

MINUTES OF THE 785th MEETING
 THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY
 JANUARY 23, 2012
 (Rescheduled to Monday, January 30, 2012)

Minute 1 - Opening of Meeting

The 785th Meeting of the Somerset Raritan Valley Sewerage Authority was called to order at 7:30 P.M. by the Chairman, Roger Guttschall.

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

<u>Present</u>	<u>Absent</u>		<u>Present</u>	<u>Absent</u>	
<u>X</u>	_____	Arthur Quade	_____	<u>X</u>	Peter Van Riper
<u>X</u>	_____	Alessandro Fischetti, Jr.	<u>X</u>	_____	Robert McCray
<u>X</u>	_____	Edward J. Machala	<u>X</u>	_____	Joseph J. Lifrieri
<u>X</u>	_____	Philip Petrone	_____	<u>X</u>	William Poch/Rudolph Nowak
<u>X</u>	_____	Peter F. Stires	_____	<u>X</u>	Gail Quabeck
_____	<u>X</u>	Alvin Florey/Carolann Garafola	<u>X</u>	_____	Robert Albano (to be sworn in)
_____	<u>X</u>	Herbert Vollers	<u>X</u>	_____	Roger Guttschall

Professional Staff

<u>X</u>	_____	Glen D. Petrauski, Executive Director
<u>X</u>	_____	John S. Thompson, Plant Superintendent
<u>X</u>	_____	James L. Brandes, P.E., CDM, Consulting Engineer
<u>X</u>	_____	Joseph J. Maraziti, Jr., Esq. MFH, General Counsel
<u>X</u>	_____	Ronald Anastasio, P.E., Assist. Exec. Dir./Facility Engineer
<u>X</u>	_____	Norma A. Smullen, Office/Human Resources Manager
<u>X</u>	_____	Peter Wozniak, Chief Financial Officer

Others

Thomas Lausten, CDM Smith
 Anamia Myhre, SRVSA Regulatory Compliance Officer

Minute 4 - Pledge of Allegiance

All in attendance saluted the flag.

Minute 4A - Oath of Office

Attorney Maraziti administered the Oath of Office to Mr. Robert Albano, Commissioner, Bridgewater Township

Mr. Albano stated that on his tour/briefing of the Authority he was impressed with the facility and by the technology used here and the fact that most people don't even know the Authority exists.

Minute 5 - Approval of Minutesa. 784th Meeting - December 19, 2012 - Regular Session

Upon motion of Mr. Petrone, second of Mr. Machala, the Minutes of the 784th Meeting (Regular Session) were approved by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Abstain
Herbert Vollers	Absent	Roger Guttschall	Yes

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

b. 784th Meeting - December 19, 2012 - Closed Session

Upon motion of Mr. Quade, second of Mr. Stires, the Minutes of the 784th Meeting (Closed Session) were approved by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Abstain
Herbert Vollers	Absent	Roger Guttschall	Yes

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)

a. Public Hearing - Amneal Pharmaceuticals (IPP Permit)

Upon motion of Mr. Stires, second of Mr. Machala, the Public Hearing was opened by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

Seeing no one from the public, upon motion of Mr. Machala, second of Mr. Lifrieri, the Public Hearing was closed by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

- b.** Res. No. 12-0123-1 Resolution Authorizing A Modification To The Non-Domestic Wastewater Discharge Permit Of Amneal Pharmaceuticals (Increase in Flows)

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

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Abstain
Herbert Vollers	Absent	Roger Guttschall	Yes

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

- c.** Public Hearing - Agfa Corporation (IPP Permit) (**Tabled**)
Ortho Clinical Diagnostics, Inc. (IPP Permit)

Upon motion of Mr. Quade, second of Mr. Lifrieri, the Public Hearing was opened by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

Seeing no one from the public, upon motion of Mr. Lifrieri, second of Mr. Machala, the Public Hearing was closed by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

- d.** Res. No. 12-0123-2 - Resolution Reissuing the Non-Domestic Wastewater Discharge Permit To Ortho Clinical Diagnostics, Inc.

