

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, James Benson, Brian McNeilly, Melanie Michetti, Daren Phil, Steven Rattner, Richard Schindelar (arrived 7:32 PM), Joseph Schwab, John Sylvester

MEMBERS ABSENT: Thomas Bruno, Michael Grogan, Michael Pucilowski

OTHERS PRESENT: Patrick Dwyer, Esq., Lee Purcell, PE, Fenton Purcell, PE, Marvin Joss, James Schilling

Chairman Rattner opened and closed the meeting to the public.

The Regular Meeting Minutes of November 19, 2015, were approved on a motion offered by Mr. Schwab, seconded by Mr. McNeilly. Roll Call:

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

Mr. Schindelar entered the meeting at 7:32 PM.

The Closed Session Meeting Minutes of November 17, 2015, were approved on a motion offered by Mr. Sylvester, seconded by Mr. McNeilly. Roll Call:

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

The Expenditures/Treasurer's Report for the month of November was accepted on a motion offered by Mr. McNeilly, seconded by Mrs. Michetti and the affirmative roll call vote of members present.

TREASURER'S REPORT- NOVEMBER 1, 2015

OPERATING ACCOUNT

Balance as of November 1, 2015:		\$ 1,346,527.08
Receipts (November):		
	Hospitalization	2,688.36
	Municipal Revenue	417,232.68
		<u>\$ 419,921.04</u>
Total Disbursements for November:		<u>\$ 277,923.83</u>
Balance as of December 1, 2015:		<u>\$ 1,488,524.29</u>

RENEWAL & REPLACEMENT ACCOUNT

Balance as of November 1, 2015:		\$ 559,813.06
Receipts:	4th Quarter Transfer from Operating	50,000.00
Disbursements:	Hayes Pump	29,528.00
Balance as of December 1, 2015:		<u>\$ 580,285.06</u>

ESCROW ACCOUNT

Balance as of November 1, 2015:		\$ 3,320.34
Receipts:		0.00
Disbursements:		0.00
Balance as of December 1, 2015:		<u>\$ 3,320.34</u>

CAPITAL IMPROVEMENT/RESERVE FOR RETIREMENT ACCOUNT

Balance as of November 1, 2015:	\$ 870,000.00
Receipts: 4th Quarter Transfer from Operating	75,000.00
Disbursements:	0.00
Balance as of December 1, 2015:	<u>\$ 945,000.00</u>

ANALYSIS OF BALANCES:

Capital Improvement	\$ 900,000.00
Reserve for Retirement	\$ 45,000.00

EXPENDITURES REPORT - 2015 BUDGET

12/1/15

	2015	YEAR-TO-DATE		%
	BUDGET	EXPENDITURES	BALANCE	REMAINING
Admin - Salaries and Wages	\$155,000.00	\$140,783.88	\$14,216.12	9.17%
Trustee Admin Fees	\$30,000.00	\$17,718.63	\$12,281.37	40.94%
Administrative - Other Expenses	\$35,000.00	\$26,276.68	\$8,723.32	24.92%
Legal	\$25,000.00	\$17,120.80	\$7,879.20	31.52%
Audit	\$14,000.00	\$0.00	\$14,000.00	100.00%
Engineer	\$20,000.00	\$8,450.00	\$11,550.00	57.75%
Pension	\$86,000.00	\$77,573.00	\$8,427.00	9.80%
Social Security	\$60,000.00	\$56,128.44	\$3,871.56	6.45%
Unemployment	\$7,000.00	\$5,316.95	\$1,683.05	24.04%
Hospitalization	\$222,900.00	\$197,622.86	\$25,277.14	11.34%
Disability Insurance	\$10,000.00	\$6,398.65	\$3,601.35	36.01%
Operating - Salaries and Wages	\$632,000.00	\$584,163.93	\$47,836.07	7.57%
Reserve for Future Retirement	\$15,000.00	\$15,000.00	\$0.00	0.00%
Telephone	\$18,000.00	\$12,351.58	\$5,648.42	31.38%
Electric	\$527,000.00	\$324,362.41	\$202,637.59	38.45%
Propane/Fuel Oil/ Gasoline	\$35,000.00	\$15,225.65	\$19,774.35	56.50%
Supplies/Chemicals	\$140,000.00	\$116,230.34	\$23,769.66	16.98%
Laboratory Supplies	\$10,000.00	\$8,469.72	\$1,530.28	15.30%
Office	\$20,000.00	\$15,378.23	\$4,621.77	23.11%
External Services	\$50,000.00	\$41,974.55	\$8,025.45	16.05%
Education/Training	\$15,000.00	\$14,610.74	\$389.26	2.60%
Laboratory Fees	\$25,000.00	\$17,292.20	\$7,707.80	30.83%
Maintenance/Repairs	\$100,000.00	\$55,807.21	\$44,192.79	44.19%
Insurance	\$110,000.00	\$97,555.42	\$12,444.58	11.31%
NJDEP Fees	\$25,000.00	\$17,827.86	\$7,172.14	28.69%
Permit/Compliance Fees	\$100,000.00	\$11,730.50	\$88,269.50	88.27%
Equipment	\$60,000.00	\$13,730.30	\$46,269.70	77.12%
Sludge Removal	\$600,000.00	\$583,674.31	\$16,325.69	2.72%
Contingency	\$25,000.00	\$0.00	\$25,000.00	100.00%
Capital Improvement	\$300,000.00	\$300,000.00	\$0.00	0.00%
Renewal and Replacement	\$200,000.00	\$200,000.00	\$0.00	0.00%
TOTAL	\$3,671,900.00	\$2,998,774.84	\$673,125.16	18.33%

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

<u>RENEWAL & REPLACEMENT ACCOUNT</u>	
Nusbaum Stein	\$275.00
<u>OPERATING ACCOUNT</u>	
ADP	\$612.04
AmeriGas Propane	\$731.62
Blue Diamond	\$265.00
Cintas Corp.	\$466.24
Cintas First Aid	\$66.68
Cleary Giacobbe	\$280.00
Delaware River Basin Commission	\$500.00
Deli Delicious	\$470.00
Endress & Hauser	\$1,227.71
Essex Engineering	\$5,395.00
Eurofins QC Labs	\$674.00
Fisher Scientific	\$250.56
Grainger	\$275.25

Susan Grebe (dental reimb)	\$215.00
JCP&L	\$52,011.30
LTPA	\$2,160.00
MSA Payroll 12/4/15	\$30,428.34
MSA Payroll 12/18/15	\$32,973.23
NJSHBP	\$17,287.14
NJ American Water	\$2,171.14
NJ State League of Municipalities	\$325.00
Nusbaum Stein	\$3,619.00
One Call	\$48.36
Paramount F.M.S.	\$1,986.00
Parkhurst Distributing	\$3,435.60
Passaic Valley Sewerage Commission	\$21,824.00
Pegasus Electric Motors	\$730.00
R-D Trucking	\$15,960.00
Roxbury Township Water Dept.	\$134.94
James Schilling (mileage reimb)	\$176.92
Shell Fleet	\$206.49
Staples	\$229.94
Trend Landscaping	\$700.00
Verizon	\$706.60
Verizon Communications	\$59.99
Verizon Wireless	\$225.18
WEF	\$148.00
Zep	\$237.66

Mr. Dwyer explained that he would have to recuse himself from any reviews or discussion of Correspondence "D" from Daniel T. Sehnal, PE regarding a two lot subdivision in Roxbury because he is representing the applicant. Mrs. Michetti discussed the subdivision and the fact that they will be connecting to the MSA's 42 inch interceptor at that location. Mr. Purcell said he will review the plans and prepare a letter.

