

PLAINFIELD MUNICIPAL UTILITIES AUTHORITY

Minutes of a Board of Commissioners Regular Meeting
Tuesday, August 9, 2011

127 Roosevelt Avenue
Plainfield, New Jersey

I. OPEN PUBLIC MEETINGS LAW (STATEMENT OF COMPLIANCE)

Commissioner Mitchell, Chairperson, called the meeting to order at 6:00 p.m. by reading the Statement of Compliance.

II. SALUTE TO THE FLAG

The Pledge of Allegiance was said by all.

III ROLL CALL

Present

Commissioner Harold Mitchell
Commissioner Carol Ann Brokaw @6:05pm
Commissioner Tracey Brown
Commissioner Alex Toliver
Alt. Commissioner Eugene Dudley

Also Present

Mr. Duane Young, Executive Director
Mr. James Perry, Chief Financial Officer
Ms. Leslie London, Board Attorney
Mrs. Roslyn Mathis, Board Secretary
Staff and Public

Mrs. Lana Carden, Manager of Human Resources-absent

IV. APPROVAL OF MINUTES (7/12/2011 Regular Scheduled Meeting Minutes)

Commissioner Brown moved, seconded by Commissioner Toliver, approval of the minutes. The motion carried, on a roll-call vote, with four members in favor and none opposed.

RECORDED VOTE

July 12, 2011 Regularly Scheduled Minutes

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw					X
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

V. COMMUNICATIONS

None.

VI. REPORT OF COMMITTEES

None.

VII. EXECUTIVE DIRECTOR'S REPORT

Mr. Young reported there have been a lot of transitions, they've had their evaluations of a lot of different departments, looking at what changes they want to make and what direction they want to go in.

There has been communication with Councilman Corey Storch; Councilman Adrian Mapp congratulated Mr. Young, and he also talked with Robert Villee of PARSA. He received a lot of positive feedback in addition to the congratulations. One of the things Mr. Storch asked about and brought to Mr. Young's attention was about the Task Force the City has as well as coming to a Council meeting. Mr. Young is looking forward to going to both of those meetings in the near future; listening and getting feedback from some of the residents.

Also, in evaluating the departments, Mr. Young will have their consultant Wayman Pearson who is a solid waste expert to assist him in evaluating the functions of the Solid Waste Department and to make sure it is working efficiently. They will be doing that in the next few weeks as they go through this transition.

A. Attorney's Report

Ms. London had two items. One, to follow up on the Executive Director's report on PARSA, since Mr. Ervin is no longer with the Authority and he was the representative at PARSA there is a need to replace him with someone else from the PMUA. PARSA is a critical agency and the ordinance that created the PMUA requires that the person should be the Executive Director or a member of the Authority as designated by the Mayor with the advice and consent of the Council. It ties in with the Mayor and Council giving the approval. Ms. London is recommending that a letter comes from the Board to the Mayor and Council requesting that they appoint Mr. Young to serve on the PARSA Board and they do that as soon as possible so they'll have a representative at the September meeting.

(Commissioner Brokaw arrived here @ 6:05 p.m.)

Alt. Commissioner Dudley moved that Ms. London draft a letter on behalf of the Board to be signed by them requesting that the Mayor and Council appoint Mr. Duane Young to serve as a representative on the PARSA Board, seconded by Commissioner Toliver. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**Motion to Send a Letter to Mayor and Council to Appoint
Duane Young to PARSA**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw	X				
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

The next item Ms. London had concerned negotiations with the Housing Authority. Mr. Young has picked up on those negotiations. They have met and they are anxious to move forward with a Shared Services Agreement for the Authority to continue providing services. They are permitted, since it is a public entity, to negotiate directly with them and to provide a rate that works best since it is a large customer. She has a resolution authorizing the completion of the negotiations and execution of the Shared Services Agreement with the Housing Authority if the Board would like to proceed with that.

Commissioner Mitchell replied that they would.

