89
MSA Payroll 1/11/19	\$39,799.36
New Jersey Herald	\$25.50
NJ American Water	\$1,339.26
NJIB (loan payment S340 384-06 2007A)	\$13,589.75
NJIB (loan payment S340 384-07 2010B)	\$9,289.22
NJIB (loan payment S340 384-08 2010B)	\$23,619.91
NJSHPB	\$14,098.62
NJ Utilities Authorities JIF	\$41,158.00
Nusbaum Stein	\$1,674.20
Office Concepts Group	\$899.17
One Call	\$27.50
Pan Metro	\$600.00
Passaic Valley Sewerage Commission	\$31,255.00
PERS	\$96,455.00
PS&S	\$5,699.11
Randolph Township	\$1,100.00
James Schilling (mileage reimb)	\$110.87
Shell Fleet	\$229.93
TD Bank (loan payment 2007B & 2010A)	\$45,338.51
Treasurer, State of NJ	\$600.00
Unum Life Insurance	\$1,464.35
USA Blue Book	\$1,128.20
USALCO	\$11,584.46
Verizon	\$856.79
Verizon Communications	\$79.78
Verizon Wireless	\$225.20
WEF	\$451.00

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

- A. 12/21/18 James Schilling - Response to NJDEP Administrative Order and Notice of Civil Administrative Penalty Assessment
- B. 1/7/19 Division of Local Government Services – MSA 2019 Budget Submittal
- C. 1/9/19 James Wancho, PE – Availability of Sewer Service 700 International Drive, Lot 4, Block 104, Mount Olive Township
- D. 1/10/19 Borough of Netcong – 2019 Appointment of Elmer Still as Commissioner for MSA
- E. 1/15/19 John Napolitano, Esq. – 2019 Reappointment for MSA Labor Attorney Services
- F. 1/16/19 Robert H. Beinfield – 2019 Reappointment for MSA Bond Counsel Services
- G. 1/16/19 Patrick Dwyer, Esq. – 2019 Reappointment for MSA Legal Counsel Services
- H. 1/17/19 Najarian Associates – 2019 Reappointment for MSA Environmental Consulting Services
- I. 1/23/19 Township of Mount Olive – 2019 Reappointment of Steven Rattner as Commissioner for MSA

Mr. Schilling asked the commissioners if there were any questions regarding his monthly report. Chairman Rattner asked about the old Administration Building and the current risks for safety and any other issues. Mr. Schilling explained that the front door overhang fell down. The risks are minimal. The MSA staff only goes into the building to pump water out of the building about 4 times a year. A hazardous assessment was done last year. The second step would be to do some sampling. He had obtained proposals for that work at that time. The plan was to leave the building in place until Plant No. 4 was built. Chairman Rattner suggested that the debris should be cleaned up. Mr. Schwab suggested that some safety fencing should be placed around the building for now. Mr. Schilling noted that there is still live electricity in the building. Mr. Pucilowski suggested that Mr. Schilling meet with some qualified professionals so that he can get advice on what the best course of action would be at this time. Mr. McNeilly and some of the commissioners agreed that would be best.

The Director's Report for the month of January was accepted on a motion offered by Mr. Schindelar, seconded by Mr. McNeilly and the affirmative vote of members present.

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

Mr. Wancho updated the commissioners regarding the work on Primary Clarifier No. 2. The work has been started, but is now on hold pending the weather along with the flows subsiding, so that the contractor can complete the work.

Mr. Schwab asked Mr. Wancho about the status of the NJIB loan application. Mr. Wancho reported that the information was put into the H2O Loans. Now they are working on the environmental planning document, which is proceeding, and that submittal has to be made to the NJDEP. Mr. Wancho will send a timeframe schedule to Mr. Schwab.

Chairman Rattner asked Mr. Wancho about the air permitting work outlined in his monthly report. The report indicates that the DEP approval does not include the approval of the emission rates proposed. He wanted to know if the emission rates are a separate item from the modeling. Mr. Wancho responded that the emission rates were calculated and the modeling protocol was conditionally approved. The emission rates will not be approved until they answer the DEP's comments and make a resubmittal. The resubmittal is due by February 17<sup>th</sup> and it should be done by the end of this month. From what he can see the emission rates will not be affected by the DEP's comments.

The Engineer's Report for the month of January was accepted on a motion offered by Mr. Schindelar, seconded by Mr. Pucilowski and the affirmative vote of members present.

**Resolution No. 19-02**, Authorizing MSA Director to Submit the 2018 Annual Effluent Monitoring Report to the Delaware River Basin Commission, was moved by Mr. Sylvester, seconded by Mr. Still and the affirmative roll call vote of members present.

