

Minutes of Meeting #481, January 23, 2012 – Stony Brook Regional Sewerage Authority

LOCATION: Conference Room, River Road Plant, Princeton, NJ

MEMBERS PRESENT: Bartolini, Downey, Compton, McKinnon, Patel

MEMBERS ABSENT: Miller, Morehouse

CONSULTANTS: Alexander

STAFF PRESENT: Bixby, Carlino, Coleman, Hess, Ireland, Irizarry, Kantorek, Kunert, Neuhof, Pchola, Rahimi, Redding

Public Hearing

The Public Hearing to receive comments regarding the Authority’s proposed Rate Schedule for the receipt and treatment of outside waste in fiscal year 2012 was declared opened at 7:30 pm by Chairman Bartolini. A Certified Shorthand Reporter was present to record the proceedings.

Mr. Kantorek indicated that the purpose of the Public Hearing was to present the 2012 Rate Schedule for liquid sludge, sludge cake, septage, gray water and special wastes, and to provide the public an opportunity to comment on the rates.

Mr. Kantorek indicated that 2012 rates for liquid sludge, septage, gray water and special waste are the same as in 2011. The only proposed change is under sludge cake, part b, which is for solids of 22.1% to 30% where the rate was proposed to change from \$57 in the 2011 rate schedule to the proposed rate of \$60 per cubic yard.

Mr. Kantorek explained that each year the Authority reviews the current sludge market, what the market will bear and our operating costs.

Chairman Bartolini then asked if there were any additional questions or comments. As there were none, the Public Hearing was closed at 7:33 pm on a motion by Mr. McKinnon, seconded by Dr. Downey and passed by unanimous vote.

481.01 Pursuant to Section 13 of the Open Public Meetings Act, adequate notice of the time and place of this meeting was given by filing with the Authority's official newspapers, each Clerk of each municipality and by being posted on the Princeton Borough Hall Bulletin Board.

481.02 Approval of Minutes

The minutes of the December 19, 2011 Board meeting were approved as presented on a motion by Dr. Downey, seconded by Mr. McKinnon and passed by a vote of 5 to 0.

481.09 Construction Report

Dr. Downey, Chairman of the Construction Committee, requested that the Construction Report follow the Approval of Minutes. Dr. Downey indicated that she had to attend a Hopewell Township meeting tonight and needed to leave early.

Pennington STP Upgrade and Expansion

Mr. Kantorek indicated that on January 13, 2012 SBRSA staff, Board members, mayors and/or mayors' representatives met to discuss the draft NJPDES permits for the Hopewell and Pennington STPs. The purpose of this meeting was to answer any questions that the mayors/representative may have had and to discuss the strategy for the January 18, 2012 meeting with the Assistant Commissioner of the NJDEP, John Plonski.

Mr. Kantorek reported that on January 18, 2012, the mayors/mayors representatives (eleven (11) from six (6) municipalities) of the Authority's member municipalities along with SBRSA personnel and our consultant, met with NJDEP Assistant Commissioner John Plonski and his staff. Mr. Kantorek indicated that the purpose of the meeting was to have SBRSA's municipal representatives discuss their objections to the proposed effluent limits for TDS, nitrates, arsenic and to a lesser degree copper in the draft NJPDES permits for the Hopewell and Pennington STPs.

Mr. Kantorek indicated that at this meeting, the representatives made it known to Mr. Plonski that although everyone supported protection of human health and the environment, the proposed limits would have no measurable positive impact and would be extremely expensive to meet. The imposed draft limits would be a financial burden to the citizens of our communities. Mr. Plonski was advised of the \$11,500,000 estimated capital cost and approximately \$1,500,000 additional Operation and Maintenance (O&M) annual costs, which would lead to approximately a 19% increase in treatment costs. The group also made it clear to NJDEP that this was an issue that would affect many other permit holders as their permits were being renewed.

Dr. Downey explained that the DEP was not impressed with the 19% increase to SBRSA's participants. The group took it a step further explaining that if residences of

Pennington had to pay the costs for the Pennington STP, the cost would be approximately \$2,000 per residence (based on 1,000 residences) per year. It was also noted that there are many small plants state-wide that may have similar costs and their costs could be astronomical too.

