

**MINUTES OF THE BOARD MEETING
THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY
MARCH 27, 2023**

Minute 1 - Opening of Meeting

The Board Meeting of the Somerset Raritan Valley Sewerage Authority was called to order at 7:00 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

Robert Albano	Present	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	Present (Teams)
Louis Esposito, Jr	Absent	Reinhard Pratt	Present
Michael Impellizeri	Present	Frank Scarantino	Present
Edward Machala	Present	Randy Smith	Absent
Richard Mathews	Present	Joseph Lifrieri	Present

Authority Staff

Ronald Anastasio, P.E., Executive Director	Present
Anthony Tambasco, Plant Superintendent	Present (Teams)
Michael Ingenito, Chief Plant Operator	Present (Teams)
Dennis Smith, Supervisor Liquid Division	Absent
Sherwin Ulep, P.E., Manager of Engineering	Present (Teams)
Ellie Hoffman, P.E., Regulatory Compliance Engineer	Present (Teams)
Linda Hering, Human Resources Manager	Present
Peter Wozniak, Chief Financial Officer	Present (Teams)
Christian Santiago, Staff Engineer	Present (Teams)
Joseph Loughlin, A/P Clerk	Present (Teams)

Professional Staff

Thomas Schoettle, P.E., CDM Smith	Present
Brad Carney, Esq., Maraziti Falcon, LLP	Present (Teams)

Minute 4 – Pledge of Allegiance

All in attendance saluted the flag.

Minute 5 – Oaths of Office:

- a. Vincent A. Dominach, Jr. – New Member (Borough of Somerville) – New Term through 2/7/2028 (replacing Peter Stires)

Mr. Dominach was sworn in, via Teams, as Commissioners by Mr. Brad Carney, Esq.

Minute 6 – Approval of Minutes:

- 1. Board Meeting Open Session Minutes – February 27, 2023 Regular Open Session

With the Motion of Mr. Impellizeri, Second of Mr. Albano, the Minutes of the February 27, 2023 Meeting (Open Session) were approved by the following roll call vote:

Roll Call Vote:

Robert Albano	Yes	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	Yes
Vincent Dominach	Abstain	Reinhard Pratt	Yes
Louis Esposito, Jr	Absent	Frank Scarantino	Abstain
Michael Impellizeri	Yes	Randy Smith	Absent
Edward Machala	Yes	Joseph Lifrieri	Yes
Richard Mathews	Yes		

- 2. Board Meeting Closed Session Minutes - February 27, 2023

With the Motion of Mr. Mathews, Second of Mr. Impellizeri, the Minutes of the February 27, 2023 (Closed Session) were approved by the following roll call vote:

Roll Call Vote:

Robert Albano	Yes	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	Yes
Vincent Dominach	Abstain	Reinhard Pratt	Yes
Louis Esposito, Jr	Absent	Frank Scarantino	Abstain
Michael Impellizeri	Yes	Randy Smith	Absent
Edward Machala	Yes	Joseph Lifrieri	Yes
Richard Mathews	Yes		

Minute 7 – Public Hearings – NONE

Minute 8 – Public Participation -

Seeing no one from the public in attendance in person, or via the TEAMS Meeting online, Mr. Lifrieri closed the Public Hearing.

Minute 9 – Consent Agenda: Resolutions for Consideration and Possible Formal Action

- 1) **Res. No. 23-0327-1** – Resolution Thanking Former Commissioner Peter F. Stires for His Service and Dedication to The Somerset Raritan Valley Sewerage Authority
- 2) **Res. No. 23-0327-2** – Resolution Authorizing Permanent Status of Harry Heiber as Operator in the Incineration Division
- 3) **Res. No. 23-0327-3** – Resolution Authorizing Permanent Status of Nicholas Dachowicz as Operator in the Liquid Division

Mr. Lifrieri asked if there were any questions or comments regarding any of the above resolutions and there were none.

Upon a Motion of Mr. Machala, Second of Mr. Mathews, the above Resolutions were approved by the following roll call vote:

Roll Call Vote:

Robert Albano	Yes	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	Yes
Vincent Dominach	Yes	Reinhard Pratt	Yes
Louis Esposito, Jr	Absent	Frank Scarantino	Yes
Michael Impellizeri	Yes	Randy Smith	Absent
Edward Machala	Yes	Joseph Lifrieri	Yes
Richard Mathews	Yes		

Minute 10 – Board Committees –

A. NOMINATING COMMITTEE (MATHEWS) Impellizeri, Smith, Petrone

Mr. Lifrieri asked if the Nominating Committee had someone who they would like to nominate for Secretary, to replace Mr. Peter Stires who is no longer a Commissioner. Mr. Mathews stated that the Nominating Committee met briefly prior to tonight’s Board Meeting and have nominated Reinhard Pratt for the position of Secretary and Mr. Pratt has accepted.

