

READINGTON-LEBANON SEWERAGE AUTHORITY

July 22, 2020

OPENING: Dr. Schaible, Chairman opened this regular meeting and announced that the Sunshine laws have been satisfied for the convening of this meeting.

PRESENT: Dr. Schaible, Messrs. Burton, Monaco, and Cichone, Dr. Westfield, Ms. Rohrbach members, Mrs. Plesnarski, Administrator.

APPROVAL OF MINUTES: Motion to approve the minutes from the regular meeting of June 24, 2020 as written, was carried with roll call of ayes all, nays none.

APPROVAL OF INVOICES: Motion to approve the invoices for the month of July in the amount of \$ **82,171.96** along with the authorization for the Administrator to transfer this amount into the Operating Checking account on August 3, 2020 was made by Mr. Burton, seconded by Ms. Rohrbach, and carried with a roll call of ayes all, nays none.

APPROVAL OF BUDGET STATEMENT: Motion to acknowledge the review and approve the July Budget Statement without any exceptions noted as written was made by Ms. Rohrbach, seconded by Mr. Monaco, and carried with a roll call of ayes all, nays none.

NEW BUSINESS: *2019 Audit Report* – Dr. Schaible noted that the audit contains no comments or recommendations by the Authority’s auditor, Mr. Colantano. Mrs. Plesnarski informed the board that due to COVID guidelines concerning room capacity, Mr. Colantano will be present at our August meeting with a brief recap of the Authority’s financial health. Motion to adopt the resolution to approve the 2019 Audit Report as prepared by Mr. Colantano of BKC and forward to the NJ State Local Government Services was made by Mr. Burton and seconded by Ms. Rohrbach, and carried with a roll call of ayes all nays none.

The Ridge at Readington Sewer Extension – Mrs. Plesnarski noted that this is for the development on Route 22W near the former Merck entrance. The plant can treat the additional gallonage of 47,295 gpd and the developer has received Readington Township approval. Mr. Monaco added that this project is part of meeting the township's COAH requirement. Motion to approve the TWA of 47,295 gpd for the Ridge at Readington development was made by Mr. Monaco and seconded by Mr. Burton and carried with a roll call of ayes all nays none.

Engineers' Report on Inflow & Infiltration – Mrs. Plesnarski noted that at the request of the board during the June regular meeting, Mr. Hill of Frey Engineers, the engineer for Lebanon Borough, Mr. O'Brien and Mr. Clerico of Van Cleef Engineers, the engineers for Readington Township and she met to discuss I&I issues and actions. Mr. O'Brien listed several actions that have been done from 2017 to June 2020 or on a schedule to be performed to decrease infiltration. Among those items are repair of leaking manholes which are dependent upon weather conditions, replacement of clean out caps and purchasing of TV equipment to inspect the lines. He also plans to install additional metering where lines connect to the RLSA trunk line to attempt to pinpoint the problem areas of infiltration. Mr. Clerico noted that there is also a planned increase to sewer usage fees to pay for the maintenance. Installation of meters will hopefully be done this year. Purchase of TV inspection equipment will be done at a later date. Mrs. Plesnarski stated that the Authority has inspected 24 of 27 manholes in the Lebanon area. Once the right of ways are cleared the three other manholes will also be inspected. There are plans to TV inspect lines, repair two vents and raise two or three manholes. No defects nor infiltration have been detected. The meters have had their annual inspection and certification. All have been certified as accurate. She noted that she has detected some flow variance due to blockages from Lebanon Borough but otherwise the data agrees with Lebanon's meters. Mr. Hill stated that they have TV inspected lines, performed smoke testing, and will continue to video lines and repair. Mr. Burton wanted to keep all three parties on the same page and suggested a quarterly report from the engineers. Dr. Schaible suggested that Mr. Ponte, the Authority engineer report to the board quarterly about the borough and township engineers progress. Mrs. Plesnarski reminded the board that the Authority's engineering

fees will need to be watched. Dr. Schaible recommended two quarterly reports from Mr. Ponte to inform the board of the progress that Lebanon Borough and Readington Township engineers have made on the metering and repair of lines be given at a cost not to exceed \$5,000.00. Motion to approve the authorization for Mr. Ponte to present the quarterly reports at a cost not to exceed \$5000.00 was made by Mr. Cichone and seconded by Dr. Westfield and carried with a roll call of ayes all nays none.

