

Minutes of Meeting #475, June 27, 2011 – Stony Brook Regional Sewerage Authority

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

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

MEMBERS ABSENT: Patel

CONSULTANTS: Alexander

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

475.01 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.

475.02 Approval of Minutes

The minutes from the May 23, 2011 Board meeting were approved as presented on a motion by Dr. Downey, seconded by Mr. McKinnon and passed by a vote of 6 to 0.

475.03 Board Related Activities

Consultant List

The consultant list was provided for information. Mr. Kantorek indicated that there is one contract pending award for TRC to conduct odor sampling and analysis.

475.04 Planning and Administration

Mr. Kantorek reported that the most current 12-month average daily River Road plant flow is 9,285,668 gpd with 1,104,148 gpd of approved but inoperative flow for a total committed flow of 10,339,816 gpd with 2,670,184 gpd or 20.45% of available capacity. The most current 12-month average daily flow at the Hopewell Plant is 239,734 gpd with no inoperative flow, for a total committed flow of 239,734 gpd with 20.09% or 60,266 gpd of available capacity. The Pennington Plant presently has 250,587 gpd as the most current 12-month average daily flow, with 13,755 gpd of approved but inoperative flow, for a total committed flow of 264,342 gpd, with 35,658 gpd or 11.89% of available capacity. Mr. Kantorek noted that the inoperative total for the Pennington Plant is the unused portion of Bristol-Meyer Squibb approved flow.

Mr. Kantorek noted that the 12-month average flows will begin to increase over the next four or five months as flows from the summer months of the 2010 drought are replaced with current flows.

Monthly Flow Transmittal

The monthly flow transmittal for May was provided for information.

Mr. Kantorek noted that no adjustments were made for the month of May.

Oversight Committee Minutes

Mr. Kantorek reported that the Oversight Committee met on June 13, 2011. The following topics were discussed: the odor sampling and analysis that was requested by the Board; the monthly Sludge Business Tracking Report; all the odor projects and the associated costs that the Authority has expended to date; and the progress of the Headworks Project.

475.05 Approval Requests and Actions

TWA-1 Approvals

Ms. Pchola reported that this project is for the completion of the Duck Pond Run Interceptor that was approved by SBRSA and NJDEP. The initial project included a 24-inch interceptor along Meadow Road, 8-inch extension to an apartment complex, and a 21-inch and 24-inch interceptor to the Duck Pond Run Pumping Station, which will be abandoned. However, the Township decided to construct the project in two phases.

The project is for the second phase which is the construction of approximately 3,575 linear feet of the interceptor sewer at the end of Meadow Road and continuing through various off road easements, including a railroad crossing and Clarksville/Grover's Mill Road crossing, to the abandoned Duck Pond Run Pumping Station. The original TWA has expired and therefore NJDEP required a new TWA. This application is for a zero flow allocation

The application has been endorsed by the West Windsor Township engineer

Staff recommended approval of the application for zero flow. So moved by Dr. Downey, seconded by Dr. Miller and passed by a vote of 6 to 0.

Time Extensions

None.

NJPDES Endorsements Requested

None.

Water Quality Management Plan Amendments

None.

Allocated Flow Update

Ms. Pchola indicated that staff has requested a project status update (connected/on-line or partially connected) from the Princeton Sewer Operating Committee, South Brunswick Township and West Windsor Township. There are ten projects in Princeton Township, three projects in Princeton Borough, twenty-five projects in West Windsor Township, and nineteen projects in South Brunswick Township that have been approved that require an update. To date we have received the information from PSOC and South Brunswick. An updated project status list and the revised inoperative flow will be provided at the July Board Meeting.

475.06 Regulatory Report

Discharge Monitoring Report (DMR) and NJPDES Compliance

Mr. Rahimi reported that the Discharge Monitoring Reports for the month of May were submitted to NJDEP. There were no violations for the month of May.

Mr. Rahimi indicated that on June 13, 2011 SBRSA received a Settlement Agreement to resolve the SBRSA Hopewell and Pennington Plants penalty liability. The NJDEP alleges that SBRSA failed to submit a complete DMR for the month of February 2010. The violations were caused by a scheduling problem on February 15, 2010, when the upstream plants were left without an operator that day and therefore no samples were taken for immediate analysis. The amount of the fine is \$700, \$350 for each upstream plant.

