

REGULAR MEETING OF THE MUSCONETCONG SEWERAGE AUTHORITY

Chairman Rattner called the meeting to order at 7:32 PM. Following salute to colors, 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, John Kieser, Brian McNeilly, Melanie Michetti, Daren Phil, Michael Pucilowski, Steven Rattner, Joseph Schwab, Edward Schwartz, John Sylvester

MEMBERS ABSENT: Donald Bates

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

Chairman Rattner opened and closed the meeting to the public.

The Regular Meeting Minutes of April 24, 2014 were approved on a motion offered by Mr. Sylvester, seconded by Mr. McNeilly. Roll Call:

Mr. Benson	Yes	Mr. Pucilowski	Yes
Mr. Grogan	Yes	Mr. Rattner	Yes
Mr. Keiser	Yes	Mr. Schwab	Abstained
Mr. McNeilly	Yes	Mr. Schwartz	Yes
Mrs. Michetti	Yes	Mr. Sylvester	Yes
Mr. Phil	Yes		

The Expenditures/Treasurer's Report for the month of April was accepted on a motion offered by Mr. Benson seconded by Mr. Schwab and the affirmative roll call vote of members present.

TREASURER'S REPORT APRIL, 2014
 (As of May 1, 2014)

OPERATING ACCOUNT

Balance as of April 1, 2014:		<u>\$ 1,370,819.55</u>
Receipts (April):	Hospitalization	2,040.54
	EM Still	167.17
	Disability reimbursements	2,581.90
	Pension Reimbursement	<u>7,386.00</u>
		<u>\$ 12,175.61</u>
Disbursements (April):		\$ 1,382,995.16
Balance as of May 1, 2014:		<u>\$ (232,642.89)</u>
		<u>\$ 1,150,352.27</u>

RENEWAL/REPLACEMENT FUND

Balance as of April 1, 2014:	<u>\$ 198,377.25</u>
Receipts:	0.00
Disbursements:	<u>0.00</u>
Balance as of May 1, 2014:	<u>\$ 198,377.25</u>

ESCROW ACCOUNT

Balance as of April 1, 2014:	<u>\$ 2,457.34</u>
Receipt:	0.00
Disbursements:	<u>0.00</u>
Balance as of May 1, 2014:	<u>\$ 2,457.34</u>

CAPITAL IMPROVEMENT ACCOUNT

Balance as of April 1, 2014:	<u>\$ 440,589.28</u>
Receipts:	0.00
Disbursements:	<u>0.00</u>
Balance as of May 1, 2014:	<u>\$ 440,589.28</u>