Dr. Schaible introduce Mr. Novak, attorney for Lebanon Borough Sewerage Authority. Mr. Novak noted that four of the five members of the Lebanon Borough Sewerage Authority were present. Present were Mr. Greg Crawford, Mr. Ben Valliere, Mr. Ed Cichone and Mr. Burton. Mr. Novak has at the request of LBSA reviewed the engineering, financial and legal aspects of the RLSA service agreement. The service agreement went into effect in 1976. Mr. Novak noted that the LBSA was formed in 1980. Mr. Novak states that Lebanon Borough formed a separate legal entity, LBSA to control and operate the sewerage system in the borough of Lebanon. He believes that all addendums should have been signed by the sewer authority and not Lebanon Borough. Mr. Novak is in the opinion that the Borough of Lebanon did not have legal authority to sign those agreements. Additionally, he notes that reserve capacity is set as a percentage. Readington is 80% and Lebanon is 20%. The assured minimum is Lebanon 25% and Readington 75%. His interpretation is that the percentages for assured minimum and reserve capacity should be equal. Mr. Novak also noted that per the agreement the borough and township should only have up to 2 connections going into RLSA. He believes that Lebanon has one and Readington has 9-10 connections. He also notes that each connection needs to be metered and are to be paid for by RLSA. He questions who put in what he believes are additional connections from Readington. He believes that it is RLSA responsibility to meter the system and monitor the characteristics of flow. He questioned if there is a problem with the characteristic of flow if the user is responsible for paying for any remediation or is the cost shared among all users. In closing Mr. Novak suggests a change to the 45-year-old agreement possibly not by metered cost sharing but a simpler split by percentage based on the assured minimum. In the interest of LBSA he would suggest a look at the service agreement and redraft to tighten it up with respects to the financial and reserve capacity perspective. Mr. Monaco noted that Readington Township

governs the Readington Sewer Authority and their authority is a township committee. As such any conversation about the agreement would be between the LBSA and Readington Township. After reviewing how Readington Township is billed by subtraction, Mr. Monaco agrees that billing by percentage would share the cost if any infiltration came into the trunk line. He would like to research the history of the difference in percentage of the assured minimum and reserved capacity. Mr. Monaco stated that the borough, township and the RLSA need to discuss the service agreement. Dr. Schaible noted that this is a partnership and suggested that representatives from all three interested parties explore an agreement update. Mr. Burton would like to form a subcommittee. Dr. Westfield would like to get an estimate on the legal costs to be incurred prior to moving ahead. Dr. Schaible suggested two representatives from each party in addition to legal counsel to form a subcommittee. As a start the committee can map out what the issues are. If it is insurmountable then we can look at the legal fees. Mr. Burton suggested that representatives from each involved party review the agreement prior to involving legal counsel. Dr. Schaible stated that the subcommittee should consist of two Lebanon Borough Sewerage Authority, two Readington Township Committee and two RLSA representatives. Mr. Burton feels that a review of the agreement will benefit all parties involved. Ms. Rohrbach pointed out that it may be advantageous for RLSA to have legal representation during discussions as it is their service agreement that is in question. Counsel will be able to clarify some decision points. Mrs. Plesnarski clarified that at the next RLSA board meeting in August all parties will have chosen their subcommittee members. Motion to form a subcommittee to review the service agreement and addendums was made by Mr. Burton and seconded by Mr. Cichone and carried with a roll call of ayes all nays none.

OLD BUSINESS:

ADJOURNMENT: As there was no further business to come before the Board, meeting was adjourned by motion made by Mr. Burton seconded by Mr. Monaco and carried with a roll call of ayes all, nays none.

