

**MINUTES OF THE BOARD MEETING  
THE SOMERSET RARITAN VALLEY SEWERAGE AUTHORITY  
NOVEMBER 22, 2021**

**Minute 1 - Opening of Meeting**

The Board Meeting of the Somerset Raritan Valley Sewerage Authority was called to order at 7:01 P.M. by Chairman Michael Impellizeri.

**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	Philip Petrone	Present
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Present (Teams)
Joseph Lifrieri	Present	Gail Quabeck	Present (Teams)
Edward Machala	Present	Randy Smith	<i>Absent</i>
Richard Mathews	Present	Peter Stires	Present(Teams)
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Present

**Authority Staff**

Ronald Anastasio, P.E., Executive Director	Present (Teams)
Sherwin Ulep, P.E., Facility Engineer	Present (Teams)
Anthony Tambasco, Plant Superintendent	<i>Absent</i>
Michael Ingenito, Chief Plant Operator	<i>Absent</i>
Dennis Smith, Supervisor Liquid Division	Present
Ellie Hoffman, P.E., Regulatory Compliance Engineer	<i>Absent</i>
Linda Hering, Human Resources Manager	Present
Peter Wozniak, Chief Financial Officer	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 – Oath of Office**

Reinhard Pratt was sworn into office as a Commissioner – Township of Branchburg – for a term to expire January 31, 2026.

**Minute 6 – Approval of Minutes**

1. Board Meeting Open Session Minutes – October 25, 2021

Upon Motion by Ms. Quabeck, Second of Mr. Mathews, the Minutes of the October 25, 2021 Meeting (Open Session), were approved by the following roll call vote:

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Abstain
Reinhard Pratt	Abstain		

2. Board Meeting Closed Session Minutes – October 25, 2021

Upon Motion by Ms. Lifrieri, Second of Mr. Mathews, the Minutes of the October 25, 2021 Meeting (Closed Session), were approved by the following roll call vote:

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Abstain
Reinhard Pratt	Abstain		

**Minute 7 – Public Hearings**

**A. Adoption of the Authority’s FY 2022 Budget**

Upon Motion of Ms. Quabeck, Second of Mr. Lifrieri, the hearing was open to the public by the following roll call vote:

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Yes		

Chairman Impellizeri stated that there were no members of the public in attendance at the meeting or online via Teams.

Upon Motion of Mr. Albano, Second of Mr. Lifrieri, this Public Hearing was closed by the following roll call vote:

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Yes		

**Res. No. 21-1122-1** – Resolution Adopting the Authority’s FY 2022 Budget

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

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Yes		

**Minute 8 – Public Participation** -No Public Present

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

- 1) **Res. No. 21-1122-2** – Resolution Authorizing the Reissuance of a Non-Domestic Wastewater Discharge Permit to Nouryon Surface Chemistry LLC & Ingredion Inc.
- 2) **Res. No. 21-1122-3** – Resolution Authorizing the Reissuance of the Non-Domestic Wastewater Discharge Permit to Ingredion Incorporated
- 3) **Res. No. 21-1122-4** – Resolution Authorizing the Reallocation of FY2021 Operating Budget Funds to CDM Smith to Cover Additional Construction Resident Engineering Services for the Plantwide Electrical Rehabilitation Project

Vice-Chairman Lifrieri explained to Mr. Pratt that we have a series of Resolutions that have been sent to us and we have reviewed them at home since we get the board book in advance of the meeting. Some of the Resolutions are basically procedural and we group them together unless someone has an objection to any one specific, in which case we take it out and vote on it separately. In most cases, these three seem to be pretty regular types of Resolutions so we will group them together and vote on them all at one time. Mr. Machala stated that if for some reason you are not comfortable with that, you can always ask to pull one out. Mr. Pratt thanked everyone for the explanations.

Mr. Pratt asked if it had been reviewed what Nouryon Surface Chemistry and Ingredion planned to discharge. Mr. Albano stated he is the head of the Industrial Pretreatment Committee. We have an engineer assigned to it. She does site visits and reviews all the invoices. We know what they are putting in. They don't put in what they are not supposed to and if they do, we fine them. Mr. Albano showed Mr. Pratt Ellie Hoffman's memos attached to the Resolutions. He pointed out her monthly report which goes through all the specific details. Ellie is the Regulatory Compliance Engineer and makes regular site visits at least once a year to make sure they are in compliance. Mr. Pratt stated that it all seems reasonable but is best if he Abstains at this time.

With no further questions or comments, and upon Motion of Ms. Quabeck, Second of Mr. Lifrieri, the above Resolutions were approved by the following roll call vote:

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Abstain		

**Minute 10 – Board Committees**

**A. Planning Committee (MACHALA, Lifrieri, Smith, Stires, Impellizeri)**

Mr. Machala stated that the Planning Committee met tonight, prior to the regular meeting to discuss several things. Mr. Anastasio is going to give everyone a quick recap.

