

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: Donald Bates, Thomas Bruno, Andrew Cangiano, Michael Grogan, Brian McNeilly, Melanie Michetti, Michael Pucilowski, Steven Rattner, Joseph Schwab, John Sylvester

MEMBERS ABSENT: James Benson, Richard Schindelar

OTHERS PRESENT: Patrick Dwyer, Esq., John Scheri, PE, Marvin Joss, James Schilling

Chairman Rattner opened and closed the meeting to the public.

The meeting minutes of October 27, 2016 were approved on a motion offered by Mrs. Michetti, seconded by Mr. McNeilly. Roll Call:

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

The Expenditures/Treasurer's Report for November 1, 2016 was accepted on a motion offered by Mr. Bruno, seconded by Mr. Cangiano and the affirmative roll call vote of members present.

TREASURER'S REPORT- NOVEMBER 1, 2016

OPERATING ACCOUNT

Balance as of October 1, 2016:		<u>\$ 1,175,496.66</u>
Receipts (October):		
Hospitalization	3,111.62	
Municipal Revenue	266,897.43	
NJ Sustainable Energy membership refund	150.00	
		<u>\$ 1,445,655.71</u>
Total Disbursements for October:		<u>\$ 252,032.19</u>
Balance as of November 1, 2016:		<u>\$ 1,193,623.52</u>

RENEWAL & REPLACEMENT ACCOUNT

Balance as of October 1, 2016:		<u>\$ 586,576.07</u>
Receipts:		0.00
Disbursements:		0.00
Balance as of November 1, 2016:		<u>\$ 586,576.07</u>

ESCROW ACCOUNT

Balance as of October 1, 2016:		<u>\$ 3,146.14</u>
Receipts:	Atkins/Hopatcong LLC (Mariners Pointe)	307.40
Disbursements:		0.00
Balance as of November 1, 2016:		<u>\$ 3,453.54</u>

CAPITAL IMPROVEMENT/RESERVE FOR RETIREMENT ACCOUNT

Balance as of October 1, 2016:		<u>\$ 1,109,436.00</u>
Receipts:	Transfer from Operating for Reserve for Retirement	5,000.00
Disbursements:	Mott MacDonald (Old Service Bld & GIS memos)	180.00
	Mott MacDonald (headworks project & Old Service Bld)	2,391.15
Balance as of November 1, 2016:		<u>\$ 1,111,864.85</u>

ANALYSIS OF BALANCES:

Capital Improvement	\$ 1,061,864.85
Reserve for Retirement	\$ 50,000.00

EXPENDITURES REPORT - 2016 BUDGET

11/1/16

	2016	YEAR-TO-DATE		%
	<u>BUDGET</u>	<u>EXPENDITURES</u>	<u>BALANCE</u>	<u>REMAINING</u>
Admin - Salaries and Wages	\$160,000.00	\$133,142.54	\$26,857.46	16.79%
Trustee Admin Fees	\$20,000.00	\$18,196.72	\$1,803.28	9.02%
Administrative - Other Expenses	\$35,000.00	\$23,499.61	\$11,500.39	32.86%
Legal	\$25,000.00	\$23,473.60	\$1,526.40	6.11%
Audit	\$10,000.00	\$0.00	\$10,000.00	100.00%
Engineer	\$20,000.00	\$22,078.88	-\$2,078.88	-10.39%
Pension	\$86,000.00	\$84,371.00	\$1,629.00	1.89%
Social Security	\$65,000.00	\$54,798.67	\$10,201.33	15.69%
Unemployment	\$7,000.00	\$5,437.48	\$1,562.52	22.32%
Hospitalization	\$219,260.00	\$180,796.68	\$38,463.32	17.54%
Disability Insurance	\$10,000.00	\$4,983.65	\$5,016.35	50.16%
Operating - Salaries and Wages	\$666,640.00	\$565,763.26	\$100,876.74	15.13%
Reserve for Future Retirement	\$5,000.00	\$0.00	\$5,000.00	100.00%
Telephone	\$20,000.00	\$11,306.37	\$8,693.63	43.47%
Electric	\$530,000.00	\$267,972.77	\$262,027.23	49.44%
Propane/Fuel Oil/ Gasoline	\$40,000.00	\$8,725.38	\$31,274.62	78.19%
Supplies/Chemicals	\$160,000.00	\$121,681.44	\$38,318.56	23.95%
Laboratory Supplies	\$10,000.00	\$6,540.09	\$3,459.91	34.60%
Office	\$20,000.00	\$19,376.97	\$623.03	3.12%
External Services	\$70,000.00	\$38,440.81	\$31,559.19	45.08%
Education/Training	\$20,000.00	\$16,386.38	\$3,613.62	18.07%
Laboratory Fees	\$30,000.00	\$11,017.80	\$18,982.20	63.27%
Maintenance/Repairs	\$150,000.00	\$76,973.80	\$73,026.20	48.68%
Insurance	\$110,000.00	\$93,674.95	\$16,325.05	14.84%
NJDEP Fees	\$25,000.00	\$20,452.05	\$4,547.95	18.19%
Permit/Compliance Fees	\$25,000.00	\$6,414.48	\$18,585.52	74.34%
Equipment	\$60,000.00	\$23,011.74	\$36,988.26	61.65%
Sludge Removal	\$700,000.00	\$478,418.00	\$221,582.00	31.65%
Contingency	\$25,000.00	\$0.00	\$25,000.00	100.00%
Capital Improvement	\$200,000.00	\$175,000.00	\$25,000.00	12.50%
Renewal and Replacement	\$200,000.00	\$150,000.00	\$50,000.00	25.00%
TOTAL	\$3,723,900.00	\$2,641,935.12	\$1,081,964.88	29.05%

