

Minutes of Meeting #525, September 28, 2015 – Stony Brook Regional Sewerage Authority

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

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

MEMBERS ABSENT: Goldfarb

CONSULTANTS: Alexander, Scerbo

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

525.01 Chairman Bartolini indicated that 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 and on the Authority's website.

525.02 Approval of Minutes

The minutes from the August 24, 2015 Board meeting were approved as presented on a motion by Dr. Downey, seconded by Mr. Patel and passed by a vote of 5 to 0.

525.03 Board Related Activities

Princeton-Stony Brook Solar Initiative

Mr. Kantorek indicated that Resolution 2015-50 is for the approval of the Power Purchase Agreement between Princeton, Stony Brook Regional Sewerage Authority and Geopeak Energy as part of the Solar Initiative between Princeton and the Authority. Mr. Ryan Scerbo, Esq. was present to answer any questions from the Board regarding the Agreement.

Mr. Kantorek indicated that the Construction Committee received a copy of the Agreement to review. Both Dr. Downey and Mr. Goldfarb submitted their comments/changes to Mr. Scerbo for incorporation into the Agreement.

Mr. Scerbo, at the request of Ms. Alexander, Counsel for the Authority, pointed out that there is some risk involved to the Authority. If SBRSA needs to shut down the power for any reason, i.e., for a project, emergency, safety etc., for a period of more than seventy-two (72) consecutive daylight hours, the Authority would be required to pay the solar developer for the lost power that is not being produced.

Mr. Scerbo indicated that there is also the risk of Princeton terminating its lease with the solar developer. If that were to occur, SBRSA would lose the savings from using of solar power and reverting back to commercial power.

Mr. Scerbo added that the developer is seeking ways to increase the size of the solar project which in turn will supply SBRSA with more power and more savings.

Mr. Morehouse asked if the solar power output would be available. Mr. Scerbo indicated that information would be available through the internet. The information will also be available electronically on screens at the Authority and two in Princeton.

Staff recommended approval of Resolution 2015-50, Authorizing the Execution of a Power Purchase Agreement and a Lease By and Between Princeton, Stony Brook Regional Sewerage Authority and Geopeak Energy in Connection with the Princeton-Stony Brook Regional Sewerage Authority Solar Initiative. The Resolution was moved by Dr. Downey and seconded by Mr. Patel.

Dr. Downey asked if Princeton does not adopt the Resolution what impact does it have on SBRSA. Mr. Scerbo indicated that if Princeton were to make any changes in the agreement then it would have to come before the Board again.

The Resolution was then passed by a roll call vote of 5 to 0. Resolution 2015-50 follows.

**RESOLUTION OF THE BOARD OF THE STONY BROOK REGIONAL SEWERAGE AUTHORITY AUTHORIZING THE EXECUTION OF A POWER PURCHASE AGREEMENT AND A LEASE BY AND BETWEEN PRINCETON, STONY BROOK REGIONAL SEWERAGE AUTHORITY AND GEOPEAK ENERGY IN CONNECTION WITH THE PRINCETON-STONY BROOK REGIONAL SEWERAGE AUTHORITY SOLAR INITIATIVE**

**Resolution 2015-50**

**WHEREAS**, Princeton and the Stony Brook Regional Sewerage Authority (the “Authority”), collectively, previously expressed their desire to work cooperatively together to obtain proposals from private solar developers for the financing, design, construction, installation, operation and maintenance of a solar renewable energy project (“Renewable Energy Project”) to be located on certain lands owned by Princeton and servicing certain facilities owned by the Authority by entering into a Shared Services Agreement, dated September 28, 2015; and

**WHEREAS**, Princeton, on behalf of the Authority administered a procurement process pursuant to the competitive contracting provisions of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., by issuing a *Request for Proposals for a Developer of Photovoltaic Systems on Lands Owned by Princeton and Serving Stony Brook Regional Sewerage Authority, Princeton, Mercer County, New Jersey*, dated May 8, 2015 (the “RFP”); and

**WHEREAS**, following the completion of a detailed evaluation of the proposals received

in response to the RFP, as well as interviews with each respondent, the Evaluation Team developed the Evaluation Report, dated July 23, 2015; and

**WHEREAS**, the Evaluation Report recommended that the team of Geopeak Energy / Altec Building Solutions / Eznergy be selected as the Successful Respondent to the RFP under proposal Option 1b; and

**WHEREAS**, via a Resolution dated July 27, 2015, the Board authorized the Evaluation Team to complete a Power Purchase Agreement and a Lease Agreement as well as any other ancillary documents necessary to effectuate the intent of this resolution; and

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

1. The aforesaid recitals are incorporated herein as if set forth at length.
2. The Executive Director is hereby authorized and directed, on behalf of the Authority, subject to the advice and counsel of the Authority's legal counsel, Princeton's Special Energy Counsel and Princeton's Energy Consultant, to execute the Power Purchase Agreement and Lease Agreement attached hereto as **Exhibit A** with the Successful Respondent and Princeton, as well as any other ancillary documents necessary to effectuate the intent of this resolution.

