

Minutes of Meeting #485, May 21, 2012 – Stony Brook Regional Sewerage Authority

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

MEMBERS PRESENT: Bartolini, Downey, McKinnon, Miller, Morehouse

MEMBERS ABSENT: Compton, Patel

CONSULTANTS: Alexander

STAFF PRESENT: Carlino, Irizarry, Kantorek, Kunert, Neuhof, Pchola, Rahimi, Redding

485.01 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.

485.02 Approval of Minutes

The minutes of the April 23, 2012 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.

485.03 Board Related Activities

Consultant List

The consultant list was provided for information. Mr. Kantorek noted that there was one contract pending award tonight.

AEA Presentation on "The Role of the Board"

Mr. Kantorek indicated that a copy of the presentation "The Role of the Board" was provided to the Board. This was a presentation at a recent AEA Conference.

Dr. Bartolini noted that the information is very good and encouraged the Board members to read it.

Policy Briefing: DEP Water Quality Management Planning in NJ

Mr. Kantorek indicated that PlanSmart, in conjunction with the AEA and the New Jersey Water Environmental Association will present a policy briefing on DEP Water Quality Management Planning on June 8, 2012. If any Board member is interested in attending please let him know.

485.04 Planning and Administration

Mr. Kantorek reported that the most current 12-month average daily River Road plant flow is 10,128,502 gpd with 800,401 gpd of approved but inoperative flow for a total committed flow of 10,928,903 gpd with 2,131,097 gpd or 16.32% of available capacity. The most current 12-month average daily flow at the Hopewell Plant is 248,045 gpd with no inoperative flow, for a total committed flow of 248,045 gpd with 17.32% or 51,955 gpd of available capacity. The Pennington Plant presently has 261,714 gpd as the most current 12-month average daily flow, with 12,264 gpd of approved but inoperative flow, for a total committed flow of 273,978 gpd, with 8.67% or 26,022 gpd of available capacity. Mr. Kantorek noted that the inoperative total for the Pennington Plant is the unused portion of Bristol-Meyers Squibb approved flow.

Mr. Kantorek noted that due to the continuing dry weather conditions, the 12-month average daily flow at River Road has decreased by approximately 1,200,000 gpd over the last three months. Mr. Kantorek noted that the 12-month average daily flows for the Pennington and Hopewell STPs also showed a significant decrease. This is due to the fact that the current drier 2012 monthly flows are replacing wetter 2011 monthly flows.

Mr. Kantorek indicated that the straight line projections show that the flows at the River Road WWTP are increasing by approximately 117,000 gpd per year. The straight line projections from ten years ago showed that flows at River Road were increasing by approximately 200,000 gpd per year at that time. Thus flow increases are substantially less than 10 years ago. However, should the economy improve that number may increase due to potential growth in West Windsor and South Brunswick Township.

Monthly Flow Transmittal

The monthly flow transmittal for April was provided for information.

Mr. Kantorek noted that one adjustment was made for the month.

At the Princeton Pumping Station, as discussed at last month's Board meeting it was determined that the meter re-range was miscalculated and the correction to the meter was made on April 19th. The meter data from April 1st to April 18th was adjusted downward by 28.4%. The meter data for April 19th, the day the correction was made, was adjusted by taking the average of the day before and the day after.

Dr. Downey asked if the new meter has been installed. Mr. Kantorek indicated that the new meter had been installed but was not working properly initially. However, the issues with the meter have been resolved and it is now working properly.

Oversight Committee Minutes

Mr. Kantorek reported that the Oversight Committee met on May 14, 2012. Mr. Kantorek indicated that the main topics of discussion included the treatment plant performance, odor complaints and the Headworks Project.

485.05 Approval Requests and Actions

TWA-1 Approvals

West Windsor Gardens II, Block 15.14, Lots 14, 15 & 34, Blue Jay Way, West Windsor Township

Ms. Pchola explained that the application is for the construction of multi-family residential dwellings consisting of 115 two-bedroom apartment units and five (5) three-bedroom apartment units serviced by a sanitary sewer extension consisting of 1,325 linear feet of 8-inch diameter PVC gravity sewer and 7 manholes and a total flow of 27,375 gallons per day.

The flow associated with this request is as follows:

115 two-bedroom apartments	225 gallons/day/unit	25,875 gpd
5 three-bedroom apartments	300 gallons/day/unit	1,500 gpd
	Total	27,375 gpd

The project was approved by the West Windsor Township Planning Board on July 14, 2010 and the TWA endorsed by the West Windsor Township Engineer on April 16, 2012.

Staff recommended approval of this application at the requested flow of 27,375 gpd. So moved by Dr. Downey, seconded by Mr. McKinnon and passed by a vote of 5 to 0.

Princeton University: Hibben-Magie Site Graduate Housing, Block 10801, Lots 1 & 2, Princeton Township

Ms. Pchola reported that the Trustees of Princeton University have submitted a TWA application for the construction of new graduate student housing for Princeton University. The Hibben-Magie housing will replace existing housing on the same site. The project will include the construction of 119 one-bedroom apartments, 84 two-bedroom apartments, 76 combination units of three-bedroom apartments and townhomes, and 50 four-bedroom townhomes for a total flow of 74,550 gpd. The project will also include approximately 2,700 linear feet of 8-inch diameter PVC gravity sewer.

