

MINUTES OF THE 795th MEETING
THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY
November 26, 2012

Minute 1 - Opening of Meeting

The 795th Meeting of the Somerset Raritan Valley Sewerage Authority was called to order at 7:30 P.M. by the Chairman, Edward Machala.

Minute 2 - Open Public Meetings Announcement - Executive Director

The Open Public Meeting Announcement was read by the Executive Director, Glen D. Petrauski.

Minute 3 - Roll Call

Arthur Quade	Present	Richard Mathews	Present
Richard DeLuca	Present	Robert McCray	Present
Carlos Mosquera	Present	Joseph J. Lifrieri	Present
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter F. Stires	Present	Gail Quabeck	Present
Carolann Garafola	Absent	Robert Albano	Present
Herbert Vollers	Absent	Edward Machala	Present

Professional Staff

Glen D. Petrauski, Executive Director	Present
John S. Thompson, Plant Superintendent	Present
Anthony Tambasco, Maintenance Supervisor	Present
Thomas Laustsen, CDM Smith, Consulting Engineer	Present
Joseph J. Maraziti, Jr., Esq. MFH, General Counsel	Present
Ronald Anastasio, P.E., Assist. Exec. Dir./Facility Engineer	Present
Norma A. Smullen, Office/Human Resources Manager	Present
Peter Wozniak, Chief Financial Officer	Present

Others

James F. Cosgrove, Jr., P.E., Kleinfelder/Omni

Minute 4 - Pledge of Allegiance

All in attendance saluted the flag.

Minute 5 - Approval of Minutes

a. 794th Meeting - October 22, 2012 - Regular Session

Upon motion of Ms. Quabeck, second of Mr. Stires, the Minutes of the 794th Meeting (Regular Session) were approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Abstain	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Abstain
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Abstain
Herbert Vollers	Absent	Edward J. Machala	Yes

A copy of the Minutes are attached hereto and made part of the Official Minutes.

b. 794th Meeting - October 22, 2012 - Closed Session

Upon motion of Mr. Stires, second of Ms. Quabeck, the Minutes of the 794th Meeting (Closed Session) were approved by the following roll call vote:

Arthur Quade	Abstain	Richard Mathews	Yes
Richard DeLuca	Abstain	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Abstain
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	* Abstain
Herbert Vollers	Absent	Edward J. Machala	Yes

*Prior to voting, Mr. Albano stated that he had a question for the Chairman and for Mr. Machala on the Minutes. He felt that there was an error. Mr. Petruski responded that he did not believe it was an error and that it would be clarified later.

A copy of the Minutes are attached hereto and made part of the Official Minutes.

Minute 6 - Public Hearing(s) - (Including Public Notice/Support Information) - None

Minute 7 - Public Participation - Seeing no one from the public, the Chairman declared the Public Participation Portion of the meeting Closed.

Minute 8 - Resolutions for Consideration and Possible Formal Action

a. Res. No. 12-1126-1-Resolution Awarding Bid For Purchase and Delivery of Polymer

Upon motion of Mr. Stires, second of Mr. Mathews, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

A copy of the Resolution is attached hereto and made part of the Official Minutes.

b. Res. No. 12-1126-2-Resolution Awarding Bid For The Purchase And Delivery of Liquid Ammonium Hydroxide

Upon motion of Mr. Quade, second of Mr. Stires, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	* Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

*Prior to voting, Mr. Lifrieri questioned why there would only be one bidder once in a while. Mr. Petruski responded that it just happens that way. He (Mr. Petruski) stated that the Authority advertised in accordance with to the law and that now the memo states how many individuals requested bid packages and how many actually bid.

A copy of the Resolution is attached hereto and made part of the Official Minutes.

c. Res. No. 12-1126-3-Resolution Awarding Bid For The Purchase And Delivery of Liquid Magnesium Hydroxide

Upon motion of Mr. Quade, second of Mr. Stires, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent

Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	* Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

*Prior to voting, Mr. Albano questioned whether the typo had been corrected. Mr. Petrauski stated that yes it was and that it was 60% solution.

A copy of the Resolution is attached hereto and made part of the Official Minutes.

d. Res. No. 12-1126-4-Resolution Awarding Bid For Continuous Emissions Monitoring Equipment Maintenance

Upon motion of Mr. Stires, second of Mr. Quade, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	* Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

*Prior to voting, Mr. Lifrieri questioned how many bidders were there. Mr. Petrauski reported that two (2) sets of specifications were purchased but only one (1) bid was submitted. Mr. Lifrieri asked whether the Authority was allowed to advertise. Mr. Petrauski reported that the Authority advertises bids in accordance with the Local Public Contracts Law. He went on to state that the Public Notice is on the Authority website and in the Authority official newspaper.

