

THE LINDEN ROSELLE SEWERAGE AUTHORITY

The minutes of the regular meeting held on Wednesday, April 25, 2018 at 12:00 P.M. in the office of the Linden Roselle Sewerage Authority.

Chairman Vircik announced that the Public Notice of time and date of the Public Meeting has been duly executed in accordance with the Open Public Meeting Act, P.L., 1975, Ch. 231, notification being mailed 12/29/17 to the Local Source, Star Ledger, Home News Tribune, and to the municipal clerks of Linden and Roselle for posting in a public place.

Present: George Vircik, Chairman; Robert Sadowski, Vice-Chairman; Edward Mikołajczyk, Treasurer; Reginald Atkins, Alternate Member;

Absent: Emerito Ruiz, Alternate Member; Late: Jamel Holley, Member

Attending: David G. Brown, Executive Director; Jeffrey A. Williams, Superintendent; Richard Rudin, Weiner Law Group; Tom Laustsen, CDM Smith Co.;

Visitor: Representative from Aries Clean Energy, Robert Burke;

MOTION: Upon motion of Mr. Sadowski, and seconded by Mr. Mikołajczyk, the Board unanimously approved the Agenda set forth below.

MOTION: Upon motion of Mr. Sadowski, and seconded by Mr. Mikołajczyk, the Board unanimously approved the minutes of the February 28, 2018 Executive Session Minutes.

MOTION: Upon motion of Mr. Sadowski, and seconded by Mr. Mikołajczyk, the Board unanimously approved the minutes of the March 28, 2018 Executive Session Minutes.

MOTION: Upon motion of Mr. Sadowski, and seconded by Mr. Mikołajczyk the Board unanimously approved the minutes of the March 28, 2018 Regular Board Monthly Meeting.

Mr. Atkins abstained from voting on above 2/28/18 and 3/28/18 all meeting minutes.

MOTION: Upon motion of Mr. Mikołajczyk, and seconded by Mr. Ruiz, the Board unanimously accepted Treasury Report as read.

MOTION: Upon motion of Mr. Sadowski, and seconded by Mr. Mikołajczyk the Board unanimously approved Chairman's recommendation to appoint Mr. Atkins as an Acting Secretary and Voting Member for this meeting.

Chairman advised the Board that the Personnel Committee Meeting has to be rescheduled for the following Thursday, May 17, 2018 at same time 9:30 AM.

BUSINESS AGENDA

EXECUTIVE DIRECTOR'S REPORT

The Executive Director presented to the Board his monthly report (see attached report). No questions of the Executive Director's report.

April 25, 2018

BUSINESS AGENDA (continued)

SUPERINTENDENT'S REPORT

Superintendent presented to the Board his monthly report (see attached report). In addition to his report, the Superintendent stated that on May 2, 2018 NJDEP is scheduled for a routine annual inspection. Furthermore, he stated that the Authority had several distinct problems so far this year. 1. A sharp increase in BOD loading causing organic loading problems. 2. There were three very distinct Bacteria dies offs during this time. We believe it may have been some toxic load. We have not been able to pinpoint the exact problem. 3. Heavy Hydraulic loads due to heavy rains and over 6.5 inches of rain, in addition to heavy snow melts (15 inches of snow). These combined to cause severe exceedances to our TSS. The exceedances were reported to the NJDEP Hotline and followed up with a letter to the NJDEP. Peak flows for the months of February, March and April were 47.3 MGD, 29 MGD and 25 MGD respectively. The Authority's plant is not designed for that kind of flow. The Superintendent continued that the Authority will be trying to use in addition to polymer (which is expensive) a product known as a BAE (Biological Activity Enhancer) to help improve effluent quality and settling. No questions of the Superintendent's report.

ENGINEERS REPORT

Tom Laustsen added (to his written report) that the Pumping Station project will be completed shortly with closing up all permits. There were no other questions of the engineer.

Adoption of 2018 Sewer Rates and Charges

At the last monthly meeting Tom Schevchuk presented to the Board a detailed report of the 2018 Sewer Rates and Charges. The Executive Director stated that based upon the current cost estimates, CDM Smith's update was based on refined projections for 2018 flows and loadings from the Linden Major User Class and the results of the 2017 user charge system Biennial Review. Based upon the current cost estimates, CDM Smith has confirmed the calculations of cost allocations between the user classes and the resultant rates. The rates as calculated distribute the projected fiscal year 2018 allocated costs among the user classes proportionately, based upon their respective costs of service and forecast system utilization. The proposed rates should generate sufficient revenues to meet operating and debt service costs. The Public Notice of Hearing Rates was advertised as required. Therefore, the Executive Director and Staff are recommending that the Board adopts the rates as proposed in Option "B" with \$500,000 surplus to maintain 1.5% rate increase.