Mr. Kantorek explained that the NJDEP staff indicated that they understood our objections and to a certain extent agreed with them but they were constrained by the Water Quality Standards regulations as to what they could do. We proposed three alternative ways that our issues could be addressed. Preferably to modify the Water Quality Standards now to have drinking water concerns apply only near drinking water intakes. Secondly, to remove the limits from the permits until the NJDEP resolves the regulatory changes needed. Or least favorably to issue the final permits with the drinking water based limits, but to issue a stay of the limits pending resolution of the regulatory issues.

Dr. Downey noted that group objected to four parameters contained in the draft permits which are arsenic, copper, nitrates and Total Dissolved Solids (TDS). Early in the meeting NJDEP conceded that two of the parameters may be able to be resolved; arsenic, since the natural "background" level is high and the copper parameter could be resolved through a study, leaving TDS and nitrates limits to be addressed.

Although no definitive resolution could be reached, Assistant Commissioner Plonski and the NJDEP staff offered the following alternative path. NJDEP felt that they could come to a consensus on how to modify the Water Quality Standards shortly and would continue to work with the AEA to accomplish that. Although it would take significant time to implement these changes. Mr. Plonski offered to meet with a small SBRSA committee to further explore and develop a solution to this issue. Jim Cosgrove, Omni Environmental and Mr. Kantorek are scheduled to meet with him on February 1, 2012. The permit staff indicated that the final permits would probably not be ready for release until May or June of this year giving SBRSA some time to work on the alternative paths. In addition, SBRSA could adjudicate the permits.

Dr. Bartolini indicated that if the Authority adjudicates the permits that delays action for NJDEP and it stops the expansion of the Pennington STP. Dr. Downey indicated that it is the issue of expansion that drove the meeting and NJDEP to consider alternatives. The group explained that the expansion was not due to development but primarily for public use such as schools and affordable housing.

Dr. Bartolini asked that a formal letter be drafted and sent to those who participated in the meetings. Staff agreed.

Dr. Downey excused herself from the meeting at 7:50 pm.

Odor Control

Ms. Pchola reported that TRC has provided the staff with the updated modeling and corresponding isopleths figures. Staff requested that TRC provide a summary of the results comparing the current results to the prior modeling results.

Contract 07-1, River Road STP Regenerative Afterburner (RTO)

Ms. Pchola reported that on January 16, 2012 staff received an email from Dürr indicating that they are currently re-evaluating the method of repair and considering seal welding the chamber seam from the outside versus the inside. This method would eliminate welding in a confined space which is a major concern for Dürr. However, this method will require the entire chamber to be lifted necessitating the mobilization of a large (100 Ton) crane. Dürr asked for some site conditions clarifications which were provided. The revised repair procedure and schedule is expected within the next few days. It is anticipated that work will begin either the last week of February or the first week of March.

Ms. Pchola indicated that SBRSA staff will meet with Chavond Barry Engineering (CBE) to develop a response to the recent WESP testing results that did not meet the performance specifications.

Contract 10-1, Headworks Project

On December 22, 2011 a representative of the geo-technical engineering firm Melick-Tully was on site to evaluate the sub-surface soil conditions prior to the placement of the stabilized base for the GRT. The site investigation indicated that approximately 200 cubic yards of additional unsuitable material needed to be removed and replaced with screened gravel prior to the placement of the structural fill.

Ms. Pchola reported that as of Pay Estimate No. 10 this project is 19% complete. Over the past 30 days Tomar completed the removal, screening, and stockpiling of the landfill material excavated for the new Grit Removal Tanks (GRT), placed and compacted the structural fill, installed the form work, and reinforcing steel for the tank base slab. The placement of the concrete for the GRT base slab took place on January 20, 2012 (approximately 360 cubic yards).

Contract 11-1, Fly Ash Slurry Pump Rehabilitation Project

Ms. Pchola reported that the pump manufacturer has completed the re-build of FAS Pump #2 and the pump is currently scheduled to be re-installed during the week of January 30, 2012.

Contract 11-2 Outdoor Motor Control Center Replacement Project

Ms. Pchola indicated that the motor control center shop drawing submittal was received and reviewed by SBRSA staff and AECOM. Comments on the submittal were returned to the Contractor on January 11, 2012.

481.03 Board Related Activities

Resolution 2012-01, To Provide the 2012 Rate Schedule

Mr. Kantorek recommended approval of Resolution 2012-01, Rate Schedule. The 2012 Rate Schedule was approved as presented on a motion by Mr. Patel, seconded by Mr. McKinnon and passed by a roll call vote of 4 to 0. Resolution 2012-01 follows.