**BE IT FURTHER RESOLVED** that this resolution shall take effect immediately.

The foregoing resolution was adopted by the following roll call vote:

<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			

Consultant List

The consultant list was provided for information. Mr. Kantorek indicated that one Amendment for KEMS, LLC is pending award.

PlanSmart

Mr. Kantorek indicated that the 2015 PlanSmart Annual dinner will take place on November 12, 2015. Any Board member who is interested in attending should contact Mr. Kantorek.

525.04 Planning and Administration

Mr. Kantorek reported that the most current 12-month average daily River Road plant flow is 9,052,335 gpd with 983,341 gpd of approved but inoperative flow for a total committed flow of 10,035,696 gpd with 3,024,304 gpd or 23.16% of available capacity. The most current 12-month average daily flow at the Hopewell Plant is 218,005 gpd with 1,200 gpd of inoperative flow, for a total committed flow of 219,205 gpd with 26.93% or 80,795 gpd of available capacity. The Pennington Plant presently has 238,699 gpd as the most current 12-month average daily flow, with 18,545 gpd of approved but inoperative flow, for a total committed flow of 257,244 gpd, with 14.25% or 42,756 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 indicated that the total average flow for August of 6.652 million gallons at the River Road plant is the lowest monthly flow recorded in the last twenty (20) years.

Monthly Flow Transmittal

The monthly flow transmittal for August was provided for information.

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

525.05 Approval Requests and Actions

TWA-1 Approvals

**Residential Community at Princeton Forrestal Village, Block 104, Lots 1.03, 1.04 and 1.05, Plainsboro Township**

Ms. Pchola reported that this application is for sewer service for residential luxury apartments that includes 20 studio units, 229 one-bedroom units, 135 two-bedroom units and 10 three-bedroom units. In addition the project includes the construction of 1,185 feet of 8-inch diameter gravity PVC piping.

20 studio units	150 gpd/unit	3,000 gpd
229 one-bedroom units	150 gpd/unit	34,350 gpd
135 two-bedroom units	225 gpd/unit	30,375 gpd
10 three-bedroom units	300 gpd/unit	3,000 gpd
	Total Flow	70,725 gpd

Ms. Pchola indicated that the TWA has been endorsed by the South Brunswick Township Engineer as consent by the Township Sewerage Authority and consent as to wastewater conveyance capacity. The application has also been approved by the governing body of Plainsboro Township.

Staff recommended approval of this application for the requested flow. So moved by Dr. Downey, seconded by Mr. Patel and passed by a vote of 5 to 0.

Time Extensions

None.

NJPDES Enforcement Requested

None.

Water Quality Management Plan Amendments

None.

Allocated Flow Update

Ms. Pchola reported that staff provided Princeton, South Brunswick and West Windsor with a summary of the properties with approved TWAs through an email on September 21, 2015. Staff requested that they update the status of each property as to complete or partially complete so the flow can be adjusted on the allocation summary. Staff has received information from South Brunswick Township.

525.06 Regulatory Report

Discharge Monitoring Report (DMR)

Mr. Rahimi reported that the Discharge Monitoring Reports for the months of July and August were submitted to NJDEP. No violations were reported for these months.

Mr. Rahimi indicated that the Hopewell and Pennington semi-annual and annual Surface Water Discharge Characterization Reports (SWDWCR) were submitted. The results were within the expected ranges for these facilities.

Residuals Discharge Monitoring Report

Mr. Rahimi reported that the June and July Residuals Discharge Monitoring Reports were submitted to NJDEP. All River Road parameters were compliant with the Authority's Air Permit requirements.

Laboratory

Mr. Rahimi noted that on September 2, 2015 staff met with Mr. Jim Cosgrove and Mr. Joe Schwarz from Kleinfelder and the Authority's attorney, Ms. Diane Alexander, to discuss the

use of sufficiently sensitive test methods for reporting monitoring data. Ms. Alexander and Mr. Cosgrove will draft a letter to NJDEP regarding this matter.