The existing buildings to be demolished include 80 two-bedroom apartments, 96 three-bedroom apartments, and 14 four-bedroom apartments/townhomes for a total flow of 51,000 gpd.

The net increase in flow for the proposed project is 23,550 gpd.

The TWA has been signed by the Princeton Sewer Operating Committee and the Princeton Township Engineer. A copy of the Princeton Regional Planning Board Approval Resolution was not included in the submittal as the Findings of Fact and Conclusion of Law have not been adopted yet. However a letter from the Assistant to the

Planner from the Regional Planning Board of Princeton dated April 13, 2012 has been provided as indication that the project was approved at the Planning Board meeting on April 12, 2012.

The flow associated with the new construction is as follows:

119 one-bedroom apartments	150 gallons per day per unit	17,850 gpd
84 two-bedroom apartments	225 gallons per day per unit	18,900 gpd
52 three-bedroom apartments	300 gallons per day per unit	15,600 gpd
24 three-bedroom townhomes	300 gallons per day per unit	7,200 gpd
50 four-bedroom townhomes	300 gallons per day per unit	15,000 gpd
	Total Flow Added	74,550 gpd

The flow removed with the demolition of the existing housing is as follows:

80 two-bedroom apartments	225 gallons per day per unit	(18,000 gpd)
96 three-bedroom apartments	300 gallons per day per unit	(28,800 gpd)
14 four-bedroom apartments/ townhomes	300 gallons per day per unit	(4,200 gpd)
	Total Flow Removed	(51,000 gpd)

The net increase in flow for this project is 23,550 gpd.

Staff recommended approval of this application for the requested flow. Dr. Downey made a motion to approve the application contingent upon the receipt of the Resolution from the Princeton Regional Planning Board and that the net increase for the project is 23,550 gpd. So moved by Dr. Downey, seconded by Dr. Miller and passed by a vote of 5 to 0.

A Site, Princeton Forrestal Center, Block 701, Lots 32.01, 32.02, and 33.01, Plainsboro Township

Ms. Pchola indicated that the project is for the construction of a “dry sewer” to serve future Princeton Forrestal Center A Site office buildings in Plainsboro Township. The proposed sewer will discharge to an existing 15-inch diameter sewer on Campus Road. There is no flow associated with this application.

The project has been endorsed by the South Brunswick Township Engineer and the Plainsboro Engineer. Staff recommended approval of this zero flow application. So moved by Dr. Downey, seconded by Dr. Miller and passed by a vote of 5 to 0.

Time Extensions

None.

NJPDES Endorsements Requested

None.

Water Quality Management Plan Amendments

None.

485.06 Regulatory Report

Discharge Monitoring Report (DMR) and NJPDES Compliance

Mr. Rahimi reported that the Discharge Monitoring Reports for the month of March were submitted to the NJDEP. No violations reported.

Mr. Rahimi indicated that staff is currently reviewing the April 2012 DMR.

Mr. Rahimi noted that the River Road Quarterly Effluent Surface Water Discharge Waste Characterization Report was submitted for the quarter ending April 30, 2012. This report provides data for a select list of nine priority pollutants which have been historically detected in the plant's effluent.

Residual Discharge Monitoring Reports

Mr. Rahimi reported that the February Residuals Discharge Monitoring Reports were submitted to NJDEP. All River Road parameters were compliant with the Air Permit requirements.

Mr. Rahimi indicated that staff is currently reviewing the Residuals Discharge Monitoring Reports for the month of March.

Mr. Rahimi reported that the semi-annual Residuals Discharge Monitoring Reports for Hopewell and Pennington were submitted. The results are within the expected ranges for these facilities.

Air Reporting

Mr. Rahimi reported that the 1st quarter Incinerator Sludge Metals Report was submitted to NJDEP. There were no exceedances reported for the monthly and rolling-12-month averages for metals in the sludge fed to the incinerator.

Mr. Rahimi indicated that the Excess Emissions and Monitoring Performance Reports (EEMPR) for the first calendar quarter of 2012 were submitted to NJDEP on April 27, 2012. Both incinerators exhausting through the Afterburner and RTO were used during this period.

Mr. Rahimi reported that the Annual Emission Statement for Title V was prepared by CBE and submitted to NJDEP on May 15, 2012.

Laboratory

Mr. Rahimi noted that the Laboratory has received acceptable results for all parameters in NJDEP's Water Pollution Proficiency Testing (PT) samples for the year 2012.

Safety

Mr. Irizarry reported that there were no accidents or injuries to report for the month of April.

Mr. Irizarry indicated that there was a fire inspection conducted at the South Brunswick Pump Station. No citations were issued.

