

Minutes of Meeting #496 April 22, 2013 – Stony Brook Regional Sewerage Authority

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

MEMBERS PRESENT: Bartolini, Compton, Downey, Morehouse

MEMBERS ABSENT: Goldfarb, Patel

CONSULTANTS: Alexander

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

496.01 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 Bulletin Board.

496.02 Approval of Minutes

Dr. Downey moved the approval of the minutes from the March 25, 2013. Mr. Compton seconded. The minutes from the March 25, 2013 meeting were approved as presented by a vote of 4 to 0.

Dr. Downey indicated that although the minutes are correct as presented, she questioned the wording in Resolution 2013-10 in the paragraph 5 regarding reportable contributions citing Mercer County and Middlesex County. Dr. Downey indicated that it is her understanding that all contributions were reportable and that there is a certain contribution amount that would not affect a vendor from receiving a contract. Ms. Alexander, Counsel for the Authority, explained there is a difference between what is reportable and what amount would disqualify a vendor from receiving a contract if contributions are made to a County. Dr. Downey noted that the resolution states that no reportable contributions were made by the vendor. Dr. Downey recommended that the wording in resolutions be changed going forward.

496.03 Board Related Activities

Chairman Bartolini indicated that the Audit Report would be presented at this point in the meeting.

Mr. Neuhof reported that the Finance Committee met in March to review in detail the 2012 Audit Report. There were no recommendations from the Committee.

Mr. Neuhof introduced Crystal Fitzpatrick and Karen Davis from Hutchins, Myer & DiLieto, the Authority's auditing firm located in Toms River, NJ. The staff at the Freehold Office performed the audit the prior four years.

Ms. Fitzpatrick began by reviewing the Independent Auditor's Report. Ms. Fitzpatrick explained that this report is a summary of the results of the audit procedures. The Authority received an Unqualified Opinion which is the best rating for an audit. Ms. Fitzpatrick noted that the Independent Audit Report indicates that the financial statements are fairly presented in accordance with Generally Accepted Accounting Principles (GAAP).

Ms. Fitzpatrick indicated that internal controls were assessed in the audit and there was no evidence of non-compliance and no separate management letter was issued. In addition, an audit of Federal and State Awards was conducted and no acts of non-compliance were found.

Ms. Fitzpatrick reviewed the Comparative Statements of Revenues, Expenses and Changes in Net Position for the years ended November 30, 2012 and 2011. Total Operating Revenues for 2012 were \$14.7 million compared to \$14.8 million in 2011. Operating Expenses excluding depreciation were up slightly for 2012 at \$11 million compared \$10.6 million in 2011. Operating income for 2012 was \$584,953. Net income which includes non-operating revenues/expenses for 2012 was \$437,801.

Ms. Fitzpatrick noted that the Authority elected to early implement Government Accounting Standards Board (GASB) Statement No. 65. Accounting changes adopted to conform to this provision are to be applied retroactively by restating all prior periods presented. As a result, an adjustment of \$211,184 was made to the December 1, 2010 opening balance of net position and reflects the unamortized debt issuance costs as of that date. Also prior year period financial statements have been restated from those previously issued by increasing bond issue cost expense while decreasing net income by \$13,067 for bond issue costs incurred during fiscal year 2011.

Mr. Neuhof noted that the Authority issued \$7 million in Revenue Refunding Bonds with an average interest rate of 3.03% to advance-refund \$6,695,000 of outstanding 2004 series Revenue Bonds with an average interest rate of 4.84%. The gross debt service savings is \$503,412. On a present value basis the debt service savings is \$317,965 or 4.75%.

Mr. Neuhof, referring to the Authority's net position, indicated that the Authority has total restricted funds of \$9.5 million and total unrestricted funds of \$7.7 million ending November 30, 2012. The \$6.6 million designated for future capital projects is provided in the Authority's ten (10) year plan.

Ms. Davis noted that their staff encountered no problems or issues while conducting the Authority's audit which is a reflection of good management.

Mr. Neuhof recommended approval of Resolution 2013-12, Certifying Member Review of the 2012 Audit. So moved by Mr. Morehouse, seconded by Dr. Downey and passed by a roll call vote of 4 to 0. Resolution 2013-12 follows.