1. Discussion of CDM Smith Report – 1958 Main Interceptor Pipe Condition Assessment and Recommendations

Mr. Anastasio stated that in the books, there is a report prepared by CDM Smith regarding the evaluation of the 1958 Main Interceptor Pipe. We discussed that in the Planning Committee meeting and there is certainly a lot to discuss. Some questions were raised in tonight's discussion. Although there were several good alternatives offered by CDM Smith, there is another alternative we are going to look at a little closer which is the removal of the existing 1958 Main Interceptor. Ripping it out of the ground in place and putting a new one in its place, for the entire length of the pipe. We did not discuss that before, but we are going to look at that and compare the costs. Our CFO Peter Wozniak pointed out that when you consider thinking of depreciation, the replacement pipe which would likely be PVC is expected to last a number of years beyond what the CIPP (Cured In-Place Liner) is expected to last. Both are good options but PVC replacement costs more, but you may get more out of it. We are going to take a closer look at that, and the Planning Committee is not ready to make any recommendations tonight to the Finance Committee regarding this project. We had a good in-depth discussion and we are going to keep the momentum. The Board is going to stay on top of that discussion.

2. Update on the Electromagnetic Inspection of the Storm Control Pump Station Pre-Stressed Concrete Cylinder Pipe (PCCP) Forcemain

Mr. Anastasio stated that the Planning Committee discussed the options, and it is clear that the less expensive but equally effective option is the way to go. The Committee feels ready to make a recommendation to the Finance Committee to get that project moved along. Mr. Anastasio asked if the Planning Committee had anything else to add to that. Mr. Machala indicated no, that sums it up and at this point, we are going recommend it to the Finance Committee for their approval and we will hopefully have that ready for next month.

Mr. Anastasio indicated that we had a Finance Committee liaison join us for the discussion. Mr. Albano sat in on the Planning Committee meeting, which was helpful. We are going to look to get a recommendation to the Board at the next Board meeting. We are going to look to have a Resolution authorizing funds to CDM Smith to execute this work. There is a finite time on the device, which is the robotic assembly for non-potable water pipe applications which ours is. The company, Pure Technology, wants to retire that unit in February of 2022 which we feel comfortable that we can make that timeline, but the bottom line is that this pipe has never been looked at. It is 50 years old and there are failures cropping up around the State of this kind of pipe. It is prudent to look at it and get this work done and then we can move on with any repairs that need to be made.

3. Discussion of the Exposed River Crossing Pipes near Manhole No. 9 (Known as the “Manhole No. 9 Project”) – Replacement of the Existing Pipes with Inverted Siphon/Sag Pipes

This discussion folds in with the interceptor discussion which we are going to keep working on. What I want to point out, and I am sharing my screen to you all. Ms. Quabeck unfortunately does not have access to view it, but it is in her book. In the aerial overhead from our drone, you can see through the river water, that our pipe is exposed in the river bottom. Basically, the river bottom is eroding and is also shifting to the East, exposing the pipes in the water. These pipes need to be lower and this requires NJDEP permits and also requires an open-cut construction situation. Regardless of what option that the Planning Committee recommends for the Interceptor Rehabilitation, this Manhole #9 work will be included in the project as well as any repairs to the Forcemain that we discover through the inspection process. The Interceptor project will be one comprehensive project to take care of all our pipeline issues. That is the discussion about Manhole No. 9. We are going to be coming back to this when we come back to the Interceptor.

4. Discussion of Preparation of Request for Formal Proposal (RFP) for Engineering Services for the 1958 Main Interceptor Pipe & Manhole No. 9 Pipe Replacement Projects (and any potential Forcemain Repairs)

Mr. Anastasio stated that like Manhole No. 9, it will be coming back to the RFP discussion as well.

Mr. Machala stated that is all they are ready to take action on.

**B. Personnel Committee (PETRONE, Albano, Mathews, Quabeck)**

1. Report and Discussion on the Hiring of the Staff Engineer (**Closed Session – Personnel Matters**)
2. **Res. No. 21-1122-5** - Resolution Authorizing the Hiring of Christian Santiago as the Authority’s Staff Engineer (**See vote on this Resolution at the conclusion of the Closed Session**)

**Minute 10 – Chairman –**

Designation of Nominating Committee for 2022-2023 Authority Officers.

Mr. Anastasio stated that as was discussed, Chairman Impellizeri is planning to nominate several members for the Nominating Committee, and they are Mr. Petrone, Mr. Machala, Mr. Smith and Mr. Albano.