Mr. Kantorek indicated that this matter is very consequential matter in terms of the low monitoring. It is starting with chlorine but could include arsenic and mercury. Some of the testing is very expensive and there is no guidance on the accuracy of these test methods. Referring to the letter from NJDEP and EPA, Ms. Alexander reported that she has spoken to NJDEP Northern Enforcement who indicated that the limits in your permit are your enforceable limits and testing limits are your limits until your permit changes. However, the letter from the EPA is contradictory to what DEP has stated. Ms. Alexander indicated that she is working with the DEP on this matter. EPA is the driving force behind the lower testing limits. A lengthy discussion followed.

Mr. Rahimi reported that on September 10, 2015, staff received a letter from NJDEP, Office of Quality Assurance, regarding the sufficiently sensitive test methods requirement. A copy of the letter was provided to the Board. Currently, this requirement affects chlorine testing at the SBRSA facilities. SBRSA's laboratory is currently evaluating the analytical methods available to meet this directive.

#### Miscellaneous

Mr. Rahimi indicated that the Quarterly Capacity Assurance Program report for the period June 1, 2015 through August 31, 2015 was submitted to the NJDEP. A copy of the report was provided to the Board.

#### 525.07 Safety

Mr. Irizarry reported that there were no lost time accidents/injuries for this reporting period.

Mr. Irizarry indicated that as of September 16, 2015 Stony Brook Regional Sewerage Authority has gone 1469 consecutive days without a "Lost Time Accident".

Mr. Irizarry reported that on July 31st and August 3rd the annual fire alarm inspection was conducted for the River Road plant and the Princeton Pump Station. Staff has received the report and there were two deficiencies noted:

1. Cake Building – The horn/strobe by north landing did not activate when tested.
2. Sludge Receiving Station – The fire alarm control panel battery failed.

Staff is in the process of obtaining quotes to make the necessary repairs.

Mr. Irizarry indicated that staff is looking into having fire alarm monitoring added to both the Upstream facilities. Staff has prepared draft specification documents which are currently under review.

Mr. Irizarry reported that on September 2, 2015 Carlin Chimney and Duct Service performed a chimney inspection evaluation and sweep of the River Road Boiler Chimney. No issues were found.

Mr. Irizarry indicated that on September 15, 2015 staff held its quarterly safety meeting. A copy of the minutes from the meeting were provided to the Board.

Training for this reporting period included:

- Respiratory Protection training with fit test was provided by Certified Health and Safety on August 19, 2015 for 30 employees.
- Industrial Power Truck/Forklift practical training was provided by the New Jersey Department of Labor on August 27, 2015 for 7 employees.
- Fall Protection training was provided in-house on September 17, 2015 for 13 employees.
- Storm Water Pollution Prevention (SPPP) and Spill Prevention Control and Countermeasures (SPCC) training was provided in-house on September 17, 2015 for 12 employees.
- CPR/AED was provided by Certified Health and Safety on September 23, 2015 for 16 employees with 2 employees also receiving First-Aid training.

Mr. Irizarry indicated that the Loss Control Report from the Joint Insurance Fund (JIF) which conducted its inspection in May 2015 suggested that the ladder climbing devices attached to the standpipes at Hopewell and Pennington Plants be inspected by a third party. The inspection was conducted by Certified Health and Safety on September 4, 2015. Staff is waiting for the report.

Mr. Irizarry reported that at the request of Mr. Goldfarb the results of the PEOSH inspection that took place on May 27, 2015 and June 9, 2015 were as follows:

1. Update the confined space required permits: This has been completed and training is continuing.
2. Conduct annual confined space rescue training: Training was conducted for the two new employees for 2015. Prior to the inspection the practice was to provide practical training to new employees and then classroom refresher training every three years thereafter. The inspector stated that he did not expect SBRSA to provide practical training to each employee on a yearly basis but to conduct practical training using different sites to selected employees in the event that there are new structures or new fall protection equipment.

3. Arc Flash training: Training is required every two years which the employees had in 2013. Arc flash training is scheduled for September 30, 2015. Staff provided the PEOSH Inspector with the 2013 documentation.

Dr. Downey reported that at the Construction Committee meeting staff indicated that there was an issue with the Authority's new wireless fire alarm system. The system has forty (40) different zones which are supposed to communicate with each other. However, they are not and as a result staff members are receiving numerous calls associated with troubleshooting alarms. Staff has contacted the vendor regarding this problem.

