

**MINUTES OF THE BOARD MEETING
THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY
October 24, 2016**

Minute 1 – Opening of Meeting

The Board Meeting of the Somerset Raritan Valley Sewerage Authority was called to order at 7:30 P.M. by Chairman, Joseph Lifrieri.

Minute 2 – Open Public Meetings Announcement

The Open Public Meeting Announcement was read by the Executive Director, Ronald S. Anastasio.

Minute 3 – Roll Call

Present/Absent

x	_____	Todd Hay
_____	x	Richard DeLuca
x	_____	Philip Petrone
x	_____	Edward Machala
_____	x	Carolann Garafola
_____	x	Steven Mlenak

Present/Absent

x	_____	Richard Mathews
x	_____	Louis Esposito, Jr.
x	_____	Joseph J. Lifrieri
x	_____	Michael Impellizeri
x	_____	Gail Quabeck
_____	x	Robert Albano
_____	x	Peter Stires

Professional Staff

Ronald Anastasio, P.E., Executive Director	Present
Sherwin Ulep, P.E., Facility Engineer	Present
Anthony Tambasco, Plant Superintendent	Present
Michael Ingenito, Chief Plant Operator	Present
Ellie Hoffman, Reg. Compliance Officer/Asst. Engineer	Present
Linda Hering, Human Resources Manager	Present
Peter Wozniak, Chief Financial Officer	Present
Donna O’Shea, Administrative Assistant	Present

Others

Thomas Schoettle, P.E., CDM Smith	Present
Brent Carney, Esq., Maraziti Falcon, Gen’l. Counsel	Present

Minute 4 – Pledge of Allegiance

All in attendance saluted the flag.

Attendees continued to stand as Chairman Lifrieri asked that everyone take a moment of silence in honor of Mr. Herb Vollers (previous member of the Board) who passed away recently.

Minute 5 – Approval of Minutes

- A. Board Meeting – October 3, 2016 (Originally Scheduled for September 26, 2016) - Regular Session

Upon Motion of Mr. Impellizeri, Second of Mr. Hay, the Minutes of the October 3rd Meeting (Open Session) were approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u> </u>	<u> </u>	<u>x</u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

Minute 6 – Public Hearings:

- 1) **Public Hearing for the Establishing of the 2016 Connection Fee:**

Upon Motion of Mr. Machala, Second of Mr. Impellizeri, the meeting was opened for Public Hearing and approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

Upon Motion of Ms. Quabeck, Second of Mr. Machala, the Public Hearing Portion of the Meeting was closed by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

A. Res. No. 16-1024-1 – Resolution Approving and Establishing the 2016 Connection Fee.

Upon Motion of Mr. Hay, Second of Mr. Machala, the above Resolution was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

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

2) Public Hearing for the Recalculation of the IPP Administrative Fee

Upon Motion of Mr. Machala, Second of Mr. Impellizeri, the meeting was opened for Public Hearing and approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

Upon Motion of Ms. Quabeck, Second of Mr. Machala, the Public Hearing Portion of the Meeting was closed by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

B. Res. No. 16-1024-2 – Resolution Approving the Recalculation of the IPP Administrative Fee

Upon Motion of Ms. Quabeck, Second of Mr. Machala, the above Resolution was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>

Michael Impellizeri	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u> x </u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u> x </u>

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

Minute 7 – Consent Resolutions for Consideration and Possible Formal Action:

A. **Res. No. 16-1024-3** – Resolution Approving the Attendance of the AEA Fall Conference in Atlantic City on November 15 through 17 (Exec. Director, CFO, Facility Engineer, RCO/Assistant Engineer, Three Commissioners (Petrone, Impellizeri and Machala)

Upon Motion of Mr. Mathews, Second of Mr. Hay, the above Resolution was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u> x </u>
Philip Petrone	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u> x </u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u> x </u>
Richard Mathews	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u> x </u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u> x </u>

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

B. **Res No 16-1024-4** – Resolution Approving Sewer Extension, Sunrise Senior Living Residences, Block 400, Lot 5.04, Bridgewater Township