Ms. London presented **resolution #59-2011 authorizing the negotiation and execution of a Shared Services Agreement with the Plainfield Housing Authority.** Commissioner Brokaw moved, seconded by Commissioner Toliver, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**RESOLUTION #59-2011 – Shared Services Agreement with
the Plainfield Housing Authority**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw	X				
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

B. Finance Report and Bills List Approval

Mr. Perry went through some of the major expenses for the last month; \$552,000 for staff; disposal fees, \$248,000; health benefits for the employees, \$161,000; and vehicle maintenance about \$60,000. Vehicle maintenance is down from its high of \$500,000 a month to about \$60,000 and that's due to getting new trucks under warranty, keeping them working and working well. Those four or five expenses account for about 82 percent of the costs that are on the bills ratification list.

Mr. Perry said even though the US government has been downgraded and there has been conversations regarding municipal authorities being downgraded because they are holding US government paper that has been downgraded, the PMUA is so small that they will never come up on any of the radar screens for any of that. He heard that Standard and Poor's said they are not going to downgrade anything else. Most of the Authority's bond resolutions require that they hold Triple A agencies and that happens to be US government Fannie Mae or Freddie Mack and they were the ones most affected by the events of last weekend. That and the fact they don't have very much money left in those bond accounts, the PMUA is in good shape.

Commissioner Mitchell asked if P.O. #11-00993 could be removed from the bills list because one of the Commissioners had a question about it. They will deal with that at the next committee meeting. Mr. Perry replied fine.

Ms. London presented **resolution #60-2011 authorizing the payment of bills**. Commissioner Brokaw moved, seconded by Commissioner Brown, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE

RESOLUTION #60-2011 Payment of Bills

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw	X				
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

C. Resolution Authorizing Gerhart Scale Corporation Contract for 2011-2012

Before sharing information concerning this resolution, Mr. Young wanted to add something to his earlier Executive Director's report. With the transition they are going through, losing two executives, Mr. Young asked Mr. Perry to stay on as CFO as they go through this transition so he wouldn't have to wear all of these hats. He agreed and will stay on as they continue to go through this transition.

Mr. Young said this is basically a scale company. which is a significant part of their revenue: anything that comes across the scale they weigh and they get funds for. It's important that they have a contract with this company that provides a service for the Authority and keeps the scale accurate. They are asking the Board to approve the contract for the 2011 and 2012 year.

Ms. London presented **resolution #61-2011 authorizing the award of a contract for the Transfer Station scale and maintenance service with Gerhart Scale Corporation.** Commissioner Toliver moved, seconded by Alt. Commissioner Dudley, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE

RESOLUTION #61-2011 Contract with Gerhart Scale Corporation

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw	X				
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

D. Resolution Authorizing Recyclable Material Contract

Mr. Young said this is a contract that deals with recyclable material, which they get revenue for.

Ms. Hamlin stated that working with T & M they wanted to make sure they were going to get the best dollar amount for the recyclable material that was going to be picked up in the City of Plainfield and through much review from legal counsel and the engineers it was recommended that they go with Green Sky. That company would give the PMUA the highest rate for their recyclable materials and they were also able to meet the delivery time and locations that would best suit the Authority's needs.

Ms. London presented **resolution #62-2011 authorizing the award and execution of a contract for recyclable services to Green Sky Industries, Clifton, N.J.** Commissioner Brokaw moved, seconded by Commissioner Toliver, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**RESOLUTION #62-2011 Contract with Green Sky Industries**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw	X				
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

E. Resolution Authorizing Award Reduction for Red Wing Shoe Contract Award

Mr. Young stated that this is a contract for the shoes the employees wear out in the field. Basically they want to reduce the amount of the contract that was approved for \$36,000. Upon further evaluation it was determined that they are not going to use that amount so they want to reduce the contract from \$36,000 to \$25,000.

Ms. London presented **resolution #63-2011 authorizing an amendment to the contract award with Red Wing Shoes for safety work boots for field personnel**. Alt. Commissioner Dudley moved, seconded by Commissioner Brown, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**RESOLUTION #63-2011 Amendment to Contract with Red Wing Shoes**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw	X				
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

F. Resolution Authorizing the Review of Application & Plans for 25 Residential Units

Mr. Young stated that they reviewed the application for 916-926 South Avenue where they are going to put up 25 residential units. They are asking the Board to allow them to go forward. The plans seem to be adequate for them to tap into the Authority's sewer.