#### 525.08 Litigation

The Litigation Report was provided for information.

Ms. Alexander indicated that there were changes this month to the Litigation Report.

#### River Road Wastewater Concerns

On September 9, 2015, NJDEP issued a Preliminary Draft Surface Water Renewal Permit for the River Road facility. This renewal carries forward the unresolved blending line issue from the previous permit. New issues include Nitrate; Removal of the Quantification Levels and Sufficiently Sensitive Test Methods, particularly with respect to Chlorine Produced Oxidants; calculation of the Chlorine Produced Oxidant limitations; Chlorodibromomethane and Bromodichloromethane limitations, E. Coli effluent limitations, the Capacity Assurance Program provisions and provisions regarding evaluation of Local Limitations for Chlorodibromomethane and Bromodichloromethane. Comments regarding the issues raised in the Preliminary Draft will be submitted to the NJDEP on September 25, 2015.

A status conference with the Honorable Lisa James-Beavers, ALJ, Kristen Heinzerling, DAG and her successor, Yin Zhou, DAG, was held on September 9, 2015, wherein the issuance of the preliminary draft permit was briefly discussed. The next telephone status conference has been scheduled for October 10, 2015. At that time, Mark Collier, DAG will represent the NJDEP.

#### Hopewell and Pennington NJPDES Permit Concerns

By letter dated September 9, 2015, SBRSA withdrew the prior litigation without prejudice as to those claims plead in the Request for a Hearing filed on August 4, 2014.

A status conference with the Honorable Lisa James-Beavers, ALJ, Kristen Heinzerling, DAG and her successor, Yin Zhou, DAG, was held on September 9, 2015, wherein the issues relevant to the Final Permit, as well as, NJDEP's proposed schedule for the adoption of



rulemaking to resolve the outstanding contested issues, was discussed. The DAGs for the NJDEP advised Judge James-Beavers that NJDEP anticipates that the Tiered Use Rule will be adopted by the end of 2016. The next telephone status conference has been scheduled for October 10, 2015.

## 525.09 Operations Report

### River Road Facility

Mr. Kunert reported that the Nitrification Scum Well used to store floatables removed from the Nitrification Clarifiers, had become excessively full because of a possible clog. With the assistance of PSOC and their vacuum truck the structure was cleaned out within an hour, saving many man hours. Once the structure was emptied staff found a one liter sample bottle lodged in the six-inch decant line just before the check valve. After removing the bottle and testing the check valve for proper operation, the Scum Well was placed back into service.

Mr. Kunert indicated that on September 13, 2015 Center Point Associates began the new scrubber piping modifications and the installation of one new scrubber pump, located in the Operations Building basement. This required a forty-eight (48) hour shut down for the modification to be completed. In order for this project to move forward, a series of events needed to take place. Isolating the final effluent line entering the Operations Building basement required burn out of the incinerator and having it placed in standby; shutting down the scrubber system; and switching the Filter and Chemical Building to potable water to ensure all filters would operate properly and the mechanical seals on all pumps in operation throughout the plant had sufficient seal water.

Mr. Kunert reported that once the scrubber modifications were completed late afternoon September 15, 2015 the process was placed back into normal operation. The new scrubber pump was tested and placed into operation. There were no detrimental effects to the process during this event and a DEP HOTLINE call was placed as well.

Mr. Kunert indicated that on September 16, 2015 as requested by Energy Curtailment Specialists (ECS), SBRSA participated in a second scheduled one-hour load shedding event. Even though SBRSA did well in the first event, several participants in the Load Shedding Program did not. This caused the need for a second load shedding test.

Mr. Kunert reported that the RTO was taken offline on September 20, 2015 to cool down for its annual inspection of all operating systems and an internal inspection of the ceramic blocks. This was conducted on September 22, 2015. During that time we will be incinerating with the afterburners so there will be no loss of revenue. The results of the inspection will be reported in October's meeting.

## Odor Report

Staff received no odor complaints during the month of August. Five odor complaints have been received for the partial month of September. Mr. Kunert indicated that H<sub>2</sub>S is at a record high and flows are at a record low creating breakthrough in the biofilters. As a result, odor complaints have been on the rise. Mr. Kunert indicated that will treat the H<sub>2</sub>S with potassium permanganate.

## Customer Septage and Sludge Deliveries

The quantity of liquid sludge, sludge cake and gray water are below their budgeted amounts for the month of August. The decrease is due to the shutdown of the plant for construction.