Mr. Mathews made a Motion to elect Mr. Reinhard Pratt as Secretary. The Motion was seconded by Mr. Impellizeri, and approved by the following roll call vote:

Robert Albano	Yes	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	Yes
Vincent Dominach	Yes	Reinhard Pratt	Yes
Louis Esposito, Jr	Absent	Frank Scarantino	Yes
Michael Impellizeri	Yes	Randy Smith	Absent
Edward Machala	Yes	Joseph Lifrieri	Yes
Richard Mathews	Yes		

Mr. Reinhard Pratt was then sworn in as Secretary by Brad Carney, Esq.

Minute 11 – Chairman – Mr. Lifrieri wanted to speak, especially to the new Commissioners, about the hard work we all do on this Board. We have a lot of committees, and we do all of our business by the recommendations of those committees, and we expect all of those on the committees will, to the best of their abilities, come to the committee meetings and do the work involved. Also, with respect to coming to the Board Meetings, when we had the COVID situation, we went to the remote meetings, and it worked out very well. Without it, we would have been in real trouble. But it has been three years since the start of COVID and I think its time to go back to the meetings in person because I, for one, miss the comradery and it’s really the only way to get to know the people. Doing it via TEAMS isn’t the same as doing it in person and talking to them and finding out their interests and that way, we can effectively appoint them to certain committees to make sure that we don’t appoint someone who can’t stand numbers on the Finance Committee. I would like, wherever possible, for the committees members to come here in person for the meetings. If you can’t make it but can make it online, please do so. Don’t not come to the meetings but let’s not make it a habit of calling-in all the time or being on TEAMS because I don’t want a Board that has members that never come to the meetings and therefore, the other members don’t get to know them.

Minute 12 - Reports

Mr. Albano had a comment about Peter Wozniak’s report on our budget. I’m not sure if it’s a complaint but the budget was way over in one of the areas. Way beyond the budgeted amount so I thought I’d point it out to the committee. It was over by about half a million dollars, and it was interest income!! So, thank you Peter. Peter has been very good at managing the money.

Mr. Albano went on to state that we have about \$70M floating around and is it safe? Ron and I had a discussion last week about this. Mr. Anastasio explained that there’s a little acronym for all of us to be aware of is GUDPA, the Government Unit Deposit Protection Act. There is a list of approved banks that are on the GUDPA list that our deposits are backstopped by the State of New Jersey, which is a comforting thing, especially with the climate right now with the banking issues. We talked about that and when Silicon Valley happened last week, Peter and I talked about it too. We are covered. We also talked about distributing our money throughout the list a little more, rather than solely chasing rate of return, if there is something that is close but not the

top, but not to let our different investments all bunch up in one or two banks, but to spread them out a little more. GUDPA is a backstop for all the governmental agencies that use those banks, and our cash management plan dictates that we use only the GUDPA banks. That, and we have the ability too, to invest in treasuries. We purchased a few Treasury Bonds last year. It is a good backstop to have, and it was a good question and concern to talk about. We can never be too careful, but we are in good shape in that regard.

A. Executive Director's Report

1. Report on the Purchase of Electricity (Basic Generation Service)

Mr. Anastasio stated that he put a memo in the beginning of the Reports section. We just locked into a two-year contract for three-quarters of our energy load for the next two years. As I talk about in the memo, we are a part of an aggregation group and that has worked well for a long time. We have been in it about 20 years. The bottom-line is there are a bunch of Authorities, and we have a similar shaped energy profile. What that means is that we use a similar amount of energy at 2am as we do at 2pm, versus a school or a municipal building which at 2am, the air conditioning may not be as cold and lights are all off. Buying electricity last year was horrendous for obvious reasons, geopolitical events, the war in Ukraine, inflation, supply shortages, exports of natural gas to Europe. Everything was working against us, and we had locked into a short-term contract last year just to get us through the winter. No one could predict that the winter was a record warm winter, we were expecting or preparing for a colder winter or a more normal winter. In any event, we made it through that time, and we locked in to what is a good price. In that, we have two winters bought. It is a lot of uncertainty that is eliminated. One thing that Peter and I have been talking about in recent months, is that it is attractive to float on the market but there is some risk involved in that. What we did here was kind of a hybrid. We are part of a group which I talk about in the memo, that the group of thirteen authorities are broken into sub-groups. The ones that are similar and have the providers and same rate class. We are in a group with four other authorities, and we have to come to a consensus. They all wanted to lock in 100% and we got them to lock in only 75% and float on the market for the remaining 25%. It means more to us than them because we use more electricity. We track it, whether we doing better than floating on the market or worse and we track it every month. When you lock in prices, you are usually paying a little bit of an insurance premium for that. In recent years there have been some changes to the market where some incentives to buy third-party have not gone away now that the market is established, so there is less incentive to not go with your local provider or your local distribution utility like PSE&G or JCP&L. We get the best of both worlds. We have some exposure to float on the market and we will see how that goes. We've been tracking this through 2-year contracts for many years now. Typically, the market floating ends up being a little cheaper but there is risk involved in that. We are going to track to see how this two-year contract goes. The way the contract is written, if we got an even more attractive price, we could lock in the last 25% of the block. We'll see how things go but we are in a good spot. The price is 1/3 cheaper than last year and we're happy about that and it is lower than the budget amount and it is positive. I can talk a lot about this stuff because there are a lot of nuances to it and Peter and I like the subject. The memo is pretty comprehensive even though it is a couple pages. Energy-wise, we are in very good shape.