RESOLUTION
Certifying Member Review of the 2012 Audit

Resolution No. 2013-12

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 report for the fiscal year ended **November 30, 2012** has been completed and will be filed with the State of New Jersey, Division of Local Government Services, Department of Community Affairs, Bureau of Authority Regulation, Local Finance Board pursuant to N.J.S.A. 40A:5A-15, and

WHEREAS, N.J.S.A. 40A:5A-17 requires that the governing body of each authority, 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” in accordance with N.J.S.A. 40A:5A-17.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the **Stony Brook Regional 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 **November 30, 2012**, 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.

Recorded Vote:

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

Auditing Firm Letter Requesting Extension of Services

Mr. Neuhof explained that it is the Authority’s policy to rotate the financial statement auditor every five (5) years. Mr. Neuhof noted that the Toms River Office has separated from the firm and the new firm is known as Hutchins, Myer & DiLieto. Mr. Neuhof

noted that this was discussed with the Finance Committee and the Committee had no problem with the idea of remaining with the new firm.

The Board agreed. A proposal and resolution for auditing services will be presented at the May meeting.

Paper or Electronic Board Book

Mr. Kantorek explained that staff is trying to determine if Board members would like to receive an electronic Board book or a paper Board book or both. Mr. Kantorek indicated that staff has been working to make the Board book more manageable (size) electronically. The information would be available on the Authority's website and password protected.

Chairman Bartolini indicated that there are merits to storing the Board book electronically however, there needs to be a transition period. Dr. Downey indicated that she prefers to receive a paper copy of the book.

Consultant List

The consultant list was provided for information. Mr. Kantorek noted that no new contracts were pending award tonight.

496.04 Planning and Administration

Mr. Kantorek reported that the most current 12-month average daily River Road plant flow is 8,714,926 gpd with 900,324 gpd of approved but inoperative flow for a total committed flow of 9,615,250 gpd with 3,444,750 gpd or 26.38% of available capacity. The most current 12-month average daily flow at the Hopewell Plant is 209,204 gpd with no inoperative flow, for a total committed flow of 209,204 gpd with 30.27% or 90,796 gpd of available capacity. The Pennington Plant presently has 233,682 gpd as the most current 12-month average daily flow, with 15,082 gpd of approved but inoperative flow, for a total committed flow of 248,764 gpd, with 17.08% or 51,236 gpd of available capacity. Mr. Kantorek noted that the inoperative flow total for the Pennington Plant is the unused portion of Bristol-Meyers Squibb approved flow.

Mr. Kantorek noted that as dry weather conditions prevail, flows remain under the straight-line projections.

Monthly Flow Transmittal

The monthly flow transmittal for March was provided for information.

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

At the Princeton Pumping Station, W.G. Malden attempted the meter certification on March 4th but was unable to recalibrate the meter to within $\pm 2\%$; however the initial

percent error found was approximately +5.2% at the low range and approximately +2.92% at the high range meter. On March 6th staff cleaned the diaphragms on the meters and recalibrated the meters. Therefore the meter data for March 1st through March 6th was adjusted downward by 3.46% which is the average of the meter verification conducted on January 31, 2013 and the meter certification conducted on March 4, 2013. All meter data for those six days was less than 4.5 mgd (the maximum reading of the low range meter). W.G. Malden certified the low and high range meters on March 20, 2013, both were within $\pm 2\%$. The meter verification conducted on April 1 indicated that the meter (both low and high ranges) was within $\pm 2\%$ and therefore no adjustments were necessary for the remainder of the month.

There was a grease clog in the flume on March 21st at Meter Chamber No. 7. The clog was cleared on March 22nd. Therefore the data for those days were replaced with the average of March 20th and 23rd.

The meter verification conducted on March 4, 2013 at the Pennington Influent indicated that the meter was reading low by 0.51%. The meter certification conducted on April 1, 2013 indicated that the meter was reading high by 4.68%. The meter data starting on March 4th was adjusted downward by 2.085% which is the average of the meter certification and meter verification

There have been some issues with communications between the Bristol Myers Squibb meter and SBRSA's database and therefore not all data is being recorded into the Authority's database. Staff receives meter data from BMS monthly. The flow data received from BMS for the month of March 2013 is included in the flow report. The flow from this meter does not impact the flows from any participant.