RESOLUTION TO PROVIDE THE 2012 RATE SCHEDULE

Resolution No. 2012-01

WHEREAS, the Stony Brook Regional Sewerage Authority (hereinafter “the Authority” or “SBRSA”) is authorized by the Sewerage Authorities Law, and particularly N.J.S.A. 40:14A-7(11), to make and enforce rules and regulations for the management and regulation of its affairs and for the use, maintenance and operation of the sewerage system of the Authority, and to amend the same from time to time; and

WHEREAS, the Authority is authorized, when necessary and desirable, pursuant to N.J.S.A. 40:14A-8, to charge and collect rents, rates, fees or other charges in the nature of use or service charges, based or computed on various factors “or on any combination of any such factors, and may give weight to the characteristics of the sewage and other wastes and any other special matter affecting the cost of treatment and disposal thereof, including chlorine deemed, biochemical oxygen demand, concentration of solids and chemical composition” [N.J.S.A. 40:14A-8(b)]; and

WHEREAS, the Authority desires to establish a Rate Schedule for 2012 so as to provide for the direct assessment and recovery of charges to Users discharging liquid sludge, sludge cake, septage, gray water, special wastes (Industrial Users) and high strength wastewater surcharges, as set forth in the 2012 Rate Schedule, attached hereto and made a part hereof as Exhibit A; and

WHEREAS, a notice of the 2012 Rate Schedule was published in accordance with the requirements of N.J.S.A. 40:14A-8, and a public hearing was held on January 23, 2012 at 7:30 PM, at the offices of the Authority, 290 River Road, Princeton, NJ, at which time the Authority solicited public comment on the proposed regulation.

NOW, THEREFORE, BE IT RESOLVED by the Stony Brook Regional Sewerage Authority as follows:

1. The 2012 Rate Schedule, attached hereto and made a part hereof, is hereby adopted. Any and all bills issued by the Authority by reason of this regulation shall be due and payable by the recipient within 30 days of the date thereof upon the failure of which the Authority shall be authorized to assess interest at the rate then in effect pursuant to N.J.S.A. 40:14A-21.
2. If any provision of this resolution or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, such invalidity shall not affect any other provision of the resolution and to this end the provisions of this resolution are declared to be severable.
3. This Resolution shall take effect as provided by law.

<u>RECORDED VOTE:</u>	<u>AYE</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Robert A. Bartolini	X			
Harry Compton	X			
Gale D. Downey				X
James McKinnon	X			
David Miller				X
C. Schuyler Morehouse				X
Bharat Patel	X			

Consultant List

The consultant list was provided for information.

481.04 Planning and Administration

Mr. Kantorek reported that the most current 12-month average daily River Road plant flow is 11,0320,769 gpd with 805,721 gpd of approved but inoperative flow for a total committed flow of 11,838,499 gpd with 1,221,510 gpd or 9.35% of available capacity. The most current 12-month average daily flow at the Hopewell Plant is 291,632 gpd with no inoperative flow, for a total committed flow of 291,632 gpd with 2.79% or 8,368 gpd of available capacity. The Pennington Plant presently has 293,342 gpd as the most current 12-month average daily flow, with 11,837 gpd of approved but inoperative flow, for a total committed flow of 305,179 gpd, exceeding capacity by 1.73% or 5,179 gpd. Mr. Kantorek noted that the inoperative total for the Pennington Plant is the unused portion of Bristol-Meyer Squibb approved flow.

Mr. Kantorek indicated that due to the recent wet weather conditions the 12-month average daily flows increased at all three facilities. Mr. Kantorek noted that January 2011 is the last dry month and will be replaced with a wetter January 2012. It is

anticipated that the 12-month daily average flow at the River Road WWTP will increase by 125,000 to 150,000 gpd.

Dr. Bartolini asked if the three plus inches of snow and the rain we are experiencing today had an effect on the flows. Mr. Kantorek indicated that the snow melt and today's rain did not have any significant affect on the flow.

Mr. Kantorek indicated that staff received a question from Pennington asking what would happen if a project for 8 to 10 affordable housing units were to come before SBRSA. Mr. Kantorek indicated that he explained that the 12-month average flow at the Pennington STP is close to and at times exceeds its permitted capacity. He recommended that they submit a TWA application as soon as possible. Mr. Kantorek indicated that SBRSA had some flexibility

Monthly Flow Transmittal

The monthly flow transmittal for December was provided for information.