Mr. Lifrieri asked whether it would be o.k. to let someone know in advance that a bid was out. Attorney Maraziti stated that there could be a problem with prospective bidders stating that others were given special treatment to some and not others. However, he (Mr. Maraziti) did state that if notification was going to be given, it is necessary that "the landscape is covered" for those in that line of work so that there cannot be a claim of favoritism. This is one of the guiding principles of the Local Public Contracts Law. He further stated that there must be at least 10 days notice (it can be longer) in the official newspaper. A brief discussion ensued.

A discussion then ensued regarding when a bid comes in that is out-of-line. However, it was stated that a bid cannot be cancelled/rejected just because the numbers are not what were expected.

Mr. Lifrieri asked whether an after-the-fact survey was ever done questioning bidders who took out a bid did not ultimately bid on the project. Mr. Petrauski responded that this has not been done. Again, a discussion ensued.

A copy of the Resolution is attached hereto and made part of the Official Minutes.

- e.** Res. No. 12-1126-5-Resolution Awarding Bid For Furnishing and Delivering Laboratory Services Whole Effluent Toxicity (WET) Monitoring, Acute Toxicity Monitoring

Upon motion of Mr. Stires, second of Mr. Mathews, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

A copy of the Resolution is attached hereto and made part of the Official Minutes.

- f.** Res. No. 12-1126-6-Resolution Awarding Bid For Furnishing and Delivering Laboratory Services

Upon motion of Mr. Quade, second of Mr. Lifrieri, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

A copy of the Resolution is attached hereto and made part of the Official Minutes.

Minute 9 - Board Committees

- a.** Contract Negotiations Committee (Quabeck, Petrone)
(1) Update on Contract Negotiations

Ms. Quabeck reported that a meeting had been scheduled but was cancelled at the request of the union because the attorney for the union had to come from Long Island (gas shortage). We are currently awaiting a new date.

b. Personnel Committee (Petrone, Albano, DeLuca, McCray and Stires)

(1) Retirement of David Alaburda (**CLOSED SESSION-
PERSONNEL MATTERS**)

c. Chairperson

Chairman Machala, on behalf of the Board, expressed his appreciation to Mr. Petrauski and the staff for their preparation/dedication during the storm.

(1) Appointment of Nominating Committee to make recommendation of Authority Officers for 2013

Chairman Machala appointed the following Commissioners to serve on the 2012 Nominating Committee.

Chairman: Philip Petrone

Members: Richard DeLuca, Robert McCray, Richard Mathews and Arthur Quade

(2) Review and discussion of services provided by Authority's Professional Staff (**CLOSED SESSION-
PERSONNEL MATTERS**)

Mr. Petrauski stated that the resolution can be approved at this point because the resolution simply authorizes the Executive Director to solicit proposals as per the Fair and Open Process.

(a) Res. No. 12-1126-7 - Resolution Authorizing Fair And Open Process To Receive Proposals For Professional Services (**OPEN SESSION**)

Upon motion of Ms. Quabeck, second of Mr. Stirs, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

A copy of the Resolution is attached hereto and made part of the Official Minutes.

(3) **Reminder - December Board Meeting
Monday, December 17, 2012**

Minute 10 - Reports**a. Executive Director Reports**

- (1) Report on effect of Hurricane Sandy on the Authority's facilities

Executive Director stated that Sandy was a non event for us here at the Authority and that the Authority did real well because we did not have the significant rain/flooding as originally predicted. He went on to state that we never lost power (we did have some brownouts), and we did lose some transformers (blew up) which ate up a lot of our boards/fuses. He went on to report that the blower went offline only once.

Mr. Petrauski reported that a closed-circuit TV had been installed during the rebuild of the storm control pump station which confirmed that the generator was running.

- (a) Report on agreement reached with NJDEP granting the Authority temporary approval to operate the Authority's two sludge incinerators in response to damage to other entities' wastewater and sludge processes throughout the State

Mr. Petrauski reported that the Authority was burning on Inc. No. 1 because Inc. No. 2 was down for our annual inspection. After hearing about all of the damage to other authorities, the Authority notified the State asking what the Authority to help these other Authorities. Mr. Petrauski gave a brief history of the operation of our two (2) incinerators and their burning process. He stated that the Authority is now running both incinerators (up to December 14). A discussion ensued on the Authority's acceptance of sludge from other facilities.

