

REGULAR MEETING OF THE MUSCONETCONG SEWERAGE AUTHORITY

Chairman Rattner called the meeting to order at 7:37 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, Michael Grogan, Brian McNeilly, Melanie Michetti, Michael Pucilowski, Steven Rattner, Joseph Schwab, Elmer Still, John Sylvester

MEMBERS ABSENT: Thomas Bruno, Andrew Cangiano, Richard Schindelar

OTHERS PRESENT: Patrick Dwyer Esq., James Wancho PE, Debbie Palma QPA, James Schilling MSA Director, Marvin Joss Administrative

Chairman Rattner opened and closed the meeting to the public.

The regular meeting minutes of May 23, 2019 were approved on a motion offered by Mr. Pucilowski, seconded by Mr. Sylvester. Roll Call:

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

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

The regular meeting minutes of June 27, 2019 were approved on a motion offered by Mr. Schwab, seconded by Mrs. Michetti and the affirmative roll call vote of members present.

Mr. Benson	Abstain	Mr. Pucilowski	Yes
Mr. Bruno	Absent	Mr. Rattner	Yes
Mr. Cangiano	Absent	Mr. Schindelar	Absent

Mr. Grogan	Yes	Mr. Schwab	Yes
Mr. McNeilly	Yes	Mr. Still	Yes
Mrs. Michetti	Yes	Mr. Sylvester	Yes

The closed session minutes of May 23, 2019 were approved on a motion offered by Mr. Pucilowski, seconded by Mr. Grogan and the affirmative roll call vote of members present.

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

The Financial Reports of June 2019 was accepted on a motion offered by Mr. Schwab, seconded by Mr. Sylvester and the affirmative roll call vote of members present.

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

Financial Report- JUNE 2019
Operating Account

Musconetcong Sewerage Authority
Balance Sheet
As of June 30, 2019

	<u>Jun 30, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
Operating Acct TD Bank	1,202,330.67
Payroll Account TD Bank 2014	17,487.94
Capital Improvement TD Bank	552,568.17
Escrow Account TD Bank	8,722.99
Renewal & Replacement TD Bank	435,476.97
Petty Cash	150.00
Total Checking/Savings	<u>2,216,736.74</u>
Total Current Assets	<u>2,216,736.74</u>
Fixed Assets	
Construction in Progress	140,812.54
Accumulated Depreciation	-34,578,211.27
Capital Assets, Depreciated	60,341,541.86
Land	505,700.00
Total Fixed Assets	<u>26,409,843.13</u>
Other Assets	
Def. Pension Outflows	755,406.00
Total Other Assets	<u>755,406.00</u>
TOTAL ASSETS	<u><u>29,381,985.87</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 - Accounts Payable	26,731.05
Total Accounts Payable	<u>26,731.05</u>
Other Current Liabilities	
Accrued Payroll Liabilities	3,262.02
Escrow Deposits Payable	12,363.14
Compensated Absences Payable	60,613.64
Accrued Interest Payable	45,350.00
Accounts Payable - Pension	96,458.00
Accrued Liabilities	8,550.22
Total Other Current Liabilities	<u>216,597.02</u>
Total Current Liabilities	<u>243,328.07</u>
Long Term Liabilities	
Net Pension Liability	2,423,796.00
Loans Payable	4,030,840.38
Def. Inflows of Resources	
Unamort Gain on Refunding 2007	30,600.00
Def. Pension Inflows	486,521.00
Total Def. Inflows of Resources	<u>517,121.00</u>
Total Long Term Liabilities	<u>6,971,757.38</u>
Total Liabilities	<u>7,215,085.45</u>
Equity	
Net Investment in Capital Asset	22,348,403.00
Restricted	
Current Debt Service	81,956.00
Future Retirement Reserve	50,000.00

3:24 PM
07/22/19
Cash Basis

Musconetcong Sewerage Authority
Balance Sheet
As of June 30, 2019

	<u>Jun 30, 19</u>
B-29 Capital Improvements	
Contract 310 Phase III Air Pmt	309.67
Contract 305 NJIB Application	12,109.83
Contract 300 Influent Screening	118,489.79
Contract 296 Tertiary Trmt	422,746.45
B-29 Capital Improvements - Other	979.31
Total B-29 Capital Improvements	<u>554,635.05</u>
B-30 Renewal and Replacement	
Contract 320 #3 & 4 Drive Units	121,000.00
Contract 315 Sludge Pumps Eval	2,673.00
B-30 Renewal and Replacement - Other	336,434.40
Total B-30 Renewal and Replacement	<u>460,107.40</u>
Operations	<u>50,000.00</u>
Total Restricted	<u>1,196,698.45</u>
Unrestricted	
Designated	101,880.00
Undesignated	-1,766,673.71
Total Unrestricted	<u>-1,664,793.71</u>
32000 - Retained Earnings	147,616.41
Net Income	<u>138,976.27</u>
Total Equity	<u>22,166,900.42</u>
TOTAL LIABILITIES & EQUITY	<u><u>29,381,986.87</u></u>