Mr. Kantorek noted that several adjustments were made for the month.

The meter certification conducted on December 1, 2011 indicated that the low range meter at the Princeton Pumping Station was reading high by 0.54%. The meter verification conducted on December 30, 2011 indicated that the low range meter was reading high by 4.06%. The low range meter data (below 4.5 mgd) was adjusted down by 2.3% which is the average of the December meter certification conducted on December 1st and the meter verification conducted on December 30th. Note that only a portion of the meter data (below 4.5 mgd) for December 7th was adjusted and all data on December 8th was above 4.5 mgd and therefore did not require adjustment.

At Meter Station No. 6, the meter data for December 13th indicated that there was an issue with the meter. Upon investigation Staff determined that the transponder was faulty and it was replaced on December 14, 2011. The meter data for December 13th and 14th has been replaced with the average of the percent flow of Meter Chamber No. 6 to the Princeton Pumping Station which is 59%.

Review of the meter data at the Pennington STP Influent indicated that the meter reached its maximum capacity for a portion of the day on December 7th and 8th. Review of the level indicator data for the influent structure confirmed that the flume was surcharged. Therefore the meter data for December 7th and 8th was replaced with the effluent meter data.

481.05 Approval Requests and Actions

TWA-1 Approvals

None.

Time Extensions

None.

NJPDES Endorsements Requested

None.

Water Quality Management Plan Amendments

None.

481.06 Regulatory Report

Discharge Monitoring Report (DMR) and NJPDES Compliance

Mr. Rahimi reported that the November DMR has been submitted to NJDEP. There were no violations reported for any of the three plants.

Mr. Rahimi indicated that the December DMR has not been submitted to NJDEP as reported. There is a problem with an update for the Operator 10 software and therefore, staff will complete the report manually.

Mr. Rahimi reported that the River Road semi-annual Phosphorus Compliance Report was submitted to NJDEP. A copy of this report was provided to the Board.

Mr. Rahimi indicated that the annual beneficial reuse reports have been submitted to NJDEP for the River Road, Hopewell and Pennington facilities.

Mr. Rahimi reported that the annual Infiltration/Inflow report has been submitted to NJDEP on January 20, 2012. A copy of the report was provided to the Board.

Mr. Rahimi indicated that the quarterly Capacity Assurance Report was submitted to NJDEP on December 20, 2011. A copy of the report was provided to the Board.

Residual Discharge Monitoring Reports

Mr. Rahimi reported that the October Residuals Discharge Monitoring Reports were submitted to NJDEP. All River Road parameters were compliant with the Air Permit requirements. The November report is currently being reviewed.

Mr. Rahimi noted that the annual River Road Residuals Waste Characterization Report was submitted, summarizing the quantity of sludge removed from the facility for the calendar year 2011.

Air Reporting

Mr. Rahimi reported that the Annual Belt Filter Press Report was submitted to NJDEP. This report calculates hourly and annual emissions rates for formaldehyde, benzene, vinyl chloride, chloroform, carbon tetrachloride, 1,1,1 trichloroethane, methylene chloride, tetrachloroethylene, trichloroethylene, toluene and xylenes. The calculated emissions were less than the Title V permit limits.

Mr. Rahimi reported that staff has prepared the 4th quarter 2011 Excess Emissions and Monitoring Report and it is currently in the process of being reviewed. There were no excess emissions during this monitoring period.

Mr. Rahimi indicated that the federal 40 CFR 60 Subpart O Semi-annual Reports are currently being prepared for the incinerators.

Mr. Rahimi noted that staff is in the process of preparing the Semi-annual and Annual Title V Compliance reports.

Mr. Rahimi reported that staff has been contacted by the NJDEP indicating that there will be a penalty associated for switching the oxygen analyzers on April 9, 2011 in the CEMS cabinets. The penalty assessment is for excessive down time for the analyzers as the oxygen analyzers were deemed not certified for the CEMS units after the switch (staff was unaware that the O₂ analyzers could not be switched). Subsequently the O₂ analyzer for CEMS No. 1 was certified on May 10, 2011 and O₂ analyzer for CEMS No. 2 certified on June 23, 2011 (date of the RATAs).

