

REGULAR MEETING OF THE MUSCONETCONG SEWERAGE AUTHORITY

Chairman Rattner called the meeting to order at 7:32 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, Andrew Cangiano, Michael Grogan, Brian McNeilly, Melanie Michetti, Michael Pucilowski, Steven Rattner, Joseph Schwab, John Sylvester
- MEMBERS ABSENT:** James Benson, Thomas Bruno, Richard Schindelar
- OTHERS PRESENT:** Patrick Dwyer Esq., John Scheri PE, Debbie Palma QPA, James Schilling MSA Director, Susan Grebe Administrative Assistant

Chairman Rattner mentioned the recent accidental death of Ed "Bear" Frenenski of the Stanhope Fire Department, Hose Company No.1. He noted that in the event of a fire or accident at the MSA facilities the Stanhope Fire Department would be one of the volunteers that would be responding to the scene. He suggested it would be appropriate if the MSA sends flowers or a donation to the funeral home in memory of Mr. Frenenski, from the commissioners and staff of the MSA, with condolences to the members of Mr. Frenenski's family and the Stanhope Fire Department volunteers.

Chairman Rattner opened and closed the meeting to the public.

The regular meeting minutes of September 28, 2017 were approved on a motion offered by Mr. Schwab, seconded by Mr. Sylvester. Roll Call:

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

The closed session meeting minutes of September 28, 2017 were approved on a motion offered by Mr. Pucilowski, seconded by Mr. Schwab. Roll Call:

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

The Expenditures/Treasurer's Report of October 1, 2017 was accepted on a motion offered by Mr. McNeilly, seconded by Mr. Cangiano and the affirmative roll call vote of members present.

Treasurer's Report- October 1, 2017
Operating Account

Balance as of September 1, 2017:		\$ 1,091,672.62
Receipts (September):		
Hospitalization	2,138.48	
Staples Refund	5.99	
Patrick Pisano (Disability reimbursement)	594.65	
Municipal Revenue	321,776.30	
		\$ 324,515.42
Disbursements (September):		\$ 1,416,188.04
NJSHPB	\$13,501.02	
Administrative Salaries	\$5,943.95	
Operating Salaries	\$24,956.20	
Unemployment	\$83.71	
Social Security	\$2,382.61	
Administrative Salaries	\$5,943.95	
Operating Salaries	\$23,823.76	
Unemployment	\$71.66	

Social Security	\$2,663.84
Health Ins. Waivers - 3rd qtr	\$4,808.74
Capital Imp. - 3rd Qtr Transfer	\$50,000.00
Renewal & Repl. - 3rd Qtr Transfer	\$50,000.00
ADP	\$463.75
Accurate Waste	\$1,825.00
American Wear	\$881.12
AmeriGas Propane	\$731.93
Nicholas Barbato (work boots & mileage)	\$125.55
Blue Diamond Disposal	\$595.40
Blo Triad Environmental	\$3,400.00
Cintas First Aid	\$77.95
Coastal Technical Sales	\$286.38
Robert Colabella (mileage)	\$32.64
Robert Colabella (dental reimb)	\$487.92
Constellation New Energy	\$13,599.28
Keith DeFazio (license renewal)	\$50.00
Keith DeFazio (work boots)	\$149.95
Edible Arrangements	\$118.88
Eurofins QC Labs	\$2,111.00
Franks Trattoria	\$300.00
Grainger	\$924.19
Susan Grebe (petty cash & mileage)	\$79.79
Hayes Pump	\$3,076.00
JCP&L	\$9,498.30
Lowe's	\$244.53
Maryland Biochemical	\$3,732.17
Mission Communications	\$3,787.80
Mott MacDonald	\$1,838.46
Municipal Maintenance	\$4,130.00
NJ American Water	\$799.43
NJ Bureau of Fire Code Enforcement	\$199.99
Netcong Hardware	\$815.54
Nusbaum Stein	\$1,205.00
One Call	\$27.50
PCS Pump & Process	\$2,200.00
PMZ Landscaping	\$1,500.00
Parkhurst Distribution	\$3,614.80
Passaic Valley Sewerage Commission	\$33,120.00
Pumping Service	\$5,492.00
R-D Trucking	\$16,704.00
R&J Control	\$942.00
R&R Pump	\$1,150.00
Reiner Pump Systems	\$1,869.37
Roxbury Township Water Dept.	\$134.94
James Schilling (dental & mileage)	\$364.26
Shell Fleet Plus	\$362.65
Staples	\$291.05
State Industrial Products	\$1,040.40
David Stracco (dental reimb)	\$271.00
USA Bluebook	\$180.66
United Federated Systems	\$3,744.50
Unum Life Ins.	\$1,342.31
Verizon	\$740.75
Verizon Communications	\$69.50
Verizon Wireless	\$225.20
WEF (renewal Schindelar)	\$172.00