## **Minute 11 - Reports**

### A. Executive Director's Report

#### 1. Update on Storm Control Treatment Facility Construction Project

The project is basically finished and we have reached substantial completion. There are a few punch list items that are being taken care. Mr. Ulep, can you give us a further rundown on this? Mr. Ulep stated that all of the individual equipment training to our Authority Staff has been completed. The SCADA system has already been implemented. There are a couple of other things that need to be completed. One is connecting the main treatment plant to the Storm Control Treatment Facility and also demolishing the temporary SSO by the Storm Control Pump Station. Other than that, there is just some painting, some landscaping work, and punch list items that CDM Smith and the Authority's Staff have created. We are fully operational right now and what we plan to do is look for the next wet weather storm and see if we can divert the flow to the treatment facility and run the treatment facility.

Mr. Anastasio stated that when Mr. Ulep says, "connecting it to the main treatment plant", that is just the communication system for the instrumentation. Unless we have a very severe storm, our plan is to treat a very moderate rainstorm and we plan to divert to the new facility, treat, and perform sampling but we plan to discharge back to the interceptor and send that flow to the main treatment plant. Think of it as a dry run. If we have that luxury and we have capacity, we will do that and get the sampling results. We will actually see the lab results. It will be nice to have this in our back pocket then the next rainfall would be the first time discharging to the river. Now we are waiting for it to rain. Hopefully it rains soon. This is a very happy moment, and it took awhile to get here. The workmanship has been top notch, the contractors have done a great job. We are happy with the results and we are looking forward to operating it.

We also have good news on the financing front. Mr. Wozniak prepared a memo today that we will send out to the Board and will now report on the results of the financing. Mr. Pratt, you are new to this, but we are part of a State Bonding pool, and we included the debt for this facility for this project in the November bond sale. We got a favorable outcome.

Mr. Wozniak stated that this is, in terms of the financing, it is a big victory for the Authority. We financed for 30 years at an effective interest rate of .52% and it will include fees, which is a rate of .90%, including the cost of borrowing. That is on 30-year bonds. It adds about \$1,230,000 of debt service annually on \$31,700,000 of bonding costs. The good news is it will not result in a rate increase. The Finance Committee has been planning for this for a number of years and we ready to absorb the debt service. Also, to share a little scenario with you. Assuming 3% inflation for the next 30 years, if you figure that against our cost of borrowing .90%, the present value cost of this project goes down by about \$7M. Inflation is our friend in this bonding scenario.

Mr. Anastasio asked Mr. Wozniak that without the NJDEP fees, what is the cost of borrowing. Mr. Wozniak indicated .52 so about 50 basis points for 30 years. It is like getting a 30-year

mortgage at .5%. It is just a slam dunk triumphant deal. Mr. Anastasio stated that the timing was right and it worked great in our favor. Ms. Quabeck stated that we did make the right decision to move ahead at this time. It worked out well. Mr. Pierini asked that if we waited until the Spring bond pool what do you think the rate will be at? Mr. Wozniak stated that he will put a memo together. His hunch is we are going to save quite a bit of money. We are at historic lows right now for the 30-year long-term AAA Municipal market. We even received a premium of about \$634,000 of people willing to pay a little higher coupon. It will be interesting to compare. He doesn't have a crystal ball but it will be interesting to see in 6 months. Mr. Pierini stated that Warren is part of that bond pool and they also got the same rate. There was a big push to bond it in this fall instead of waiting until the spring and we are going to save about .3% which is a big win as well. Mr. Wozniak stated that on a good size borrowing, those fractions of percentages make a huge different in terms of total dollars and with inflation going up, you are probably going to take the foot off the gas in terms of monetary policy and maybe start tightening. Timing is everything and hopefully we saved a lot of money by pushing for the Fall pool. Mr. Anastasio said we'll find out in 6 months. I can't imagine it going lower, but you never know, but I think we scored.

## 2. Update on the Plantwide Electrical Rehabilitation Project

Similar story here. The base contract work is basically done. I know Tony Tambasco and Sherwin Ulep were chasing some punch list items which are basically touchups and small things. All the main equipment is functioning. Everything is working out well and everyone is happy. It is safe, brand new and works great. The lighting around the plant has been greatly enhanced and makes for a safer and better environment. We are doing some additional work under Change Order No. 7, and we are going to take a look at a potential Change Order No. 8 for some further work. We have to evaluate the work and the price and see what we come up with. We would like to bring that to the Board at the December 22<sup>nd</sup> Meeting, and we can decide on that. It is finally coming to a conclusion. It has been a busy couple of years with big capital projects for sure.