496.05 Approval Requests and Actions

TWA-1 Approvals

The Children's Hospital of Philadelphia, Block 1701 Lot 4.01, Plainsboro Township

Ms. Pchola indicated that this project is for the construction of a 26,600 sf hospital medical office complex. The project will include the installation of approximately 1,200 linear feet of 8-inch gravity sanitary sewer and will discharge to an existing 24-inch gravity sewer on Plainsboro Road. The flow associated with this project is 2,660 gpd (0.1 gpd per square foot).

The project has been endorsed by the Plainsboro Township Engineer and approved by the Plainsboro Planning Board. The application has been approved by the South Brunswick Township Engineer.

Staff recommended approval of this application at the requested flow. So moved by Dr. Downey, seconded by Mr. Compton and passed by a vote of 4 to 0.

Time Extensions

None.

NJPDES Endorsements Requested

None.

Water Quality Management Plan Amendments

Wastewater Management Plan for Mercer County, New Jersey dated March 2013

Mr. Kantorek reported that the Amendment to the Mercer County Wastewater Management Plan (WMP) was discussed at the March meeting. At that meeting, the Board requested that the Plan be presented again at the April meeting and no action was taken in March.

Mr. Kantorek explained that in accordance with N.J.A.C. 7:15, the County is required to request a written statement of consent for the WMP amendment from entities that have a substantial interest in approval of the proposed amendment. The written statement of consent shall be submitted within 60 days of the receipt of the request. The Consent of the Final WMP is formalized in Resolution 2013-11 consenting to present and future SBRSA wastewater flows and facilities. The consent also indicates that SBRSA's consent does not preclude any consent or non-consent of the WQM plan by any of its member municipalities.

Mr. Kantorek indicated that as requested by the Board at the March Board meeting, the resolution has been amended. Mr. Kantorek explained that the first two paragraphs are new to the resolution as well as numbers 1 and 2 which are contained in the last paragraph.

A brief discussion followed regarding the proposed future service areas. Dr. Downey expressed concern that according to the Plan, the Pennington STP expansion has an October 8, 2015 expiration date. Dr. Downey asked if adopting the Plan eliminates that expiration date. Dr. Downey indicated that both staff and the Board worked very hard to get the Pennington WMP approved and does not want to jeopardize the approval for expansion. Mr. Kantorek indicated that the expiration date on the Pennington expansion will be included in SBRSA's comments.

Resolution 2013-11 was approved on a motion by Dr. Downey, seconded by Mr. Compton and passed by a roll call vote of 4 to 0. Resolution 2013-11 follows.

**Resolution Consenting to the Proposed Water Quality Management (WQM) Plan
Amendment Entitled
Wastewater Management Plan for Mercer County, New Jersey**

Resolution No. 2013-11

WHEREAS, the Stony Brook Regional Sewerage Authority (SBRSA) was formed by the municipalities of Princeton, West Windsor Township, South Brunswick Township, Pennington Borough, Hopewell Borough and Hopewell Township to improve water quality in the watershed; and

WHEREAS, it has always been the policy of SBRSA that all matters of Land Use Planning were the purview of its member municipalities; and

WHEREAS, the SBRSA desires to provide for the orderly development of wastewater facilities within Princeton, West Windsor Township, South Brunswick Township, Pennington Borough, Hopewell Borough, and Hopewell Township; and

WHEREAS, the New Jersey Department of Environmental Protection (NJDEP) requires that proposed wastewater treatment and conveyance facilities and wastewater treatment service areas, as well as related subjects, be in conformance with an approved WQM plan; and

WHEREAS, the NJDEP has established the WQM plan amendment procedure as the method of incorporating unplanned facilities into a WQM plan; and

WHEREAS, a proposed WQM plan amendment noticed in the New Jersey Register on March 4, 2013 for the Wastewater Management Plan for Mercer County, New Jersey has been prepared for the Mercer County Planning Board by CDM Smith and the Mercer County Planning Division;

NOW THEREFORE, BE IT RESOLVED on this 22th day of April, 2013, by the governing body of the Stony Brook Regional Sewerage Authority that:

1. The Stony Brook Regional Sewerage Authority hereby consents to the portions of the amendment entitled Wastewater Management Plan for Mercer County, New Jersey, and publicly noticed on March 4, 2013, prepared by CDM Smith and the Mercer County Planning Division, for the purpose of its incorporation into the applicable WQM plan(s), which address present and future SBRSA wastewater flows and facilities.
2. This consent by SBRSA does not preclude any consent or non-consent of the WQM plan by any of its member municipalities.
3. This consent shall be submitted to the NJDEP in accordance with N.J.A.C. 7:15-3.4.