Upon Motion of Mr. Mathews, Second of Mr. Hay, the above Resolution as amended was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u> x </u>
Philip Petrone	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u> x </u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u> x </u>

Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u> </u> x
Richard Mathews	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u> </u> x
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u> </u> x

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

C. **Res. No. 16-1024-5** – Resolution Authorizing a Loan of Funds from Magyar Bank SRVSA Construction Checking Account to Magyar Bank Connection Capital Account in the Amount of \$100,000.00 for the Cash on Hand Necessary to Pay for Costs Associated with Various Capital Projects

Upon Motion of Mr. Mathews, Second of Mr. Hay, the above Resolution as amended was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u> </u> x
Philip Petrone	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u> </u> x
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u> </u> x
Richard Mathews	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u> </u> x	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u> </u> x
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u> </u> x

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

Minute 8 – Public Participation: Seeing no one in attendance from the public, the Public Participation portion of the meeting was closed.

Minute 9 – Board Committees

A. PERSONNEL COMMITTEE (PETRONE, Albano, DeLuca, Mathews, Quabeck)

Commissioner Petrone discussed 2017 Salary Increases for Supervisory and Non-Union Employees. He offered to go into Closed Session if anyone wanted to discuss anything in more detail. No one had further questions or comments.

(1) **Res. No. 16-1024-6** – Resolution Authorizing FY 2017 Salary Increases for Supervisory and Non-Union Employees

Upon Motion of Mr. Petrone, Second of Mr. Mathews, the above Resolution as amended was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

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

B. FINANCE COMMITTEE (QUABECK, Impellizeri, Machala, Mathews, Albano)

Commissioner Machala explained that the Finance Committee recently met and he then turned the discussion over to Executive Director Anastasio.

Mr. Anastasio explained that the overall recommendation is for a 5% increase in this budget, which is a one-time increase. We haven't had an increase in six years. What makes this palatable is that we have had a lack of rainfall, and the projected flows for 2017 show a sizeable drop. In past years, we have had drops in estimated flow every year since 2011, where we had small incremental drops in revenue of about a quarter of a million dollars per year. In 2016, it leveled off a little bit. The estimated flow for 2017 amounts to a drop in revenue of approximately \$800,000 because it's been so dry.

The amount that the towns have to appropriate to budget for the projected flows is based on the estimated flows, where even though the rate is going up, the amount of flow is going down. So, the amount appropriated is roughly about the same. The largest increase is Bridgewater's \$65,000 more in the appropriation. That is 1.5%. It's almost a level situation from 2016's appropriation of 2017. So, this seems like a good time to do this, in preparing for Pfizer's termination of flow. They are moving along, where they're getting their plant design approved by the EPA. They are going to be leaving the Authority and when they do, there will be a 5% hit to the Authority's revenue. So, this 5% increase in 2017 Budget prepares us. Pfizer is scheduled to leave the latter part of 2018.

This Budget does include an infusion of cash from our rate stabilization account. We're not looking for rate increases to cover those shortfalls in the operations costs right now. We'll continue to subsidize that and hope the rains come back.

Commissioner Quabeck wanted to remind the Commissioners that we're voting to approve this budget, but it will then be sent to Trenton for their approval. When they approve it, we then have to have a Public Hearing when we actually adopt the Budget.

Executive Director Anastasio also added that when we vote on this and everyone is in favor, we will then do the required advertisement for the Public Hearing with the rate increase as well. In November, we'll have two hearings – one will be for the 5% rate increase and one will be for the Adoption of the 2017 Budget.

Commissioner Quabeck also pointed out that the staff should be commended on what a good job they did in presenting all the Budget information...it was clear, concise and explained our situation so that we could grasp all the details involved.