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

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Abstain
Herbert Vollers	Absent	Roger Guttschall	Yes

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

Mr. Petrauski stated that the request from Afga Corporation was tabled as they have not completed their permit.

- e.** Public Hearing - Roche Molecular Systems (IPP Permit)

Upon motion of Mr. Machala, second of Mr. Quade, the Public Hearing was opened by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

Seeing no one from the public, upon motion of Mr. Quade, second of Mr. Machala, the Public Hearing was closed by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent

Peter F. Stires	Yes	Robert Albano	Abstain
Herbert Vollers	Absent	Roger Guttschall	Yes

- f.** Res. No. 12-0123-3 - Resolution Reissuing, With Modification, the Non-Domestic Wastewater Discharge Permit of Roche Molecular Systems

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

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Abstain
Herbert Vollers	Absent	Roger Guttschall	Yes

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

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. 12-0123-4- Resolution Awarding Bid For Purchase Of One (1) New 6-Inch Self-Priming Diesel Trash Pump

Upon motion of Mr. Machala, second of Mr. Stires, the above resolution was approved by the following roll call vote following a brief discussion. Mr. Lifrieri questioned, since there was only one bidder, how does the Authority know that this is a reasonable price? Mr. Thompson responded that Maintenance Supervisor Tambasco checked prices in the market and this price was in line with the price quotes he received. Roll call vote was as follows:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

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

- b. Res. No. 12-0123-5 - Resolution Rejecting Bid For The Purchase of One (1) New Heat Exchanger Part #3 Expansion Joint

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

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

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

Minute 9 - Board Committees

- a. Personnel Committee (PETRONE, Quabeck, Quade)
(1) Report on retirement of Elias Rodriguez

Mr. Petrone reported that Mr. Elias Rodriguez was retiring from the SRVSA and that the following resolution was necessary to authorize the payout of benefit time to Mr. Rodriguez.

- (a) Res. No. 12-0123-6 - Resolution Authorizing Payout of Benefit Time To Elias Rodriguez Upon His Retirement

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

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

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

- (2) Report on Contract Negotiations - **(CLOSED SESSION)**

- b. Chairperson

- (1) Reminder: **Reorganization Meeting - Conference Room Monday, February 6, 2012 - 7:00 P.M.**

Chairman Guttschall reminded Board Members of the upcoming Reorganization Meeting. Mr. Guttschall asked the incoming Chairman, Mr. Machala, if he would open the Reorganization Meeting. Mr. Guttschall expressed his thanks to the Commissioners for serving with them on the SRVSA.

Mr. Petruski presented a parting gift (paperweight) to both Mr. Guttschall and Mr. Fischetti in appreciation for all they have done for the Authority.

Mr. Fischetti expressed his appreciation to Mr. Petruski and the Authority Staff for the superb job that they do.

Minute 10 - Reports

a. Executive Director's Report

(1) Outfall Relocation Project - Tunnel Project

Mr. Anastasio reported that on December 5, 2011 an internal inspection was done on the southern pipeline leg of the Outfall and no apparent defects were found. However, there were some varying levels of water at the pipe joints. It has been determined that the varying depths of water refers to how much articulation is at each joint between two lengths of pipe (joint rotation). The question was how much joint rotation was allowable. Mr. Anastasio continued his discussion with the joint rotation issue. The results are being looked out and what they mean. Mr. Anastasio reported that it was also necessary to test the southern distribution chamber and this would be done as soon as conditions warrant. A brief discussion ensued.

(a) Removal of underground storage tanks

Mr. Anastasio reported that sampling was done in November and received results in December regarding the contents of the tanks. It was determined that there would not be difficulty in getting rid of the contents. It will be necessary for the Authority to do more testing to determine whether it is hazardous waste. Additional testing will be performed and once the data is received, the Authority can certify that it is non-hazardous waste. A brief discussion.

