

**BOROUGH OF RAMSEY  
THE BOARD OF PUBLIC WORKS  
REGULAR MEETING OF DECEMBER 20, 2010**

Mr. Martin called the regular meeting of The Board of Public Works to order at 7:30 PM. Board members present were Mr. Burgio, Mr. Emmer, Mrs. Lehr, Mr. Popolo, Mr. Tesoriero, Mayor Botta, Councilman Nalbandian, Mr. Corrison, Mr. Madsen, Mr. DeBlock, Mr. Bacolo and Mrs. Culligan. Mr. Saros would be in attendance later in the meeting.

Mr. Martin announced that the meeting is being held in accordance with the Sunshine Laws of the State of New Jersey. Public Notice of this regularly scheduled meeting was published in The Bergen Record on Monday, December 28, 2009 and The Ridgewood News on Friday, December 25, 2009.

**MINUTES**

Minutes of November 15, 2010 were presented. Mr. Bacolo noted correction at top of page 3, second line should add after “fifteen”, “service connections”.

Motion by Mrs. Lehr, seconded by Mr. Burgio to approve amended Minutes of November 15, 2010. Abstained: Mr. Popolo. Carried.

**CORRESPONDENCE**

Motion by Mr. Burgio, seconded by Mrs. Lehr to receive and file with review during Committee reports. Carried.

<b>No.</b>	<b>Date</b>	<b>From</b>	<b>To</b>	<b>Subject</b>
1	11/30/10	Crew	Bohler Engineering	<b>1216 Route 17 North (Undeveloped Property)</b> Transmittal to applicant’s engineer of listed documents and information pertaining to existing water/sewer service
2	11/30/10	Crew	Borough of Ramsey DPW (c/o D2L)	<b>November Arsenic Sample Results</b> Transmittal of monthly results for raw and treated water at designated sites required by NJDEP
3	11/10	NJ Office of Homeland Security	Borough of Ramsey	<b>Employee Credentialing Program</b> Information sheet on service to be provided by NJ Office of Emergency Management for applicable employees with notice of informational workshop to be held in Jan. 2011
4	11/17/10	NJDEP Div. of Water Supply	Borough of Ramsey Board of Public Works	<b>Notice of Non-Compliance</b> Monitoring violation 1 <sup>st</sup> , 3 <sup>rd</sup> and 4 <sup>th</sup> quarter 2009 for radionuclides at East Oak

5	12/07/10	Crew	Borough of Ramsey Board of Adjustment	<b>Ramsey Holdings, LLC Appl. No. IA-605-7/SR-05-2</b> Review of Board of Adjustment application with revised site plan drawings noting Board of Public Work's requirements for water/sewer services
6	12/08/10	Crew	NJDEP Div. of Water Supply	<b>East Oak Radionuclides Reporting</b> Response to NJDEP transmitting 2010 CCR Public Notice for ref. missed samples; with detail noted on the bureau's 2009 conflicting schedule and errors on their 4/15/09 and 6/17/09 revised schedules
7	12/08/10	Crew	Borough of Ramsey Board of Public Works	<b>Brookfield Lane Sewage Pumping Station</b> Coppola Services, Inc. has submitted Progress Payment No. 2 for completed services with Crew's recommendation for payment of \$161,518.70
8	12/15/10	Crew	Board of Public Works Members	<b>Progress Report</b> Status of active projects managed by Crew
9	12/17/10	Crew	Borough of Ramsey Board of Public Works	<b>Brookfield Lane Sewage Pumping Station</b> Request to review Change Order No. 1 detailing contractor's request for time extension on completion from 10/16/10 to substantial date of 12/31/10 and final date of 4/1/11
10	12/17/10	Crew	Borough of Ramsey Board of Public Works	<b>Brookfield Lane Sewage Pumping Station</b> Request to review Change Order No. 2 for contractor's request for added amount of \$3,705.59 needed to modify size of on-site electric cabinet

**PUBLIC COMMENT**

**ENGINEER'S REPORT**

As there were no questions on the Progress Report, Mr. Bacolo reported on the following items:

**Brookfield Lane Sewage Pumping Station**

Station was nearing completion and referenced: contractor has removed old pump station / will complete the piping and electrical work / new station was up and operating with use of temporary pump controls / once electrical work for permanent controls was completed, station will be operating at the end of the year. He referenced packets included two Change Orders (Corres. No. 9 and 10) for review and explained: Change Order 1) original date was October,

there was extension of time required and Mr. Bacolo said it was appropriate; Change Order 2) for price on electrical work required cabinet to store larger cabinet enclosure size than anticipated for system with added electrical cost of \$3,705.59.