(2) **Res. No. 16-1024-7** – Resolution Approving the FY 2017 Budget

Upon Motion of Mr. Machala, Second of Mr. Mathews, the above Resolution as amended was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

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

Minute 10 -- Chairperson

Minute 11 – Reports:

A. Executive Director's Report:

(1) Update on SSO Project:

We spoke recently about the archeology work which took place in the early part of October. I spoke to GRA today. They had a conversation with the State and they

reported their findings to the State. No further field work is required. The work that was done did not turn up anything that was problematic. They had a question about one thing – they dug up what looked like a walkway which would lead to a house. I had mentioned to GRA that when they talk to the State, if they want further documentation on this, tell them they we can offer to have a monitor present during construction. The State said that this is not needed at this time. They will review GRA's final executive summary and then will make a final determination on that. At worst, we may have to have a monitor present (we've done it in the past when we built the interceptor sewer).

They did unearth some pottery fragments from the 17th Century, but it was mixed with other things like clam shells.

Also, we have filed for our Treatment Works approval, Land Use approvals and Flood Hazard Area approvals with DEP for this project. We're actually meeting next week to talk about our subdivision application with Bridgewater. We're still reviewing the 90% design. We have a number of comments which we'll discuss with the engineers. We're really getting down to brass tacks here; it's almost 100%.

We're going to be getting together with the County along with our Attorney, Brent Carney, to discuss the Master Agreement for land transactions. We're working on our final applications for Green Acres right now as well. Pretty soon we'll have a couple of Public Hearings on these projects for the piece in Somerville and the piece in Bridgewater. We also want to do some outreach with the neighbors near the site. The NJPDES Permit we have for this plant includes requirements for the submission of two required items due at the end of October and November, but the two items don't apply because the plant has not yet been constructed. Plant Superintendent Anthony Tambasco reached out to DEP to clarify some requirements. They are obviously on board and nothing is due at this time. We just wanted to cover ourselves to make sure there are no loose items.

(2) Update on Incinerator Project

We're moving along on this project as well. There is a power line that looks like it's going to be in the way. We're reaching out to PSE&G right now to have that power line relocated. Our Facility Engineer, Sherwin Ulep, is working on that. He's been in touch with PSE&G. Looks like it will be a four-month process. We want to get a jump on this because we don't anticipate the contract for construction being out there until next spring. We realized this power line issue about a week ago and we jumped right on it. We'll have to relocate a line and add one or two poles and shift the wire out of the way so that the annex building can be built. Our equipment contractor is planning the equipment layout for the building slab to see how big their slab has to be. We have a projected size and it might be a couple of feet more here and there. The power line is not a very large line, so it should be a rather small project.

Right now, we're finishing the construction documents and we're finishing our design based on the information we're receiving from the equipment manufacturer. We then have to go to DEP to get authorization to advertise. We have some minimum qualifications with the construction contract (this is something we're working on with

Attorney Carney and Engineer Laustsen). We received approval from DCA to go ahead and advertise those. We'll be advertising in a couple of days. There will be a hearing at the November meeting for the minimal qualifications.

There is a similar piece of equipment to the one that we're buying and building in Wilkes-Barre, Pennsylvania. We're looking to schedule a visit to see how they handle the carbon and look at other things. We have some questions about the building, access doors and such. This is a building designed by Chavond Barry.

At the last meeting, I was talking about EPA. The very next day, they scheduled a meeting with us for November 2nd. We'll be going back to New York to have this meeting with them. We'll have a conference call prior to the meeting to discuss what the agenda is. Attendees will be myself, Chairman Lifrieri, Joseph Maraziti, Diane Alexander, Tom Laustsen and Karl Monninger. We want to have this meeting to determine how we move forward and get permission to burn. They did mention a penalty – I asked Diane to reach out to them and tell them that we expect them to calculate that penalty so that we can discuss it and we have a starting number.

They also urged us to contact an office within DEP for selected environmental projects (compensation projects) in which the funds can be dedicated to in lieu of penalties. We'll be finding out more about this as well.

(3) Update on Headworks Barscreen Replacement Project

Both units are in and operating. The project is basically done. All the channel work and everything else have been installed. There is one, minor electrical point that we're still in the process of resolving. There is some additional functionality we need to get. We're waiting on a price from the contractor. We have an allowance in the contract; so, there is enough to cover the cost to handle this.