MOTION: Upon motion of Mr. Mikolajczyk, seconded by Mr. Sadowski, the Board unanimously approved by Resolution adopting the 2018 Sewer Rates Option "B" as presented. (Resolution #28-18 attached)

Mr. Holley arrived and became voting member.

Authorizing Use of a Procurement Card

Authority Staff has determined that the acquisition of a Procurement Card (P-Card) would be beneficial as is used to electronically procure goods and services. Use of P-Cards by local government units is authorized by N.J.S.A. 40A:5-16. As the use of the internet for purchasing (e-commerce) has become more prevalent, having a P-Card would provide the flexibility in these limited situations to make purchases that are the most advantageous to the Authority. Local Finance Notice 2018-13 outlines the procedures for use and control of the card, which will be strictly followed and incorporated into the Authority's Purchasing Policies and Procedures Manual. Therefore the Executive Director and Staff are recommending that the Board by Resolution approve and authorize the use of a P-Card.

Authorizing Use of a Procurement Card (continued)

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Holley, the Board unanimously approved and authorized Use of a Procurement Card (P-Card) for the acquisition of goods and services that are most advantageous to the Authority with the internal controls to ensure compliance with the statutory authorization and the Local Finance Board's Rules. (Resolution #29-18 attached)

BIDS AND PURCHASES - None

PUBLIC COMMENT

No Public Comment

Robert Burke, Aries representative left the meeting due to Executive Session.

EXECUTIVE SESSION

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Mikolajczyk the Board unanimously approved the Resolution to hold an Executive Session to discuss "Personnel Matters" and any other matters as may come before the Members.
(At 12:36 P.M., Resolution #04E-18 attached).

As per Attorney instruction the Authority's Engineer has to be part of the Executive Session, however Engineer left the Executive Session at 12:53 PM due to continuation of the Executive Session.

MOTION: Upon motion of Mr. Mikolajczyk, seconded by Mr. Sadowski, the Executive Session was closed 12:58 P.M. and the regular business meeting resumed.

Meeting open to the public. Tom Laustsen joined the meeting.

The following action has to be taken by Motion:

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Mikolajczyk, the Board unanimously authorized the Executive Director to write a letter to J.V.M. Sales Corp. that Authority is maintaining 1990 Policy "not to build" over the Authority's Main Sewer Interceptor.

BILLS AND CLAIMS

Certification and recommendation received from the Executive Director, Purchasing/Contract Manager, and Financial Manager.

Operating Fund

MOTION: Upon motion of Mr. Mikolajczyk, seconded by Mr. Sadowski, the Board unanimously approved payment of the Operating Bills in the amount of \$475,593.12 (Resolution attached).

ADJOURNMENT

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Mikolajczyk, the meeting was adjourned at 1:02 P.M. and it was ordered that the monthly Board Meeting of the LRSA be held on Wednesday, May 23, 2018 at 12:00 P.M. in the office of the Authority.

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MONTHLY RECEIPTS

March 1, 2018 - March 31, 2018

REVENUE FUND

Non-Major User

City of Linden 105,050.73

Municipality

Borough of Roselle (1st Qtr. 2018) 739,579.50

Major Industry Users

PSE&G (2017 Capacity Fee) 195,216.02

North East Linen (4th Qtr. 2017) 46,433.55

Linden Property Holdings (2017 Capacity Fee) 28,122.80

Miscellaneous

PSE&G (Mo. Effluent Feb.-18) 20,481.50

Total Revenue Fund \$1,134,884.10

OPERATING FUND

Fortune Metal (Sale of Scrap) 107.00

2018 1st Qtr. EE Medical (Reimbursement) 48,371.86

Northfield Transfer 775,000.00

Total Operating Fund \$823,478.86

Linden Property Holding Escrow Account-Balance 03/01/2018 \$78,140.71

LPH Negotiations & Agreement for Easements/Licenses 0.00

Ending Balance as of 3/31/18 \$78,140.71

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