Musconetcong Sewerage Authority
Budget vs. Actual Expenditure Report
 January through June 2019

2:06 PM
 07/22/2019
 Accrual Basis

	Jan - Jun 19	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Net Position Utilized	107,978.00	107,978.00	0.00	100.0%
budget reimbursement	0.00	0.00	0.00	0.0%
Interest	8,628.63			
trustee passdown	2,213,701.00	4,427,402.00	-2,213,701.00	50.0%
Total Income	2,330,307.63	4,535,380.00	-2,205,072.37	51.38%
Expense				
Personnel Services				
B-1 - Administrative-S&W	72,060.35	172,000.00	-99,939.65	41.9%
B-14 - Operating-S&W	294,653.32	667,500.00	-372,846.68	44.14%
Total Personnel Services	366,713.67	839,500.00	-472,786.33	43.68%
Employee Benefits				
B-9 - Pension	96,455.00	102,000.00	-5,545.00	94.56%
B-8 - Social Security	27,822.48	65,500.00	-37,677.52	42.48%
B-10 - Hosp	77,332.83	200,000.00	-122,667.17	38.67%
B-11 - Disability Insurance	3,415.03	10,000.00	-6,584.97	34.15%
B-6 - Unemployment	4,805.03	7,000.00	-2,194.97	68.64%
Total Employee Benefits	209,830.37	384,500.00	-174,669.63	54.57%
Administration Expenses	10,687.66	40,000.00	-29,312.34	26.47%
Operations and Maintenance				
B-3 - Legal	17,941.60	30,000.00	-12,058.40	59.81%
B-4 - Audit	2,002.12	15,000.00	-12,997.88	13.35%
B-5 - Engineer	10,801.13	30,000.00	-19,198.87	36.0%
B-15 - Telephone	11,739.15	20,000.00	-8,260.85	58.7%
B-16 - Electric	176,951.85	482,500.00	-305,548.15	36.67%
B-17 - Propane/Fuel Oil	8,789.84	29,000.00	-20,210.16	30.34%

	Jan - Jun 19	Budget	\$ Over Budget	% of Budget
B-18 · Supplies/Chemicals	96,481.24	200,000.00	-103,518.76	48.24%
B-27 · Laboratory Supplies	4,482.66	12,000.00	-7,517.34	37.36%
B-13 · Office	19,889.71	25,000.00	-5,110.29	79.58%
B-31 · External Services	16,598.43	70,000.00	-53,401.57	23.71%
B-28 · Education/Training	7,558.73	20,000.00	-12,441.27	37.79%
B-25 · Laboratory Fees	5,966.22	30,000.00	-24,033.78	19.89%
B-19 · Maintenance/Repairs	55,952.14	200,000.00	-144,047.86	27.86%
B-20 · Insurance	99,361.00	110,000.00	-10,639.00	90.33%
B-24 · NJDEP Fees	842.00	25,000.00	-24,158.00	3.37%
B-12 · Trustee Admin Fee	7,515.00	20,000.00	-12,485.00	37.58%
B-23 · Permit Appl/Compliance Fees	4,857.60	25,000.00	-20,142.40	19.43%
B-21 · Equipment	37,584.55	60,000.00	-22,435.45	62.61%
B-26 · Sludge Disposal	226,326.90	720,000.00	-493,673.10	31.43%
B-22 · Contingeny	0.00	25,000.00	-25,000.00	0.0%
Total Operations and Maintenance	811,631.87	2,148,500.00	-1,336,868.13	37.78%
Debt Service	711,431.19	722,880.00	-11,448.81	98.42%
Reserves				
B-29 · Capital Improvement	175,391.04	300,000.00	-124,608.96	58.46%
B-30 · Renewal & Replacement	50,000.00	100,000.00	-50,000.00	50.0%
Total Reserves	225,391.04	400,000.00	-174,608.96	56.35%
Total Expense	2,335,585.70	4,535,380.00	-2,199,794.30	51.5%