Mr. Rahimi recommended approval of Resolution 2011-19, Authorizing Execution of Settlement Agreement with the New Jersey Department of Environmental Protection, Water Compliance and Enforcement in the amount of \$700. So moved by Dr. Downey, seconded by Dr. Miller and passed by a roll call vote of 6 to 0. Resolution 2011-19 follows.

Resolution Authorizing Execution of Settlement Agreement with the New Jersey Department of Environmental Protection Water Compliance and Enforcement

Resolution No. 2011-19

WHEREAS, on June 9, 2011, the New Jersey Department of Environmental Protection (NJDEP) issued two proposed Settlement Agreements with respect to the operations of the Hopewell STP and the Pennington STP with a penalty amount of \$350.00 each for a total of \$700 for alleged violations; and

WHEREAS, the NJDEP alleges that Stony Brook Regional Sewerage Authority (Authority) failed to submit complete February 2010 monitoring reports by not monitoring the following parameters on February 15, 2010 at the Hopewell and Pennington STPs: influent temperature, influent pH, effluent Temperature, effluent pH and effluent CPOX; and

WHEREAS, the Stony Brook Regional Sewerage Authority, without admitting liability in response to the allegations of the proceeding, desires to enter into a settlement, in the form attached hereto, to resolve this issue

NOW THEREFORE BE IT RESOLVED by the Stony Brook Regional Sewerage Authority on this 27th day of June, 2011 as follows:

1. The Authority hereby authorizes the Executive Director, to execute the Settlement Agreements in the total amount of \$700.00, in substantially the form attached hereto.
2. The Authority authorizes the payment of funds in the amount of \$700.00 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.

Recorded Vote:

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

Residual Discharge Monitoring Reports

Mr. Rahimi indicated that the March Residuals Discharge Monitoring Reports were submitted to the NJDEP. All River Road parameters were compliant with the Air Permit requirements. The April Residuals Discharge Monitoring Reports are currently being prepared.

Air Reporting

Mr. Rahimi reported that the Relative Accuracy Test Audits (RATA) for CEMS No. 2 were conducted (using Incinerator No. 2) on June 23rd with the afterburner and the RTO.

Miscellaneous

Mr. Rahimi noted that the Quarterly Capacity Assurance Program Reports for the 2nd quarter of 2011 were submitted to the NJDEP. A copy of the report was provided to the Board.

Safety

Mr. Rahimi reported that the second quarter 2011 safety Incentive Program Report was submitted to JIF.

Mr. Rahimi noted that the following safety trainings were provided: Ladder Safety, Hearing Conservation and Trenching/Shoring.

475.07 Litigation

The Litigation Report was provided for information.

River Road Air Concerns

Ms. Alexander reported a final Settlement Agreement has been received from the NJDEP. The Agreement includes a penalty of \$43,850 and requires SBRSA to develop an Environmental Management System (EMS). Staff has received a sample EMS from Camden County MUA and believes that they can prepare one for the Authority by November 30, 2011. It was noted that the amount of the penalty was originally \$190,000. This penalty amount encompasses all violations from 2005 through the end of 2010. Ms. Alexander noted that no fines can be assessed out of the EMS. It was also noted that the DEP does not need to approve SBRSA's plan.

Staff recommended approval of Resolution 2011-23, Authorizing Execution of Settlement Agreement and Withdrawal of Hearing Request in the matter of Stony Brook Regional Sewerage Authority Docket No.: ECEAI 02807-2010S and 04353-2010S (consolidated) and ECE01436-2011 in the amount of \$43,850. So moved by Dr. Downey, seconded by Dr. Miller and passed by a roll call vote of 6 to 0. Resolution 2011-23 follows.