## 525.10 Maintenance

Mr. Ireland reported that on August 21, 2015 during routine preventative maintenance inspections, Pump No. 3 at the South Brunswick Pump Station was found to be leaking. The mechanical seal was removed and repaired using a seal repair kit. Once installed the pump was tested and placed back into service.

Mr. Ireland indicated that the motor used to open and close the Septage Building garage door was no longer operational. On August 31, 2015 it was replaced with a new upgraded heavy duty motor to improve performance and durability.

Mr. Ireland reported that the sampler used to collect influent samples at the Headworks Building located at the River Road Facility needed a new refrigeration unit. Staff ordered the unit and it was installed on September 8, 2015.

Mr. Ireland indicated that on September 9, 2015 staff replaced the existing check valves on Modified Aeration Scum Pumps Nos. 1 and 2 with two new six-inch weight and lever check valves. Utilizing this type of check valve will provide a better indication of the amount of flow or if a potential clog is forming.

The number of open work requests stand at eight (8). The Preventive Maintenance graphs show that SBRSA is currently averaging two (2) days overdue and the number of overdue units is approximately thirty-three (33).

Mr. Ireland indicated that two quotes have been received for two transformers to be installed. Staff will continue to work on this project.

## 525.11 Construction Report

### Upstream Facilities Process Evaluation/Planning Study

Ms. Pchola indicated that Kleinfelder continues to work on the evaluation/planning study.

### 2015 Annual Inspection

Ms. Pchola reported that on August 18, 2015 Kleinfelder submitted the 2015 Annual Inspection Report. Staff is in the process of reviewing the report.

### Odor Sampling/Evaluation

Ms. Pchola reported that TRC submitted the odor sampling results to SBRSA on September 25, 2015. A copy of the results were provided to the Board. It was noted that on August 17, 2015 no deliveries were being taken at the sludge cake receiving carbon unit at the time of the sampling. A copy of the summary of the results over the past several years was also provided to the Board.

Dr. Downey indicated that the Construction Committee will address the results at the October 26<sup>th</sup> Board meeting.

### KEMS 2015 Annual Advice

Ms. Pchola indicated that on July 2, 2015 KEMS submitted the required protocol to NJDEP for the compliance testing for the incinerators under all operating scenarios with the new scrubbers.

Ms. Pchola reported that recently KEMS had discussions with NJDEP who indicated that review of the incinerator testing protocol has not yet been completed and therefore they will not be available to witness the stack test until sometime in December 2015 at the earliest. KEMS requested that SBRSA be given consideration as soon as possible since we are in the process of completing the installation of our first replacement scrubber.

Ms. Pchola indicated that during the preparation of the KEMS 2015 advice proposal, staff requested that KEMS not include an estimate for the incinerator compliance testing. On June 30, 2015 KEMS received a proposal for the compliance testing from Montrose, formally Avogadro, in the amount of \$184,000 excluding cost option adders of \$14,400 (adders are contingent upon NJDEPs review of the protocol, methane results if THC is greater than 5 ppm, and the ash garage status).

Ms. Pchola reported that KEMS submitted a proposal for Amendment No 1 in the amount of \$18,400 for the compliance testing project initiation with Montrose. A copy of the proposal was provided to the Board. KEMS will contract directly with Montrose with a pass through

cost to SBRSA without a markup (SBRSA has done this in the past with CBE). It is expected that the physical component of the compliance test will be conducted in Fiscal Year 2016.

Staff recommended approval of Resolution 2015-51, Authorizing the Award of Amendment No. 1 to KEMS LLC 2015 Annual Advice in the amount of \$18,400 for Montrose to start the initiation of the incinerator compliance testing. So moved by Dr. Downey, seconded by Mr. Compton and passed by a roll call vote of 5 to 0. Resolution 2015-51 follows.

**Resolution Authorizing the Award of Amendment No. 1 to the  
KEMS, LLC 2015 Annual Advice**

**Resolution No. 2015-51**

**WHEREAS**, the Stony Brook Regional Sewerage Authority has a current agreement with KEMS, LLC to provide general advice for the period starting on December 1, 2014 through the end of Fiscal Year 2015 (November 30, 2015) for Consulting Engineering Services related to the regulatory requirements, permitting, and operation and maintenance of the Authority's incinerators as a contract that does not allow for political contributions to the Authority or its members ("No Political Contributions Allowed" Contract) pursuant to the provisions of N.J.S.A. 19:44A-20.4 et seq.; and,