(4) Update on the Finderne Farms Issue

We have Mott MacDonald on board, as you know. We're still waiting on the documents which we had requested from DEP through our OPRA request. They insisted that we pay them before they issue any documents. Attorney Carney's office took care of that on September 30th. Mott MacDonald is not going to do anything until we get those documents; so, we're in a holding pattern.

We have a meeting scheduled for November 4th with the County to put our heads together because they are also named in the letter. Attorneys Maraziti & Vos will join us (Chairman Lifrieri, Sherwin Ulep, Ellie Hoffman and myself) will be at that meeting along with County staff and their attorney. We'll compare notes and discuss what we're doing and find out what they're planning on doing.

(5) Report on Authority's Transfer of Ownership of Former 48-Inch Plant Outfall to Pfizer as per the 1998 Amendment to the 1983 Sale Agreement

SRVSA bought the advanced treatment portion and the secondary portion of this treatment plant from American Cyanamid in 1983 for \$4 million. There were many terms in the Agreement. We agreed to treat their wastes and they reserved the carbon facilities for future use and more. In 1998, there was an amendment to that Agreement (things that both parties wanted and they agreed on). We received a 40-foot wide easement to the river through the property to build a new outfall (and some people on this Board will remember that discussion).

One thing American Cyanamid wanted was the old outfall pipe that was part of a treatment that the Authority built on our grounds. We used it for some years and then we stopped using it when we bought the big plant from Cyanamid. The provision was that when we no longer used that pipe, they requested that they get it. The pipe has already been sold in a sense. It's not a matter of coming up with a price or assessing it. It's part of the 1998 Amendment. Now, they want to use this as part of their new treatment plant. They want to use it as a conduit to get electric wires, pumping lines and things under the railroad siding and up to the new treatment plant. The pipe comes out right where the new plant will be.

We can't use that pipe; we're not permitted to use that pipe. We're not permitted to discharge to Cuckel's Brook. If we do discharge to Cuckel's Brook, it's in our current permit as an overflow box. When the Raritan River is flooded, there is an overflow that will allow some of our flow to go out to Cuckel's Brook. Other than that, we cannot use this old pipe. It's connected to the wrong treatment plant. When you come into the driveway and you look up to the right, you see a large concrete structure. That's the old Authority Plant.

A Commissioner asked if we have a liability if something goes wrong because that wasn't the original intent. Mr. Anastasio answered that in the Agreement, it says that they have to indemnify us. They get this pipe "as is" and can't come back to us with any trouble. Before we go ahead and execute this Agreement, we need your approval to do this.

I want to mention that I wrote this Resolution containing two things – the Sale Agreement for the pipe and also an Access Agreement. Part of the provision is that we want them to cut that pipe and permanently cap both ends so that our pipe is not connected to their pipe. A portion of it is on our property and we'll retain that. This work will take place at the property line.

I'm asking that the Board approve the sale of the pipe agreement. We'll come back to you in a month or so regarding the Access Agreement. They'll be looking to do this work in February. The Resolution will be modified when we do the final version. This Resolution will only refer to the sale of the Pipe Agreement.

Chairman Lifrieri asked if Cyanamid is allowed to use that for a discharge if they wanted to. Executive Director Anastasio answered that they're not permitted for it presently. They got a permit equivalency for a Super Fund Site, which is more lenient than a discharge permit like we would be able to get. They have a couple of permit equivalencies to discharge to Cuckel's Brook. That was one of them. They did get a

Surface Water Discharge permit but then they went and got a Groundwater Discharge permit. That plant is going to be designed to discharge to the ground.

Chairman Lifrieri asked if their discharge would affect SRVSA? Mr. Anastasio answers that the discharge would be far below ground compared to where it would come out to Cuckel's Brook. If they were to discharge to Cuckel's Brook, that still does create problems for us because the river has certain abilities to assimilate discharges. They would use up all the assimilative capacity in the river, generally speaking. Also on that side of the railroad siding, they need to pump groundwaters up to the treatment plant. So, they want to slip the pumping pipe under the railroad using this 48-inch pipe. They also want to slip under there communication wires and power wires since the site is remote and there is no power out there. We recently asked them for their most recent design just so that we can take a look at it.