Total Disbursements for September:

\$ 315,306.28

Balance as of October 1, 2017:

\$ 1,100,881.76

RENEWAL & REPLACEMENT ACCOUNT

Balance as of September 1, 2017:

\$ 595,003.88

Receipts:

3rd Quarter Transfer from Operating

50,000.00

Disbursements:

JEV Construction (Contract 260)

67,130.00

Mott MacDonald (Contracts 260 & 265)

6,872.26

PCS Pump & Process

8,353.60

Whipps, Inc. (Contract 260)

30,630.00

Nusbaum Stein (Contract 265)

220.00

Balance as of October 1, 2017:

\$ 531,798.02

ESCROW ACCOUNT

Balance as of September 1, 2017:	\$ 7,269.24
Receipts:	0.00
Disbursements Mott MacDonald (Crownpoint Development)	898.94
Balance as of October 1, 2017:	\$ 6,370.30

CAPITAL IMPROVEMENT/RESERVE FOR RETIREMENT ACCOUNT

Balance as of September 1, 2017:	\$ 1,230,423.85
Receipts:	50,000.00
3rd Quarter Transfer from Operating	50,000.00
Mott MacDonald (refund for inv#253027)	90.00
Disbursements:	1,886.82
Mott MacDonald (Headworks)	1,886.82
Balance as of October 1, 2017:	\$ 1,278,627.03

ANALYSIS OF BALANCES:

Capital Improvement	\$ 1,228,627.03
Reserve for Retirement	\$ 50,000.00

EXPENDITURES REPORT - 2017 BUDGET

10/1/17

	2017	YEAR-TO-DATE		%
	BUDGET	EXPENDITURES	BALANCE	REMAINING
Admin - Salaries and Wages	\$165,000.00	\$125,360.93	\$39,639.07	24.02%
Trustee Admin Fees	\$20,000.00	\$15,030.00	\$4,970.00	24.85%
Administrative - Other Expenses	\$40,000.00	\$19,599.72	\$20,400.28	51.00%
Legal	\$30,000.00	\$17,067.80	\$12,932.20	43.11%
Audit	\$10,000.00	\$0.00	\$10,000.00	100.00%
Engineer	\$30,000.00	\$4,988.59	\$25,011.41	83.37%
Pension	\$90,000.00	\$3,010.54	\$86,989.46	96.65%
Social Security	\$68,000.00	\$51,532.93	\$16,467.07	24.22%
Unemployment	\$7,000.00	\$5,774.12	\$1,225.88	17.51%
Hospitalization	\$228,500.00	\$144,284.18	\$84,215.82	36.86%
Disability Insurance	\$10,000.00	\$6,537.53	\$3,462.47	34.62%
Operating - Salaries and Wages	\$700,000.00	\$525,670.90	\$174,329.10	24.90%
Reserve for Future Retirement	\$0.00	\$5,774.12	-\$5,774.12	100.00%
Telephone	\$20,000.00	\$14,578.91	\$5,421.09	27.11%
Electric	\$500,000.00	\$245,528.40	\$254,471.60	50.89%
Propane/Fuel Oil/ Gasoline	\$40,000.00	\$9,210.90	\$30,789.10	76.97%
Supplies/Chemicals	\$160,000.00	\$122,215.80	\$37,784.20	23.62%
Laboratory Supplies	\$12,000.00	\$2,308.26	\$9,691.74	80.76%
Office	\$25,000.00	\$14,362.25	\$10,637.75	42.55%
External Services	\$70,000.00	\$35,925.96	\$34,074.04	48.68%
Education/Training	\$20,000.00	\$6,171.01	\$13,828.99	69.14%
Laboratory Fees	\$30,000.00	\$10,586.86	\$19,413.14	64.71%
Maintenance/Repairs	\$150,000.00	\$127,831.90	\$22,168.10	14.78%
Insurance	\$110,000.00	\$97,149.97	\$12,850.03	11.68%
NJDEP Fees	\$25,000.00	\$21,607.07	\$3,392.93	13.57%
Permit/Compliance Fees	\$25,000.00	\$468.60	\$24,531.40	98.13%
Equipment	\$60,000.00	\$18,323.19	\$41,676.81	69.46%
Sludge Removal	\$700,000.00	\$462,024.00	\$237,976.00	34.00%
Contingency	\$25,000.00	\$0.00	\$25,000.00	100.00%
Capital Improvement	\$200,000.00	\$150,000.00	\$50,000.00	25.00%
Renewal and Replacement	\$200,000.00	\$150,000.00	\$50,000.00	25.00%
TOTAL	\$3,770,500.00	\$2,412,024.44	\$1,357,575.56	36.01%