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

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

Musconetcong Sewerage Authority
Monthly Bill List
 July 22, 2019

11:56 AM
 07/22/2019

Name	Memo	Split	Amount
<u>OPERATING ACCOUNT</u>			
ADP, LLC	June payroll services	B-2 · Administrative-OE	558.52
American Wear	Uniforms June 25, July 2, 9	B-2 · Administrative-OE	449.46
Blue Diamond Disposal, Inc.	July service	B-31 · External Services	312.37
Cintas First Aid & Safety	Lab and Garage first Aid and AED batteries	B-31 · External Services	142.18
Cintas First Aid & Safety	Restock cabinets-check AED	B-31 · External Services	65.24
Cleary Glacoba Alfieri Jacobs	legal services for May	B-3 · Legal	490.00
Constellation New Energy Inc.	Main Plant May 30-June 27	Transfer to Payroll	14,358.61
Daily Record	Ad in Daily Record for Bond Resolution	B-2 · Administrative-OE	70.26
Daily Record	Ad in Daily Record for Uniform bid	B-2 · Administrative-OE	69.40
Fisher Scientific	Lab supplies	B-27 · Laboratory Supplies	240.31
JCP&L	Main Plant May 30-June 27	B-16 · Electric	6,795.64
JCP&L	pump stations	B-16 · Electric	4,369.43
Kenvil Power Mower	Scalp roller & stud	B-19 · Maintenance/Repairs	43.24
McMaster-Carr	Nuts, washers, rods	B-19 · Maintenance/Repairs	886.19
NJWEA	Annual Conference	B-28 · Education/Training	4,011.00
Nusbaum, Stein,Goldstein,Bronstein, Kro	General engineering services	B-5 · Engineer	4,648.60
Office Concepts Group	various office supplies	B-13 · Office	862.11
One Call Concepts, Inc.	June service	B-2 · Administrative-OE	35.36
Pan Metro Services	Quarterly backflow testing	B-31 · External Services	600.00
Passaic Valley Sewerage Comm	June Liquid waste Acceptance	B-26 · Sludge Disposal	24,192.00
PS&S	General engineering for May	B-5 · Engineer	887.20
PS&S	General engineering-prepare for & attend meeting	B-5 · Engineer	720.00
Pumping Service, Inc.	(2) 3 inch and (2) 4 inch pumps	B-21 · Equipment	31,329.10
Quinn, Shane	Mileage to training	B-28 · Education/Training	55.33
Russell Reid	June sludge hauling	B-26 · Sludge Disposal	17,892.00
State Industrial Products	Fragrance Burst	B-18 · Supplies/Chemicals	484.50
State Industrial Products	Zone timer, Parch D20, Nozzles	B-18 · Supplies/Chemicals	1,648.60
State of NJ, Dept. of Labor	State unemployment and disability charges	B-6 · Unemployment	109.50
Stracco, David	State Disability Insurance reimbursement	B-11 · Disability Insurance	37.75
USALCO	DelPAC 1525	B-18 · Supplies/Chemicals	5,829.68
Verizon	phone and Internet	B-15 · Telephone	862.27
Verizon Communications	WIFI service June	B-15 · Telephone	74.22
Verizon Wireless		B-15 · Telephone	516.97
Wex Bank		B-17 · Propane/Fuel Oil	411.16
TOTAL OPERATING ACCOUNT.....			123,057.10
<u>CAPITAL ACCOUNT</u>			
PS&S	NJ I Bank services-Loan appl & planning	B-29 · Capital Improvement	2,175.00
PS&S	NJIB Coordination for May	Contract 305 NJIB Application	2,230.00
PS&S	Contract 295 Tertiary Treatment Services	Contract 295 Tertiary Trtmt	22,287.55
PS&S	Contract 295 Tertiary Treatment design June billing	B-29 · Capital Improvement	17,865.00
PS&S	Influent Screening services for June. TWA and SES	B-29 · Capital Improvement	1,734.88

PS&S	Engineering & Environmental Svcs for Air Permittin Contract 310 Phase III Air Permt	2,232.50
TOTAL CAPITAL ACCOUNT.....		<u>48,504.93</u>

ESCROW

PS&S	Hopatcong State Park TWA review	Hopatcong State Park WQMP Amend	265.00
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RENEWAL & REPLACEMENT

PS&S	Engineering Svcs for Contract 320-Primary Clarifier Contract 320 #3 & 4 Drive Units	370.00
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TOTAL OF ALL BANK ACCOUNTS AWAITING PAYMENT APPROVAL..	<u><u>172,187.03</u></u>
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OTHER TRANSACTIONS

VALIC	Pass through from employees	paid June 26	500.00
NISHBP	Monthly employee health insurance bill	paid online July 1	11,346.78
NJ DIV OF PENSIONS	Quarterly IROC submission	paid July 2	19,282.15
PAYROLL 6/28			28,172.36
PAYROLL 7/12			29,507.93
TOTAL EXPENDED AFTER JUNE MEETING.....			<u>88,809.22</u>

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

- A. Compliance Inspection Report # SCI190001
- B. Treatment Works Approval No. 19-0192 for the Influent Screenings Facility
- C. MSA, Wastewater Treatment Plant Improvements Project No. S340384-09 Environmental Review of Planning Submission

Monthly Reports:

Mr. Schilling asked the commissioners if there were any questions regarding his monthly report.