Commissioner Mitchell asked if there is any work that they have to do. Mr. Young replied no. Basically each phase of the process will be reviewed by their Sewer Department to make sure they are in compliance in the way they tap into the sewer. There is nothing the Board has to do other than to approve the resolution.

Ms. London presented **resolution #64-2011 authorizing a preliminary Sanitary Sewer connection application and treatment for its approval.** Commissioner Brokaw moved, seconded by Commissioner Brown, approval of the resolution. The motion carried, on a roll-call vote, with five members in favor and none opposed.

RECORDED VOTE**RESOLUTION #64-2011 Sanitary Sewer Connection Application and Treatment**

	YES	NO	ABSTAIN	PRESENT NOT VOTING	NOT PRESENT
Carol Ann Brokaw	X				
Rev. Tracey Brown	X				
Harold Mitchell	X				
Alex Toliver	X				
<u>Alternate</u> Eugene Dudley	X				

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

None.

X. PUBLIC HEARING

Commissioner Mitchell said they have come to the portion of the meeting where the residents have an opportunity to speak. If they choose to do so, please stand, give your name and address, and they will be allowed two minutes to speak.

William Michelson, 556 Belvidere Ave. He didn't know if it was a rumor or something real but word got around there were going to be significant severance packages offered to Mr. Ervin, Mr. Watson and Mr. Perry, all of whom have left or will be leaving soon. He didn't think it was fair to use anybody's tax money for that. He didn't know if it has already happened, and asked, has it already been approved?

Ms. London replied there is no severance package for Mr. Perry. He is retiring.

Under the contract, if you retire there is no severance package per se. The circumstance of the separation of Mr. Watson and Mr. Ervin is governed by their particular contracts. Under the provisions of their contract there is discretion given to the Board to make a certain payment. That payment was made already at the June meeting. There is a dispute between the Authority and Mr. Watson and Mr. Ervin regarding whether or not any additional payments are due to them. That is now pending before the Office of Dispute Settlement for arbitration. That's why it was termed a partial settlement. From the perspective of the Authority, what was paid was it, but it's being challenged so they are before the Arbitrator regarding that issue.

Mr. Michelson asked what the amounts are, what the claim is. Ms. London replied that since they are in arbitration, that information is not appropriate to state at this time.

Mr. Michelson wanted to know the amount they have received. Ms. London replied that amount is on some of the websites, and is public information. The Authority had allocated in the last two budgets the amount of \$275,000 total; \$151,000 was paid to Mr. Watson, and \$124,000 to Mr. Ervin. That information is part of the public record.

Mr. Michelson asked if that was unused vacation and sick days. Ms. London replied no; that this is something the auditor had recommended in his auditor's report that be set aside as part of the budget process to be available to the Authority in the event any circumstances arose that would trigger payment under their contracts. So the payments made did not result in any rate increase or any budget impact.

Mr. Michelson asked the Board to continue to fight this matter, to reduce or minimize whatever is paid out. He asked them to never again allow this to happen to anybody. If it's in new contracts, his request is that it be taken out. This has nothing to do with them personally; he has gotten along with Mr. Watson and Mr. Ervin. It looks terrible to the public. You work until the day you leave; you get your pension. To give away public money for any other reason is immoral. With respect to unused sick and vacation days, there is a statute now capping it at \$15,000. It's taxpayer's money they're giving away.

Dan Damon, 661 W. 7th St. He just wanted to pick up on what Ms. London said regarding the PARSA appointment. City Council is having a business meeting next Monday night. They should try to get it on their agenda before Monday otherwise they won't have a chance until the middle of next month because of the Labor Day holiday.

Ms. London replied that the letter will go out tomorrow. Mr. Damon said that's the easy part.

No one else wanted to speak and there wasn't a need for an Executive Session.

Commissioner Mitchell called for a motion to adjourn; Alt. Commissioner Dudley so moved, seconded by Commissioner Toliver and unanimously approved by the Board. The meeting adjourned at 6:30 p.m.

Recorded by:

Roslyn P. Mathis, Board Secretary