Recorded Vote:

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

496.06 Regulatory Report

Discharge Monitoring Report (DMR) and NJPDES Compliance

Mr. Rahimi reported that the February 2013 DMRs were submitted to the NJDEP. There were no violations reported at any of the three plants.

Mr. Rahimi indicated that the March DMRs were submitted to the NJDEP. However, the reports need to be revised and resubmitted due to the revised flow figures.

Residuals Discharge Monitoring Report (RDMR)

Mr. Rahimi reported that the January 2013 RDMR was submitted to the NJDEP. All River Road parameters were compliant with the requirements of the Authority's Air Permit.

Mr. Rahimi noted that staff is currently reviewing the February RDMR.

Air Reporting

Mr. Rahimi reported the annual RATAs for the CEMS for all four operating scenarios were completed on April 8th and 9th by Industrial Technical Services Inc.

Mr. Rahimi indicated that the 1st quarter 2013 Excess Emissions and Monitoring Report is currently being reviewed by staff. There were no excess emissions during this monitoring period.

Mr. Rahimi reported that a Hotline call was made on March 11, 2013 when the SBRSA Operations staff thought that Incinerator No. 1 with the afterburner (OS1) was operating below the calculated Subpart O differential pressure reporting limit based on the results from the most frequent stack test. A closer investigation of the data indicates that SBRSA did not operate the incinerator (OS1) below the reporting limit. A copy of this letter was provided to the Board.

Mr. Rahimi noted that staff is in the process of compiling data for the 2013 Emission Statement. Staff will work in conjunction with KEMS to prepare the Emission Statement. Staff attended a seminar on April 3, 2013 related to the Emission Statement and the Radius Program.

Laboratory

Mr. Rahimi reported that the laboratory annual certification application, July 1, 2013 to June 30, 2014, was submitted to NJDEP on March 26, 2013.

Miscellaneous

Mr. Rahimi reported that applications for the National Association of Clean Water Agencies (NACWA) Peak Performance Awards were submitted on March 25, 2013 for all three facilities. In the past there has been a minimum plant flow capacity requirement for application submittals. The 2012 applications do not have this requirement, therefore Hopewell and Pennington plants are eligible to receive this award.

Safety

Mr. Rahimi reported that there were no loss time accidents/injuries reported for the month of March.

Mr. Rahimi indicated that the first quarter Safety Incentive Program (SIP) was submitted to the Joint Insurance Fund (JIF). A copy of the report was provided to the Board.

Mr. Rahimi noted that training for this reporting period included:

- Hazcom with Global Harmonization (GHS) provided by Certified Health and Safety Services for 16 employees on April 17, 2013.

Mr. Rahimi reported that staff is presently continuing work or has completed the following projects:

- Staff is in the process of replacing lighting with new and more efficient lighting.

Mr. Rahimi indicated that staff coordinated with Fyr-Fyter and the fire sprinkler repairs were made at the Princeton Pumping Station on March 28th and 29th. Staff consulted with the Princeton Fire Inspector and all items on the Order to Comply have been satisfied.

Mr. Rahimi reported that staff implemented a weekly flushing schedule of the three fire sprinkler systems to keep the lines clear of debris to prevent costly repairs in the future.

Mr. Rahimi noted that the National Fire Protection Association (NFPA) recommends that an infrared survey be conducted every five years to help identify potential exposures in electrical systems that may cause unscheduled downtime, costly repairs and injuries. Staff has decided that since Stony Brook is already in possession of an infrared camera, it would be in the best interest for Stony Brook to certify an employee to conduct such a survey. One SBRSA staff member will be certified to conduct the survey.

496.07 Litigation

The Litigation Report was provided for information. Ms. Alexander indicated that although there were no new items to report the sections regarding Bakker vs. Stony Brook Regional Sewerage Authority and Contract Issues with AECOM have been removed from the report since both issues have been resolved.