**RESOLUTION AUTHORIZING EXECUTION OF SETTLEMENT
AGREEMENT AND WITHDRAWAL OF HEARING REQUEST IN THE
MATTER OF STONY BROOK REGIONAL SEWERAGE AUTHORITY,
DOCKET NO.: ECEAI 02807-2010S & 04353-2010S (consolidated) and ECE01436-
2011**

Resolution No. 2011-23

WHEREAS, on November 18, 2008, August 31, and November 23, 2009, the New Jersey Department of Environmental Protection issued Administrative Orders and Notices of Civil Administrative Penalty Assessments with respect to the operation of the

Authority's incinerator in the total amount of \$171,400.00 for alleged violations, more specifically stated and identified in the Administrative Orders and Notices of Civil Administrative Penalty Assessments of DEP Docket No. PEA070001, PEA090002, and PEA090003; and

WHEREAS, there is presently pending in the Office of Administrative Law contested cases regarding the above matters, namely OAL Docket Numbers ECEAI 02807-2010, ECEAI 04353-2010 (consolidated) and ECE01436-2011; and

WHEREAS, the Stony Brook Regional Sewerage Authority, without admitting liability, in response to the allegations of the proceedings presently pending before the Office of Administrative Law, desires to enter into a settlement, substantially in the form attached hereto, to resolve all issues now pending before the Office of Administrative Law with respect to Air Compliance and Enforcement, as well as, additional matters that have been alleged since the issuance of the Administrative Orders and filing of the requests for adjudicatory hearings, which alleged violations are specifically enumerated in the settlement document attached hereto and made a part hereof.

NOW THEREFORE BE IT RESOLVED by the Stony Brook Regional Sewerage Authority on this 27th day of June, 2011 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 in the case entitled In the Matter of Stony Brook Regional Sewerage Authority, OAL Docket Numbers ECEAI 02807-2010, ECEAI 04353-2010 (consolidated) and ECE01436-2011, DEP Docket No. PEA070001, PEA090002, and PEA090003 (the "OAL Proceedings").
2. The Stony Brook Regional Sewerage Authority authorizes the payment of funds in the amount of \$43,850.00 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. Counsel for the Stony Brook Regional Sewerage Authority is hereby authorized and directed to withdraw the hearing requests filed In the Matter of Stony Brook Regional Sewerage Authority, OAL Docket Numbers ECEAI 02807-2010, ECEAI 04353-2010 (consolidated) and ECE01436-2011, DEP Docket No. PEA070001, PEA090002, and PEA090003 (the "OAL Proceedings").
5. 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			
Gale D. Downey	X			
Harry Compton	X			
James McKinnon	X			
David Miller	X			
C. Schuyler Morehouse	X			
Bharat Patel				X

Mr. Kantorek reported that Mr. Jim Cosgrove, Omni Environmental, has provided SBRSA with an update on the NJDEP’s tiered water use system. The tiered plan has the potential to eliminate TDS (total dissolved solids) and nitrates in SBRSA’s upstream permits. The EPA is also involved in this process and resolution may still take a while. It is hoped that the NJDEP will “stay” these parameters in SBRSA’s new permits.

475.08 Operations Report

Mr. Ireland reported that the final effluent tanks at the Hopewell STP, which include two Chlorine Contact Tanks and two Re-aeration tanks, have been cleaned and were placed back in service. Since the Chlorine Contact Tanks cannot be taken off-line, staff used a trash pump with a vacuum setup on the suction side of the pump.

Mr. Ireland indicated that two doors have been replaced in the belt press room; the door to the Fly Ash Slurry VFD Room and the door to the MCC Room. The replacement of the doors was necessary due to corrosion.

Mr. Ireland indicated that Thickener #1 was taken off-line and cleaned. Staff is in the process of obtaining quotes to replace the skimming arm and mechanism which broke off when the tie rods failed. This caused the skimmer to hang up on the collection trough.

Mr. Ireland reported that the gear box for the sludge collector on Modified Aeration Clarifier #2 was replaced. The gearbox on Schwing #1 was also replaced.

Mr. Ireland noted that the Health Department is in the process of inspecting homes in Pennington Borough in an effort to determine the source of the fuel oil that is sporadically entering the Pennington STP. The amount of oil has decreased significantly and seems to coincide with less rainfall and lower ground water levels.

Mr. Ireland reported that a shaft was replaced on Orbal #1, Drive #1 at the Pennington STP. The work was performed by Municipal Maintenance with SBRSA mechanics assisting in the repair to expedite the job.