Mr. Irizarry reported that training for this reporting period included:

- Fall Protection Awareness (15 employees) JIF
- Hazard Communication/RTK-Refresher (13 employees) JIF

Mr. Irizarry reported that staff is continuing work on the following projects:

- 1) Improving the air circulation at Meter Chamber #6: Parts were installed and the work is completed.
- 2) The paging systems for the Operations Building have been tested in-house. KSB is tentatively scheduled for June 1, 2012 to replace/repair speakers which are not functioning (three need to be replaced and five require further evaluation).
- 3) MCC and panel board updates are continuing.

Dr. Downey asked if staff is now completing all the regulatory reports in-house. Mr. Kantorek reported that CBE continues to complete the Emission Statement; however, staff provided them with the information they needed to complete that report. Mr. Kantorek noted that staff is completing approximately 90% of the reports in-house.

485.07 Litigation

The Litigation Report was provided for information with the following changes since the last Board meeting.

River Road Air Concerns

Ms. Alexander reported that due to alleged violations relevant to the operation of the continuous monitoring system (CEMS), SBRSA received from the NJDEP a penalty of

\$24,000.00. In order to resolve these alleged violations without resorting to litigation or further expense, NJDEP has agreed to reduce the penalty amount to \$12,000.00. Without admission of liability by SBRSA, provided SBRSA agrees to waive its right to a hearing and to operate in compliance with all applicable regulations and permits. A settlement agreement has been proposed to memorialize the terms and conditions of settlement.

Ms. Alexander recommended approval of Resolution 2012-22, authorizing execution of the settlement agreement with the NJDEP. So moved by Dr. Downey, seconded by Dr. Miller and passed by a roll call vote of 5 to 0. Resolution 2012-22 follows.

**RESOLUTION AUTHORIZING EXECUTION OF SETTLEMENT
AGREEMENT WITH THE NEW JERSEY DEPARTMENT OF
ENVIRONMENTAL PROTECTION**

Resolution No.2012-22

WHEREAS, on June 30, 2011, the New Jersey Department of Environmental Protection (NJDEP) conducted a compliance evaluation and observed alleged violations of the Air Pollution Control Act and Regulations associated with the operation of the Authority's incinerator for which the NJDEP proposed to issue a penalty in the total amount of \$24,000.00 for the alleged violations, more specifically stated and identified in the Settlement Agreement attached hereto and made a part hereof; and

WHEREAS, the Stony Brook Regional Sewerage Authority, without admitting liability and to avoid further litigation and expense, in response to the allegations desires to enter into a settlement to resolve all alleged violations at a reduced penalty amount of \$12,000.00.

NOW THEREFORE BE IT RESOLVED by the Stony Brook Regional Sewerage Authority on this 21st day of May, 2012 as follows:

1. The Authority hereby authorizes the Executive Director and/or its Chairman, to execute the Settlement Agreement in substantially the form attached hereto, to resolve all issues identified therein.
2. The Stony Brook Regional Sewerage Authority authorizes the payment of funds in the amount of \$12,000.00 to the New Jersey Department of Environmental Protection in accordance with the Settlement.
3. The authorization granted herein is with the express understanding that neither the Settlement nor the payment of funds to the New Jersey Department of Environmental Protection shall be construed or constitute an admission by the Authority of any liability whatsoever.
4. This Resolution shall take effect as provided by law.

<u>Recorded Vote:</u>	<u>Aye</u>	No	<u>Abstain</u>	<u>Absent</u>
Robert A. Bartolini	X			
Gale D. Downey	X			
Harry Compton				X
James McKinnon	X			
David Miller	X			
C. Schuyler Morehouse	X			
Bharat Patel				X

Bakker vs. Stony Brook Regional Sewerage Authority

Ms. Alexander reported that the Release received by SBRSA on February 22, 2012, sought to discharge C&H Industrial Services Inc. from liability for Counts I-V of the Plaintiff's Complaint. The Release language has been revised to clearly establish that should a full and complete defense or indemnification not be provided, SBRSA retains the right to seek the same from C&H Industrial Services, Inc. A copy of the revised Release form was provided to the Board.

Resolution 2012-23 authorizes the execution of Release of C&H Industrial Services in the matter of Dennis and Nancy Bakker v. Stony Brook Regional Sewerage Authority, Inc., Heidi McLaughlin, C&H Industrial Services, et al.

Ms. Alexander recommended approval of Resolution 2012-23. So moved by Dr. Downey, seconded by Dr. Miller and passed by a roll call vote of 5 to 0. Resolution 2012-23 follows.