496.08 Operations Report

Mr. Kunert reported that staff is continuing to improve its operating strategy at the Upstream Facilities. The dissolved oxygen probes have been installed in the inner rings of the Orbal Aeration Tanks and the VFD installation, which will drive the 2nd drive on each Orbal Tank, is approximately 50% complete. Photographs were provided to the Board. Staff has also been reconfiguring the aeration disks in each Orbal Tank on each drive, in each ring, to give the desired Dissolved Oxygen profile needed to achieve the necessary BOD removal while completely nitrifying and partially denitrifying during all seasons and varying flow conditions.

Mr. Kunert indicated that in an attempt to reduce sludge hauling costs from the Upstream Facilities, modifications have been made to each sludge trailer that is used to hold sludge for removal. On the backside of each tanker three 2" holes have been cut out at three different elevations and stainless steel flanges have been welded over these holes. Staff has threaded valves into these flanges allowing the hook-up of a hose to decant the clear water from the trailer once the sludge settles within the trailer. Thus far it is working as planned. The cutting and welding was performed by an outside contractor that is certified in welding pressure vessels.

Mr. Kunert reported that all of the chlorine contact tanks and re-aeration tanks at the River Road Facility have been pumped down, cleaned, and put back into service.

Mr. Kunert noted that the RATA test for both Incinerators was completed the week of April 8, 2013.

Mr. Kunert reported that staff is in the process of obtaining quotes for the mulch needed to replace the existing mulch in all four bio-filters. Mr. Kunert indicated that staff is having trouble obtaining a second quote. Dr. Downey explained that it is important to have the media changed out prior to the summer months.

Odor Report

Staff received no Odor Complaints from our surrounding area during the month of March. No odor complaints were received during the partial April 2013 reporting period. The full April number will be reported in May.

Customer Septage and Sludge Deliveries

The quantities of liquid sludge and sludge cake exceeded their budgeted amounts while the quantity of gray water was below the budgeted amount for the month of March. Mr. Kunert indicated that the Authority may be losing Bayshore as a customer since they may be going out to bid for disposal of its sludge cake.

Maintenance Report

Mr. Ireland reported that on March 21, 2013, Municipal Maintenance was on site to remove the drive unit for M.A. Clarifier #1 for repairs. This unit was originally scheduled for installation the week of April 24, 2013, but has been pushed back to May 3, 2013, due to delays in receiving parts to complete the job. Photographs were provided to the Board.

Mr. Ireland indicated that during Routine Preventive Maintenance of the Hopewell facility generator it was discovered that the valve cover gasket was leaking oil. EMR was notified and once they were onsite to make the necessary repairs a DEP Hotline Call was made and the generator was taken out of service for several hours. After completion of the repair the generator was tested and put back into service.

Mr. Ireland reported that on March 22, 2013, the Millstone Flowminutor was put back into service after several months of down time. Many of the parts had taken quite some time to receive and the man hours installing the two hundred and eighty-two teeth was time consuming. Also a drive sprocket chain and a chain mounting ring were replaced.

Mr. Ireland indicated that Nitrification Return Sludge Pump #4 was taken offline to replace a bad mechanical seal with a new (442) mechanical seal improving reliability.

Mr. Ireland reported that the number of open work requests stand at eight (8) with approximately six (6) issued on a daily basis. The Preventive Maintenance graphs show that SBRSA is currently averaging three days (3) overdue and the number of overdue units is approximately twenty-nine (29).

496.09 Construction Report

2013 Annual Inspection

Ms. Pchola reported that staff is currently in the process of coordinating the site visits for Kleinfelder and AECOM to conduct the annual inspection. It is anticipated that the inspection will begin in May.

Contract 13-3 Pennington WWTP Return Sludge Pump Replacement Project

Ms. Pchola indicated that the draft plans and specifications for the project have been completed and are under staff review. The project is expected to be out for bid in May 2013

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

Ms. Pchola indicated that on April 18, 2013 staff and Dr. Downey met with Dr. Chun of Alliance Technologies to review the sampling and analysis performed on the WESP and develop a plan to complete a more detailed analysis of the samples obtained during the last WESP testing. Additional information was submitted to Alliance Technologies on

April 18th to assist Alliance in preparation of a proposal to SBRSA for sampling and analysis to determine the WESP performance as outlined in the contract performance specifications. Ms. Pchola indicated that a lengthy discussion took place at the Construction Committee meeting. As a result of the meeting, staff will contact Dürr to obtain their recommendation for particle size removal prior to the RTO.