Board members questions and comments:

On Change Order No. 2, Mr. Burgio asked why the specified panel size could not be met. Mr. Bacolo said initial design was not adequate to accommodate pump control panel and cabinet could not meet electrical code requiring modification to meet pump design and a larger on-site cabinet. Changes in the enclosure were necessary and required additional conduit and wiring increasing electrical cost. Mr. Emmer had question on cost increase for hardware, relays and wiring. Mr. Bacolo outlined necessary changes because of modifications and price was reviewed in detail and Crew determined pricing was fair. Re Change Order No. 1, Councilman Nalbandian said it seemed a fair amount of time was with the contractor's vendor resulting in delay of a month or so. With regard to trying to solve electrical problem, Mr. Bacolo said extension of time was necessary to resolve problem on enlarging cabinet and use of temporary controls. Contractor did want to minimize delaying the work and said has made a concerted effort to have the station operating in a timely way and has been very cooperative. Mr. Burgio said as project was moving ahead, all monies will be paid upon completion, most likely in the spring when landscaping will be done.

Motion by Mr. Burgio, seconded by Mr. Popolo to approve Change Order No. 1 dated December 9, 2010 requesting additional time to achieve final completion; and Change Order No. 2 dated December 9, 2010 in the amount of \$3,705.59 for cost incurred to modify dimensions of electrical cabinet and increasing contract price from \$276,677.00 to \$280,382.59; as recommended per documents submitted for Board of Public Works review dated 12/17/10 by Crew Engineers. Carried.

#### Water Deficit

Mr. Bacolo referenced information from Mr. Saros on call with NJDEP with regard to water deficit and need for UW's variable committed supply to borough that has been pending with the Bureau of Water Allocations. As of this date no formal letter has been received from NJDEP and before meeting with UW, Mr. Saros said receipt of the decision letter was essential.

### **OPERATIONS REPORT**

#### Management and Operations Reports

Reports prepared and distributed / November 2010: Revenue Report and Analysis of Water Consumption and Water Reserves.

#### Operations Report

Mr. Madsen had two items to report:

Water Department personnel assisted with collection of leaves and hoped to complete by tomorrow. Other item was 896 Maple Ave. water service went bad requiring attention of Garcia.

#### Management Report

Mr. DeBlock reported on the following:

#### Disinfection By-Product Non-Compliance

Compliance issue is outstanding and until there was a year's worth of samples, it will be hard to define. So far, numbers were very low as expected at this time of year.

NJ Essential Employee Credentialing Program

He has initiated process under the HSO state program to obtain credentials for water and sewer personnel to travel when highways may be closed to other than emergency traffic. If other staff members or public service employees would need such authorization, please advise him on borough's requirements. Police and firemen will not have any problem. There was discussion on eligibility and procedures to get credentials. In emergencies for Ramsey, public works' employees should have credentials; also, first aid squad members. He will move item forward.

Notice of Non-Compliance / 2008-2009 Radionuclide Testing

The matter involved NJDEP Bureau of Safe Drinking Water multiple schedules for the above time-period (Corres. No. 4). He referenced written response from Crew (Corres. No. 6), which explained testing requirements and presented pertinent information on hand, i.e. publishing of required public notice.

D2L Agreement

Mr. DeBlock said D2L agreement with borough would expire on January 1, 2011 and they would be open to stay on if borough chose to continue. Question was raised on whether contract had to go out to bid. Mr. Corrison said item should remain open for discussion with Mr. Saros.

**ATTORNEY'S REPORT**

Mr. Corrison reported on the following:

Vaughn Drive

Mr. Corrison had correspondence with Mr. Pavlik of bonding company for contractor advising they were looking for payment. Old Republic never sent a bill for payment until August and he said payment had been approved at a Board of Public Works meeting and they should be paid. Mr. Saros will review.

Kevin Spence

On arbitration hearing, it was done on the submitted papers rather than through court and witnesses appearance and involved a fee split between the Board and the union to come to a decision. He suggested that Board pay the fee for paper review rather than traveling down to Trenton for hearing at a cost of \$625 for Board portion. Mr. Corrison recommended fee for payment.

Motion by Mr. Martin, seconded by Mrs. Lehr to recommend payment of cancellation fee in the amount of \$625.00 for hearing to cover Kevin Spence arbitration matter. Carried.

