

**MINUTES OF THE BOARD MEETING  
THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY  
May 23, 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 the 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**

<u>  x  </u> <u>      </u>	Todd Hay
<u>  x  </u> <u>      </u>	Richard DeLuca
<u>  x  </u> <u>      </u>	Philip Petrone
<u>  x  </u> <u>      </u>	Edward Machala
<u>  x  </u> <u>      </u>	Carolann Garafola
<u>  x  </u> <u>      </u>	Steven Mlenak

**Present/Absent**

<u>  x  </u> <u>      </u>	Richard Mathews
<u>  x  </u> <u>      </u>	Louis Esposito, Jr.
<u>  x  </u> <u>      </u>	Joseph J. Lifrieri
<u>  x  </u> <u>      </u>	Michael Impellizeri
<u>  x  </u> <u>      </u>	Gail Quabeck
<u>      </u> <u>  x  </u> <u>      </u>	Robert Albano
<u>  x  </u> <u>      </u>	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	Absent
Linda Hering, Human Resources Manager	Present
Peter Wozniak, Chief Financial Officer	Present
Donna O’Shea, Administrative Assistant	Present

**Others**

Thomas Laustsen, P.E. CDM Smith	Present
Joseph Maraziti, Esq., Maraziti Falcon, Gen’l. Counsel	Present

**Minute 4 – Pledge of Allegiance**

All in attendance saluted the flag.

**Minute 5 – Approval of Minutes**

A. Board Meeting – April 25, 2016 Regular Session

Upon Motion of Mr. Machala, Second of Mr. Mathews, the Minutes of the April 25<sup>th</sup> 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	_____	_____	x_____	_____
Richard DeLuca	x_____	_____	_____	_____
Philip Petrone	x_____	_____	_____	_____
Edward Machala	x_____	_____	_____	_____
Carolann Garafola	x_____	_____	_____	_____
Steven Mlenak	_____	_____	x_____	_____
Richard Mathews	x_____	_____	_____	_____
Louis Esposito, Jr.	x_____	_____	_____	_____
Joseph Lifrieri	x_____	_____	_____	_____
Michael Impellizeri	x_____	_____	_____	_____
Gail Quabeck	_____	_____	x_____	_____
Robert Albano	_____	_____	_____	x_____
Peter Stires	x_____	_____	_____	_____

**Minute 6 – Public Hearing: None**

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

A. **Res. No. 16-0523-1** – Resolution Approving Commissioners DeLuca, Impellizeri and Machala as well as Executive Director, Plant Superintendent, Chief Plant Operator and Facility Engineer to attend the Annual WEFTEC Conference in New Orleans, Louisiana from September 24<sup>th</sup> through September 29<sup>th</sup>, 2016.

Upon Motion of Mr. Mlenak, Second of Ms. Garafola, 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	x_____	_____	_____	_____
Richard DeLuca	x_____	_____	_____	_____
Philip Petrone	x_____	_____	_____	_____
Edward Machala	x_____	_____	_____	_____
Carolann Garafola	x_____	_____	_____	_____
Steven Mlenak	x_____	_____	_____	_____
Richard Mathews	x_____	_____	_____	_____
Louis Esposito, Jr.	x_____	_____	_____	_____
Joseph Lifrieri	x_____	_____	_____	_____
Michael Impellizeri	x_____	_____	_____	_____

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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </u>

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

**B. Res No 16-0523-2—Resolution Authorizing Execution of the Final Settlement Agreement and Release by and Between Somerset Raritan Valley Sewerage Authority and Carbro Constructors Corporation**

Upon Motion of Mr. Mlenak, Second of Ms. Garafola, 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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </u>
Steven Mlenak	<u>  x  </u>	<u>      </u>	<u>      </u>	<u>      </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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </u>

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

**Minute 7 – Public Participation:** Seeing no one in attendance from the public, the Public Participation portion of the meeting was closed.

**Minute 8 – Board Committees**

Chairman Lifrieri thanked Mr. Todd Hay for his donation of office furniture to SRVSA. Commissioner Hay also shared his thanks to the staff of SRVSA who came to take his older furniture, stating that he saved money in disposal fees.

Discussion also ensued about the Commissioner badges (design, cost, etc.). A few of the Board Commissioners have expressed interest in obtaining the badges and those commissioners will pay out of pocket if they chose to order badges. Commissioner Mlenak expressed that he disagreed with the notion of the commissioners having SRVSA badges, and Commissioner Quabeck supported that opinion. Further discussion ensued about issuing a State OEM I.D. Card. Given the complexities with obtaining the OEM I.D. cards,

Commissioner Quabeck strongly recommended that we go with the business card option and felt that it would suffice for anything they may need for identification purposes. Several other Commissioners expressed that they may wish to have business cards ordered as well. Executive Director Anastasio indicated that he would pursue ordering business cards for all commissioners.