Respectfully submitted:

Charles Westfield
Secretary/Treasurer

Virginia Weierich
Recording Secretary

READINGTON-LEBANON SEWERAGE AUTHORITY

R E S O L U T I O N

20-11

BE IT RESOLVED by the Readington-Lebanon Sewerage Authority to approve the sewer extension of 47,295 gallons per day, for The Ridge at Readington project, and to authorize the Chairman, Vincent Schaible to endorse any application associated in this regard for this project.

MOTION TO ADOPT the above resolution was made by Mr. Monaco, seconded by Mr. Burton and carried by roll call of ayes all, nays none recorded.

I HEREBY CERTIFY THAT THE ABOVE RESOLUTION IS A TRUE COPY OF THE RESOLUTION ADOPTED BY THE READINGTON-LEBANON SEWERAGE AUTHORITY AT ITS MEETING ON July 22, 2020.

July 22, 2020
Date

Virginia Weierich
RECORDING SECRETARY

Resolution
20-12

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made, and

WHEREAS, the annual audit report for the fiscal year ended December 31, 2019 has been completed and filed with the Readington-Lebanon Sewerage Authority pursuant to N.J.S.A. 40A:5A-15, and

WHEREAS, N.J.S.A. 40A:5A-17, requires the governing body of each authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled “**General Comments**” and “**Recommendations**”, and has evidenced same by group affidavit in the form prescribed by the Local Finance Board, and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled “**General Comments**” and “**Recommendations**”, in accordance with N.J.S.A. 40A:5A-17,

NOW, THEREFORE BE IT RESOLVED, that the governing body of the Readington-Lebanon Sewerage Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended December 31, 2019, and specifically has reviewed the sections of the audit report entitled “**General Comments**” and “**Recommendations**”, and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED that the secretary of the authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

IT IS HEREBY CERTIFIED THAT THIS IS A TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING HELD ON July 22, 2020.

July 22, 2020
Date

Vincent Schaible
Chairman

**LOCAL AUTHORITIES
GROUP AFFIDAVIT FORM**

**PRESCRIBED BY
THE NEW JERSEY LOCAL FINANCE BOARD**

AUDIT REVIEW CERTIFICATE

We, the members of the governing body of the Readington-Lebanon Sewerage Authority being of full age and being duly sworn according to law, upon our oath depose and say:

1. We are duly appointed members of the Readington-Lebanon Sewerage Authority
2. We certify, pursuant to N.J.S.A. 40A:5A-17, that we have each reviewed the annual audit report of the fiscal year ended December 31, 2019, and specifically the sections of the audit report entitled "**General Comments**" and "**Recommendations.**"

NAME

SIGNATURE

Vincent Schaible

Charles Westfield

Richard Burton

Edward Cichone

Ronald Monaco

Tanya Rohrbach

*SWORN to and subscribed before me
on this 22nd day of July, 2020*

Virginia L. Weierich
Notary Public of New Jersey

Readington-Lebanon Sewerage Authority
Resolution 20-13

WHEREAS, R3M Engineering Inc. of Old Bridge, NJ has been appointed by resolution of the Readington-Lebanon Sewerage Authority to serve as its consulting engineer; and

WHEREAS, the Governing Body of the Readington-Lebanon Sewerage Authority deems it necessary to oversee to progress of Lebanon Borough and Readington Township's inflow and infiltration activities; and

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Readington-Lebanon Sewerage Authority that R3M Engineering Inc. submit two quarterly reports to the governing body on the results and progress of inflow and infiltration activity; and

BE IT FURTHER RESOLVED, that proposed oversight and data analysis will be completed on a fixed fee basis for a total cost of \$5,000.00.

BE IT FURTHER RESOLVED, that the above resolution is a true copy of the resolution adopted by the Readington-Lebanon Sewerage Authority at its meeting on July 22, 2020.

July 22, 2020
Date

Recording Secretary