The trip unit within the feeder breaker for MCC #7 was replaced. SBRSA experienced trouble with this breaker last month and adjustments were made to the trip unit but the problem occurred again. It was decided that the trip unit should be replaced. The work was performed by A.C. Scott Electric.

Mr. Ireland reported that four mechanics attended a two-day seminar at Rutgers to receive training on the Operation and Maintenance of Emergency Generators.

Mr. Ireland indicated that the Flowminutor at the Millstone Pumping Station was removed and sent out for an overhaul.

The Climber Screen at the Princeton Pumping Station is out of service. The brake mechanism was sent back to the manufacturer, Fairfield, for repair. It will take 6 to 10 weeks to complete the repair.

A Load Reduction test was conducted on June 16, 2011 as required by EnergyConnect. The test lasted from 3:00 pm to 4:00 pm. Staff is awaiting the results of the test.

Mr. Ireland reported that Incinerator #2 was inspected and repaired and was back on-line in time to complete the RATA Test. This test was needed to be completed by the end of June. The repairs were more extensive than usual since Hearth Level #6 was replaced. This hearth started losing its slope years ago and finally dropped to a point where the inner bricks were falling out.

Odor Reports

Mr. Ireland reported that staff received no odor complaints from our surrounding area during the month of May and no odor complaints for the partial month of June.

Customer Septage and Sludge Deliveries

The monthly quantities of sludge cake and gray water exceeded the budgeted amounts, while quantities of liquid sludge and septage were below the budgeted amount.

New Maintenance Reports

Mr. Kantorek indicated that several new maintenance reports have been included in the Operations section of the Board book and will be included each month in the Board books.

Mr. Kantorek explained that the Out of Service Equipment Report shows on any given day what pieces of equipment are out of service, how long it has been out of service and why it is out of service; i.e. waiting for parts, etc. The Monthly Open Request graph tracks the number of work requests that are still opened. Since April of 2010, the number of open work requests has decreased from approximately 325 to slightly fewer than 50 open requests. The last report tracks scheduled Preventative Maintenance on a daily, weekly or monthly basis. Mr. Kantorek indicated that significant progress has been made in the maintenance department.

Dr. Bartolini indicated that the reports and graphs are a good monitoring tool and perhaps staff can combine all these areas into one report. Dr. Bartolini congratulated staff on this accomplishment.

475.09 Construction Report

2011 Annual Inspection

Ms. Pchola reported that Inspection of all facilities has been completed by AECOM. It is expected that the draft annual report will be submitted sometime in late June or early July.

Odor Control Facilities

Ms. Pchola reported that at the request of the Board, TRC has provided a cost proposal to conduct odor sampling and analysis at the River Road STP. Odor sampling will be provided at the same locations as conducted in 2009 and 2010.

The cost to conduct the sampling and analysis is \$14,750 as outlined in the TRC proposal dated June 20, 2011 (the cost for the odor sampling and analysis in 2010 by TRC was \$13,400).

Staff recommended approval of Resolution 2011-21, Authorizing Award of a Contract for Odor Sampling and Analysis to TRC Environmental at the River Road WWTP. So moved by Dr. Downey, seconded by Mr. McKinnon and passed by a roll call vote of 6 to 0. Resolution 2011-21 follows.

Resolution Authorizing the Award of a Contract to TRC for Odor Sampling and Analysis at the River Road STP

Resolution No. 2011-21

WHEREAS, the Stony Brook Regional Sewerage Authority (SBRSA) has a need for the continuation of odor sampling in the summer of 2011 at River Road STP; and,

WHEREAS, the analysis will be used as a comparison to the analysis that was conducted in 2009 and 2010 to determine the odor characteristics at the River Road STP; and

WHEREAS, TRC has conducted this sampling and analysis in 2009 and 2010 and for continuity and consistency of the data TRC should conduct the sampling and analysis in 2011; and

WHEREAS, the qualified purchasing agent, Stuart Neuhof has determined and certified in writing that the value of the work for this contract will not exceed \$17,500; and,