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

CAPITAL IMPROVEMENT	
Mott MacDonald	\$72.00
Mott MacDonald	\$720.00
CAPITAL IMPROVEMENT TOTAL	\$792.00
ESCROW ACCOUNT	
Nusbaum Stein	\$1,650.00
OPERATING ACCOUNT	
ADP	\$329.47
American Wear	\$623.26
Cintas First Aid	\$99.46
Constellation New Energy	\$16,177.15
Coyne Chemical	\$9,096.52
Culligan - Tri County Water	\$120.00
Endress + Hauser	\$1,739.87
Eurofins QC Labs	\$3,966.00
Fisher Scientific	\$3,299.43
Susan Grebe (mileage & petty cash reimb)	\$107.51
Hach Co.	\$39.58
JCP&L	\$11,309.82
Kurt's Locksmith Service	\$321.20
Lowe's	\$107.09
MSA Payroll 11/4/16	\$31,022.06
MSA Payroll 11/18/16	\$31,672.36
McMaster-Carr	\$114.37
Mott MacDonald	\$1,286.20
NJSHBP	\$17,784.61

NJ American Water	\$582.66
Najarian Associates	\$6,262.50
Napa Auto Parts	\$148.75
Netcong Hardware	\$2.84
Nusbaum Stein	\$1,634.60
One Call	\$60.00
PCS Pump (pump rebuild Blds. #1 & 2)	\$8,500.00
PERS	\$942.24
Printwurks	\$504.28
Pumping Services	\$2,690.00
R-D Trucking	\$20,440.00
Reiner Pump Systems	\$4,166.20
James Schilling (mileage reimbursement)	\$74.96
Shell Fleet	\$204.04
The Sign Connection	\$1,360.00
Staples	\$316.76
State Chemical Solutions	\$540.00
David Stracco (eye glass reimb)	\$88.00
Thomas Henderson Construction	\$8,250.00
Trend Landscaping	\$5,020.00
Univar	\$10,991.34
Verizon	\$738.72
Verizon Wireless	\$225.20

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

- A. 10/28/16 NJ Office of Administrative Law Placing MSA on Inactive List for 6 Months
- B. 10/28/16 Cover Letter transmitting Approved 2017 Budget to DCA
- C. 11/7/16 Holiday Party Invitation from PVSC
- D. 11/7/16 NJDEP - RD Management WQMP Amendment, Mount Olive Twp.

Mr. Schilling asked if the commissioners had reviewed his monthly report and if anyone had any questions. Mr. Pucilowski asked about the progress with the magnesium hydroxide trials. Mr. Schilling responded that currently the plant is not using anymore magnesium hydroxide because there is no long term infrastructure in place to use magnesium hydroxide. He will continue with the trials, but will still need soda ash, so there will not be any maximums or minimums for the bid process. Mr. Dwyer indicated that he re-reviewed the code and a minimal amount will need to be included in the specifications. Mrs. Michetti asked how much longer Mr. Schilling will be needing to use soda ash. Mr. Schilling said that the he normally only orders soda ash once every year and it has already been ordered. He believed there was enough time to review the need for soda ash and it may not be necessary to receive bids. He recommended that Resolution No. 16-32 on the meeting agenda be tabled until further review.