Discussions with NJDEP indicated that the potential penalty is expected to be \$24,000 with a 50% reduction for a total of \$12,000. A formal letter from NJDEP will be provided to SBRSA within the week.

Mr. Kantorek indicated that staff was unaware that it could not switch the O₂ analyzer from one CEMS unit to another since both are certified. The O₂ analyzers are certified by an outside company when the RATA Test is performed.

Ms. Pchola indicated that the Authority self-reported this error. Ms. Pchola indicated that during the Authority's NJDEP inspection, our compliance officer indicated that SBRSA

should submit an Affirmative Defense. Staff did submit an Affirmative Defense but was told that it was past the thirty (30) day submission period. Ms. Pchola also noted that the switching of the analyzers was a method used to trouble shoot the equipment.

Chairman Bartolini recommended that staff develop and implement a cost effective procedure to avoid this type of issue from occurring again.

Safety

Staff conducted the annual lock/out tag/out audit December 29, 2011.

A safety meeting was held on January 11, 2012. Minutes of the meeting were provided to the Board.

The following safety training was provided:

<u>Date</u>	<u>Training</u>	<u>Provider</u>	<u>Number of Employees</u>
12/14/11	Safety Outlook	SBRSA	43
1/10/12	Snow Plow Safety	JIF	3

Mr. Kantorek noted that staff is now preparing the reports that were being completed by Chavond Barry Engineering.

481.07 Litigation

The Litigation Report was provided for information.

481.08 Operations Report

Mr. Kunert reported that the air scour diffusers for filter #2 at the Hopewell STP were removed, repaired and reinstalled. Media was then added to filter #2 and filter #3 to bring the media levels to specifications.

Mr. Kunert indicated that the outer shell of hearth level #4 on Incinerator #2 was in need of repair. Due to the fact that approximately 80% of this hearth's shell required new steel to be placed over the existing shell, staff decided to have the entire shell repaired with new steel. Albertus Energy performed this repair in accordance with the annual Incinerator Repair and Maintenance Contract.

Mr. Kunert reported that the scrubber venturi section for Incinerator #2 was in need of repair. A hole caused by corrosion needed to be patched. Since this venturi was patched several times in the past, staff elected to replace the entire venturi section with the new section that was in storage. The work was performed in-house.

Mr. Kunert indicated that the service water booster system at the Pennington STP was replaced. New pumps, piping and valves were installed. This work was performed by SBRSA staff.

Odor Reports

Mr. Kunert reported that staff received one odor complaint from our surrounding area during the month of December. No odor complaints were received for the partial month of January.

Customer Septage and Sludge Deliveries

The quantities of liquid sludge and gray water were below the budgeted amounts for the month of December while the quantity of sludge cake was slightly above the budget amount.

Maintenance Report

Mr. Ireland reported that on December 13, 2011 Liberty Mechanical received the new heater coil for the back lab area and was onsite to install the unit. The unit is now operational.

Mr. Ireland indicated that on January 5, 2012, the soft start for Incinerator #1 Turbo Fan was not functioning properly. After several hours of troubleshooting by Electronic Drives, the soft start from Incinerator #2 was removed and installed on Incinerator #1 and placed back online. Two new Toshiba Soft Starts have been ordered.

Mr. Ireland noted that on January 17, 2012 the new four wheel drive backhoe was received. The backhoe SBRSA presently has, reached the end of its useful life and was becoming a safety concern and was in need of constant repair. A photo was provided although the backhoe is similar it is not the one the Authority purchased.

Mr. Ireland reported that the number of work requests currently open stands at twenty (20) with approximately seven (7) requests issued on a daily basis. On the Preventative Maintenance graphs SBRSA is currently averaging four (4) days overdue and the number of overdue units is approximately forty-five (45).

481.10 Finance Report

Payment of Bills and Claims

Mr. Neuhof recommended approval of the payment of bills and claims in the amount of \$1,084,520.00 with two signatures instead of three; moved by Mr. McKinnon, seconded by Mr. Compton and passed by a vote of 4 to 0.

Treasurer's Report

Mr. Neuhof reported that net income for the first month of the new fiscal year is a loss of \$17,576. The Authority has total investments of \$16,473,012 at an average interest rate of 0.30%. The balance for current construction projects is \$14,365,434. Mr. Neuhof indicated that there are sufficient funds for these projects. The New Jersey Cash Management Fund yield remains at 0.04%.