Mr. Dwyer discussed the Title Estoppel Requests received from Kelly Anne Donohoe, Esq. He explained that he believed the estoppels were so that the lender has assurance that the properties have sewer. He reviewed the agreement from 1968 which is referred to in the estoppels. Chairman Rattner suggested that Mr. Dwyer contact the attorney for the property owner to discuss the matter. Mr. Schwab indicated that the estoppels should probably be sent to Mount Olive.

Mr. Schwab noted that the MSA received a \$600.00 escrow check from Gregory Ploussas, PE and additional escrow may be required from the ITC West applicant for the TWA application engineering and legal fees.

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

- A. 11/25/15 NJEIT – Recent Refunding Bond Series 2015A-R1
- B. 12/9/15 Gregory Ploussas, PE – ITC West TWA Application
- C. 12/10/15 Kelly Anne Donohoe, Esq. – Title Estoppel Request
- D. 12/14/15 Daniel T. Sehnal, PE – Roxbury Subdivision
- E. 12/14/15 Patrick Dwyer, Esq. – Letter to Judge Rigo at OAL regarding MSA v. NJDEP
- F. 12/15/15 Gregory Ploussas, PE – ITC West TWA Application

Mr. Schilling asked if the commissioners had reviewed his monthly report and if anyone had any questions or comments. Chairman Rattner discussed the potential savings with the electric and other amenities for the plant.

Mr. Schilling briefly discussed 2016 meeting schedule and noted that a resolution is on the meeting agenda for approval.

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

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

Lee Purcell reiterated that the review of the Roxbury Park sanitary sewer capacity is still on hold until Roxbury and Netcong discuss the development proposal.

Mr. Purcell reported that LTPA provided assistance to the MSA's Attorney and Director regarding the subpoena of RJ Longo.

Mr. Purcell also reported that he prepared a narrative of the MSA regional interceptor sewer system in the member towns and a description of the local sewer systems in the 7 member municipalities to Mr. Schilling.

Mr. Purcell also reported that LTPA's files and plans regarding all MSA projects and history were transferred to the MSA's office on Friday, December 11th.

Fenton Purcell, PE reported that the Authority will need to submit a compliance report on July 1, 2016 for the NJDEP Permit.

Mr. Purcell also reported regarding the sludge measurement project and the proposals received. He also did additional research on cost comparisons with other companies. He recommended that the MSA accept the proposal from PCS at a cost of \$3,241.26. He explained the measurement procedure will use a sonic device to measure the difference in the sludge levels and it converts automatically into sludge volume.

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

Resolution No. 15-32 Adopting MSA 2016 Budget, was moved by Mr. Rattner, seconded by Mr. Schwab and the affirmative roll call vote of members present.

**RESOLUTION NO. 15-32
ADOPTED BUDGET
MUSCONETCONG SEWERAGE AUTHORITY**

FISCAL YEAR: from January 1, 2016 to December 31, 2016

WHEREAS, the Annual Budget and Capital Budget/Program for the Musconetcong Sewerage Authority for the fiscal year beginning January 1, 2016 and ending December 31, 2016 has been presented for adoption before the governing body of the Musconetcong Sewerage Authority at its open public meeting of December 17, 2015; 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 \$4,360,000.00, Total Appropriations including any Accumulated Deficit if any, of \$4,448,940.00 and Total Unrestricted Net Assets utilized of \$88,940.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$560,000.00 and Total Unrestricted Net Position planned to be utilized, of \$0.00; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Musconetcong Sewerage Authority at an open public meeting held on December 17, 2015 that the Annual Budget, and Capital Budget/Program of the Musconetcong Sewerage Authority for the fiscal year beginning January 1, 2016 and ending December 31, 2016 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.

Resolution No. 15-33 Establishing MSA 2016 Meeting Dates, was moved by Mr. McNeilly, seconded by Mr. Schindelar and the affirmative roll call vote of members present.