Resolution Authorizing Execution of Release of C&H Industrial Services in the Matter of Dennis and Nancy Bakker v. Stony Brook Regional Sewerage Authority, Inc., Heidi McLaughlin, C&H Industrial Services, et al

Resolution No. 2012-23

WHEREAS, on January 7, 2009, three employees of C&H Industrial were removing grating and support beams from the Wet Electrostatic Precipitator (WESP) platform in order to allow the WESP unit to be placed through the platform opening, when Mr. Dennis Bakker fell from the platform and was seriously injured; and

WHEREAS, on December 16, 2010, a civil action was filed in Superior Court, Law Division, Mercer County, entitled, Dennis and Nancy Bakker v. Stony Brook Regional Sewerage Authority, Inc, Heidi McLaughlin, C&H Industrial Services, et al, Docket No. L-3223-10, for damages alleged to be caused by Stony Brook Regional Sewerage Authority; and

WHEREAS, the contract documents relevant to the WESP Project specify that the contractor (C&H Industrial) is required to maintain a safe work area, and comply with all Federal and State safety laws and regulations and indemnify and defend the SBRSA for any failure to do so; and

WHEREAS, the trial court judge found that with respect to the liability claimed in Counts 1-5 of the Complaint regarding negligence, the contractor, C&H Industrial Services, Inc., had agreed to indemnify SBRSA, and therefore, it was the obligation of the attorney for C&H to indemnify and defend the Authority relevant to those counts and allegations; and

WHEREAS, in exchange for reimbursing the SBRSA for defense costs incurred by the New Jersey Utility Authority Joint Insurance Fund (SBRSA’s insurers) to date, in the amount of \$6,000.00, and undertaking to indemnify and defend the SBRSA against the allegations contained in Counts 1-5 of Plaintiff’s Complaint, C&H Industrial Services Inc. has requested that the Authority execute the attached Release seeking to discharge C&H Industrial Services Inc. from further liability for Counts 1-5 of the Plaintiffs Complaint as alleged by SBRSA; and

WHEREAS, Diane Alexander, Esq., counsel for the SBRSA, has reviewed the language of the attached Release and recommends execution of the same.

NOW THEREFORE BE IT RESOLVED by the Stony Brook Regional Sewerage Authority on this 21st day of May, 2012 as follows:

1. The Authority hereby authorizes the Executive Director and/or its Chairman, to execute the Release in the form attached hereto in the matter of Dennis and Nancy Bakker v. Stony Brook Regional Sewerage Authority, Inc, Heidi McLaughlin, C&H Industrial Services, et al, Docket No. L-3223-10.
2. The Stony Brook Regional Sewerage Authority authorizes the payment of funds in the amount of \$6,000.00 to the New Jersey Utility Authority Joint Insurance Fund, in accordance with the terms of the Release, upon receipt of same from C&H Industrial.
3. This Resolution shall take effect as provided by law.

<u>Recorded Vote:</u>	<u>Aye</u>	No	<u>Abstain</u>	<u>Absent</u>
Robert A. Bartolini	X			
Gale D. Downey	X			
Harry Compton				X
James McKinnon	X			
David Miller	X			
C. Schuyler Morehouse	X			
Bharat Patel				X

485.08 Operations Report

Mr. Kunert reported that the each nitrification clarifier was taken off line, hosed clean and inspected. Due to the lower flows SBRSA is experiencing, only three out of the four clarifiers are on-line.

Mr. Kunert indicated that the Engineering Department is working on the specifications for a painting contract that will include the Pennington and Hopewell STPs. Painting the clarifiers at both upstream STPs will be a challenge since they are near design flows. Staff will be working with Coyne Chemical Company to perform bench testing of various chemicals to find the best chemical that will enhance settling in the clarifier that will remain on-line while the other is being painted. Once the chemical is chosen, it will be tested for effectiveness.

Mr. Kunert reported that on April 26, 2012 a temporary mobile 1000 kW generator was brought out to the Millstone Pumping Station by EMR. The company hooked up all the necessary cables and tested the generator. This generator will remain in place until the Authority's turbine generator can be repaired.

Mr. Kunert reported that one of the Sodium Hypochlorite storage tanks at the Hopewell STP was found to be leaking through the sidewall of the tank. There are several spots on the tank that appear to be thinning and hypochlorite is slowly leaking. The hypochlorite leaked onto the stainless steel flange bolts at the bottom and aggressively oxidized them. The tank was emptied into spare double wall tanks and placed in the chemical room. Staff is in the process of obtaining quotes to purchase two new tanks that will be installed in-house. The tanks were originally installed in 2000 and each have a capacity of 650 gallons.

Mr. Kunert indicated that the scum skimmer on sludge thickener #2 fell off. When staff tried to put sludge thickener #1 on-line, the influent valve would not open. All flows to the splitter box were stopped and a substantial amount of grit and rags were removed via a vacuum truck, courtesy of PSOC. Once it was cleaned out, staff was able to gain access to the gate and open it. The track that the gate rides in was found to be broken and will be repaired.

Mr. Kunert reported that staff received a noise complaint a few weeks ago from a resident who lives on Herrontown Road. Staff suspects that it may be the RTO. New Mylar film will be purchased for the RTO silencer. Once the film is received, staff will schedule downtime to remove the silencer, clean and inspect it. The Mylar film will be replaced and the unit will be reinstalled.

Odor Reports

Mr. Kunert reported that staff received no odor complaints from our surrounding area during the month of April. No odor complaints were received thus far for the month of May. The full May number will be reported in June.

Customer Septage and Sludge Deliveries

The quantities of liquid sludge and gray water were below the budgeted amounts for the month of March while the quantity of sludge cake exceeded the budget amount.