**WHEREAS**, KEMS will contract with Montrose (formally known as Avogadro) to perform the required compliance testing for SBRSA's two incinerators under all four (4) operating scenarios and will pass this cost onto SBRSA without a markup; and,

**WHEREAS**, the cost to perform the compliance testing was not included in the original 2015 Advice agreement; and,

**WHEREAS**, the cost associated with this amendment is for the initiation of the work and not the total cost of the compliance testing as outlined in the attached proposal from Montrose dated June 30, 2015; and

**WHEREAS**, the physical part of the compliance testing will be conducted in SBRSA's Fiscal Year 2016; and

**WHEREAS**, KEMS, LLC has submitted an amendment request dated September 23, 2015 in the amount of \$18,400 for a revised contract amount of \$93,950; 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 Stony Brook Regional Sewerage Authority authorizes award of Amendment No. 1 in the amount of \$18,400 for the incinerator compliance testing as described herein.

Recorded Vote:

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

Information Technology Management Services

Ms. Pchola reported that Mr. Reilly continues to work closely with Mr. Hess. Mr. Reilly will give a presentation at the end of the Construction Report.

Schwing Pump Replacement Project

Ms. Pchola reported that staff prepared a request for proposal (RFP) for design services for the replacement of the seven (7) dewatered sludge handling pumps (Schwing pumps) and the replacement of the feed screws and drives for the sludge cake receiving bins. The RFP was sent to three engineering firms: AECOM, GHD, and R3M. It is expected that staff will provide a recommendation for award of this project at the October Board meeting.

Ms. Pchola indicated that staff attended a New Jersey Environmental Infrastructure Financing Program (NJEIFP) seminar on September 14, 2015. The seminar included information regarding the FFY 16/SFY 17 funding where funds will be available from the NJDEP at 0% interest for 75% of the project cost and from the Trust at the market rate for 25% of the project cost. Staff contacted NJDEP to see if the replacement of our dewatered sludge handling pumps would be eligible for funding due to the fact that this equipment is a revenue stream for the Authority. NJDEP indicated that since we use the facilities for processing outside sludge from other treatment facilities that this is a resiliency type of project and therefore would be eligible. The due date for the commitment letter and planning document is October 9, 2015 and contract documents are due on March 4, 2016. Staff is in the process of preparing the information required to meet the October 9th deadline.

Contract 14-4, SBRSA Pump Station Comminutor Project

Ms. Pchola noted that based on the Final 2015 Future Facilities Improvements Plan this project has been scheduled for 2017.

Contract 10-1 Headworks Project

Ms. Pchola indicated that Tomar Construction provided a response to SBRSA's letter dated August 24, 2015. A copy of SBRSA's letter and Tomar's response letter dated September 10, 2015 was provided to the Board. Staff, the Authority's counsel and Kleinfelder have

scheduled a meeting for October 5, 2015 to discuss Tomar's response. Following that meeting SBRSA will meet with Tomar Construction in an attempt to resolve all issues and close out the project.

#### Contract 14-1 SBRSA Emergency Generator Project

Ms. Pchola reported that there has been no change to status of this project. On September 21, 2015 SBRSA met with Thomas Controls Inc. (TCI) at the two pump stations to confirm on-site conditions. During the site visit TCI was asked about the status of the building permits. TCI has not received building permits for any of the three work sites. TCI should have all the information needed for Princeton by the end of the month. West Windsor Township is requesting additional structural information for a roof supply fan. There was no update for South Brunswick.

#### Contract 14-6 Wireless Fire Alarm Communication System

Ms. Pchola indicated that on August 24, 2015 the final inspection by the Princeton Construction Department was completed and the system placed into service. This project stands at 100% complete. The final payment application has been submitted and recommended for payment.

#### Contract 15-1 Scrubber Procurement

Ms. Pchola reported that EnviroCare is scheduled to be on-site beginning October 6, 2015 to complete the start-up, commissioning, and performance testing of Scrubber No.1.

#### Contract 15-2, Scrubber Installation

Ms. Pchola reported that as of Pay Estimate No. 5 this project is approximately 50% complete. It should be noted that almost half of monies paid to date are for stored materials which effectively puts the work percent complete at approximately 25%. Over the past reporting period Centerpoint Associates, Inc. (CPA) and their sub-contractors set three of the four (4) VFD's, began the installation of control and power conduits, and successfully completed a process shutdown during which all the existing interior scrubber water supply piping and basket strainer were demolished and removed and two (2) new basket strainers and 20-inch ductile iron pipe and fittings were installed. In addition to the above, CPA installed one (1) new low pressure pump and placed it into temporary service, began the installation of field instruments, continued the installation of spray lances and headers, installed the nine (9) venturi tubes within the scrubber vessel, installed the new sodium hydroxide piping, and continued the excavation for the exterior 20-inch Final Effluent/Secondary Effluent tie-in.