Resolution 2012-03, Open Bank Account for Flexible Spending Account Funds

Mr. Neuhof explained that Chapter 78, P.L. 2011, Pension and Health Benefits Reform, requires public entities to offer to its employees a Flexible Spending Account (FSA). A new bank account (PNC Bank) to deposit the new FSA funds needs to be opened. This resolution authorizes the Chief Financial Officer and the Executive Director to open the new account.

In addition, SBRSA is seeking approval to authorize AFLAC as its agent to draw benefit checks directly on the account and electronically transfer funds to pay eligible medical and dental expenses.

Mr. Neuhof noted that AFLAC will be on-site Thursday, January 26, to discuss the FSA with SBRSA's employees.

Mr. Neuhof recommended approval of this resolution. So moved by Mr. Patel, seconded by Mr. McKinnon and passed by a roll call vote of 4 to 0. Resolution 2012-03 follows.

Resolution to Open a New Bank Account for Flexible Spending Account Funds

Resolution No. **2012-03**

BE IT RESOLVED, by the Stony Brook Regional Sewerage Authority that the Chief Financial Officer and the Executive Director are hereby authorized to open a new bank account with PNC Bank to administer the new Flexible Spending Account funds (FSA) in accordance with the requirements set forth in Chapter 78, P.L. 2011.

BE IT FURTHER RESOLVED, by Stony Brook Regional Sewerage Authority, that AFLAC is hereby appointed as its agent, to (a) draw benefit checks directly on the Account; (b) electronically transfer benefit payments from the Account; (c) electronically access Account information; and (d) execute the financial institution's standard Deposit/Account Agreement on Stony Brook Regional Sewerage Authority's behalf.

Recorded Vote:

	<u>AYE</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Robert A. Bartolini	X			
Gale D. Downey				X
James McKinnon	X			
David Miller				X
C. Schuyler Morehouse				X
Bharat Patel	X			
Harry Compton	X			

Resolution 2012-04, To Close 2009 New Jersey Infrastructure Trust Project Funds Bank Account

Mr. Neuhof explained that this account was required by the New Jersey Environmental Infrastructure Trust (NJEIT). The account, held at US Bank, is no longer needed and has a balance of \$3.96. This resolution authorizes the Chief Financial Officer and the Executive Director to close this account and transfer the balance of \$3.96 to the General Fund.

Mr. Neuhof recommended approval of Resolution 2012-04. So moved by Mr. Patel, seconded by Mr. McKinnon and passed by a roll call vote of 4 to 0. Resolution 2012-04 follows.

Resolution to Close 2009 New Jersey Infrastructure Trust Project Funds Bank Account

Resolution No. **2012-04**

Whereas, the Stony Brook Regional Sewerage Authority has completed the 2009 NJEIT Financed Projects, and;

Whereas, the NJEIT has by letter dated May 18, 2011 indicated that residual project funds held by the Trust are to be transferred into the Trusts revenue account to be used as credits to pay principal and interest on project No. S342 400-05, and:

Whereas, the Stony Brook Regional Sewerage Authority has a balance of \$3.96 in its 2009 NJEIT project funds account held at US Bank that is no longer needed, and:

Now, Therefore, Be It Resolved, that the Stony Brook Regional Sewerage Authority authorizes the Chief Financial Officer and the Executive Director to instruct the Trustee, US Bank to transfer the residual balance of \$3.96 to the General Fund and close the 2009 Infrastructure Trust Project Funds Account.

Recorded Vote:

	<u>AYE</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Robert A. Bartolini	X			
Gale D. Downey				X
James McKinnon	X			
David Miller				X
C. Schuyler Morehouse				X
Bharat Patel	X			
Harry Compton	X			

Monthly Sludge Business Analysis

The monthly Sludge Business Tracking for FY 2012 was provided to the Board. Mr. Neuhof reported that net income and cumulative net income for the first month of the new fiscal year is \$139,171. Gas usage for the month of December was 69,105 therms. The simple remaining payback for the RTO is 3.6 years.

Dr. Bartolini noted that although there is a small loss in net income for the month, the sludge business shows net income of \$139,171.

481.11 Personnel Report

The Personnel Report was provided for member information.

Mr. Kantorek noted that Mr. William Hill was promoted from an Operator II to an Operator I.

481.12 Correspondence

For information

481.13 Old Business

None.