Maintenance Report

Mr. Kunert reported that Marshall Maintenance removed the tubular link from the doors of receiving bin #2 and manufactured and installed new bronze bushings for these arms. This was done so the doors would not have as much movement while in the open position. The arms have been reinstalled and the doors are now operational.

Mr. Kunert indicated that Thickener #2 was taken out of service because the skimmer mechanism was found to be missing during a routine inspection. After dewatering the tank, the skimmer was found and new parts were fabricated by Marshall Maintenance then reinstalled in-house. During the downtime, the thickener was cleaned and inspected. The thickener has been put back into operation.

Mr. Kunert reported that on May 8, 2012 Highland Industrial Turbine Service performed a dye penetrant test on the Millstone Generator exducer wheel for stress cracks. The test results showed that the exducer wheel is in good shape and that SBRSA can now move in a forward direction and order the necessary parts needed to make the repairs.

Mr. Kunert indicated that the air compressor for the RTO/WESP failed due to a ceased motor. A new motor was installed and the unit is on-line. During that period, SBRSA used its backup compressors.

Mr. Kunert reported that the number of open work requests stand at fifteen (15) with approximately five (5) requests issued on a daily basis. The Preventative Maintenance graphs show that SBRSA is currently averaging five (5) days overdue and the number of overdue units is approximately forty-two (42).

485.09 Construction Report

Pennington STP Upgrade and Expansion

Ms. Pchola reported that Mr. Kantorek provided our member municipality Mayors, Mayors' Representatives and Board members with a summary of the progress on the Hopewell and Pennington STPs permit issues via email on May 9, 2012.

2012 Annual Facilities Inspection

Ms. Pchola indicated that the remaining inspection work by AECOM is scheduled for the end of May.

Sludge Thickener No. 1 Improvements

Ms. Pchola reported that staff continues the preparation of contract documents for bid for the repair/improvements to Sludge Thickener No. 1. It is anticipated that bids will be recommended for award at the July Board meeting.

Hopewell and Pennington STPs Painting Project

Ms. Pchola reported that on April 30 staff held a meeting to discuss the two draft equipment painting bids (Upstream Plants exterior equipment and MA Settling Tank No. 1) and two additional areas that require new coatings; the RTO and the pumps and piping at the Millstone Pump Station. After discussion, it was decided to combine all four areas into one project. The area wide bid will provide for the surface preparation and recoating of the following:

- All exterior equipment and handrails at the two Upstream plants
- Drive, turntable, walkway, and all submerged metal for MA Settling Tank No.1
- The RTO chamber, support steel, forced draft fan and fan base, and control room exterior
- The pumps, motors, and all discharge and suction piping at the Millstone Pump Station.

The draft plans and specifications for the new project are 90% complete. The proposed bid opening date is June 19, 2012 and it is anticipated that a recommendation to award will be presented at the June 25, 2012 Authority Board meeting. The estimated cost of the project is \$120,000.

Wastewater Management Plans

Ms. Pchola reported that staff received the notification dated May 11, 2012 from the Somerset County Planning Board regarding the Somerset County Wastewater Management Plan. There is a small portion of Kingston (located in Somerset County) which flows through South Brunswick (Middlesex County) to the SBRSA River Road STP. The State Water Quality Management Planning Rules (N.J.A.C. 7:15) “require that all government entities, sewerage agencies, that may be affected by, shall be requested to issue a written statement of consent.”

The statement of consent is in the form of Resolution 2012-20. The consent addresses the future wastewater service area boundaries and at this time does not address any flows associated with the boundary modifications. Ms. Pchola noted that the amendment is for mapping only, and a review of the mapping by staff indicates only a small change from the previous/original boundary and therefore staff recommended approval of Resolution 2012-20. So moved by Dr. Downey, seconded by Mr. McKinnon and passed by a roll call vote of 5 to 0. Resolution 2012-20 follows.

Resolution Consenting to the Proposed Water Quality Management Plan (WQMP) Amendment Entitled: "Countywide Wastewater Management Plan for the County of Somerset, New Jersey: Future Wastewater Service Area

Resolution No. **2012-20**

WHEREAS, the Somerset County Board of Chosen Freeholders and Somerset County Planning Board desire to provide for the orderly development of wastewater facilities throughout the County of Somerset; and

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

WHEREAS, the NJDEP has established the WQMP amendment procedure as the method of incorporating changes to the previously adopted wastewater service areas consistent with the requirements established in N.J.A.C. 7:15-5.24; and

WHEREAS, a proposed WQMP amendment noticed in the New Jersey Register on May 21, 2012 for the "Countywide Wastewater Management Plan for the County of Somerset: Proposed Future Wastewater Service Areas", has been prepared by the Somerset County Planning Board in coordination with Somerset County Municipalities and the NJDEP;

WHEREAS, the Somerset County Planning Board continuously coordinated its work on the proposed "Future Wastewater Service Areas" with Municipal Wastewater Management Planning Committees, NJDEP, affected property owners, sewer authorities and other stakeholders, and compiled and submitted the site-specific documentation required to achieve NJDEP acceptance of the proposed "Future Wastewater Service Areas" in accordance with NJDEP's interim review process; and