Mr. Schilling updated the commissioners that the MSA 2017 Budget has been approved by the DCA and will be on the December meeting agenda for adoption. Also, an E-JIF inspection was recently conducted and the plant received a score of 99. The Authority will receive a dividend refund from JIF in the amount of \$14,884.77, which will be applied to next year's JIF bill.

Mr. Schilling also updated the commissioners regarding New Jersey State reporting and fees for permits. He has been submitting everything including reports and renewals electronically to the State for quite some time. The State does not want payments by check anymore. They are requesting payments by credit card or e-check through the State's portal. He recommended that the Authority use the e-check method. Mr. Schwab indicated that payment to the State by e-check is allowed. Chairman Rattner noted that Mr. Schilling should receive authorization to pay the State by e-check for the permit fees. A motion to authorize MSA Director, James Schilling, to pay State of New Jersey for various MSA permit fees by e-check was made by Mr. McNeilly, seconded by Mr. Schwab and the affirmative roll call vote of members present.

The Directors Report, and Repairs and Maintenance Report, for the month of November were accepted on a motion offered by Mr. McNeilly, seconded by Mr. Schwab and the affirmative vote of members present.

Mr. Scheri reported that Mott MacDonald had received the plans they requested from the Borough of Netcong. Mott MacDonald will scan the full set of drawings for Contract #170 since the Authority does not have those plans available electronically. Mott MacDonald will be creating a CD with an electronic copy (PDF) of the drawings for the Authority's use and records.

Mr. Scheri also discussed the Water Quality Management Plan Amendment for RD Management in Mount Olive. Correspondence regarding the project was on the meeting agenda. He received a call from the project engineer, Greg Ploussas, PE, indicating that the State is requesting consent from the local government agencies that have jurisdiction over the project. Mr. Ploussas will be submitting a formal request for Authority's consideration to consent to the Water Quality Management Plan for Morris County. Chairman Rattner asked if the MSA would be responsible for any service area increases.

Mr. Scheri explained that the MSA used to be the Wastewater Management Planning Agency for the municipalities that it serves. That WMP was approved in the late 1990's. A number of years ago the State took that responsibility away from regional sewerage authorities and gave it to the counties. He further explained that when Morris County created the WMP for the County they took out any parcels that were mapped to have wetlands or threatened and endangers species' habitats based upon NJDEP data. He believed that is the reason why RD Management's property needs the WQMP amendment. The main concern is, if Mount Olive has the sewerage capacity for the development. The MSA can only confirm that these parcels were in the MSA's WMP and included in the MSA's future flow. Chairman Rattner noted he would follow up with Morris County to see if the County agrees with the WQMP amendment. The commissioners further discussed the amendment and any concerns for the MSA. An escrow would be required for the professional reviews and preparation of a resolution. The administrator would send an escrow request.

Mr. Pucilowski suggested an engineering committee meeting should be scheduled for review and discussion of the headworks project. He also suggested that possibly some site visits could be scheduled to look at what SCMUA and Hackettstown MUA has done. Mr. Scheri said he would schedule some site visits for the committee.

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

Resolution No. 16-31 Establishing Meeting Dates for the MSA for the Year 2017, was moved by Mr. Sylvester, seconded by Mr. Pucilowski and the affirmative roll call vote of members present.

**RESOLUTION NO. 16-31
Resolution Establishing Meeting Dates
for the Musconetcong Sewerage Authority
for the Calendar Year 2017**

WHEREAS, the Musconetcong Sewerage Authority ("MSA") hereby establishes the following meeting dates for the Calendar Year 2017, which meetings will begin at 7:30 p.m. and will be held at the MSA's Water Pollution Control Facilities located at 110 Continental Drive in Budd Lake, New Jersey:

January 26th
February 23rd (Reorganization @ 7:30 PM followed by Regular Meeting)
March 23rd
April 27th
May 25th
June 22nd
July 27th
August 24th
September 28th
October 26th
November 21st (Tuesday after the AEA Conference)
December 21st (Third Thursday - before the Holidays)

A motion to table Resolution No. 16-32 authorizing the MSA Director to receive sealed proposals for Contract SA-17, for Light Soda Ash, was moved by Mrs. Michetti, seconded by Mr. Schwab and the affirmative roll call vote of members present.