**ADMINISTRATOR'S REPORT** – no report.

**OLD BUSINESS**

**NEW BUSINESS**

**NEW BUSINESS**

2010 / 2011 Budget

Mr. Martin reviewed status for future budget preparation:

\$5,175,000 was budgeted for 2010 / Actual 2010 Revenue was \$5,500,000 / lapsed money can be used next year is \$325,000. \$1,094,000 for 2011 surplus. Actual 2010 budget was \$6,387,000. Conservatively for 2011, the budget will be \$6.6 million. With present rates, the surplus will be used except for a few hundred thousand dollars and he voiced concern about day-

to-day operations, costs that have grown and unforeseeable repairs; also to be considered were infrastructure and Capital costs.

Going into 2011, Mr. Martin was uncomfortable with the referenced amounts and recommended that a rate increase be addressed with the Council. The 18 percent increase gives the Board an additional \$990,000. Many surrounding towns have increases over 20 percent. For Ramsey a rate increase was necessary to keep the system running. He opened up the meeting for Commissioners' comments.

Board members comments:

Mrs. Lehr / what percent was last increase and how was the 18 percent calculated? Mr. Martin said 12 percent was voted on last year (billed in July 2010) to handle \$1 million shortage for the year. Mrs. Lehr asked if 20 percent would provide a cushion for any unforeseen items.

Suggestion was that it would be better to have increase under \$5.00. Mr. Martin said Ramsey had a good portion under quarterly minimum usage that should be looked at for adjusting, as it was a good part of the revenue. Mr. Emmer / when will it take effect? Councilman Nalbandian responded that going through Council, it would take about a month. Mr. Corriston said billing cycle for sewers was for the first two quarters noting water and sewer were separate: sewer rate by Council resolution; water by ordinance, noting lag time between adoption and billing. Mr. Madsen referenced the billing cycle and price changes that are sent out by March-April and spoke on reading schedules being done at one third of the town at a time. Mr. Emmer asked about history of increases and when they were with response from Mr. Martin that for three years, there were no increases at all and surplus was helpful each year pointing to extraordinary measures that need to be funded. Mr. Popolo asked if there was an increase from UW with response that there had been 21 percent increase and additional increases were sought by UW's. Mr. Bacolo noted UW increases since Ramsey's / UW's contract in 2005 and said a committed supply from UW and matter on water deficit was still not settled with NJDEP.

Items noted: Board should consider the \$325,000 lapsed benefit, the 2010 unexpended budget items and use of the surplus, Mr. Martin said it would not be a good thing to have to go to the Council to seek money to operate the system if a budget deficit occurs. To question on the bigger users, Mr. Bacolo said  $\frac{3}{4}$  of the ratepayers were residential and there was the minimum usage customers. On current meter reading methodology used by Board of Public Works, Mr. Madsen said there was more efficient meter reading that would save time and labor and could increase frequency of reading and be efficient for billing purposes; noting automation would be a benefit taking an hour for reading and an hour for billing. Board members agreed Radio Read technology demonstration was helpful, but was cost prohibitive at the time. Mr. Burgio suggested keeping it on the table but not now.

Mr. DeBlock asked if comprehensive survey of the rate increases in the area would be helpful. Mr. Bacolo said one had been done fairly recently. There was discussion on surrounding towns and Mr. Corriston noted variations in billing on water use. Mr. Emmer said at this time it would be important to balance the books and asked if anything in Board's \$6.4 million budget could be changed. Costs outlined did not include tank's painting, costly arsenic treatment, UW purchases. Cost item on cartridges was at \$160,000 and Mr. Bacolo said CO2 treatment helped to increase life of the cartridges and for last year, amount budgeted was \$330,000 with cost of \$160,000 and getting a better estimate on the cartridges would help noting treatment, chemicals and water

purchase were big expenses. Mr. Emmer asked if there were many comments or phone calls after the last increase with Mayor Botta responding that response was limited as far as phone calls and some residents sent letters or emails. Mr. Burgio thought people were expecting it and keep increase at 18% and hoped it would not be necessary to go to Council next year.

Mayor Botta referenced article on improving water infrastructure and referenced Capital side. In a way, Board has not addressed Capital costs, other than arsenic treatment and there may be other costs for system. It was a continuing discussion because of Operational and Capital costs raising question on Ramsey being in the water business. He said rates should be raised now but continue discussion, referencing report from Mr. H. Mulle. Capital costs cannot be leveraged over the next five years and have to handle debt. Increased rates does not address infrastructure needs to keep the water flowing on operational side.