The fully signed Musconetcong Sewerage Authority Adopted 2016 Budget Document will be posted on the Musconetcong Sewerage Authority's official website at msa-nj.org. A copy will also be kept on file at the MSA office and may be obtained by contacting the office at 973-347-1525 extension 201.

RESOLUTION NO. 15-33

Resolution Establishing Meeting Dates
for the Musconetcong Sewerage Authority
for the Calendar Year 2016

WHEREAS, the Musconetcong Sewerage Authority hereby establishes the following meeting dates for the Calendar Year 2016, which meetings will begin at 7:30 PM and will be held at the Water pollution Control Facilities located on Continental Drive in Mount Olive, New Jersey:

- January 28th
- February 25th (Reorganization @ 7:30 PM followed by Regular Meeting)
- March 24th
- April 28th
- May 26th
- June 23rd
- July 28th
- August 25th
- September 22nd
- October 27th
- November 22nd (Tuesday after the Conference)
- December 15th (Third Thursday - before the Holiday)

Resolution No. 15- 34 Authorizing MSA 2015 Budget Transfer, was moved by Mr. Benson, seconded by Mr. Sylvester and the affirmative roll call vote of members present.

RESOLUTION NO. #15-34
MUSCONETCONG SEWERAGE AUTHORITY
BUDGET TRANSFER
FOR MSA 2015 BUDGET

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

Sludge Disposal

WHEREAS, There appears to be a surplus in the following account over and above the demand deemed to be necessary for the balance of the current fiscal year,

Permit Compliance

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

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

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
Permit Compliance	Sludge Disposal	\$ 70,000.00

Appointments for the MSA's professionals and consultants to be nominated for 2016 were briefly discussed. Chairman Rattner said if any of the commissioners had any ideas, changes or requests, they should be sent to the Administrator. He also reminded the commissioners that the MSA will need to appoint a new engineer to replace LTPA.

Chairman Rattner mentioned that a teacher from the Netcong Middle School would like to bring her science class for a tour of the plant. Mr. Schilling indicated that he had received the request and would be happy to give the students a tour. They were in the process of setting a date.

Mrs. Michetti reported that the Engineering Committee met in November and put together to an RFQ draft which will be sent to Mr. Joss, Mr. Dwyer and Mr. Campanile for review. Then it can be sent out. The time frames were mentioned and the fact that LTPA will be available only until March 31, 2016. Chairman Rattner indicated that LTPA could be a carry over until the MSA appoints a new engineer.

Mr. Schwab asked about the payroll issue. Mr. Schilling said the payroll December 31st date was moved to January 2, 2016 so it will be included in the 2016 payroll instead of the 2015 payroll. There will be 27 payrolls in 2016 and salaries will be divided by the 27 pays instead of the usual 26 pays.

Mr. Schilling's and Ms. Grebe's salary increases and evaluations were briefly discussed. The matter will be discussed at the January meeting.

Lee Purcell, Fenton Purcell and Mr. Joss left the meeting at 8:02 PM.

Motion made by Mr. McNeilly, seconded by Mr. Schindelar and the affirmative roll call vote of members present for the commissioners to go into closed session at 8:03 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 8:20 PM was offered by Mr. McNeilly, seconded by Mr. Benson and the affirmative vote of members present.

A motion was made by Mr. Phil to reject the letter of acceptance received from the Union dated October 13, 2015 regarding on-going labor negotiations. The Authority is rejecting the letter of acceptance specifically because it included a typographical error regarding scheduled overtime and double time pay, which was never intended to be part of the MSA's proposal and for that reason the MSA specifically rejects the letter of acceptance. The motion was seconded by Mr. McNeilly and approved by the affirmative roll call vote of members present.

Motion made by Mr. Sylvester, seconded by Mr. Phil and the affirmative vote of members present, Chairman Rattner adjourned the meeting at 8:24 PM.

Respectfully Submitted:



Susan Grebe,
Administrative Assistant