Contract 10-1, Headworks Project

Ms. Pchola indicated that as of Pay Estimate No. 25 this project is 76% complete. Tomar completed the surface preparation of the channel walls, floors of the grit removal tanks for the application of the protective coating, began the installation of the yard hydrant system, completed the painting of the ceilings in the headworks building, and installed checker plate channel covers and support beams. Tomar continued to screen, stockpile, and transport landfill material. The electrical sub-contractor continued the installation of light fixtures, wire and conduit, and completed wiring and rotation check of the Dumpster-veyor, and the two shaftless screw conveyors. Progress photographs have been included at the end of this section.

Ms. Pchola reported that Tomar, with input from SBRSA staff, developed a plan to bypass the plant influent flow around the existing aerated grit chambers that will allow Tomar to continue with the installation of the site piping. As part of this plan, the new manhole that will connect the new plant blending line to the existing plant blending line is to be installed, allowing use of the plant blending line while on the temporary bypass. Based on the contract drawings Tomar excavated a test pit to locate the existing plant blending line (PBL). However, the actual location and alignment of the PBL is not as shown on the drawings. In order to properly site the new connecting manhole, an additional test pit or pits will need to be excavated. Tomar has submitted a Change Order Request for payment for one additional test pit. SBRSA believes that the excavation of test pits and the location of existing lines and utilities are part of the project's original scope of work and does not believe that the test pit is additional work. SBRSA and Tomar are attempting to resolve this issue as well as one or two other issues that have come up recently including additional change order requests and the disposal of the landfill material. SBRSA and Tomar are at an impasse on this issue.

Ms. Pchola indicated that as part of the project the existing 20-inch and 36-inch force mains are to be re-routed/piped to the new influent junction chamber to the Headworks Building. During the excavation of the two existing force mains it was discovered that the actual location of the force mains were farther from the influent junction chamber than was shown on the contract drawings. In addition, the existing 6-inch potable water line was to be re-routed around the new Headworks Building. The actual location of the 6-inch water line relative to the new facilities required additional piping to achieve the layout as shown on the Contract Drawings. Change Order No. 9 addresses the additional labor, piping and fittings associated with these changes.

Ms. Pchola reported that early in the project (March 2011) Tomar Construction initiated an effort to potentially reduce construction costs by exploring the option of placing the Headwork Building on mini-piles thus leaving the landfill material in place. During the development of this plan, Kleinfelder/Omni (formally Omni Environmental, LLC) and

AECOM provided technical support to Tomar as well as coordinating engineering efforts with Tomar's engineer, Moretrench, and interfacing with the NJ Department of Environmental Protection, Division of Solid Waste. All costs and fees incurred by Kleinfelder/Omni and AECOM for the support of Tomar's alternative foundation plan have been borne by the Authority. Change Order No. 10 addresses the costs associated with this work.

In addition, Tomar submitted an initial Haul Plan (dated September 14, 2011) that indicated the landfill material would be screened separating the solid waste material and screened soil. After screening, the solid waste would be disposed of at an approved landfill and the screened material trucked to Pure Soil Technologies, a licensed Class B recycling facility, for disposal. Addendum No. 1 to the Contract Documents clearly states that the NJDEP classified all material below the top 1 to 4 feet of cover as solid waste and required that all material be disposed of at a licensed solid waste facility. This comment, along with several other submittal comments was transmitted to Tomar. Tomar's second Haul Plan submittal (dated October 20, 2011) indicated that the excavated landfill material would be disposed of at GROWS Landfill (Waste Management) in Tullytown, PA via the Mercer County Improvement Authority (MCIA) transfer station. In early November 2011, Tomar began the excavation and disposal of landfill material in accordance with their revised Haul Plan. During the initial disposal activities the landfill operator (Waste Management), informed Tomar that no additional material would be received at the landfill facility until the material had been sampled, tested, and classified as a material approved for disposal at the landfill by both Waste Management and the PA DEP.

Tomar expressed deep concern that the sampling, testing/analysis, and approval process of the landfill material would delay the project and add additional costs to the disposal activities. Tomar, SBRSA, and Kleinfelder/Omni agreed to a multi-point plan to obtain approval for the disposal of the landfill material at GROWS Landfill and concurrently, find an alternative disposal option.