**RESOLUTION NO. 19-02**  
**Resolution of the Musconetcong Sewerage Authority**  
**Authorizing Director James Schilling to Submit the 2018 Annual**  
**Effluent Monitoring Report to the Delaware River Basin Commission**

WHEREAS, the Musconetcong Sewerage Authority ("MSA") has been issued a docket regarding its operations (Docket No. D-2002-40 CP) by the Delaware River Basin Commission ("DRBC"); and

WHEREAS, pursuant to said Docket the MSA is required to submit Effluent Monitoring Reports to the DRBC; and

WHEREAS, the DRBC has requested that the Effluent Monitoring Reports be submitted on an annual basis.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that Director James Schilling is authorized to sign and submit the Annual Effluent Monitoring Report for the Year 2018 to the Delaware River Basin Commission; and

BE IT FURTHER RESOLVED, that the Annual Effluent Monitoring Report submitted to the DRBC shall accurately reflect the results of MSA's effluent monitoring for the parameters set forth in its Docket for calendar year 2018.

Mr. Schwab suggested that the words incentive bonus in the Resolution No. 19-04 should be revised to say "stipend". Mr. Dwyer agreed that the resolution could be amended.

**Resolution No. 19-04**, Appointing James Schilling as Its Licensed UST Operator, was moved by Mr. McNeilly, as amended, seconded by Mr. Schindelar and the affirmative roll call vote of members present.

**RESOLUTION NO. 19-04**  
**RESOLUTION OF THE MUSCONETCONG SEWERAGE AUTHORITY**  
**APPOINTING JAMES SCHILLING AS ITS LICENSED**  
**UNDERGROUND STORAGE TANK ("UST") OPERATOR**

WHEREAS, the Musconetcong Sewerage Authority ("MSA") has three (3) Underground Storage Tanks ("USTs") on the premises of its sewerage treatment facility; and

WHEREAS the New Jersey Department of Environmental Protection requires that each facility having a UST appoint a licensed UST Operator; and

WHEREAS James Schilling, Director of the MSA, has obtained UST Operators Licenses Class A, B and C from NJ DEP;

NOW BE IT HEREBY RESOLVED:

1. The MSA hereby appoints Director James Schilling as its Licensed UST Operator.
2. James Schilling shall maintain in good standing his UST Operator's License during this appointment, and shall notify MSA if such license shall be suspended, terminated or not renewed.
3. As compensation for said appointment James Schilling shall receive an annual stipend in the amount of Two Thousand (\$2,000) Dollars payable within the first 60 days of the beginning of each year. Said stipend shall be separate and apart from his annual salary and shall not be included in the calculation of pension benefits.

**Resolution No. 19-05**, Adopting an Amended and Restated Deferred Compensation Plan Pursuant to Section 457(b) of the Internal Revenue Code, was moved by Mr. Bruno, seconded by Mr. Rattner and the affirmative roll call vote of members present.

**RESOLUTION NO. 19-05**  
**Resolution of the Musconetcong Sewerage Authority**  
**Adopting an Amended and Restated Deferred Compensation Plan**  
**Pursuant to Section 457(b) of the Internal Revenue Code**

WHEREAS, the Musconetcong Sewerage Authority (hereinafter referred to as the "Employer") by Resolution adopted a Deferred Compensation Plan (hereafter referred to as the "Plan") effective October 5, 1999, for the purpose of making available to eligible employees the accrual of tax benefits under a Section 457 Deferred Compensation Plan; and

WHEREAS, the Plan is now being Amended and Restated effective February 1, 2019; and

WHEREAS the Plan includes designation of the Variable Annuity Life Insurance Company ("VALIC") as the Plan investment manager;

NOW, THEREFORE, BE IT RESOLVED, that the MSA does hereby Amend and Restate its Deferred Compensation Plan effective February 1, 2019; and

BE IT FURTHER RESOLVED, that a certified copy of this Resolution shall be forwarded to VALIC and the Director of the Division of Local Government Services.

**Resolution No. 19-06**, Appointing James Schilling as Administrator of its Restated Deferred Compensation Plan, was moved by Mr. McNeilly, seconded by Mr. Cangiano and the affirmative roll call vote of members present.

**RESOLUTION NO. 19-06**  
**Resolution of the Musconetcong Sewerage Authority**  
**Appointing James Schilling as Administrator of its**  
**Restated Deferred Compensation Plan**

WHEREAS, the Musconetcong Sewerage Authority (hereinafter referred to as the "Employer") by Resolution adopted a Deferred Compensation Plan (hereafter referred to as the "Plan") effective October 5, 1999, for the purpose of making available to eligible employees the accrual of tax benefits under a Section 457 Deferred Compensation Plan; and

WHEREAS, the Employer by Resolution retained The Variable Annuity Life Insurance Company ("VALIC") as the contractor under the Deferred Compensation Plan and executed a Service Agreement with said contractor; and

WHEREAS, the Employer Amended and Restated its Deferred Compensation Plan effective February 1, 2019; and

WHEREAS, the Service Agreement calls for the MSA to appoint an individual to serve as the Administrator of MSA's Deferred Compensation Plan; and

WHEREAS, the MSA desires to appoint its Director James Schilling to this position;

NOW, THEREFORE, BE IT RESOLVED, that the MSA does hereby appoint its Director James Schilling as the Administrator of the MSA's Deferred Compensation Plan with VALIC; and

BE IT FURTHER RESOLVED, that a certified copy of this Resolution shall be forwarded to VALIC and the Director of the Division of Local Government Services.