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

ESCROW ACCOUNT	
Morris Habitat for Humanity	\$368.00
CAPITAL IMPROVEMENT ACCOUNT	
Mott MacDonald	\$654.60
RENEWAL & REPLACEMENT ACCOUNT	
Mott MacDonald	\$817.06
OPERATING ACCOUNT	
ADP	\$535.96
AEA	\$3,630.00
Accurate Waste	\$12,300.00
Scott Allen (mileage reimbursement)	\$69.87

AllMax Software	\$880.00
American Wear	\$607.28
Atlantic Tomorrow	\$487.03
Nicolas Barbato (dental reimb)	\$605.20
Vince Barbato (dental reimb)	\$726.24
Donald Bates (AEA conference)	\$406.00
Bearing & Drive Solutions	\$1,918.72
James Benson (AEA conference)	\$406.00
Blue Diamond Disposal	\$297.70
Caesars Atlantic City	\$2,646.00
Andrew Cangiano (AEA conference)	\$406.00
Cintas First Aid	\$92.42
Cleary Giacobbe	\$2,170.00
Constellation New Energy	\$13,461.02
Coyne Chemical	\$8,799.73
Daily Record	\$81.64
Divita Balance	\$340.00
Eurofins QC Labs	\$372.00
Fisher Scientific	\$249.03
Fleet Pump	\$482.26
Frank's Trattoria	\$47.53
Grainger	\$3,251.09
Susan Grebe (disability reimb, mileage & petty cash)	\$150.27
Michael Grogan (AEA conference)	\$406.00
Hach Co.	\$212.21
JCP&L	\$9,209.07
Corey Jozowski (mileage reimb)	\$32.64
Konecranes	\$2,850.00
Lackawanna Computer Repair	\$1,062.00
Loftus Electric	\$4,350.00
Lowe's	\$87.30
MSA Payroll 10/6/17	\$32,387.86
MSA Payroll 10/20/17	\$31,470.22
Brian McNeilly (AEA conference)	\$700.00
Mott MacDonald	\$1,092.50
NJSHBP	\$13,501.02
NJ American Water	\$792.78
NJ State League of Municipalities	\$330.00
Netcong Hardware	\$17.98
Nusbaum Stein	\$1,434.40
Office Concepts	\$319.00
One Call	\$50.00
Pan Metro	\$600.00
Parkhurst Distributors	\$794.80
Passaic Valley Sewerage Commission	\$45,264.00
The Plumbing Store	\$71.27
Michael Pucilowski (AEA conference)	\$406.00
Pumping Services	\$2,770.00
R-D Trucking	\$20,160.00
Steven Rattner (AEA Conference)	\$406.00
James Schilling (AEA conference & mileage reimb)	\$592.71
Richard Schindelar (AEA conference)	\$406.00
Joseph Schwab (AEA Conference)	\$406.00
Service Tire Truck Centers	\$600.00
Shell Fleet	\$350.92
Staples	\$749.65
State Chemical Solutions	\$571.50
USA Blue Book	\$4,942.22
United Federated Systems	\$677.00
Verizon	\$739.93
Verizon Communications	\$74.50
Verizon Wireless	\$225.20