EXPENDITURES REPORT - 2014 BUDGET 5/1/14

	2014	YEAR-TO-DATE		%
	BUDGET	EXPENDITURES	BALANCE	REMAINING
Admin - Salaries and Wages	\$149,000.00	\$50,081.02	\$98,918.98	66.39%
Trustee Admin Fees	\$60,000.00	\$10,203.63	\$49,796.37	82.99%
Administrative - Other Expenses	\$33,000.00	\$17,763.34	\$15,236.66	46.17%
Legal	\$25,000.00	\$5,224.60	\$19,775.40	79.10%
Audit	\$14,000.00	\$0.00	\$14,000.00	100.00%
Engineer	\$20,000.00	\$3,590.00	\$16,410.00	82.05%
Pension	\$86,000.00	\$0.00	\$86,000.00	100.00%
Social Security	\$60,000.00	\$21,789.08	\$38,210.92	63.68%
Unemployment	\$7,000.00	\$4,105.18	\$2,894.82	41.35%
Hospitalization	\$222,800.00	\$76,131.14	\$146,668.86	65.83%
Disability Insurance	\$10,000.00	\$2,652.22	\$7,347.78	73.48%
Operating - Salaries and Wages	\$620,000.00	\$231,515.95	\$388,484.05	62.66%
Reserve for Future Retirement	\$15,000.00	\$0.00	\$15,000.00	100.00%
Telephone	\$15,000.00	\$4,721.87	\$10,278.13	68.52%
Electric	\$527,000.00	\$96,762.06	\$430,237.94	81.64%
Propane/Fuel Oil/ Gasoline	\$35,000.00	\$14,743.98	\$20,256.02	57.87%
Supplies/Chemicals	\$135,100.00	\$24,774.02	\$110,325.98	81.66%
Laboratory Supplies	\$8,000.00	\$1,891.45	\$6,108.55	76.36%
Office	\$20,000.00	\$4,056.72	\$15,943.28	79.72%
External Services	\$50,000.00	\$16,445.81	\$33,554.19	67.11%
Education/Training	\$15,000.00	\$3,363.64	\$11,636.36	77.58%
Laboratory Fees	\$25,000.00	\$6,980.70	\$18,019.30	72.08%
Maintenance/Repairs	\$100,000.00	\$6,626.07	\$93,373.93	93.37%
Insurance	\$110,000.00	\$96,056.31	\$13,943.69	12.68%
NJDEP Fees	\$25,000.00	\$550.00	\$24,450.00	97.80%
Permit/Compliance Fees	\$150,000.00	\$24,455.80	\$125,544.20	83.70%
Equipment	\$60,000.00	\$7,127.77	\$52,872.23	88.12%
Sludge Removal	\$550,000.00	\$90,935.21	\$459,064.79	83.47%
Contingency	\$25,000.00	\$0.00	\$25,000.00	100.00%
Capital Improvement	\$300,000.00	\$75,000.00	\$225,000.00	75.00%
Renewal and Replacement	\$200,000.00	\$50,000.00	\$150,000.00	75.00%
TOTAL	\$3,671,900.00	\$947,547.57	\$2,724,352.43	74.19%

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

Accurate Waste Removal Services	\$2,445.00
ADP	\$547.37
Scott Allen (dental reimb)	\$600.00
Alternative Auto	\$1,156.33
Amwell	\$5,184.26
Anchor Pest Control	\$166.00
Bendlin	\$4,395.00
Bio Triad Environmental	\$13,200.00
Blue Diamond Disposal	\$940.00
Certified Health & Safety Services	\$1,498.00
Cintas Corp.	\$467.68
Cintas First Aid	\$195.60
City Fire Equipment	\$96.15
EMR Power Systems	\$2,385.21
FF1 Professional Safety Services	\$433.80
Fisher Scientific	\$1,100.76
Grainger	\$616.60
Susan Grebe	\$313.26
Hach	\$105.24
JCP&L	\$5,252.93
Kemira	\$4,897.30
LTPA	\$5,905.00
Lowe's	\$1,489.38
NJSHBP	\$15,807.64
NJ American Water	\$692.57
Najarian Associates	\$6,115.00
Napa Auto Parts	\$35.11
Netcong Hardware	\$38.41

Nusbaum Stein	\$1,627.60
One Call	\$26.84
PPL Energy	\$19,644.36
Passaic Valley Sewerage Commission	\$25,312.40
QC Labs	\$786.50
Safety Kleen	\$223.82
Shell Fleet Plus	\$328.49
Spectraserve	\$20,266.74
Staples	\$334.01
Terex Services	\$2,300.00
USA Bluebook	\$120.75
VM Associates	\$7,000.00
Verizon	\$787.05
Verizon Communications	\$49.99
Verizon Wireless	\$225.28
WEF	\$86.00

Chairman Rattner asked Mr. Purcell if he was going to address the correspondence regarding the Villages at Roxbury and the Fratelli Beretta Facility in his report. Mr. Purcell said it was on his agenda. Chairman Rattner asked Mr. Dwyer about CFM Construction's maintenance bond for Contract #250 and if the issues had been resolved. Mr. Dwyer responded that everything was acceptable. Chairman Rattner asked the commissioners if they would like to discuss the audit at this time or wait until Resolution #14-15 Certifying the Audit is discussed under new business. Mr. Pucilowski made a motion to discuss the audit with new business and to accept and file the correspondence for the month of May, seconded by Mr. Schwab and the affirmative vote of members present.