During this process Kleinfelder/Omni incurred costs and fees in developing a material sampling program, evaluating alternative disposal options, coordinating with the NJDEP Division of Solid Waste, and ultimately arranging for the proper disposal of the landfill material at the Burlington County Landfill at a substantial cost savings to the Contractor.

In accordance with Specification Section 02210, Appendix H, Major Disruption Permit, and Addendum No. 1, the Contractor is responsible for the proper disposal of all material that is classified as landfill material or deemed not suitable for re-use. This includes sampling, analysis, and obtaining all the approvals required by the landfill disposal site.

All costs and fees incurred by Kleinfelder/Omni to support Tomar's in the disposal of the landfill material have been borne by the Authority. Change Order No. 10 addresses the costs associated with this work.

Change Order Nos. 9 and 10 are still under negotiations and no action will be taken tonight.

Staff received a letter from Tomar on April 4, 2013 regarding issues with the Headworks Project. A copy of the letter was provided to the Board. A response to the letter is currently being drafted by Kleinfelder/Omni. A meeting with Tomar to discuss these issues has been scheduled for April 30, 2013. SBRSA staff will meet with Ms. Alexander on April 23, 2013 to discuss this issue and the issues with Change Orders No. 9 and 10. A brief discussion followed.

Contract 12-1 Sludge Thickener No. 1 Improvements Project

Ms. Pchola indicated that B R Welding, the contractor for this project, plans to mobilize the week of April 22, 2013 and begin the demolition work and preparation for the removal of the sludge thickening tank dome cover.

Contract 12-2, SBRSA Facilities Painting Project

Ms. Pchola noted that staff and Allied Painting are coordinating schedules to complete the re-coating of the RTO chamber and skid.

Contract 13-1, Pennington WWTP and Hopewell STP Roof Replacement Project

Ms. Pchola reported that the contractor has begun the roof replacement work. The lightning protection systems and roof ballast have been removed from both buildings and all roofing materials have been delivered to each site. The re-roofing work is expected to begin during the week of April 22, 2013, weather permitting.

Contract 13-2 RRWWTP Chemical Storage Tank Replacement Project

Ms. Pchola indicated that bids for RRWWTP Chemical Storage Tank Replacement were received on April 10, 2013. Of the thirteen potential bidders, six bids were received ranging in price from \$75,850 to \$124,410. The lowest bidder was B R Welding, Inc. at a bid of \$75,850.

Staff recommended award of Contract 13-2 RRWWTP Chemical Storage Tank Replacement Project to B R Welding in the amount of \$75,850. So moved by Dr. Downey, seconded by Mr. Compton and passed by a roll call vote of 4 to 0. Resolution 2013-15 follows.

Resolution Authorizing the Award of Contract 13-2, River Road Wastewater Treatment Plant Chemical Storage Tank Replacement Project to B R Welding, Inc.

Resolution No. 2013-15

WHEREAS, the Stony Brook Regional Sewerage Authority (Authority) advertised for the receipt of sealed competitive bids in accordance with the requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. for the “River Road Wastewater Treatment Plant Chemical Storage Tank Replacement Project, Contract 13-2”; and

WHEREAS, sealed competitive bids were received by the Authority on April 10, 2013, as more fully set forth as attached; and

WHEREAS, the Authority has determined that the bid of B R Welding, Inc. is the lowest bid in the amount of \$75,850; and

WHEREAS, the bid received from B R Welding, Inc. has been reviewed by the Authority and has been determined to be in compliance with the bid specifications and in accordance with the Local Public Contracts Law N.J.S.A. 40A:11-1 et seq.; and

WHEREAS the Stony Brook Regional Sewerage Authority has Funds available in its current budget.

NOW, THEREFORE, BE IT RESOLVED by the Stony Brook Regional Sewerage Authority that it hereby awards the contract to B R Welding, Inc. the lowest responsive bidder; for the River Road Wastewater Treatment Plant Chemical Storage Tank Replacement Project, Contract 13-2 in the amount of \$75,850; and

BE IT FUTHER RESOLVED that the Executive Director, staff and consultants are authorized to take all appropriate measures to ensure that all appropriate documents, are provided by the Contractor.