(2) Update on status of purchase of electricity with aggregation

Mr. Petruski reported that on December 22, 2011 the Aggregation met to accept prices for the purchase of electricity. Pricing came in at \$.0682 kw/h for a two-year period. The Authority is currently paying \$.0853 kw/h under the old contract and the new contract begins on the read date in May. The Authority will be buying off the grid and the supplier will be PPL. A brief discussion ensued.

- (3) Report on Selection of Professional Staff for 2012 in response to Request For Qualifications (RFQs) in compliance with Pay to Play Law

Mr. Petruski reported that every November the Authority reviews the professionals and everyone was satisfied with the current professional staff and that every January the Authority sends out requests for proposals for the professional staff for the following year.

Mr. Lifrieri had some questions regarding the multipliers used by some of the Authority consultants for billing purposes and that one of the consultants did not supply his multiplier and that as commissioners the Board should know that the Authority is receiving a fair price.

A discussion ensued regarding multipliers and hourly rates which are used by most of the professionals. Commissioner Machala reported that a rate is a starting point and that overall we are "buying the service". Again a brief discussion ensued.

Mr. Lifrieri stated that multipliers change depending on the economy and that a decision cannot be made without a multiplier.

Mr. Stires reported that he, too, is an engineer and he was satisfied with the hourly rate.

Mr. Machala stated that we do have an "Open Process", and we have not had anyone submitting proposals.

Mr. Lifrieri stated that the problem is that, as a Commissioner, he cannot vote on something he does not understand.

Mr. Petruski reported that we are talking about OMNI and CBE. Mr. Lifrieri stated that he did have questions regarding the multiplier used by CBE, but CBE gave the information regarding their multiplier and that OMNI did not and that since he had the information from OMNI he would be able to vote accordingly at the Reorganization Meeting.

Mr. Lifrieri went on to state that what he wanted to know was what the other engineers who would be doing work for the Authority were paid/hour so that he could calculate the multiplier. A discussion ensued regarding the multipliers and the services being provided by our professional staff.

(4) Report on 600 Building Roof Replacement

Mr. Anastasio reported that Mr. Nora has previously done work for the Authority and that Mr. Nora is a "one man operation". Mr. Anastasio reported that it was decided internally to install a gable roof on the 600 building. Mr. Anastasio that Mr. Nora does good work at a favorable price to take the existing drawings and basically coming up with the plans and technical specifications that can be used to go out to bid.

- (a) Res. No. 12-0123-7 Resolution Appointing Frank R. Nora, P.E. To Prepare Engineering Plans And Specifications For The 600 Building Gable Roof Construction Project

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

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

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

(5) Update on CNA (Insurance Claim Incinerator No. 2)

Mr. Petrauski reported that CNA is the insurance company for the incinerator for the meltdown and that the Authority is starting to negotiate with them and hopefully come up with a settlement with them.

(6) Report on status of repairs as a result of Hurricane Irene

Mr. Petrauski reported that during tropical storm Irene the Authority lost the entire Storm Control Pump Station and that all of the repairs are almost finished.

This time the flow came up through the floating slab in the generator and filled the entire room with water. Everything was lost. Mr. Thompson reported that everything should be completed by the middle of February.

Mr. Petrauski reported that the following resolution was to authorize that payment would be made from General Fund Surplus and that funds returned from FEMA would be returned to that account. A brief discussion ensued. Mr. Petrauski reported that the paperwork for FEMA is being filed by Norma Smullen.

- (a) Res. No. 12-0123-8 - Resolution Designating The Payment Of Expenses Related To The Rehabilitation Of Damages Associated With Tropical Storm Irene To Be Paid From Unreserved Retained Earnings In The General Fund

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

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

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

Mr. Petrauski reported that on Friday the Authority received notification from Bridgewater Township that they have concerns about the 1st and 2nd quarter flow billing and that they are doing an I/I study in Bradley Gardens and they feel they are entitled to a credit. Mr. Petrauski stated that the Authority is extremely concerned about our billing and that our meters are calibrated and serviced by an outside service every month and they are certified to accuracy every quarter. Currently it is necessary for the Authority to receive more information regarding the meters that have installed by Bridgewater Township. Mr. Anastasio reported that a meeting will be scheduled with Bridgewater Township to determine what is causing the problem. A brief discussion ensued.