Resolution No. 16-33 Authorizing the MSA Director to Receive Sealed Proposals for Contract P-17, for ZETAG 8818 Cationic Emulsion Polymer or Equivalent, was moved by Mr. Pucilowski, seconded by Mr. Bates and the affirmative roll call vote of members present.

**RESOLUTION NO. 16-33
Resolution of the Musconetcong Sewerage Authority
Authorizing the Director to Receive Sealed Proposals for
Contract P-17, for ZETAG 8818 Cationic Emulsion Polymer or
Equivalent as Described in the Technical Specifications on
December 13, 2016 at 10:0 a.m. in the Office of the Authority's
Water Pollution Control Facility**

WHEREAS, a need exists for ZETAG 8818 Cationic Emulsion Polymer or Equivalent as described in the Technical Specifications in the bid package for Contract P-17; and
WHEREAS, funds are available for said Contract.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that the Director is hereby authorized to receive sealed proposals for Contract P-17, ZETAG 8818 Cationic Emulsion Polymer or Equivalent as described in the Technical Specifications on December 13, 2016 at 10:00 a.m. at the office of the Authority's Water Pollution Control Facility, located at 110 Continental Drive, Budd Lake, New Jersey. At that time and place, the sealed bids will be opened publicly and read aloud.

Copies of the Contract Specifications are on file at the Office of the Authority at the Water Pollution Control Facility located in Budd Lake, New Jersey. The Contract Specifications may be obtained by contacting the Authority's Office at 973-347-1525.

Resolution No. 16-34 Authorizing Transfers for the 2016 MSA Budget, was moved by Mr. Schwab, seconded by Mr. Bruno and the affirmative roll call vote of members present.

**RESOLUTION NO. 16-34
MUSCONETCONG SEWERAGE AUTHORITY
BUDGET TRANSFER**

WHEREAS, there appears to be insufficient funds in the following accounts to meet the demands thereon for the balance of the current fiscal year,

LEGAL
ENGINEER
PENSION

WHEREAS, there appears to be a surplus in the following accounts over and above the demands deemed to be necessary for the balance of the current fiscal year,

ELECTRIC
HOSPITALIZATION

NOW, THEREFORE, BE IT RESOLVED, that in accordance with the provision of N.J.A.C. 5:31-2.8, part of the surplus in the amounts heretofore mentioned above, be hereby transferred to the accounts mentioned as being insufficient, to meet the current demands, and,

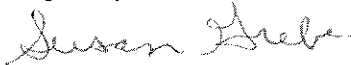
BE IT FURTHER RESOLVED, that the Treasurer is hereby authorized and directed to make the following transfers:

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
ELECTRIC	LEGAL	\$ 5,000.00
ELECTRIC	ENGINEER	\$ 15,000.00
HOSPITALIZATION	PENSION	\$ 4,000.00

Mr. Dwyer and Mr. McNeilly updated the commissioners regarding the sewer allocation transfer from Stanhope to Byram. Byram has adopted a resolution for the agreement and Stanhope is adopting their resolution at a meeting that was presently being held that evening. Mr. Dwyer had discussed the bonds that would be affected with the MSA's Bond Counsel and Auditor. He noted that there must be continued liability by the seller. He is waiting for an answer from them concerning the issue. He explained that if the municipal service agreements do not specifically address transfers, then the agreement can be approved, but all the member municipalities will have to consent to the agreement. Mr. McNeilly believed that any bonds associated with Stanhope's bond are complete, so he was not sure what bonding obligations there would be for this agreement or any subsequent sales in the future. He questioned whether there must be continued liability by the seller. Mr. McNeilly asked that Mr. Dwyer send the draft consent resolutions to the other member municipalities for their consideration at this time.

Motion made by Mr. Sylvester, seconded by Mrs. Michetti and the affirmative vote of members present, Chairman Rattner adjourned the meeting at 8:02 PM.

Respectfully Submitted:



Susan Grebe,
Administrative Assistant