WHEREAS, all wastewater management planning work by the Somerset County Planning Board has been undertaken in a transparent manner with meaningful public participation through the provision of certified notices to property owners affected by proposed modifications to the sewer service area (SSA) boundaries; posting of maps illustrating the proposed SSA boundaries and related geographic information datasets on the County Planning Board website; issuing public press releases regarding said postings; and hosting the NJDEP Public Meeting on the proposed SSAs on January 20, 2011, in accordance with the requirements of NJDEP Commissioner Martin's Administrative Order 2010-03; and

NOW, THEREFORE, BE IT RESOLVED on this 21st of May 2012, by the governing body of the Stony Brook Regional Sewerage Authority that:

1. The Stony Brook Regional Sewerage Authority hereby consents to the amendment entitled, "Countywide Wastewater Management Plan for the County of Somerset: Future Wastewater Service Areas", noticed on May 21, 2012,

prepared by the Somerset County Planning Board for the purpose of its incorporation into the applicable WQMPs.

2. This Resolution shall be submitted to the NJDEP in accordance with N.J.7:15-3.4.
3. Copies of this Resolution shall be provided to the Board of Chosen Freeholders of the County of Somerset; Somerset County Planning Board and elected officials of the Somerset County Municipalities that receive sanitary sewer service from this Authority. (Please note that Utility/Sewerage Authorities that include, adjoin or affect the areas served by the Middlesex County Utility Authority shall provide a copy of this Resolution to the Middlesex County Department of Planning).

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			
James McKinnon	X			
David Miller	X			
C. Schuyler Morehouse	X			
Bharat Patel				X

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

Ms. Pchola reported that on May 8, 2012 a representative of Bionomic Industries (BI) was on site and completed the moisture carryover testing on the WESP outlet and measured the differential pressure across the perforated gas distribution plates in the inlet transition cone. BI expects to complete the inspection of the preconditioning system, retest the moisture carryover with the preconditioning system in operation, and set and record the purge air flow rates to the four (4) high voltage insulator compartments on May 18, 2012.

The abovementioned test results and the results from the filter particle size and count analysis will be compiled into a report by BI and submitted to SBRSA and CBE for review. A follow-up meeting has been scheduled for May 24, 2012.

Contract 10-1, Headworks Project

Ms. Pchola indicated that as of Pay Estimate No. 14 this project is 32% complete.

Over the past reporting period Tomar completed the placement of structural fill for the headworks building foundation, placed and compacted non-structural fill on the north side of the grit removal tanks, installed sections of the grit removal tanks dewatering lines and the grit slurry force main, placed concrete for the grit removal tanks Effluent Channel base slab and the plant blending line chamber slabs, prepared the stockpile, and started the sampling of the landfill material.

Photographs prior to construction and as of May 2012 were provided to the Board for the Grit Removal Tanks and the Headworks Building.

Contract 11-1, Fly Ash Slurry Pump (FAS) Rehabilitation Project

Ms. Pchola reported that on April 30, 2012 AC Schultes replaced the leaking discharge header repair clamp with a new Dresser coupling. During the removal and reinstallation of two of the fly ash pumps and the discharge header clamp replacement it was observed that the existing piping system appeared to be under abnormal stress. AECOM was consulted and on May 14, 2012 a mechanical engineer from AECOM conducted an inspection of the fly ash piping system. The results of the inspection indicated that the discharge header is under stress both vertically and horizontally primarily due to misalignment of different sections of the piping system. AECOM is in the process of evaluating the piping to relieve the stress in the pipe. Flex type fittings are being considered for the fix. Due to the aggressive abrasive nature of the fly ash slurry, AECOM will also evaluate different materials of construction for the flex fittings. Once a recommendation is received, AC Schultes will be asked to submit a proposal for the recommended fix.

Contract 11-2 Outdoor Motor Control Center (MCC) Replacement Project

Ms. Pchola indicated that the new MCC and enclosure have been received by the contractor and the installation of the new equipment has been scheduled for June 1 and 2, 2012. Due to the nature of the work a portion of the work must be conducted on the weekend.

Dr. Downey requested that odor testing be conducted again this year in August and that a contract to conduct the odor testing be presented at the June meeting.

485.10 Finance Report

Payment of Bills and Claims

Dr. Miller moved the approval of the payment of bills and claims in the amount of \$1,453,423.35 with two signatures instead of three; seconded by Dr. Downey and passed by a vote of 5 to 0.

Treasurer's Report

Mr. Neuhof reported that net income for the five month period stands at \$215,650. This represents an increase of \$71,678 from the prior four-month period. The Authority has total investments of \$16,142,179 at an average interest rate of 0.29%. The balance of current construction projects is \$12,822,370. Mr. Neuhof noted that there are sufficient funds for these projects. The New Jersey Cash Management Fund yield remains at 0.05%.