- (7) Update on status of litigation with Carbro Constructors Corp. (**CLOSED SESSION**) **LITIGATION**

- (a) Review and discussion of Authority's counterclaim and strategy to address correction of leakage in southern portion of new outfall line
- (8) Update on status of DEP review of Wastewater Management Plan existing flow issues (**CLOSED SESSION) PENDING LITIGATION**)
 - (a) Report on recently enacted legislation
- b. Engineer/Consultants
 - (1) James L. Brandes, P.E. (CDM) Engineer's Report for January 2012 2011
- c. Attorney - Joseph J. Maraziti, Jr.
- d. Department Reports
 - (1) Operations
 - (2) Laboratory
 - (3) Maintenance/Electrical
 - (4) Special Projects

No additional comments regarding Department Reports.

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

No questions or comments regarding the Facility Engineer's Reports.

- f. Budget Reports

No comments on the above referenced Budget Reports.

Minute 11 - Communications

No comments regarding the communications.

Minute 12 - Payroll (Res. No. 12-0123-9)

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

Minute 13 - Cancellation of Checks - None

Minute 14 - Bills (Res. No. 12-0123-10)

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

Minute 15 - Motion to Adjourn to Closed Session

Prior to going to Closed Session, as per Attorney Maraziti, Mr. Petrauski reported the Authority met with DEP on the Anti-Degradation Analysis for the Wastewater Management Plan. The Plan possibly shows a higher number than what the Authority is permitted for. The Anti-Degradation Analysis will show that if there is an increase in flows, will the increase have an impact on the stream. It is hoped that the sampling can begin in early spring.

Attorney Maraziti reported that the Wastewater Management Planning Law that was put in effect a few years ago required that counties must provide the Wastewater Management Plan and submit it to the State for the entire county. There were deadlines in that legislation which were extended. The Bill signed by the Governor on January 17, 2012. It extended the deadline again making it a somewhat moving deadline. Secondly, the Bill recognizes the difficulty that many counties had in completing a comprehensive Wastewater Management Plan. The problem is the calculation of the total flow over the planning period for our service area comes up short. The DEP has a rigid way in which the existing flow is calculated and that requires the use of the flow for the prior 12 month period before the Plan is adopted. The SRVSA was looking for a change in the projected flow. The question is, does the Bill solve the Authority's problem. Mr. Maraziti stated that he does not see a solution to the problem with this Bill. The Authority is going to go ahead with the Anti-Degradation Study.

Mr. Petrauski stated that he thinks others feel there is language in the Bill that addresses the problem. Mr. Maraziti stated that he does not feel there is language in the Bill to address the flow problem. A discussion ensued.

Attorney Maraziti stated that the County has embraced the Authority's position. It has been agreed that there is a problem, but the problem needs to be fixed in the regulations. Legislatively they fixed the deadline and the fact that there had to be a comprehensive plan.

Upon motion of Mr. Machala, second of Mr. Quade, the meeting was adjourned to Closed Session at 8:31 P.M. for the purpose of litigation with Carbro Contractors and Contract Negotiations the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

Minute 16 - Closed Session

Minute 17 - Motion to Reconvene in Open Session

Upon motion of Mr. Quade, second of Mr. Albano, the meeting was reconvened in Regular Session at 8:52 P.M. by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

Minute 18 - Adjournment

Upon motion of Mr. Quade, second of Mr. Albano, the meeting was adjourned at 8:52 P.M. by the following roll call vote:

Arthur Quade	Yes	Peter Van Riper	Absent
Alessandro Fischetti, Jr.	Yes	Robert McCray	Yes
Edward J. Machala	Yes	Joseph J. Lifrieri	Yes
Philip Petrone	Yes	Gail Quabeck	Absent
Peter F. Stires	Yes	Robert Albano	Yes
Herbert Vollers	Absent	Roger Guttschall	Yes