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

- A. 10/3/17 SCMUA - Proposed 2018 Rate Schedule
- B. 10/5/17 Gregory Ploussas, PE - Availability of Sewerage Service, 215 Waterloo Valley Road, Block 500, Lot 2, Mount Olive Twp.
- C. 10/23/17 John Scheri, PE - Sewer Service Availability, Block 500, Lot 2, Mount Olive Twp.

Mr. Schilling asked if the commissioners had reviewed his monthly report and if anyone had any questions.

Mr. Schilling updated the commissioners on the sludge disposal bids received. Five bids were received. The 2018 sludge hauling rate will actually be going down 50 cents per thousand gallons. The PVSC contract will be going up \$1.00 per thousand gallons in 2018.

Chairman Rattner asked about the lab contract termination. Mr. Schilling indicated that he had Mr. Dwyer prepare a letter for termination of the lab services contract with Eurofins QC Inc. and a resolution of authorization to terminate the contract was on the meeting agenda for the commissioners approval. Upon approval he will send the letter to terminate the contract. Mr. Schilling further explained the issues and problems that have developed with Eurofins and reasons for termination of the contract. He has chosen Aqua Pro-Tech labs as a replacement for lab services in accordance with local contract laws.

Mr. Schilling also updated the commissioners regarding the LGA Energy Audit. He has been contacted by TRC and an approval should be sent to the MSA shortly. An auditor will be assigned to the Authority soon.

Mr. Schilling also reported that the Mount Olive Fire Marshall conducted the annual inspection. No issues were found or reported.

The Director's Report, and Repairs and Maintenance Report, for the month of October were accepted on a motion offered by Mr. Schwab, seconded by Mr. Sylvester and the affirmative vote of members present.

Mr. Scheri reported on the headworks facility. Mr. Schilling has been reviewing options for a fiberglass building, which was one of the recommendations made by Mott MacDonald. Mr. Scheri recommended that if the commissioners decide to go forward with the headworks project, the Authority should consider the building as an alternate or optional bid item.

Mr. Scheri reported that a request was received from Greg Ploussas, PE regarding a planned development in Mount Olive. This is an extension of an existing approval. The NJDEP has issued a permit for the project. Mr. Ploussas asked for a letter indicating whether or not the MSA would have the capacity for the project. Mr. Scheri prepared a letter indicating that the MSA would have the capacity for the project, subject to the approval of Mount Olive Township.

Mr. Scheri reported regarding contract #260. Mott MacDonald has reviewed and recommended Change Order No. 1 for some unforeseen conditional structural work that became apparent during construction. A resolution of approval is on the meeting agenda for approval. The contract is essentially complete and the facility is operating. The contractor is waiting on an additional handrail to be delivered to the site. That work will close out the contract and hopefully a final payment can be approved at next month's meeting.

Mr. Scheri reported regarding contract #265. The contractor has ordered all the materials. The demolition should begin in a couple weeks. The contractor anticipates completing the project before the end of the year, so late November early December the project should be complete. Mott MacDonald has reviewed and recommended a Change Order for the same issue that was discovered under Contract #260. That Change Order is also on the meeting agenda for approval.

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

Mr. Schwab noted that the Change Order for Contract #260 was approved at the September 28th meeting and that Resolution No. 17-35 on the meeting agenda is for the same change order. The resolution could be approved to formalize the authorization of the change order.

Resolution No. 17-34 Authorizing Award of An Energy Supply Contract with NJSMUAESA, was moved by Mr. Pucłowski, seconded by Mr. McNeilly and the affirmative roll call vote of members present.