## Minute 9 – Reports

### A. Executive Director's Report

#### (1) Update on SSO Project:

We received our pre-draft discharge permit for the new plant, which is a major milestone. We're on the verge of getting a draft permit and that really will give this project a heartbeat. We have all the rules of the road for operating that permit – what we have to monitor for, what we have to report to the state. Jim Cosgrove has reviewed the permit and is satisfied with it.

We're about to submit the 60% design to the state for review. Also, this Wednesday, May 25<sup>th</sup>, we have a meeting with DEP to discuss wetlands application.

We're still working on the Green Acres aspect of it and there's something we've been looking at. As part of the compensation for the trees that we're going to cut down in order to build the plant, we had a forester come out to assess what the compensation replacement would be. I believe it is 2,155 trees that need to be planted. They measure the diameter of all the live trees that are being cut down and they put that into an equivalent area of 2" trees, and the mitigation ratio is one to one. On this site, there are some large trees out there that will come down, and the largest one is 42" in diameter.

Back in 2009, after we built the Interceptor Project, we had to plant 732 trees as part of the Wetlands Permit. We put a contract out for the trees and we got a very good price.

On this new project, we're not sure where we're going to plant them yet and we're still figuring that out. In talking with the County, they don't have a single location where they need 200 or 300 trees, rather they could use 20 or 30 trees at many locations scattered throughout the County. One of the Commissioners raised the question about possibly giving the trees out to other towns. Executive Director Anastasio wasn't sure if we could do that.

Mr. Anastasio informed the Board that there are five parcels up in the Sourland Mountains that the County would like to purchase for open space, which consist of 20 acres of wooded land. We asked the County if they knew of any parcels that we could possibly purchase which have more than enough trees to compensate for what we're taking down, and these parcels look like a viable option. We're waiting to have our forestry expert perform a cursory inspection of the parcels to give us an idea if the trees are a suitable substitute for planting replacement trees. We're also trying to ascertain what the value of one parcel would be. Possibly buying a piece of wooded property would be more cost effective than purchasing trees.

The other benefit to purchasing one or more of these parcels is to make up for the shortfall in land value of our replacement lands. Our proposal for land compensation (the two-acre “church” property that we are reimbursing the County for at \$24,000 and the couple of acres from our river frontage that we will convey to the County to make up the acreage for the SCTF plant site that we’re buying from the County) will have a total land value of likely around \$60,000, which is about \$200,000 less than the value of the property that we are purchasing from the County for the plant site (\$266,000). Green Acres requires that we not only replace the acreage but also equate the value of the land. The person that we’re dealing with at the DEP for Green Acres suggested that the forested piece could also potentially be used to offset the monetary compensation to make up for the short-fall in value. So, purchasing that land could save us from writing a check for in the range of \$200,000 and save us from having to plant all of the trees.

We’ll be learning more about this. We may be able to “kill two birds with one stone.” We’ll report back to the Board with more information.

Discussion ensued among the Commissioners and they seemed to think that this was a good option.

Chairman Liferi asked about the forester going up to check on the land, etc. He stated that perhaps we could get a credit for future work if we have more trees on the parcel than what we’re actually taking down. Executive Director Anastasio thought that was a good point and would find out more about that if this approach looks viable.

Executive Director Anastasio added one more thing about the SSO Project. He said that we’ve been talking to Bridgewater Township about the Planning Board application for the sub-division of this Lot 13 that the County owns -- the idea of whether it requires a site plan approval or variance. The attorney that represents the Planning Board views it as just a courtesy review – no variances or site plan required. We’re preparing the application and looking to get in front of the Planning Board at sometime this summer. On Lot 12, which is owned by Somerville Borough, there is a ¼ acre easement that we’re taking. That’s just an easement. Same thing with this – courtesy review because there is an above-ground structure. We’ll look to do both at the same time. The experts will be there to give the presentations.

(2) Update on Incinerator Project:

We had a technical kick-off meeting with the contractor. There are a lot of nuances to the incinerator system, and the contractor had brought up some questions. Tom Laustsen and I decided that we should bring our Engineer down from Boston as well as Karl Moninger to meet with the contractor. We discussed all the numbers, pressures, flows, etc. associated with the design, and all of the technical issues were resolved. Mr. Anastasio said that everyone involved with this project has to feel good about everything going into this, and there can’t be any loose ends or unresolved issues. From this meeting, everyone is totally 100% on board. We’ve received their performance bonds and insurance documents, and we signed the contracts and we just now have to get some things back to them. They’re ready to issue the purchase orders for the equipment.