481.14 New Business

Award of Liquid Sludge Contracts

The following liquid sludge contracts were approved on a motion by Mr. Compton, seconded by Mr. Patel and passed by a vote of 4 to 0:

United Water – Princeton Meadows	01/01/2012 to 12/31/2012
Educational Testing Services	01/01/2012 to 12/31/2012
Johnson & Johnson CPC	01/01/2012 to 12/31/2012

Resolution 2012-02, Award of Contract for the Supply of Electricity

Mr. Neuhof explained that bids were received on December 22, 2011 for the supply of electricity. This was done through the New Jersey Sewerage and Municipal Authority Electrical Supply Aggregation.

Mr. Neuhof indicated that PPL Energy Plus provided the lowest 24-month fixed price of \$0.06823 per kilowatt hour (kWh) for the “LPLP” accounts and \$0.08586 per kWh for GLP/LPLS. This represents a reduction of \$0.017 kWh compared to the Authority’s current price of \$0.085293 kWh. Mr. Neuhof indicated that the Authority will realize a savings of approximately \$500,000 over the 24-month period; \$125,000 in 2012, \$250,000 in 2013 and \$125,000 in 2014. The new contract will begin on June 1, 2012.

Mr. Neuhof noted that all six (6) of the Authority’s major facilities (River Road WWTP, Princeton Pump Station, Millstone Pump Station, South Brunswick Pump Station, Hopewell STP and Pennington STP and South Brunswick Pump Station) are included in this contract.

Mr. Neuhof recommended approval of Resolution 2012-02, awarding a 24-month contract to PPL Energy Plus for the supply of electricity. So moved by Mr. Patel, seconded by Mr. McKinnon and passed by a roll call vote of 4 to 0. Resolution 2012-02 follows.

RESOLUTION AWARDING CONTRACT FOR THE SUPPLY OF ELECTRICITY

Resolution No. 2012-02

WHEREAS, the cost of electricity is a major component of the Stony Brook Regional Sewerage Authority’s operating budget; and

WHEREAS, in an effort to reduce the cost of electricity, the Authority joined the New Jersey Sewerage and Municipal Utilities Authority Electrical Supply Aggregation (“NJMUAESA”) for the purpose of consolidating the electricity supply demands of the group in order to obtain a lower price for the supply of electrical service; and

WHEREAS, in accordance with the regulations of the New Jersey Board of Public Utilities, the Authority is required to seek the purchase of its basic generation service for electricity from the open market in accordance with the provisions of the Local Public Contracts Law; and

WHEREAS, to that end the Authority, as part of the NJMUAESA Group, proceeded with the procurement of basic electric supply service through a competitive public bidding process on December 22, 2011; and

WHEREAS, PPL Energy Plus, LLC was the lowest bidder for a 24 month period from May 2012 meter read at a fixed rate in the amount of \$0.06823 per kilowatt hour (“kWh”) for the LPLP tariff accounts and \$0.08586 per kilowatt hour (“kWh”) for the GLP/LPLS tariff accounts; and

WHEREAS, funds will be provided for these purposes from General Operating Funds.

NOW, THEREFORE, BE IT RESOLVED by the Stony Brook Regional Sewerage Authority as follows:

1. Robert A. Bartolini, Chairman, is authorized to execute an Electric Supply Service Agreement with PPL Energy Plus, LLC, 2 North 9th Street, Allentown, PA, to provide electric generation service and transmission to the Authority, for a 24 month fixed price of \$0.06823 per kWh which for the “LPLP” accounts and \$0.08586 per kilowatt hour (“kWh”) for the GLP / LPLS. This agreement shall be effective from the commencement date (first meter read date in May 2012) until the termination date (first meter read date in May 2014).
2. A copy of the Resolution shall be available for public inspection at the office of the SBRSA.
3. Notice of Contract Award shall be published as required by law within ten (10) days of its execution.

<u>Recorded Vote:</u>	<u>AYE</u>	<u>NO</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Robert A. Bartolini	X			
Gale D. Downey				X
James McKinnon	X			
David Miller				X
C. Schuyler Morehouse				X
Bharat Patel	X			
Harry Compton	X			

481.15 Adjournment

As there was no further business to come before the Board, the meeting was adjourned at approximately 8:26 p.m. on a motion by Mr. Patel and seconded by Mr. McKinnon and passed by unanimous vote.

Respectfully Submitted,

John Kantorek
Secretary

Recorded and Written by
Patricia Carlino
January 30, 2012