- A. 4/25/14 USEPA – Grant Waiver for Villages at Roxbury
- B. 5/1/14 VM Associates – 2013 Audit
- C. 5/8/14 Gregory Ploussas, PE – EPA Grant Waiver Request for Fratelli Beretta Facility
- D. 5/8/14 NJ DCA – 2013 Audit
- E. 5/14/14 Gregory Ploussas, PE – Escrow for Fratelli Beretta Facility
- F. 5/20/14 Nusbaum Stein – CFM Construction regarding Maintenance Bond for Contract #250

Mr. Schilling asked if the commissioners had reviewed his monthly report and if anyone had any questions or comments. Mr. Pucilowski asked if the new odor control system was making a difference with the odor problem. Mr. Schilling said the new system was working and there were no odor problems at the plant. Mr. Schilling mentioned that he did smell raw sewerage in the area coming off of Route 80, but it was not coming from the MSA. Chairman Rattner said the two hotels in the area that have complained about the odor have noticed a marked change. He told the hotel representatives that if there were anymore issues to call the MSA so it could be tracked down. Mr. Schilling also explained that he purchased some rubber mats for odor control and the MSA Staff pulled up all the gratings and installed the mats.

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

Mr. Purcell reported on the Fratelli Beretta Facility and their request for a Grant Condition Waiver. He said that after the Treatment Works Approval Application was submitted the DEP pointed out that there is 0.03 acres of wetlands on the site, so Fratelli Beretta needs to file a grant waiver request to fill in the 1,300 square feet of wetlands. LTPA reviewed all the information and prepared a letter to the USEPA to have the grant waiver request approved. He explained that the letter needed to be from the MSA and signed by the Chairman since the MSA had the grant. He said that the developer's engineer is still waiting for TWA Permit to be mailed out. As soon as the TWA Permit is received it can be incorporated into the grant waiver request information and the package can be sent out.

Mr. Purcell also reported that the Asset Management Plan implementation is becoming a prevalent requirement in the State and that LTPA is available to assist the MSA in developing an Asset Management Plan. Chairman Rattner said that he was recently at a session and it was mentioned that an Asset Management Plan may become a requirement very soon. Mr. Schilling said he recently heard that the Asset Management Plan will actually be a permit condition. Chairman Rattner also noted that he spoke to quite a few people who have an Asset Management Plans in place at their facilities and it is saving them a lot of labor since the plan implements when maintenance should be performed on various equipment, before the problems arise, which can cause liabilities.

Chairman Rattner asked Mr. Purcell about the letter from the USEPA regarding the Villages at Roxbury and if the request meant that the MSA is required to put up signs on the property. Mr. Purcell said that according to discussions with the USEPA the developer would be required to put up the signs.

Mr. Pucilowski made a motion to authorize Chairman Rattner to sign the letter prepared by LTPA addressed to the USPEA regarding the Grant Condition Waiver for the Fratelli Beretta Facility, seconded by Mr. McNeilly and the affirmative vote of members present.

Mr. Purcell reiterated that the Asset Management Plan can be a very useful tool and should be implemented at the MSA.

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

Mr. Schilling asked to table Resolution #14-14 authorizing payment of certain bills until the next month's meeting. He said the budget and purchasing plan to be prepared for the resolution is 90% complete and a draft will be distributed with the June meeting agenda for the commissioners' review. Resolution #14-14 would also have to be revised to include the details of the plan.

Mr. Schilling discussed the audit revisions. The 2013 Audit had been distributed to the commissioners for their review. There was only one item on the Corrective Action Plan which was due to a payroll advance oversight in 2013. He recommended that the commissions accept and certify the 2013 Audit. Chairman Rattner asked if everyone reviewed the audit, specifically the comments in the Management Letter, and if anyone had any questions. The 2013 Audit was accepted and certified on a motion offered by Mr. Schwab, seconded by Mr. Benson and the affirmative vote of members present.

Motion made by Mr. Sylvester, seconded by Mr. Schwartz and the affirmative roll call vote of members present, Chairman Rattner adjourned the meeting at 7:53 PM.

Respectfully Submitted:



Susan Grebe,
Administrative Assistant