Mr. Saros arrived at 8:15 PM as he was in attendance at another meeting.

Mr. Corrison said increase should be under \$5 noting 18% is about \$4.95. Mr. Saros said: no money was going into the system / short-term increases over the year does not address the issue / spoke on 80's increase every five years / 50% / Capital cost increase for a small group of residents / Board will raise rates again and again / it feasible to keep operating the system but wells use surplus that has been dwindling and has to be brought back / it's always a continuous cycle and more always has to be raised. Mr. Tesoriero asked status on evaluating forward strategy; what would rate be if it was UW and would it incur a much larger charge for residents' water. Mr. Saros suggested that someone could come in to analyze where Board was operationally and said budget was done on a yearly basis and not done on five-year budgeting. Water rates were always increasing and there were the unknown environmental issues referencing there were non-existent reserves, which existed in the past. To get an understanding, have someone come in to show what happen over five years / use a good five-year budget, which would show where true rate would be. There was discussion UW: Ramsey's and UW's current rate / if purchased, what type of improvements would have to made / an assessment of the system would have to be made / they would want customers. Mr. Bacolo said UW would not be able to purchase cartridges at a lower rate. Other charges Ramsey will have, i.e. buildings, fields, parks, etc. Councilman Nalbandian / rate increase was warranted stating comparative rates have been considered and if changes have to be made to the system, it was an added cost. Mr. Corrison said increase should be kept under \$5.00 and 18% makes it \$4.95. Council will question why the number was not rounded? Mr. Bacolo / believed amount was \$4.20. Mr. Corrison / typically will have a short-term reduction in water use.

Motion by Mr. Martin, seconded by Mr. Burgio to recommend Mayor and Council initiate increase of \$4.95 for water and sewer service rates effective for 2011. Carried.

<b>AYES:</b>	Mr. Burgio, Mr. Emmer, Mrs. Lehr, Mr. Martin, Mr. Popolo, Mr. Tesoriero, Mayor Botta
<b>NAYS:</b>	None
<b>ABSENT:</b>	None

D2L Consulting Services

Voice vote was taken to hold over D2L's function for 30 days. D2L will submit another proposal for services.

**FINANCE**

Budget and Revenue/Expense Reports were submitted to Board members.

**Resolution by:** Mrs. Lehr  
**Seconded by:** Mr. Emmer

**RESOLVED THAT:** The following bills be paid and charged to the current Water/Sewer 2010 Budget:  
\$308,820.78

**RESOLVED THAT:** The following bills be paid and charged to the Capital Account:  
Crew Engineers \$ 11,822.22  
Coppola Services, Inc. \$161,518.70

**AYES:** Mr. Burgio, Mr. Emmer, Mrs. Lehr, Mr. Martin, Mr. Popolo, Mr. Tesoriero, Mayor Botta

**NAYS:** None

**ABSENT:** None

**COUNCIL LIAISON'S REPORT**

Councilman Nalbandian said he would be retiring from Council at the end of the year. He has served different terms (6 years) as Board's Council Liaison noting all the work that gets done by Board members and for him it was a good opportunity working with the Commissioners. Because of volunteers and representatives that serve on boards and commissions, Ramsey continues to be a great town and he appreciated the opportunity to work with everyone.

**MAYOR'S REPORT**

Mayor Botta reported on the following:

Resident brought up and requested that inquiry be brought to the Board's attention on whether outsourcing water operations, beyond what existed, is something that is feasible. Would Board of Public Works have an outside company do the operational maintenance and repairs and was this being considered? Mayor Botta said employees do these jobs now and Board contracted to have D2L handle day-to-day operations and regulatory requirements. Inquiry was could Board have more of that? Mayor Botta said he believed that the Board intended to stay the way it was now set up and continue with the dedicated employees doing the day-to-day operations, professional management of D2L and authorized contractor who will handle emergency repairs. Issue of outsourcing has been looked at and did not think it was the intent to change current Board of Public Works operations and would recommend that there be no changes in doing day-to-day operations or outsourcing the professional and emergency services, when needed. Mr. Martin and Board agreed that it was cost effective and would continue and did not plan to change the operational, professional or contractual services of the Board of Public Works. The Board has examined the matter.

**ADJOURNMENT**

Mr. Martin entertained a motion to adjourn.

Motion by Mrs. Lehr, seconded by Mr. Tesoriero to adjourn at 8:40 PM. Carried.

Submitted:  
Bernardine Culligan