CPA has submitted five additional potential change order requests (PCO) Nos. 3 – 7. Table 1 below summarizes all change order requests to date.

TABLE 1

CO/PCO No.	Description	Requested Amount	Paid
1	Provide 3-way Valves for Flow Meters	\$997.04	Yes
2	Modify Support Columns for Quench Section	\$968.00	Yes
3	Additional Work for the Installation of Scrubber No. 1	\$6,636.85	No
4	Additional Excavation Work for Exterior 20-in. Tie-in	\$17,335.00	No
5	Repairs to Existing Scrubber Drain Inlet Tee	\$550.00	No
6	Relocate Backwash Return Pump No. 3 (Note 1)	\$0.00	No
7	Deletion of 20-inch SE Line Stop (credit)	(\$604.40)	No
	<b>Total</b>	<b>\$25,882.49</b>	

Note 1: PCO No. 6 has been removed as this work is no longer required for the completion of this project.

Ms. Pchola noted that SBRSA staff has agreed to the amount requested for PCO Nos. 4 and 5. The balance of the PCO requests are still under negotiation.

Ms. Pchola indicated that the current project schedule has all the necessary work for Scrubber No. 1 completed by October 5, 2015 in preparation for the start-up, commissioning, and performance test. Commencing on October 6, 2015 and finishing on October 14, 2015, Scrubber No. 1 will be commissioned, tested, and placed into service. If this schedule is successfully met, the Contractor will have completed the installation of first scrubber ahead of schedule and will qualify for the bonus as specified. The scrubbers were delivered to the site on June 8, 2015 and the bonus includes \$2,000 per day upon completion of a successful performance test before the interim completion date which is 161 days after receipt of equipment. Ms. Pchola indicated that CPA is approximately thirty-five (35) days ahead of schedule.

Contract 15-3, Ash Handling System Improvements

Ms. Pchola reported that the contracts have been executed and BR Welding has provided SBRSA with the required bonds and insurance. The project kick-off meeting was held on September 21, 2015.

Instrument Air Compressor Replacement

Ms. Pchola reported that AECOM provided staff with the draft contract documents. Staff is in the process of reviewing the documents and it is expected that this project will be advertised in late September and awarded at the October 26<sup>th</sup> Board meeting.

MA Effluent Channel Mixers

Ms. Pchola indicated that Kleinfelder continues with the preliminary design work for this project.

Pavement Replacement

Ms. Pchola indicated that staff contacted the contractor on September 23, 2015 regarding the status of this contract. To date R.T. Barrett has not returned staff's call. Staff will contact South Brunswick Township to ask who they use for paving projects.

Information Technology

Mr. Reilly indicated that initially EMA was brought on board to focus on short term goals such as IT Governance, IT policies, training and development. But working closely with Mr. Hess several areas have taken priority over the original plans. Mr. Reilly reported that building a strong IT Infrastructure foundation is needed. This foundation includes wiring, fiber patch panels, a new server room and creating a more reliable system that will require less maintenance.

Mr. Kantorek indicated that \$500,000 has been budgeted for IT Infrastructure upgrades.

Mr. Reilly had prepared a memo to Mr. Kantorek and Ms. Pchola on his Infrastructure Recommendations. A copy of Mr. Reilly's memo was provided to the Board. Mr. Reilly gave a short presentation to the Board.

A brief discussion followed.

525.12 Finance Report

Payment of Bills and Claims

Mr. Morehouse moved for approval of Resolution 2015-48, for the payment of bills and claims in the amount of \$1,253,322.14 with two signatures instead of three. The motion was seconded by Dr. Downey and passed by a roll call vote of 5 to 0. Resolution 2015-48 follows.

**Resolution Regarding Payment of Bills and Claims**

**Resolution No. 2015-48**

**WHEREAS**, the Stony Brook Regional Sewerage Authority received certain claims against it by way of voucher, and

**WHEREAS**, the staff and Authority members have reviewed said claims,

**NOW, THEREFORE, BE IT RESOLVED** by Stony Brook Regional Sewerage Authority that these claims in the total amount of \$1,253,322.14 be approved for payment with checks bearing two authorized signatures instead of three authorized signatures.