2. Update on the 1958 Main Interceptor Sewer Rehabilitation Project

Mr. Anastasio stated that we just issued the RFP to five engineering firms. We have a pre-bid walk-thru coming on April 14th. We are receiving proposals on June 1st for that project, which is a major project. We are looking forward to getting the proposals in and getting that project launched. When those proposals do come in, we will send them first to the Planning Committee to review and evaluate and once the Planning Committee has made its recommendation, that recommendation will go on to the Finance Committee. They will look at it and then the entire Board will discuss what the two committees have come up with and we will look to make an award in July or at the latest August, given that we have workable results.

3. MEL Elected Official Risk Management Training Seminar (online course – 20 Minutes) *required by the NJ MEL Joint Insurance Fund

Mr. Anastasio stated that we are part of the New Jersey Utilities Authority Joint Insurance Fund, which is backstopped by the Municipal Excess Liability Fund which oversees 16 JIF's of which our JIF is one of them. The MEL has a required training for elected and appointed officials. We will show an online video that is about 20 minutes long that they want us to do and have to do every three years.

Mr. Lifrieri stated that there are two more comments. Mr. Albano had a question for Sherwin Ulep, our Manager of Engineering. Mr. Anastasio asked Sherwin, regarding the meter outages, what was the main contributing factor for that? Mr. Ulep explained that due to our surcharging caused by wet weather conditions, some of them would lose power and some of them would be inundated with a lot of water, a lot of flow coming in from member municipalities. That was for February. Mr. Ulep asked if there was a specific date? Mr. Albano stated that he was looking at the comment in your report, area #3, Routine Duties, the meters were being coded for 792 hours which is more than I remember it. Usually, it is all A's but when I saw it, I was just wondering what it was. I thought we had the surcharging under control. Mr. Anastasio stated to Mr. Ulep, that it seems to be 10R, we had some C's and D's, and Meter 5 had a couple C's and Hillsborough had a C and a B. Mr. Ulep stated that with 10R, something happened with the electrical supply. Usually, these meters are connected to a UPS and that UPS failed. When it fails, it will take at least one week to go back there and repair or replace the UPS. We also have to order the UPS itself so it took a while before we could get the UPS installed.

As for Meter Chamber 9H, there were a couple of times where it was inundated with wet weather flow conditions. Meter Chamber 9H right now, for at least the last month, the readings are from the Parshall flume so when it rains, it actually gets inundated and we wouldn't get a good reading out of the partial flume. The good news is that we just installed a new meter at Meter Chamber

9HP which is the pipe meter and we have a good source of readings starting this month. That was one of the meters that was damaged in IDA, so without the pipe meter, you don't get the ability to measure during the surcharge conditions.

Mr. Lifrieri now stated that he encourages all Commissioners to go down to the AEA functions in Atlantic City or wherever they are held. We are learning a lot, especially if we don't do this every day ourselves. We learn a lot about how sewage treatment plants operate. One of the things that they talked about this year had to do with ransomware and Authorities being hit with ransom, and there were some FBI members there that gave a talk. This was the computer fraud squad of the FBI. When I learned about it, which was a surprise to me, was that many of us have on our own computers, at home or at work, certain programs like TeamViewer which can be a doorway to hackers. They can very easily get in and corrupt all the files that you are connected to. So, if it is a business, with a computer like here at the Authority, and you have TeamViewer on it, that is a way for them to get in. We need to make sure that none of our employees have TeamViewer on our computers and Mr. Anastasio stated that we do not use that software. If we get hit, we can't afford to get hit with the ransomware type of program. We would be up the creek. Chairman Lifrieri asked Mr. Anastasio what Committee should the computer protection be in? Mr. Anastasio stated that probably it would fall under Planning, being a more technical issue. Mr. Lifrieri stated to the Chairman of the Planning Committee, can you get that on the next agenda to see where we stand on that. Mr. Machala then stated that you also have a professional that helps us with this. He asked if Mr. Anastasio could get a summary of what he does. Mr. Anastasio stated he can do that, and we can talk about that in the Committee. I can get all the information and all our contractors, as well as the contractor that consults for the JIF. A discussion further ensued on this subject.