RESOLUTION NO. 17-34
Resolution Of The Musconetcong Sewerage Authority
Authorizing The Award Of An Energy Supply Contract

WHEREAS, the Musconetcong Sewerage Authority (hereinafter the "Authority") is a public body, duly formed under the Laws of the State of New Jersey and possesses the powers set forth therein; and

WHEREAS, the Authority has participated in the formation and implementation of the New Jersey Sewerage and Municipal Utility Authority Electrical Supply Aggregation (NJSMUAESA), which is a consortium of New Jersey Sewerage and Municipal Utility Authorities formed for the purpose of soliciting and securing bids on an aggregated basis for electric generation service from licensed electric power suppliers pursuant to the provisions of the "Electric Discount and Energy Competition Act" (P.L. 1999, c.23, N.J.S.A. 48:3-49 et. seq.), and thereby and thereby enjoying the benefits of joint purchasing and bulk power purchasing discounts; and

WHEREAS, the existing electric power supply contracts between the Authority and its Energy Suppliers, awarded and entered as a result of a bid conducted by the NJSMUAESA in October 2015, will expire upon the meter read dates in May 2018 for each Authority electric account currently being served by its Energy Suppliers; and

WHEREAS, due to current favorable market conditions the NJSMUAESA intends to issue a Request for Bids on or about October 16, 2017 for the purpose of seeking bids for electric generation service from licensed electric power suppliers to replace the Constellation and SJE contracts that are scheduled to expire in May 2018; and

WHEREAS, it is the NJSMUAESA's intent to receive bid price submittals on or about November 8, 2017; and

WHEREAS, due to the fact that the electricity market is highly volatile and bid prices will not be guaranteed past 3:00 p.m. on the day that bids are accepted, the award or rejection of bid(s) must be made on the Authority's behalf by its designated representative by no later than 3:00 p.m. on bid day;

NOW, THEREFORE, BE IT RESOLVED by the Members of the Board of the Musconetcong Sewerage Authority that the Authority is hereby authorized to participate with the NJSMUAESA for the purpose of securing bids for electric generation service from licensed electric power suppliers for a contract(s) to replace the existing contract with its Energy Suppliers that are expiring in May 2018, pursuant to the "Electric Discount and Energy Competition Act" (P.L. 1999, c.23, N.J.S.A. 48:3-49 et. seq.), Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., and the "Local Unit Electronic Technology Pilot Program and Study Act" (P.L. 2001, c.30).

BE IT FURTHER RESOLVED by the Authority that it hereby authorizes James Schilling, the Authority's Director, and in his absence the Authority's General Counsel, to act in his sole discretion as the Authority's designated representative to award a contract to the low, qualified bidder for the contract term and pricing product deemed most beneficial to the Authority, by executing an Award Letter on the day of bid receipt and subsequently executing the Model Supply Contract, or to reject an electricity bid, in conjunction with the NJSMUAESA Request for Bids to be issued on or about October 16, 2017. Such authorization to award a contract to the low bidder as the Authority's designated representative is subject to the low bid being equal to or less than the Trigger Price(s) recommended by the Authority's Energy Agent Gabel Associates; and

BE IT FURTHER RESOLVED that notwithstanding the foregoing, the Authority's Director and/or General Counsel are authorized to accept or reject any bid, including, if necessary, all bids (and not award a contract), and if desirable, to authorize the NJSMUAESA to rebid the contract, provided that such rejection is in accordance with the provisions of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et. seq.

Resolution No. 17-35 Authorizing a Change Order for Contract #260, was moved by Mr. Schwab, seconded by Mr. Grogan and the affirmative roll call vote of members present.

RESOLUTION NO. 17-35
Resolution of the Musconetcong Sewerage Authority
Award a Change Order for Contract No. 260 to JEV Construction, LLC
for Aeration Basin No. 4 Gate Rehabilitation
Pursuant to N.J.S.A. 40A:11-1, et seq.