(a) **Res. No. 16-1024-8** – Resolution Authorizing the Transfer of Title of the 48-Inch Pipeline to Wyeth Holdings, LLC

Upon Motion of Ms. Quabeck, Second of Mr. Machala, the above Resolution as amended was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

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

(6) **Report on the Adoption of the NJDEP Water Quality Management Planning Rules**

For about five years we have been discussing the wastewater management plan and the calculation of the plant base flow for planning purposes. Some of you might remember from five years ago we spoke about this. What was in the law to calculate the base flow for planning was basically set to use the most recent twelve months of data. There were flaws with that. We brought that to DEP's attention and they agreed with us. They got the law changed – it only took five years. They changed other things as well. Regarding the calculation of the flow, they said that we could use the highest monthly average for the last five years or if that's not suitable (Jim Cosgrove reminded me about this recently) we can propose another method to do this. In just

speaking about how dry it's been, we had a meeting with the County last Thursday to discuss this. I wanted to hear what they're looking at and how long it's going to take them to finish their work and submit the plan. They're looking at six months and I think that's optimistic (it might actually take 12 to 18 months) since they have to go back to each town and see what has changed in five years, etc.

In the meantime, it's been very dry; so, the five-year previous data is showing that every month that goes by, it gets lower. It's at the point that if they passed it six months from now, the number might even be smaller than it is today in the plan. Through the course of the meeting, Jim recalled that there is another provision in the law that says that if the five-year model is not suitable for the actual conditions (because the rainfall amounts are abnormally low) we can propose something else.

I wanted to make sure the County is aware of this. They need some time to do their work. We told them that we'll work with them on a couple of things. I just wanted to brief the Board on this matter and as we learn more, we'll update and inform everyone.

- B. Engineer/Consultants** – Thomas Laustsen, P.E. (CDM Smith) Engineer's Report for September, 2016– No additional comments.
- C. Attorney** - Joseph J. Maraziti, Jr., Esq., Maraziti Falcon, LLP – No additional comments.
- D. Department Reports** –
- E. Facility Engineer Reports** – No additional comments.
 - (1) Capacity Allocation
 - (2) Capacity Assurance
 - (3) Monthly Flow Report
 - (4) Facility Engineer's Monthly Report

Minute 12 – Communications – No additional comments.

- A. NJDEP, Division of Water Quality; Residual Transfer Report; Re: Reporting Period: 08/01/16 through 08/31/16
- B. NJDEP, Division of Water Quality; Surface Water Discharge Monitoring Report; Re: Reporting Period: 08/01/16 through 08/31/16
- C. NJDEP, Division of Water Quality; Residuals DMR; Re: Reporting Period: 08/01/16 through 08/31/16

Minute 13 – Res. No. 16-1024-9 – Payroll

Upon Motion of Mr. Hay, Second of Mr. Esposito, the above Resolution was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

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

Minute 14 – Cancellation of Check(s): There were no cancelled checks this month.

Minute 15 – Resolution No. 16-1024-10 -- Bills

Upon Motion of Mr. Mathews, Second of Mr. Impellizeri, the above Resolution was approved by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

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

Minute 16 -- ADJOURNMENT

Upon Motion of Ms. Quabeck, Second of Mr. Impellizeri, the Regular Session was adjourned at 8:08 p.m. by the following roll call vote:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Todd Hay	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Richard DeLuca	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Philip Petrone	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Edward Machala	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Carolann Garafola	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Steven Mlenak	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Richard Mathews	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Louis Esposito, Jr.	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Joseph Lifrieri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Michael Impellizeri	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Gail Quabeck	<u>x</u>	<u> </u>	<u> </u>	<u> </u>
Robert Albano	<u> </u>	<u> </u>	<u> </u>	<u>x</u>
Peter Stires	<u> </u>	<u> </u>	<u> </u>	<u>x</u>

NEXT REGULAR BOARD MEETING –November 28, 2016