WHEREAS, the term of this contract will take place during SBRSA's FY 2011; and,

WHEREAS, TRC has submitted a proposal indicating they will provide the sampling and analysis for a lump sum fee not to exceed \$14,750 without prior written approval from SBRSA; and

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

NOW THEREFORE, BE IT RESOLVED that the Board of the SBRSA authorizes the Chairman to enter into a contract with TRC as described herein; and,

Recorded Vote:

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

Ms. Pchola reported that staff submitted the application for the Certificate to Operate a Beneficial Use Project for the biofilter media to NJDEP on June 16, 2011. In the past we have used the spent media as ground cover around the River Road STP site. The application and analysis of the media for the “use permit” is required every two years. Analysis of the media is required and compared to the Soil Cleanup Criteria. Results of the analysis indicate that the biofilter media is within the criteria.

Sludge Cake Odor Control Unit

Ms. Pchola indicated that the replacement of the carbon media for the Sludge Cake Receiving Facility odor control unit has been scheduled for June 30, 2011. The existing spent media (Purafil) will be replaced with a coconut shell based activated carbon media

MCC Replacement

Ms Pchola indicated that staff and AECOM are partnering on the design for this project. The ‘front-end’ of the specifications has been drafted by SBRSA. AECOM is in the process of developing the required drawings and technical specifications. Once received, SBRSA will compile the drawings and specifications with the front-end and advertise the project for bid. It is anticipated that the project will be recommended for award at the August 2011 Authority Board meeting.

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

Ms. Pchola reported that this project remains at 98% complete. On June 14, 2011 Bionomic Industries completed another round of outlet sampling the results of which indicated a very low outlet particulate emission rate (2.6E-6 gr/scf). Bionomic Industries

plans to complete two (2) additional rounds of outlet sampling the week of June 20, 2011 and if the results from the additional sampling are similar to June 14th, then preliminary tests will be conducted to determine unit removal efficiency.

Contract 10-1, Headworks Project

Ms. Pchola reported that this project is 4.8% complete. Over the last 30 days Tomar continued to submit shop drawings and completed the temporary bypass of the 14-inch North Ridge gravity sewer line. To date, we have received 15 shop drawings with 8 approved and 4 under review.

As discussed in the April 2011 Construction Report, the Princeton Township Fire Official required that a new fire hydrant be installed within the vicinity of the new headworks facility. The fire hydrant connection to the potable water distribution system was submitted to New Jersey American Water Company (NJAWC) for approval. SBRSA was contacted by NJAWC and informed that in order to approve the hydrant installation SBRSA would need to install a water meter and an above ground backflow prevention device (BPD). This requirement would result in unanticipated construction costs and increase our annual service charge for water service connection fees by almost 40% (\$7,290 current vs. \$10,143 new).

As an alternative NJAWC suggested that SBRSA install a single water meter (site meter) that would serve the entire River Road Plant site. While the installation of the new site meter would be more expensive than the fire hydrant meter and BPD installation, the new site meter will reduce the current annual water service connection fees by 17.5% and eliminate the need for the meter and BPD on the new hydrant along with recurring inspection and maintenance fees.

Based on the above, SBRSA asked Tomar Construction to submit a proposal for this work. The proposal was received and reviewed by Authority staff and Omni Environmental.

Staff recommended approval of Change Order No. 2 in the amount of \$65,294.06 for Construction of a New Potable Water Meter Chamber to Tomar Construction. So moved by Dr. Downey, seconded by Mr. McKinnon and passed by a vote of 6 to 0.

Contract 10-3, Millstone Pump Station Sewage Pump Rebuild Project

Ms. Pchola reported that there has been no progress on this project this month. The new impeller was received on Friday, June 24, 2011 and the rebuild of Pump #2 will be fast tracked.

Contract 10-4, Pump Station Odor Control System Carbon Replacement

Ms. Pchola indicated that there has been no progress on this project this month. Staff is currently working with the Contractor to have the grassed area at the Millstone Pump Station restored and Calgon is in the process of submitting the certified payrolls.