WHEREAS, on May 25, 2017 the Musconetcong Sewerage Authority by Resolution No. 17-24 awarded Contract 260 for Aeration Basin No. 4 Gate Rehabilitation to JEV Construction, LLC("JEV") in the amount of \$68,500; and

WHEREAS, during the performance of the work it was discovered that additional repairs were needed to MSA's facilities; and

WHEREAS a request for a Change Order to Contract 260 was received by MSA from JEV to replace the existing corroded baffle beams and to extend the existing handrails with side-mounted handrails behind the newly installed weir gates; and

WHEREAS the Commissioners of the Musconetcong Sewerage Authority hereby make the following findings of fact:

1. JEV Construction, LLC (hereinafter "JEV") has submitted a Change Order request for additional work in connection with Contract No. 260.
2. The Change Order has been reviewed by Mott MacDonald the MSA's Consulting Engineers and they have recommended that the Change Order be executed.
3. That the Change Order request would increase Contract No. 260 by an additional \$9,720 for the additional work requested.
4. That the additional work is necessary for the proper maintenance of MSA's facilities.

5. The Treasurer of the Musconetcong Sewerage Authority has certified that funds are available.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that Contract No. 260 for Aeration Basin No. 4 Gate Rehabilitation was hereby awarded to JEV Construction, LLC in the amount of \$68,500 at a meeting held on May 25, 2017; and be it

FURTHER RESOLVED, that the amount of the Change Order shall not exceed \$9,720 without further approval from the Musconetcong Sewerage Authority, and the Musconetcong Sewerage Authority shall not be liable to pay any amount over and above \$9,720 without its prior written approval; and be it

FURTHER RESOLVED, that Joseph Schwab as Secretary-Treasurer is hereby authorized to sign and award the Change Order for Contract No. 260 to JEV Construction, LLC on behalf of the Musconetcong Sewerage Authority.

Resolution No. 17-36 Authorizing the Award of an Agreement with Gabel Associates as Energy Agent for the MSA, was moved by Mr. Cangiano, seconded by Mr. Sylvester and the affirmative roll call vote of members present.

RESOLUTION NO. 17-36

**Resolution of the Musconetcong Sewerage Authority
Authorizing the Award of an Agreement to Gabel Associates
as an "Energy Agent" to Arrange for the Purchase of
Retail Electricity by the Musconetcong Sewerage Authority
and to Assist the Authority in Functioning as a
"Authority Aggregator" as an Extraordinary, Unspecifiable
Service Without Competitive Bidding Pursuant to
N.J.S.A. 40A:11-1, et seq.**

WHEREAS, the Musconetcong Sewerage Authority (the "Authority") participates in the New Jersey Sewerage and Municipal Utility Authority Electrical Supply Aggregation ("NJSMUAESA"), which is a consortium of New Jersey Sewerage and Municipal Utility Authorities formed for the purpose of soliciting and securing bids on an aggregated basis for electric generation service from licensed electric power suppliers pursuant to the provisions of the "Electric Discount and Energy Competition Act" (P.L. 1999, c.23, N.J.S.A. 48:3-49 et. seq.), and thereby enjoying the benefits of joint purchasing and bulk power purchasing discounts; and

WHEREAS, the existing electric power supply contracts between the Authority and its Energy Suppliers, awarded and entered as a result of a bid conducted by the NJSMUAESA in October 2015, will expire upon the meter read dates in May 2018 for each Authority electric account currently being served by its Energy Suppliers; and

WHEREAS, due to current favorable market conditions the NJSMUAESA intends to issue a Request for Bids on or about October 16, 2017 for the purpose of seeking bids for electric generation service from licensed electric power suppliers to replace the Constellation and SJE contracts contract that are scheduled to expire in May 2018; and

WHEREAS, an agent is needed to facilitate the implementation of the aggregation; and

WHEREAS, Gabel Associates, 417 Denison Street, Highland Park, New Jersey 08904, is a duly registered Energy Agent pursuant to the provisions of said Act; and

WHEREAS, Gabel Associates, has provided services as an "Energy Agent" to the Authority from 2015 through 2017; and

WHEREAS, the Commissioners of the Musconetcong Sewerage Authority have determined that it is in the best interests of the Musconetcong Sewerage Authority to enter into a Contract with Gabel Associates as an extraordinary, unspecifiable service without competitive bidding to act as the Authority's agent and to manage the aforesaid aggregation; and

WHEREAS, Gabel Associates is able to supply such services in accordance with the provisions of the proposed contract between Gabel Associates and the Musconetcong Sewerage Authority entitled "Energy Agent Agreement" which is available for public inspection at the office of Musconetcong Sewerage Authority; and

WHEREAS, the compensation for said services shall be paid by the electrical supplier pursuant to the Energy Agent Agreement; and

WHEREAS, funds are available for the purchase of electricity in the Authority's Budget.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that it does hereby approve the above referenced agreement by and between the Musconetcong Sewerage Authority and Gabel Associates and authorizes the Director or Chairman to execute that agreement; and

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

Resolution No. 17-37 Terminating the Contract with Eurofins QC, Inc. for Laboratory Services, was moved by Mr. Pucilowski, seconded by Mr. Sylvester and the affirmative roll call vote of members present.