<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			
David A. Goldfarb				X
C. Schuyler Morehouse	X			
Bharat Patel				X

496.10 Finance Report

Payment of Bills and Claims

Mr. Morehouse moved the approval of the payment of bills and claims for the month of March in the amount of \$1,435,281.74 with two signatures instead of three; seconded by Dr. Downey and passed by a vote of 4 to 0.

Treasurer's Report

Mr. Neuhof reported that net income for the period ending March 31st stands at \$363,032. This represents an increase of \$140,941 and is attributed largely to excess revenue from sludge cake. The Authority has total cash and investments of \$17,192,150 at an average interest rate of 0.25%. The balance of current construction projects is \$11,888,263. Mr.

Neuhof noted that there are sufficient funds for these projects. The New Jersey Cash Management Fund yield remains at 0.07%.

Debt Service Savings from Financing Projects through the New Jersey Environmental Infrastructure Trust (NJEIT)

Mr. Neuhof explained that Dr. Downey had requested information for her presentation to Hopewell Township. The information included the Debt Service Savings from Financing Projects through the New Jersey Environmental Infrastructure Trust. It shows that the Authority will save an estimated \$10.2 million from the three completed Trust Financings. Debt Service savings from four Refunding Bond issues is approximately \$3.5 million.

Monthly Sludge Business Analysis

Mr. Neuhof reported that net income for the month of March is \$161,148 and the cumulative net income is \$637,085. Gas usage for the month of March was 99,847 therms. The simple remaining payback for the RTO is 2.6 years.

Mr. Neuhof noted that the SBRSA Yearly Sludge Business Results from 2007 through 2012 is included in the Board book as previously requested.

A brief discussion followed.

496.11 Personnel Report

The Personnel Report was provided for member information.

496.12 Correspondence

For information

496.13 Old Business

None.

Award of Contract

Resolution 2013-14, Award of Contract for the Supply of Schwing Pump Replacement Parts

Mr. Ireland reported sealed bids for Schwing Pump Replacement Parts were received on April 10, 2013. One 12-month bid was received from Schwing Bioiset in the amount of \$157,084.06.

Mr. Ireland explained that the bid does not require the Authority to purchase the listed parts but only guarantees the price for the parts that are purchased. The actual amount spent for the year will be significantly less than the total bid amount. Purchases averaged \$94,094 over the last three years.

Mr. Ireland recommended approval of Resolution 2013-14 awarding a 12-month contract to Schwing Bioiset in the amount of \$157,084.06. So moved by Dr. Downey, seconded by Mr. Compton and passed by a roll call vote of 4 to 0. Resolution 2013-14 follows.

**RESOLUTION AWARDING CONTRACT FOR
SCHWING PUMP REPLACEMENT PARTS**

Resolution No. 2013-14

WHEREAS, the Authority advertised for the receipt of sealed competitive bids in accordance with the requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq. for Schwing Pump Replacement Parts; and

WHEREAS, the following sealed competitive bid was received by the Authority on April 10, 2013, as set forth:

<u>12-Month</u>	
Schwing Bioiset	\$157,084.06

WHEREAS, the Authority has determined that the bid of Schwing Bioiset, is the only responsive bid; and

WHEREAS, the sole bidder, Schwing Bioiset submitted a bid in the amount of \$157,084.06 and;

WHEREAS, the bid has been reviewed by the Authority to determine compliance with the bid specifications in accordance with the Local Public Contracts Law N.J.S.A. 40A:11-1 et. seq. and the same have been determined to be in order; and

WHEREAS, there are sufficient funds to provide funding for the contract amount.

NOW, THEREFORE, BE IT RESOLVED by the Stony Brook Regional Sewerage Authority that it hereby awards a 12-month contract for Schwing Pump replacement parts to Schwing Bioiset as the sole responsive bidder; and

BE IT FUTHER RESOLVED that the Executive Director and staff are authorized to take all appropriate measures to ensure that all appropriate documents, are provided by the Contractor.

<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			
David A. Goldfarb				X
C. Schuyler Morehouse	X			
Bharat Patel				X

496.15 Adjournment

As there was no further business to come before the Board, the meeting was adjourned at 9:04 p.m. on a motion by Dr. Downey, seconded by Mr. Compton and passed by unanimous vote.

Respectfully Submitted,

John Kantorek
Secretary

Recorded and Written by
Patricia Carlino
May 7, 2013