Contract 11-3: Princeton Pump Station Roof Replacement Project

Ms. Pchola reported that Contract 11-3 was advertised on May 20, 2011 and the pre-bid meeting was held on June 1, 2011. Of the six contract documents distributed to potential bidders, five bids were received on June 21, 2011. The bids ranged in price from \$37,210 to \$54,532. Frank Begg Roofing was the lowest bidder at \$37,210. Staff has checked the references and all required bidding documents were submitted with the bid.

Staff recommended approval of Resolution 2011-22, awarding Contract 11-3, Princeton Pumping Station Roof Replacement Project, to Frank Begg Roofing in the amount of \$37,210. So moved by Dr. Downey, seconded by Dr. Miller and passed by a roll call vote of 6 to 0. Resolution 2011-22 follows.

**Resolution Authorizing the Award of Construction Contract 11-3,
Princeton Pump Station Roof Replacement Project to Frank Begg Roofing**

Resolution No. 2011-22

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 “Princeton Pump Station Roof Replacement Project, Contract 11-3”; and

WHEREAS, sealed competitive bids were received by the Authority on June 21, 2011, as more fully set forth as follows; and

<i>Bidder</i>	<i>Bid Amount</i>
Frank Begg Roofing	\$37,210
Kupex Exteriors, LLC	\$37,600
Coffey Bros. , Inc.	\$42,000
Roof Management, Inc.	\$44,775
McMullen Roofing, Inc.	\$54,532

WHEREAS, the Authority has determined that the bid of Frank Begg Roofing is the lowest bid in the amount of \$37,210; 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

WHEREAS, the bid received from Frank Begg Roofing 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 Authority has sufficient funds available in the current capital budget.

NOW, THEREFORE, BE IT RESOLVED by the Stony Brook Regional Sewerage Authority that it hereby awards the contract to Frank Begg Roofing, the lowest responsive bidder for Contract 11-3 Princeton Pump Station Roof Replacement Project in the amount of \$37,210; 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			
Harry Compton	X			
James McKinnon	X			
David Miller	X			
C. Schuyler Morehouse	X			
Bharat Patel				X

475.10 Finance Report

Payment of Bills and Claims

Dr. Miller moved the approval of the payment of bills and claims in the amount of \$1,000,969.25 with two signatures instead of three; seconded by Dr. Downey and passed by a vote of 6 to 0.

Treasurer's Report

Mr. Neuhof reported that net income for the six-month period ending May 31, 2011 stands at \$361,189. This is an increase of \$45,243. The Authority has total investments of \$17,370,660 at an average interest rate of 0.40%. The balance for current construction projects is \$15,472,192. Current funding sources total \$22,561,411. The New Jersey Cash Management Fund yield is 0.09%. Mr. Neuhof noted that the interest rate is the lowest it has ever been.

Monthly Sludge Business Analysis

The monthly Sludge Business Tracking for FY 2011 was provided to the Board. Mr. Neuhof reported that net income for the month of May is \$132,803 and the cumulative net income is \$802,158. Mr. Neuhof noted that staff has updated avoided expenses from \$153,580 to \$189,716 per month. In addition, Other Expenses were increased by approximately \$5,000 per month.

Mr. Kantorek noted that staff also reviewed all the outside sludge quantities. It was determined that some of the quantities of outside sludge were overstated because most

sludge cake trucks are only filled to 85% of capacity and, therefore, staff increased the percentage of SBRSA's sludge and decreased the percentage of outside sludge.

These changes will be used for the remainder of the current fiscal year and will add approximately \$216,000 to the net income. Mr. Kantorek indicated that the "net income" figure should not be considered as net profit but rather a means to determine the viability of the outside sludge business.

Mr. Neuhof reported that gas usage for May was 71,165 therms and that the remaining simple payback period for the RTO is 4.4 years.

475.11 Personnel Report

The Personnel Report was provided for member information.

Mr. Kantorek reported that one employee has retired. The Authority has 45 filled positions and one vacancy.

475.12 Correspondence

For information

475.13 Old Business

None.