- (2) Update on Outfall Relocation Project

Mr. Anastasio reported that on November 15th, a hydrostatic test was performed on the 1st fifty feet of the pipeline. The test did not pass; slight increase in pressure. Repair work is being planned for those joints that failed within the next couple of weeks (and the repair work is expected to be well under the bid threshold), the repair work will be done and then another test will be done. It is planned to be online before the end of the year.

Mr. Petrauski reported that DEP permitting was notified that the Authority will be online by the end of this year. A discussion ensued on the type of seal being used.

The question was raised whether this was considered a defect in the construction of the outfall pipe.

In response to the question raised as to who was paying for this, Mr. Petrauski reported that at this point the Authority is paying. Mr. Petrauski reported that is being pursued as a counterclaim against Carbro Constructors Corp.

(3) Update on litigation with CNA

Mr. Petrauski reported that this litigation relates to the dome on Incinerator No. 2 and that depositions are still being done. The case was supposed to go to trial in December, but that has been moved off to February and depositions will continue.

(4) Update on status of Draft NJPDES Permit

Mr. Petrauski reported that the Authority has received its Draft NJPDES Permit. Prior to having Mr. Cosgrove report on the Draft Permit, Mr. Petrauski announced that Mr. Cosgrove and Omni Engineering have now become a member of the Kleinfelder Family. Kleinfelder Engineering purchased Omni Engineering and they are now Kleinfelder/Omni.

Mr. Cosgrove reported on the memo previously distributed to Board Members and stated that, as per the memo, the Authority has done very well. He went on to state that when new permits come out, the first thing he looks for is what is in the permit that was not in there before that would require the SRVSA to upgrade or change some process. However, there wasn't anything in the new permit that would require the Authority to complete any upgrades to the facility.

He went on to state that one of the saving features was the foresight of the Authority to go forward with the new outfall. If this had not been done and the outfall was sent to Cuckles Brook, there would have been dozens of effluent limits that would have been set that could not be achieved and would have required the Authority to spend millions and millions of dollars to achieve them. Mr. Cosgrove went on to state that even from this permit, the Authority is benefiting greatly from the new outfall, and in the future when pharmaceutical byproducts are regulated, the Authority will again benefit from the new outfall.

Mr. Cosgrove went on to report on the letter he issued on November 12, 2012 commenting on the permit. He stated that there were the typical comments; typos or mistakes made calculating numbers. However, he stated that there were two (2) issues that he wanted to bring to the attention of the Board. The first issue was the flow that was used in the Raritan River to calculate the effluents limits in the permit. This is being objected to because in the past they always used the minimum passing flow that is required just downstream of the outfall at the former Calco Dam.

In this permit, they use the minimum average seven consecutive day flow having a frequency of occurring one to ten years. Theoretically, it should be the same number as the minimum passing flow. However, because the water authority has been allowed to essentially violate the minimum passing flow in the past, there have been times where the actual flow measured at the gauge has been below the minimum passing flow. So they are using the lower flow to calculate the Authority's effluent limit. He went on to report that this matters for the toxics. He went to report that this is not really important for this permit, but it could make a difference in the future.

Mr. Petrauski went on to report that since the water authority has a permit to discharge to the river and they violated the permit, why should the Authority get more stringent limits in our permit because the DEP did not require them to follow their permit.

Mr. Cosgrove stated that the second issue was the secondary outfall which is now our primary outfall, the outfall to Cuckels Brook, they deleted all reference to that outfall in the new permit. Therefore, the comment was made that they need to have a reference to that outfall in the permit so that should the Authority need to get to that outfall should the Authority not be able to discharge to the Raritan River. However, he believes it was simply an oversight.

- (5) Report on response from EPA to the Authority's most recent correspondence regarding escape of contaminants from the American Cyanamid Superfund Site and DEP's issuance of a Record of Decision on the February 2012 Site Wide Feasibility Study

Mr. Petrauski reported that there have been letters going back and forth to EPA regarding the Pfizer Discharge and the other potential contamination that is coming out. He went on the state that the last letter received from them is really what he calls "don't worry EPA is on the job, and we are going to save you" letter. He makes reference to sampling done in August of 2012, "Sampling event do not indicate significant impacts to the water quality of the brook or the river. There were exceedances of surface water quality standards for several constituents, but none that were cause for immediate concern that would warrant an EPA removal action". Since the EPA has issued their Record of Decision, their actions are final. A brief discussion ensued.