Regarding the sludge hauling and sludge burning issue, we had a meeting with EPA on April 18<sup>th</sup>. They have requested some supplemental information and we did provide it. We got that back to them on April 29<sup>th</sup>. On April 28<sup>th</sup>, they sent another request for an outline of five sections with numerous bullet points. We just submitted that back to them on May 16<sup>th</sup>. They want to have another meeting with us to discuss several items as well as financial position of the Authority. They want to get a handle on what percentage of this operation's finances are generated from municipal services versus other sources like commercial enterprises (some Authorities do a lot of business in accepting sludge and things of that nature) About 4% of our revenue is from that. The rest is municipal services and a small percent of interest income.

We're continuing this discussion with EPA and we'll report back to the Board when we have more information.

One more item Executive Director Anastasio added is that we all have heard about these new requirements for a couple of years, called "MMMM" or simply "Quad M" (the nomenclature for these particular regulations). Part of those regulations require the federal government to adopt a "formal" plan, which appears to be a re-adoption of the MMMM rules. When we talked with EPA, they mentioned that there are a number of Authorities and Municipalities across the country that are in the same situation as us, where they're not going to make the deadline of March 21, 2016. We were told that if the delay was less than 12 months, it could be done administratively somehow and if it's more than 12 months, it would involve the Justice Department. When they adopted the federal plan, they carved out two exceptions to the March 21<sup>st</sup> 2016 deadline, where two Authorities in the country have an extension of one year from this date (one was Bayshore Regional Sewerage Authority in Keyport, NJ and the other is a treatment authority in Louisiana).

This leads me to believe that everyone else is in the same situation as us – longer than 12 months. I think there may be some that need even longer (3 years). So, this does not seem to be an unusual thing. These circumstances seem like it would make it favorable for SRVSA to receive the consent order to allow sludge incineration to resume. It just won't be quick because of all the steps involved.

- B. Engineer/Consultants** – Thomas Laustsen, P.E. (CDM Smith) Engineer's Report for April, 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 10 – Communications** – No additional comments.

- A. NJDEP, Division of Water Quality; Residual Transfer Report; Re: Reporting Period: 04/01/16-04/30/16
- B. NJDEP, Division of Water Quality; Surface Water Discharge Monitoring Report; Re: Reporting Period: 04/01/16-04/30/16
- C. NJDEP, Division of Water Quality; Residuals DMR; Re: Reporting Period: 04/01/16-04/30/16

**Minute 11 – Res. No. 16-0523-3 – Payroll**

Upon Motion of Mr. Impellizeri, Second of Ms. Garafola, 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>	_____	_____	_____
Richard DeLuca	<u>x</u>	_____	_____	_____
Philip Petrone	<u>x</u>	_____	_____	_____
Edward Machala	<u>x</u>	_____	_____	_____
Carolann Garafola	<u>x</u>	_____	_____	_____
Steven Mlenak	<u>x</u>	_____	_____	_____
Richard Mathews	<u>x</u>	_____	_____	_____
Louis Esposito, Jr.	<u>x</u>	_____	_____	_____
Joseph Lifrieri	<u>x</u>	_____	_____	_____
Michael Impellizeri	<u>x</u>	_____	_____	_____
Gail Quabeck	<u>x</u>	_____	_____	_____
Robert Albano	_____	_____	_____	<u>x</u>
Peter Stires	<u>x</u>	_____	_____	_____

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

**Minute 12 – Res. No. 16-0523-4 -- Bills**

Upon Motion of Ms. Quabeck, Second of Ms. Garafola, 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>	_____	_____	_____
Richard DeLuca	<u>x</u>	_____	_____	_____
Philip Petrone	<u>x</u>	_____	_____	_____
Edward Machala	<u>x</u>	_____	_____	_____
Carolann Garafola	<u>x</u>	_____	_____	_____

Steven Mlenak	<u>  x  </u>	<u>      </u>	<u>      </u>	<u>      </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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </u>

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

**Minute 13 – Adjournment**

Upon Motion of Mr. Hay., Second of Mr. Machala, the Regular Session was adjourned at 8:57 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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </u>
Steven Mlenak	<u>  x  </u>	<u>      </u>	<u>      </u>	<u>      </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>  x  </u>	<u>      </u>	<u>      </u>	<u>      </u>

**NEXT REGULAR BOARD MEETING –June 27, 2016**