Resolution 2012-17, Authorizing the Award of a “No Political Contributions Allowed” Contract(s) for Non-Professional Service Vendors

Mr. Neuhof indicated that when the Authority anticipates spending more than \$17,500 but less than the bid threshold of \$36,000, the Authority is required to pass a resolution authorizing a “No Political Contributions Allowed” contract with the vendors. An additional four vendors will likely exceed the \$17,500 and are listed in the Resolution. Mr. Neuhof noted that all four vendors listed completed their Business Entity Disclosure Certifications.

Mr. Neuhof recommended approval of Resolution 2012-17, awarding a “No Political Contributions Allowed” contract(s) for non-professional service vendors. So moved by Dr. Miller, seconded by Mr. McKinnon and passed by a roll call vote of 5 to 0. Resolution 2012-17 follows.

Resolution Authorizing the Award of a “No Political Contributions Allowed” Contract(s) for Non-Professional Service Vendors

Resolution No. 2012-17

WHEREAS, the Stony Brook Regional Sewerage Authority has a need to acquire goods or services as a no political contribution contract pursuant to the provisions of N.J.S.A. 19:44A-20.4 or 20.5 as appropriate; and,

WHEREAS, the purchasing agent, Stuart Neuhof has determined and certified in writing that the value of each contract (by purchase orders) will likely exceed \$17,500; and,

WHEREAS, the anticipated term of this contract is for fiscal 2012 (1 year) and may be extended as approved by this governing body; and,

WHEREAS, the attached list of vendors has completed and submitted a Business Entity Disclosure Certification which certifies that each vendor has not made any reportable contributions to a political or candidate committee served by the Stony Brook Regional Sewerage Authority in the previous one year, and that the contract will prohibit the (attached list of vendors) from making any reportable contributions through the term of the contract; and,

WHEREAS, the Authority has Funds available in its current budget.

NOW THEREFORE, BE IT RESOLVED that the Stony Brook Regional Sewerage Authority authorizes the attached list of vendors to enter into contracts by purchase order; and,

BE IT FURTHER RESOLVED that the Business Disclosure Entity Certification and the Determination of Value be placed on file with this resolution.

Year 2012 No Political Contribution Contracts:	
Company Name	Service
Industrial Controls	Electronic repair parts
Insight Public Sector	Computer parts and supplies
PDM Group	HVAC service/repairs
Shafts & Sleeves Co. Inc.	Motor parts

<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 Miller	X			
James McKinnon	X			
C. Schuyler Morehouse	X			
Bharat Patel				X

Resolution 2012-18, Awarding a Professional Service Contract to Perform the 2012 Annual Audit

Mr. Neuhof reported that Hutchins, Farrell, Meyer & Allison, PA submitted a proposal for auditing services to be performed on the Financial Statements of the Authority for the fiscal year ending November 30, 2012 at a cost of \$16,000.

Staff recommended approval of Resolution 2012-18, awarding a professional service contract to perform the 2012 Annual Audit at a cost not to exceed \$16,000. So moved by Dr. Miller, seconded by Mr. McKinnon and passed by a roll call vote of 5 to 0. Resolution 2012-18 follows.

**Resolution Awarding a Professional Service Contract
To perform the 2012 Annual Audit**

Resolution No. 2012-18

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 Stony Brook Regional Sewerage Authority “SBRSA” is in need of auditing services to be performed on the Financial Statements of the Authority for the fiscal year ending November 30, 2012; and

WHEREAS, Hutchins, Farrell, Meyer & Allison, P.A. has submitted a proposal indicating they will provide auditing services to the Stony Brook Regional Sewerage Authority for the year ending November 30, 2012 for a fee of \$16,000; and

WHEREAS, the services to be rendered are to be performed by persons authorized by law to practice a recognized profession within the definition of a professional service pursuant to N.J.S.A. 40A:11-5; and

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

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

1. That the Chairman is hereby authorized to execute a professional services agreement between Hutchins, Farrell, Meyer & Allison, PA and the Stony Brook Regional Sewerage Authority, for the performance of the 2012 audit for the year ending November 30, 2012, as described herein, in an amount not to exceed \$16,000.00 without further authorization.
2. Notice of the within action shall be provided in accordance with N.J.S.A. 40A:11-5(1) (a) (i).
3. This Resolution shall take effect immediately.

Recorded Vote:

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

Resolution 2012-19, Making Application to the Local Finance Board

Mr. Neuhof indicated that as discussed at the April 23 Board meeting, SBRSA is moving forward with the bond refunding process. The Finance Committee was notified of the bond refunding and recommended that the Authority move forward with the process. Mr. Neuhof noted that the net savings to the Authority is currently estimated at \$246,000. The next step in this process is to make application to the Local Finance Board.

Mr. Neuhof recommended approval of Resolution 2012-19 making application to the Local Finance Board Pursuant to NJSA 40A: 5A-6. So moved by Dr. Miller, seconded by Dr. Downey and passed by a roll call vote of 5 to 0. Resolution 2012-19 follows.