475.14 New Business

Resolution 2011-20, Award of Contract for the Hauling and Disposal of Grit and Screenings

Mr. Ireland reported that staff received quotes in early June for the hauling and disposal of grit and screenings. The unit cost is on a per cubic yard basis for an estimated 180 cubic yards per year. Three quotes were received and the results are as follows:

	<u>12-Month Contract</u>	<u>24-Month Contract</u>
Waste Management of NJ, Inc.	\$73.60/\$13,248.00	\$73.60/\$13,248.00 1 st year \$75.10/\$13,518.00 2 nd year 2 Year Total = \$26,766.00
Gary W. Gray Trucking, Inc.	\$87.00/\$15,660.00	\$87.00/\$15,660.00 1 st year \$89.00/\$16,020.00 2 nd year 2 Year Total = \$31,680.00

Freehold Cartage, Inc.	\$102.00/\$18,360.00	\$102.00/\$18,360.00 1 st year \$105.00/\$18,900.00 2 nd year 2 Year Total = \$37,260.00
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Mr. Ireland indicated that the last contract was a two-year contract with Waste Management at a unit price of \$71.80 per cubic yard for the first year and \$73.60 per cubic yard for the second year for a total of \$26,172.00.

Mr. Ireland recommended approval of Resolution 2011-20, awarding a two-year contract to the vendor that submitted the lowest quote, Waste Management of New Jersey, Inc. So moved by Dr. Downey, seconded by Dr. Miller and passed by a roll call vote of 6 to 0. Resolution 2011-20 follows.

**Resolution Authorizing the Award of a “No Political Contributions Allowed”
Contract(s) for
Hauling and Disposal of Grit and Screenings**

Resolution No. 2011-20

WHEREAS, the Stony Brook Regional Sewerage Authority has a need to acquire Grit Removal 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 this contract (by purchase order) will exceed \$17,500; and,

WHEREAS, the anticipated term of this contract is for two years (August 1, 2011 to July 31, 2013); and,

WHEREAS, the following quotes were received from Waste Management of NJ, Inc., Freehold Cartage, Inc., and Gary W. Gray Trucking, Inc.; and,

	<u>12-Month Contract</u>	<u>24-Month Contract</u>
Waste Management of NJ, Inc.	\$73.60/\$13,248.00	\$73.60/\$13,248.00 1 st year \$75.10/\$13,518.00 2 nd year 2 Year Total = \$26,766.00
Gary W. Gray Trucking, Inc.	\$87.00/\$15,660.00	\$87.00/\$15,660.00 1 st year \$89.00/\$16,020.00 2 nd year 2 Year Total = \$31,680.00
Freehold Cartage, Inc.	\$102.00/\$18,360.00	\$102.00/\$18,360.00 1 st year \$105.00/\$18,900.00 2 nd year 2 Year Total = \$37,260.00

WHEREAS, Waste Management Inc. has submitted the lowest cost quote (for two years) in the amount of \$26,766.00; and,

WHEREAS, Waste Management Inc. has completed and submitted a Business Entity Disclosure Certification which certifies that this 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 this vendor 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 above vendor 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.

<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

Mr. Kantorek noted that the estimated quantity of grit for this particular quote is low. The Authority's existing system does not provide a means of removing grit from the grit chamber. However, once the Headworks project is completed, the Authority will have a system that not only takes the grit out of the wastewater, but will also provide a more effective means of conveying the grit to dumpsters. Therefore, the cost for removal and hauling of grit will increase.

Award of Liquid Sludge Contracts

The following liquid sludge contracts were awarded on a motion by Dr. Downey, seconded by Dr. Miller and passed by a vote of 6 to 0.

Mercer County Correctional Facility	250,000 gallons	04/01/2011 to 03/31/2013
East Windsor Municipal Utilities Authority	2,500,000 gallons	01/01/2011 to 12/31/2015

Award of Sludge Cake Contract

The following sludge cake contract was awarded on a motion by Dr. Downey, seconded by Dr. Miller and passed by a vote of 6 to 0.

Reading Lebanon
Sewerage Authority

500 cubic yards

11/01/2011 to 10/31/2016

475.15 Adjournment

As there was no further business to come before the Board, the meeting was adjourned at approximately 8:32 p.m. on a motion by Mr. Compton, seconded by Mr. McKinnon and passed by unanimous vote.

Respectfully Submitted,

John Kantorek
Secretary

Recorded and Written by
Patricia Carlino
July 13, 2011