Mr. Petrauski asked Attorney Maraziti whether there was anything more that could be done. Attorney Maraziti responded that the Authority has it on record and has a letter in the file.

Mr. Petrauski asked Mr. Cosgrove whether he thought there was anything else that the Authority could do.

Mr. Cosgrove responded by stating that he didn't think the Authority could do anything more but that the Authority should continue to monitor what is going on just in case the DEP comes back to the Authority.

Again, a discussion ensued. Mr. Lifrieri asked whether the Authority had to treat their discharge. Mr. Petruski responded that the Authority does have to take their discharge but we can require that they treat it to the level that we require.

- (6) Update on Meter Chamber No. 4 SSO proposal and meeting with NJDEP **(CLOSED SESSION)**

NEGOTIATIONS/ANTICIPATED LITIGATION

- (7) Update on status of litigation with Carbro Constructors Corp. and review of agreement between the Authority and CDM Smith concerning Joint Defense and Sharing of Liability **(CLOSED SESSION)**

LITIGATION

b. Engineer/Consultants

- (1) Thomas Laustsen, P.E. (CDM Smith) Engineer's Report for November 2012 - No questions and no additional comments.

c. Attorney - Joseph J. Maraziti, Jr., Esq., Maraziti, Falcon & Healey, LLP (MFH)

d. Department Reports - No Comments

- | | |
|----------------|----------------------------|
| (1) Operations | (3) Maintenance/Electrical |
| (2) Laboratory | (4) Special Projects |

e. Facility Engineer Reports - No Comments

- (1) Capacity Allocation
 (2) Capacity Assurance
 (3) Monthly Flow Report
 (4) Facility Engineer's Monthly Report

f. Budget Reports - No Comments

Minute 11 - Communications - No Comments

- a. NJDEP, Division of Water Quality; Surface Water Discharge Monitoring Report; Re: Reporting Period September 2012
 b. NJDEP, Division of Water Quality; Residual Transfer Report; Re: Reporting Period September 2012
 c. NJDEP, Division of Water Quality; Residuals DMR; Re: Reporting Period September 2012

- d. NJDEP, Division of Water Quality; Residuals Waste Characterization Report; Re: Reporting Period January 1, 2012 to December 31, 2012
- e. NJDEP, Division of Water Quality; Surface Water Discharge Waste Characterization Report; Re: Reporting Period March 1, 2012 to February 28, 2012
- f. Board of Commissioners; dated November 5, 2012; Re: Hurricane Sandy (11/9/2012 Weekly Mailing)

Minute 12 - Payroll (Res. No. 12-1126-8)

Upon motion of Ms. Quabeck, second of Mr. Stires, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

A copy of the resolution is attached hereto and made part of the Official Minutes.

Minute 13 - Cancellation of Checks - None

Minute 14 - Bills (Res. No. 12-1126-9)

Upon motion of Mr. Quade, second of Mr. Lifrieri, the above resolution was approved by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

A copy of the resolution is attached hereto and made part of the Official Minutes.

Minute 15 - Motion to Adjourn to Closed Session

Attorney Maraziti stated that the reasons for Closed Session were for litigation with Carbro Constructors Corp., negotiations with DEP regarding Meter Chamber No. 4 and two issues of personnel matters.

Upon motion of Mr. Quade, second of Ms. Quabeck, the Regular Meeting was adjourned at 8:10 P.M. and reconvened in Closed Session by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

Minute 16 - Closed Session

Minute 17 - Motion To Reconvene in Regular Session

Upon motion of Ms. Quabeck, second of Mr. Stires, the Closed Session was Adjourned and Board Members reconvened in Regular Session at 8:57 P.M. by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

Minute 18 - Adjournment

Upon motion of Mr. Stires, second of Ms. Quabeck, the meeting was adjourned at 8:57 P.M. by the following roll call vote:

Arthur Quade	Yes	Richard Mathews	Yes
Richard DeLuca	Yes	Robert McCray	Yes
Carlos Mosquera	Yes	Joseph Lifrieri	Yes
Philip Petrone	Absent	Michael Impellizeri	Absent
Peter Stires	Yes	Gail Quabeck	Yes
Carolann Garafola	Absent	Robert Albano	Yes
Herbert Vollers	Absent	Edward J. Machala	Yes