<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			

Treasurer's Report

Mr. Neuhof reported that net income for the nine-month period ending August 31, 2015 is \$728,904. This represents an increase of \$59,063 over the prior period. The Authority has total cash and investments of \$20,241,549 at an average interest rate of 0.22%. The current construction projects balance is \$17,487,095. Mr. Neuhof noted there are sufficient funds for these projects. The outstanding bond principal balance is \$23,649,523. The New Jersey Cash Management Fund yield is 0.12%.

Resolution 2015-49, Approval of the 2016 Authority Budget

Mr. Neuhof noted that a meeting with the Municipal Chief Financial Officers (MCFOs) was held to review the 2016 Budget. Mr. Joseph Monzo, South Brunswick Township and Ms. JoAnn Louth, West Windsor Township attended the meeting. No changes and/or recommendations to the 2016 Budget were made by the MCFOs. Mr. Monzo did question why South Brunswick Township was being charged the lion's share of the increase. Mr. Neuhof explained that the increase was due to the relative flow percentage increase compared to the other participants.

Mr. Neuhof recommended approval of Resolution 2015-49, 2015 Authority Budget with Total Revenues of \$14,941,101 and Total Appropriations of \$14,941,101; Total Capital Appropriations of \$7,862,000 and Total Unrestricted Net Assets planned to be utilized as funding of \$3,980,000. So moved by Mr. Morehouse, seconded by Dr. Downey and passed by a roll call vote of 5 to 0. Resolution 2015-49 follows.

**2016 AUTHORITY BUDGET RESOLUTION**  
**Stony Brook Regional Sewerage Authority**

**FISCAL YEAR: FROM: 12/1/2015 TO: 11/30/2016**

**Resolution # 2015-49**

**WHEREAS**, the Annual Budget and Capital Budget for the Stony Brook Regional Sewerage Authority for the fiscal year beginning, December 1, 2015 and ending, November 30, 2016 has been presented before the governing body of the Stony Brook Regional Sewerage Authority at its open public meeting of September 28, 2015; and

**WHEREAS**, the Annual Budget as introduced reflects Total Revenues of \$14,941,101 , Total Appropriations, including any Accumulated Deficit if any, of \$14,941,101 and Total Unrestricted Net Position utilized of \$0; and

**WHEREAS**, the Capital Budget as introduced reflects Total Capital Appropriations of \$7,862,000 and Total Unrestricted Net Position planned to be utilized as funding thereof, of \$3,980,000 ; and

**WHEREAS**, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

**WHEREAS**, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

**NOW, THEREFORE BE IT RESOLVED**, by the governing body of the Stony Brook Regional Sewerage Authority, at an open public meeting held on September 28, 2015 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Stony Brook Regional Sewerage Authority for the fiscal year beginning, December 1, 2015 and ending, November 30, 2016 is hereby approved; and

**BE IT FURTHER RESOLVED**, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

**BE IT FURTHER RESOLVED**, that the governing body of the Stony Brook Regional Sewerage Authority will consider the Annual Budget and Capital Budget/Program for adoption on November 16, 2015.

<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			

### 2016 Estimated Participant Charge

Mr. Neuhof provided the Board with a copy of the 2016 Estimated Participant Charge based on nine months of flow. This was also provided to the Municipal Chief Financial Officers. Mr. Neuhof indicated that the significant changes were a decrease for Princeton of approximately \$36,000 and an increase for West Windsor Township of approximately \$37,000 from the prior month.

### Monthly Sludge Business Analysis

Mr. Neuhof reported that net income for the month of August is \$80,446 and the cumulative net income is \$1,208,341. Gas usage for the month of August was 71,421 therms. The remaining simple payback for the RTO project is 2.10 years.

### 525.13 Personnel Report

The Personnel Report was provided for member information.

Mr. Kantorek indicated that one Operator is on a leave of absence.

### 525.14 Correspondence

For information.

### 525.16 New Business

None.

### 525.17 Open to the Public

None.

### 525.18 And Such Other Issues as May Come Before the Board

None.

### 525.19 Executive Session

The Board entered into Executive Session at 8:50 pm to discuss a personnel issue on a motion by Dr. Downey, seconded by Mr. Patel and passed by unanimous vote.

525.20 Return to Public Session

The Board returned from Executive Session at 9:20 pm

525.21 Adjournment

As there was no further business to come before the Board, the meeting was adjourned at 9:21 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  
October 13, 2015