B. Engineer/Consultants – Mr. Thomas Schoettle, P.E., (CDM Smith) had nothing further to add to his Report.

C. Attorney – Maraziti Falcon, LLP – Mr. Barney had nothing further to add.

D. Department Reports:

1. Operations
2. Regulatory Compliance
3. Laboratory
4. Maintenance
5. Special Projects

E. Facility Engineer Reports:

1. Facility Engineers Monthly Report
2. Capacity Allocation

3. Capacity Assurance
4. Monthly Flow Report

Mr. Albano asked regarding Christian Santiago’s report, there was only one response to the meter chamber floor removal and that was Northeast Construction. The other two did not submit a response, and it was \$39,500. Did we do an engineers estimate? Mr. Santiago explained that the company that was awarded is a company that we have been dealing with for the past few years. Usually when people do give estimates and they are usually the lowest. Last year it around the same amount. Based on the prior year’s, we think that this is a reasonable amount. Mr. Albano said we had talked about this a few years ago, that we would like to have engineering estimates so that we don’t get into a situation where we don’t have an estimate and then we can’t reject the bid. Mr. Anastasio said this is just soliciting prices and it is below the bid threshold. It is just a matter of issuing a Purchase Order. We don’t have to issue it. It is not an advertised bid situation, so it is not a rigid situation like that, statutorily. It is less than the \$44,000 but it is something to keep in mind.

Minute 13 – Communications – Standard monthly communication submittals to the State are in the Board book.

Minute 14 - Res. No. 23-0327-4– Payroll

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

Roll Call Vote:

Robert Albano	Yes	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	<i>Absent*</i>
Vincent Dominach	Yes	Reinhard Pratt	Yes
Louis Esposito, Jr	Absent	Frank Scarantino	Yes
Michael Impellizeri	Yes	Randy Smith	Absent
Edward Machala	Yes	Joseph Lifrieri	Yes
Richard Mathews	Yes		

Minute 15 - Res. No. 23-0327-5 – Bills

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

Roll Call Vote:

Robert Albano	Yes	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	<i>Absent*</i>
Vincent Dominach	Yes	Reinhard Pratt	Yes
Louis Esposito, Jr	Absent	Frank Scarantino	Yes
Michael Impellizeri	Yes	Randy Smith	Absent
Edward Machala	Yes	Joseph Lifrieri	Yes
Richard Mathews	Yes		

**Mr. Petrone was disconnected from the TEAMS meeting for these two votes.*

Minute 16 – MEL Elected Official Risk Management Training Seminar (online course – 20 Minutes) *required by the NJ MEL Joint Insurance Fund

Some Authority Staff disconnected from the Meeting and all Board Members present both in person and online, attended the online training seminar which began at 7:36pm, and was concluded at 8:08pm. Mr. Lifrieri asked if we have a copy of that book and Mr. Anastasio said he would look. We were sent some documents recently but that was more of a pamphlet. Mr. Lifrieri asked if you must be a JIF member to access their website? An online identity would have to be established and you would have to be registered with the website. We are JIF members and Mr. Anastasio is the Fund Commissioner for the Authority. Maybe we can get the manual and make it available to any Commissioners who may want to look at it.

Minute 17 - Adjournment

Upon Motion of Mr. Machala, Second of Mr. Albano, the meeting was adjourned at 8:09pm.

Roll Call Vote:

Robert Albano	Yes	Michael Pappas	Absent
Nicolas Carra	Absent	Philip Petrone	Yes
Vincent Dominach	Yes	Reinhard Pratt	Yes
Louis Esposito, Jr	Absent	Frank Scarantino	Yes
Michael Impellizeri	Yes	Randy Smith	Absent
Edward Machala	Yes	Joseph Lifrieri	Yes
Richard Mathews	Yes		

**NEXT REGULAR BOARD MEETING WILL BE HELD ON
APRIL 24, 2023**