**Resolution No. 19-07**, Adopting a Change to an Existing Deferred Compensation Plan, was moved by Mr. Sylvester, seconded by Mr. McNeilly and the affirmative roll call vote of members present.

**RESOLUTION NO. 19-07**  
**Resolution of the Musconetcong Sewerage Authority**  
**Adopting a Change to an Existing Deferred Compensation Plan**

WHEREAS, the Musconetcong Sewerage Authority (hereinafter referred to as the "Employer") by Resolution adopted a Deferred Compensation Plan (hereafter referred to as the "Plan") effective October 5, 1999, for the purpose of making available to eligible employees the accrual of tax benefits under a Section 457 Deferred Compensation Plan; and

WHEREAS, the Employer desires to provide for Designated Roth Contributions and/or In-Plan Roth Conversions under its Plan;

NOW, THEREFORE, BE IT RESOLVED, that the Employer hereby adopts the attached Amendment, which Amendment has been approved by the Division of Local Government Services and assigned identifier 83-PD-VALIC-061912, to Deferred Compensation Plan Document, identifier 81-PD-VALIC-103111, to be part of and incorporated into its existing Deferred Compensation Plan Document; and

BE IT FURTHER RESOLVED, that a certified copy of this Resolution shall be forwarded to the Director of the Division of Local Government Services.

**Resolution No. 19-08**, Adopting the 2019 MSA Budget, was moved by Mr. Schwab, seconded by Mr. Still and the affirmative roll call vote of members present.

**RESOLUTION #19-08**  
**2019 ADOPTED BUDGET RESOLUTION**  
**MUSCONETCONG SEWERAGE AUTHORITY**  
**FISCAL YEAR FROM JANUARY 1, 2019 TO DECEMBER 31, 2019**

WHEREAS, the Annual Budget and Capital Budget/Program for the Musconetcong Sewerage Authority for the fiscal year beginning January 01, 2019 and ending, December 31, 2019 has been presented for adoption before the governing body of the Musconetcong Sewerage Authority at its open public meeting of January 24, 2019; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$4,427,402.00, Total Appropriations, including any Accumulated Deficit, if any, of \$4,535,380.00 and Total Unrestricted Net Position utilized of \$107,978.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$2,376,732.00 and Funding Sources of Debt Authorized of \$2,000,000.00 and Renewal and Replacement funds to be utilized of \$376,732.00 and

NOW, THEREFORE BE IT RESOLVED, by the governing body of Musconetcong Sewerage Authority, at an open public meeting held on January 24, 2019 that the Annual Budget and Capital Budget/Program of the Musconetcong Sewerage Authority for the fiscal year beginning, January 01, 2019 and, ending, December 31, 2019 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

The fully executed Musconetcong Sewerage Authority Adopted 2019 Budget Document will be posted on the Musconetcong Sewerage Authority's official website at [msa-nj.org](http://msa-nj.org). A copy of the 2019 MSA Budget Document will be permanently kept on file at the MSA office and may be obtained by contacting the office at 973-347-1525 extension 201.

Mr. Pucilowski and Mr. Schwab requested that the proposal from PS&S for MSA Contract No. 295 be revised to hourly rates instead of a lump sum proposal. Mr. Schwab also noted that he would also like the budget proposed for fire protection omitted from the proposal. Mr. Wancho said that he could make those revisions. He had handouts of the proposed project budgets for the commissioners to review. Mr. Schwab also asked if the Engineering Committee will meet to discuss the project and make a recommendation at the February meeting. The Engineering Committee will set a date to meet and discuss the project and proposal.

Mr. Dwyer noted that the proposal for Contract No. 295 from PS&S indicated that a preliminary design was completed and reviewed. He asked if all the commissioners had reviewed that information. Mr. Schilling explained that a previous contract was awarded to PS&S for 65K. A preliminary design report was prepared and submitted to the Engineering Committee. He also reviewed the report with the MSA Staff. Subsequent meetings were held with PS&S to make some comments, suggestions and changes. The next step would be for PS&S to send the revised preliminary design to himself and the Engineering Committee. Mr. Dwyer indicated that it was a significant proposal and all the commissioners should be informed as much as possible. Mr. Schilling had copies of the original preliminary design and offered copies to the commissioners. Mr. Wancho offered to provide a link for the drawings and the report to the commissioners so that they could review the information. He will have someone from his office e-mail the link to the commissioners.

One of the commissioners asked about the high flows on the monthly gallonage report. Mr. Schilling discussed the high flow numbers and explained the cause for the high flows to the commissioners which are due to the large amount of rainfall and melting snow.

Motion made by Mr. McNeilly, seconded by Mr. Sylvester and the affirmative roll call vote of members present for the commissioners to go into closed session at 8:12 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 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: Pending Litigation  
The above subject matter will be made public once negotiations are complete.

Motion to reopen the meeting to the public at 8:20 PM was offered by Mr. McNeilly, seconded by Mr. Cangiano and the affirmative vote of members present.

Motion made by Mr. Still, seconded by Mr. Bruno and the affirmative vote of members present, Chairman Rattner adjourned the meeting at 8:21 PM.

Respectfully Submitted:



Susan Grebe,  
Administrative Assistant