- Director updated the commissioners on the TD Bank E-Treasury Platform. Four of the five accounts have been migrated. The fifth will be added shortly. The users were added. System is user friendly.
- The Finance Committee met to review and discuss the 2018 Draft Audit. Update needed to point out Commissioners political offices outside the MSA.
- Bid opening result update regarding USLS-19 will be on the August agenda.
- Annual NJDEP inspection report update and discussion. Chairman Rattner asked about the reporting columns and results.
- Personnel Committee meeting scheduled on 7/25/19 with OPEIU local 32 was cancelled by the Union due to a personal matter. Closed Session discussion no longer required.

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

Mr. Wancho asked the commissioners if they had any questions regarding his monthly report.

- Mr. Wancho updated the commissioners on the Soil Erosion Application and associated fee.
- The NJ I Bank has had a lot of activity. Resolution for the Boards consideration.
- Population served by MSA within the member towns has been requested by NJDEP. Discussion on overall comments in the letter.
- Mr. Wancho informed the Board that he will not be able to attend the August meeting.
- The sub-contractor Trinity has incurred some additional costs associated with the Air Permit work. PS&S has requested the justification to support the fees.
- PS&S may need additional funding related to NJ I Bank application due to increased work associated new and additional requirements by the State mandated by EPA.

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

New Business:

- Resolution 19-41, Authorizing Application for a Grant and/or Low-Interest Loan from the NJ I Bank for Improvements to the Wastewater Treatment Plant.
- Resolution 19-42, Authorizing Application for Soil Erosion and Sediment Control Plan Certification I Connection with Installation of a New Influent Screening Facility.
- Application for Soil Erosion and Sediment Control Plan Certification. Chairman Rattner to sign.

MUSCONETCONG SEWERAGE AUTHORITY

RESOLUTION NO. 19-41

RESOLUTION AUTHORIZING AN APPLICATION FOR A GRANT AND/OR LOW-INTEREST LOAN FROM THE NEW JERSEY INFRASTRUCTURE BANK FOR IMPROVEMENTS TO THE WASTEWATER TREATMENT PLANT

Resolution No. 19-41 was offered on a motion by Mr. Still, seconded by Mrs. Michetti and the affirmative roll call vote of members present.

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

RESOLUTION NO. 19-42

Resolution of the Musconetcong Sewerage Authority Authorizing an Application for Soil Erosion and Sediment Control Plan Certification in Connection with Installation of a New Influent Screening Facility

Resolution No. 19-42 was offered on a motion by Mr. Schwab, seconded by Mr. Still and the affirmative roll call vote of members present.

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

Motion to add payment of \$725.00 to Morris County Soil Erosion to the July Pending Vouchers as amended was offered by Mr. Schwab and seconded by Mr. Benson and the affirmative roll call vote of members present.

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

- Rain Tax – Clean Stormwater Reduction Act: Would the MSA be interested in forming a Stormwater Utility that the member towns could participate. Chairman Rattner updated the commissioners on the legislation. Impervious coverage would be measured and taxed. NJDOT has the largest impact.

The MSA is not interested in forming a Stormwater Utility on a motion offered by Mr. Pucilowski, seconded by Mr. McNeilly. Roll Call:

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

- Lake Hopatcong contaminants issues related to failing septic systems and surface runoff have been appearing in local newspapers. Chairman Rattner discussed some of the findings: surface runoff, animal droppings, septic systems, leaking pipes, grass clippings, etc. Chairman Rattner advised the commissioners that DOT & DEP found high levels of VOC/NEK and Heavy Metals.

There are various sources associated with the contaminants: weed harvesting, trails disturbances, etc.

- Mr. McNeilly asked about the status the Lake Hopatcong State Park TWA process. The Director updated the Board on the status and four remaining items. Chairman Rattner requested copies of the recent emails that did not make the July agenda.
Mr. McNeilly pointed two concerns: 1. Does the MSA have adequate Escrow for this review, 2. Have the potential Odor Issues due to low flow been addressed properly?

Old Business:

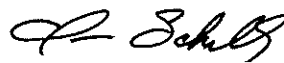
● **MSA issued email accounts to Commissioners.**

Director informed the Board that the MSA is looking at email server alternatives for the commissioners.

Adjournment:

Motion made by Mr. Still, seconded by Mr. McNeilly and the affirmative vote of members present, Chairman Rattner adjourned the meeting at 8:19 PM.

Respectfully Submitted:



James Schilling
Director