RESOLUTION NO. 17-37
Resolution of the Musconetcong Sewerage Authority
Terminating Contract No. LS-17
with Eurofins QC for Laboratory Services

WHEREAS, Eurofins, QC (hereinafter "Eurofins") and the Musconetcong Sewerage Authority (hereinafter "MSA") entered into Contract No. LS-17 (the "Contract") pursuant to which Eurofins agreed to provide certain laboratory services to MSA for the period from February 27, 2017 and February 26, 2019; and

WHEREAS, Eurofins QC has materially breached the Contract in several ways; and
WHEREAS, MSA desires to terminate the Contract, effective as of October 19, 2017; and
MSA makes the following findings of fact and conclusions of law:

1. MSA awarded Contract No. LS-17 to Eurofins by which Eurofins agreed to provide certain laboratory services to MSA for the period from February 27, 2017 through February 26, 2019 at specified prices.
2. Eurofins breached the Contract by:
 - (i) Failing to timely process and report laboratory testing results to MSA within ten (10) business days of receipt;
 - (ii) Subcontracting services to a third-party laboratory without MSA's knowledge or consent; and
 - (iii) Failing to notify or alert MSA of any exceedances and/or potential compliance issues.
3. Eurofins' breaches of the Contract are material in nature and jeopardize MSA's ability to comply with its regulatory permits and fulfill its obligations to protect the environment and safeguard public safety.
4. Eurofins' breach have also subjected MSA to potential compliance penalties and fines with its regulatory licensors.

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

1. Contract LS-17 with Eurofins QC is hereby terminated and James Schilling, as Director is authorized to notify or have notified Eurofins QC which notice shall become effective upon adoption of this Resolution.
2. MSA reserves the right to pursue any and all remedies available under the Contract, at law or in equity against Eurofins for damages, liabilities, penalties, fines, costs and related charges resulting from Eurofins' breach.

Resolution No. 17-38 Authorizing a Change Order for Contract #265, was moved by Mr. Bates, seconded by Mr. Pucilowski and the affirmative roll call vote of members present.

RESOLUTION NO. 17-38
Resolution of the Musconetcong Sewerage Authority
To Award a Change Order for Contract No. 265 to JEV Construction LLC
for Aeration Basins Nos. 1, 2 & 3 Gate Rehabilitation
Pursuant to N.J.S.A. 40A:11-1, et seq.

WHEREAS, on June 22, 2017 by Resolution No. 17-27 the Musconetcong Sewerage Authority awarded Contract No. 265 for Aeration Basins No. 1, 2 & 3 Gate Rehabilitation to JEV Construction, LLC ("JEV") in the amount of \$308,000; and

WHEREAS, during the performance of the work it was discovered that additional repairs were needed to MSA's facilities; and

WHEREAS a request for a Change Order to Contract No. 265 was received by MSA from JEV to replace existing beams for baffles discovered to be corroded during construction, and to extend the existing handrails with side-mounted aluminum handrails behind weir gates; and

WHEREAS the Commissioners of the Musconetcong Sewerage Authority hereby make the following findings of fact:

6. JEV Construction, LLC (hereinafter "JEV") has submitted a Change Order request for additional work in connection with Contract No. 265.
7. Change Order #1 has been reviewed by Mott MacDonald, MSA's Consulting Engineer, which has recommended that Change Order #1 dated October 16, 2017 be executed.
8. That the Change Order request would increase Contract No. 265 by an additional \$32,550 for the additional work required.
9. That the additional work is necessary for the proper maintenance and operation of MSA's facilities.
10. The Treasurer of the Musconetcong Sewerage Authority has certified that funds are available.