**Resolution of the Stony Brook Regional Sewerage Authority Making Application
to the Local Finance Board Pursuant to NJSA 40A: 5A-6**

Resolution No. 2012-19

WHEREAS, the Stony Brook Regional Sewerage Authority desires to make application to the Local Finance Board for its review and/or approval of a proposed **bond resolution authorizing the issuance of revenue bonds for purposes of advance refunding the Authority's callable Revenue Bonds (Series 2004).**

WHEREAS, the Stony Brook Regional Sewerage Authority believes:

- (a) It is in the public interest to accomplish such purpose;
- (b) said purpose or improvements are for the health, wealth, convenience or betterment of the inhabitants of the local unit or units;
- (c) the amounts to be expended for said purpose or improvements are not unreasonable or exorbitant;
- (d) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the local unit or units and will not create an undue financial burden to be placed upon the local unit or units;

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

Section 1. The application to the Local Finance Board is hereby approved, and the Executive Director, Chief Financial Officer, Bond Counsel and financial advisor, along with other representatives of the Authority, are hereby authorized to prepare such application and to represent the Authority in matters pertaining thereto.

Section 2. The Secretary of the Authority is hereby directed to prepare and file a copy of the proposed **bond resolution** with the Local Finance Board as part of such application.

Section 3. The Local Finance Board is hereby respectfully requested to consider such application and to record its findings, recommendations and/or approvals as provided by the applicable New Jersey Statute.

Recorded Vote:

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

2013 Budget Schedule

Mr. Neuhof indicated that the 2013 Budget Schedule was provided to the Board for information. The schedule notes key dates in the 2013 Budget process.

Monthly Sludge Business Analysis

The monthly Sludge Business Tracking for FY 2012 was provided to the Board. Mr. Neuhof reported that net income for the month of April is \$88,247 and the cumulative net income is \$464,492. Gas usage for the month of April was 59,102 therms. The simple remaining payback for the RTO is 3.3 years.

485.11 Personnel Report

The Personnel Report was provided for member information.

485.12 Correspondence

For information

Letter from New Jersey Department of Community Affairs

Mr. Kantorek explained that the letter is in response to SBRSA's filing of an "Emergency Procurement Report" form for the generators. Mr. Kantorek responded to that letter stating the facts surrounding the discovery of the condition of generator.

485.13 Old Business

None.

485.14 New Business

Resolution 2012-21, Award of Contract for Natural Gas

Mr. Neuhof reported that bids were received on May 15, 2012 for the supply of firm non-recallable natural gas. Two bidders responded, Hess Energy, Inc. and Woodruff Energy, Inc. The bids specified prices for 12-month, 24-month and 36-month fixed up-charge and variable commodity.

Mr. Neuhof noted that at the April Board meeting, the Board delegated authority to the Executive Director to immediately award this bid to the low bidder. This was implemented because suppliers will add a premium to their prices if awards are not made within a few hours of the bid opening due to constantly changing commodity prices.

Mr. Neuhof indicated that Hess Energy, Inc. provided the lowest fixed up-charge at \$0.83674 per MMBTU for the three-year term and locks the fixed up-charge until July 31, 2017. The price is 58% lower than the \$1.98 three-year fixed up-charge which expires on July 31, 2012 and 34% less than the \$1.27 price which expires on July 31, 2014.

A brief discussion took place regarding the price of natural gas, the budget and SBRSA's ten-year plan.

Staff recommended award of a 36-month contract to the low bidder, Hess Energy, Inc. for the supply of Firm Non-Recallable Commodity Natural Gas. So moved by Dr. Miller, seconded by Mr. McKinnon and passed by a roll call vote of 5 to 0. Resolution 2012-21 follows.

RESOLUTION AWARDING A CONTRACT FOR NATURAL GAS

Resolution No. 2012-21

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 the purchase of natural gas; and

WHEREAS, sealed competitive bids were received by the Authority on May 15, 2012, as fully set forth in the attached Bid Tabulation Sheet; and

WHEREAS, the Authority has determined that the bid of Hess Corporation is the lowest bid; and

WHEREAS, the bidder, Hess Corporation submitted a bid in the amount of \$397,849.60 (\$0.87312 upcharge per MMBTU) for 12 months, and \$823,248 (\$0.84530 upcharge per MMBTU) for 24 months, and \$1,280,817.60 (\$0.83674 upcharge per MMBTU) for 36 months; 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; and

NOW, THEREFORE, BE IT RESOLVED by the Stony Brook Regional Sewerage Authority that it hereby awards a 3 year contract for the supply of Firm Non-Recallable Commodity Natural Gas to Hess Corporation, the lowest responsive bidder; 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			
Gale D. Downey	X			
James McKinnon	X			
David Miller	X			
C. Schuyler Morehouse	X			
Bharat Patel				X
Harry Compton				X

485.15 Executive Session

The Board entered into Executive Session at 8:34 pm to discuss Non-Union Salary Increases for 2012 on a motion by Mr. McKinnon, seconded by Dr. Miller and passed by unanimous vote.

485.16 Adjournment

As there was no further business to come before the Board, the meeting was adjourned at approximately 9:14 p.m. on a motion by Mr. Morehouse and seconded by Mr. McKinnon and passed by unanimous vote.

Respectfully Submitted,

John Kantorek
Secretary

Recorded and Written by
Patricia Carlino
June 15, 2012