## 3. Report on the Renewal of the Storm Control Pumping Station Flood Insurance Policy

Mr. Anastasio stated that this is a late addition. To recap, our Storm Control Pumping Station, which is 2 miles upriver from the treatment plant and sits right on the bank of the Raritan River, on the northern bank. It got wiped out during Hurricane Ida. We went out there in the boat and saw how high the water was and it was incredible and no saving it. We went through this with Hurricane Irene in August of 2011, and we received a FEMA payment for some of the repairs at the station in 2014. They then said if you ever want to make a claim again, you have to have a flood insurance policy equal to the amount of 75% of the cost of the damage, and then they would consider a claim in the future. We've been maintaining a flood insurance policy for that. We already made our claim and filed it and now we have to finalize all the actual costs. We filed a claim for this damage now so that is in process, and we are working on getting the adjuster out there to see the full extent of the damage and repairs. Some things are taking longer due to supply chain and other reasons, but we are making good progress. We are spending money out there. We still have to protect it against flooding if it flooded tomorrow



because we would have yet another claim for money we spent since September 2<sup>nd</sup>. We've been given a quote by our Risk Manager. The quote is very attractive and is by the Incumbent Company. Our Risk Manager shopped it around to about 30 companies and 29 companies would not touch it. Only one company gave us a requote and it's only gone up a little over 3%. I sent that out to the Finance Committee on Thursday to see what they thought. Several members have recommended strongly that we pass the Resolution for the approval of the Flood Insurance. Ms. Quabeck stated that we really cannot be without that insurance.

We sent out to the Board, a Resolution that we drafted today, and Linda has handed it out in the Board room. I emailed it to the Board as well. We can now read that into the record, if necessary, which is Resolution No. 21-1122-9 Authorizing the Renewal of a Flood Insurance Policy for the Storm Control Pumping Station.

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

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Yes		

4. Review the Current Slate of Authority Professionals (Closed Session)

Mr. Anastasio stated that the last item is to discuss the current slate of Authority professionals, as we do every November, and we will do that in Closed Session.

B. Engineer/Consultants – CDM Smith

Mr. Schoettle stated that he has nothing to add to his report but would be happy to answer any questions. None were raised.

C. Attorney – Brad Carney, Esquire for Maraziti Falcon, LLP

Mr. Carney indicated he had no report this evening.

D. Department Reports:

1. Operations

2. Laboratory
3. Maintenance/Electrical
4. Special Projects

E. Facility Engineer Reports:

1. Capacity Allocation
2. Capacity Assurance
3. Monthly Flow Report
4. Facility Engineer’s Monthly Report

**12. Communications**

- A. NJDEP, Division of Water Quality; Residual Transfer Report; Reporting Period 10/1/21-10/31/21
- B. NJDEP, Division of Water Quality; Surface Water Discharge Monitoring Report; Reporting Period 10/1/21-10/31/21 (**OCTOBER 2021 NOT INCLUDED – TO BE SUBMITTED BY 11/25/21**)
- C. NJDEP, Division of Water Quality; Residuals Discharge Monitoring Report; Reporting Period 10/1/21-10/31/21 (**OCTOBER 2021 NOT INCLUDED – TO BE SUBMITTED BY 11/25/21**)

**13. Payroll – Res. No. 21-1122-6**

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

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Abstain		

**14. Bills – Res. No. 21-1122-7**

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

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Abstain		

**15. Adjournment to Closed Session**

**Res. No. 21-1122-8** – Resolution Authorizing Closed Session for the Purposes of Personnel Matters Discussion Regarding the Current Slate of Authority Professionals and the Hiring of the Authority’s Staff Engineer.

Upon Motion of Mr. Machala, Second of Mr. Mathews, the meeting went into Closed Session at 7:36 p.m., with the following roll call vote:

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Abstain		

Opened Session reconvened at 7:49 p.m.

**Res. No. 21-1122-5** - Resolution Authorizing the Hiring of Christian Santiago as the Authority’s Staff Engineer

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

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	No
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>

Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Abstain		

**16. Adjournment**

Upon Motion of Mr. Albano, Second of Mr. Mathews, the meeting was adjourned at 7:50 p.m.

**Roll Call Vote:**

Robert Albano	Yes	Philip Petrone	Yes
Louis Esposito, Jr	<i>Absent</i>	Spencer Pierini	Yes
Joseph Lifrieri	Yes	Gail Quabeck	Yes
Edward Machala	Yes	Randy Smith	<i>Absent</i>
Richard Mathews	Yes	Peter Stires	Yes
Michael Pappas	<i>Absent</i>	Michael Impellizeri	Yes
Reinhard Pratt	Yes		

**NEXT REGULAR BOARD MEETING WILL BE HELD ON  
DECEMBER 20, 2021**