NOW, THEREFORE, BE IT RESOLVED, by the Commissioners of the Musconetcong Sewerage Authority that a Change Order #1 for Contract No. 265 is awarded to JEV Construction, LLC in the amount of \$32,550; and be it

FURTHER RESOLVED, that the amount of the Change Order #1 shall not exceed \$32,550 without further approval from the Musconetcong Sewerage Authority, and the Musconetcong Sewerage Authority shall not be liable to pay any amount over and above \$32,550 without its prior written approval; and be it

FURTHER RESOLVED, that Joseph Schwab as Secretary-Treasurer is hereby authorized to sign and award Change Order #1 for Contract No. 265 to JEV Construction, LLC in the amount of \$32,550 on behalf of the Musconetcong Sewerage Authority.

Resolution No. 17-40 For Approval of the MSA 2018 Budget, was moved by Mr. Schwab, seconded by Mr. Bates and the affirmative roll call vote of members present.

Mr. Schwab discussed the changes to the 2018 Budget from the past year. At a recent Finance Committee Meeting the use of funds from the Capital Improvement Account and Renewal and Replacement Account was discussed. It was decided that more funding should go to Renewal and Replacement. It was decided to put \$100,000.00 into the Capital Improvement Account and \$300,000.00 into the Renewal and Replacement Account, rather than splitting the funds evenly as in the past year.

RESOLUTION NO. 17-40
Musconetcong Sewerage Authority
2018 Budget Approval

Fiscal Year: From: JANUARY 1, 2018 To: DECEMBER 31, 2018

WHEREAS, the Annual Budget and Capital Budget for the Musconetcong Sewerage Authority for the fiscal year beginning, January 1, 2018 and ending, December 31, 2018 has been presented before the governing body of the Musconetcong Sewerage Authority at its open public meeting of October 26, 2017; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$4,387,219.00, Total Appropriations, including any Accumulated Deficit if any, of \$4,489,099.00 and Total Unrestricted Net Position utilized of \$101,880.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$3,300,000.00 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$0.00; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Musconetcong Sewerage Authority, at an open public meeting held on October 26, 2017 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Musconetcong Sewerage Authority for the fiscal year beginning, January 1, 2018 and ending, December 31, 2018 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Musconetcong Sewerage Authority will consider the Annual Budget and Capital Budget/Program for adoption on December 21, 2017.

A copy of the Musconetcong Sewerage Authority's Introduced and Approved 2018 Budget will be permanently kept on file at the office of the water pollution control plant at 110 Continental Drive, Budd Lake, New Jersey. A copy may be obtained by calling the office at 973-347-1525. Upon approval by the State, and the MSA's adoption, a copy of the MSA Adopted 2018 Budget will be posted on the Musconetcong Sewerage Authority's official website at msa-nj.org. A copy of the adopted budget will also be permanently kept on file at the MSA office.

Mrs. Michetti asked if there were any changes made to the 2018 Budget Document that was e-mailed to the commissioners for review. One small change was made to correct the luncheon caterer's name.

Motion made by Mr. Sylvester, seconded by Mr. Schwab and the affirmative roll call vote of members present for the commissioners to go into closed session at 8:00 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: Personnel

The above subject matter will be made public once negotiations are complete and it is deemed to be in the public interest.

Motion to reopen the meeting to the public at 8:08 PM was offered by Mr. Sylvester, seconded by Mr. Schwab and the affirmative vote of members present.

Mr. Sylvester explained to Mr. Schilling that the Personnel Committee would like to meet with him in the near future to review his evaluation. Mr. Sylvester further explained that the commissioners feel he is doing his job well and there are some items they want to discuss, possibly goals for 2018. The commissioners have concluded that Mr. Schilling will receive a two percent salary increase retroactive back to January 1, 2017. Mr. Schilling thanked the commissioners.

Motion made by Mr. Sylvester, seconded by Mr. Schwab and the affirmative vote of members present, Chairman Rattner adjourned the meeting at 8:10 PM.

Respectfully Submitted:



Susan Grebe,
Administrative Assistant