

THE LINDEN ROSELLE SEWERAGE AUTHORITY

The minutes of the regular meeting held on Wednesday, September 28, 2016 at 12:00 P.M. in the office of the Linden Roselle Sewerage Authority.

Chairman Koczur 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 12/31/15 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: Frank Koczur, Chairman; George Vircik, Vice-Chairman; Robert Sadowski, Secretary; Edward Mikolajczyk, Treasurer; Patrick Cerra, Alternate Member

Attending: Gary G. Fare, Executive Director; Richard Rudin, Board Attorney; Tom Laustsen, CDM Smith;

MOTION: Upon motion of Mr. Koczur, and seconded by Mr. Sadowski, the Board unanimously approved recommendation of the Chairman to appoint Mr. Vircik as a Vice-Chairman; Mr. Vircik abstained from voting. Also Chairman welcomed a new Alternate Board Member, Patrick Cerra.

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

MOTION: Upon motion of Mr. Vircik, and seconded by Mr. Sadowski, the Board unanimously approved the minutes of the August 24, 2016 Executive Session.

MOTION: Upon motion of Mr. Vircik, and seconded by Mr. Sadowski, the Board unanimously approved the minutes of the August 24, 2016 Regular Board Monthly Meeting.

Treasurer's report accepted as read.

The Executive Director stated that the Personnel Committee is in need to replace Mr. Sheehy as a Member of the Committee.

Chairman nominated Patrick Cerra as a Member of the Personnel Committee; Mr. Cerra accepted.

MOTION: Upon motion of Mr. Sadowski, and seconded by Mr. Mikolajczyk, the Board unanimously approved nomination of Patrick Cerra to be a Member of the Personnel Committee.

Tom Laustsen left the board room due to Executive Session.

EXECUTIVE SESSION

MOTION: Upon motion of Mr. Vircik, seconded by Mr. Sadowski, 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 12:05 P.M., Resolution #09E-16 attached).

Executive Session (continued)

MOTION: Upon motion of Mr. Vircik, seconded by Mr. Sadowski, the Executive Session was closed 12:26 P.M. and the regular business meeting resumed.

The regular business meeting resumed; Tom Laustsen, CDM Smith rejoined the meeting.
No action after the Executive Session.

BUSINESS AGENDA

Adoption of an Industrial Discharge Permit Renewal to Linden Property Holdings

The Linden Property Holdings (LPH) has applied for an industrial discharge permit renewal with Authority to discharge untreated groundwater from a groundwater collection system located at the former GAF Chemical Company site. The pumping system is estimated to produce a maximum of 345,000 gallons per day of contaminated groundwater. The sources of the groundwater include the following: deep water bedrock extraction wells and a shallow water collection system. LPH has been treating and discharging the waste stream to the Arthur Kill under a NJPDES Surface to Water permit. Authority and its consultant conducted an evaluation of the application and subsequent data and found the proposed discharge to be treatable and acceptable by the LRSA system. No discharge has occurred under the existing permit.

LPH is subject to the LRSA local pretreatment limits; there are no EPA categorical standards for this type of waste stream. The total volume discharged will be monitored for all the local limit pretreatment parameters. In addition the following site specific parameters will be monitored on the ISP discharge: Toxic Organics, Mercury, Benzene Chlorobenzene, 1,2-Dichlorobenzene, 2,4,6-Trichlorophenol, Pentachlorophenol and beta-BHC, Magnesium, Calcium, Manganese and Alkalinity. The last four have a potential to impact LRSA's UV disinfection system. Should additional maintenance of the UV system be necessary as a result of scaling of the UV system from LPH's discharge, LPH will reimburse LRSA for those increased costs, which conditions are part of a separate written agreement between both parties. The permit was extended to allow LPH to finalize required analyses. The draft permit was subject to 30-day public comment. No comments were received.

The Executive Director stated that the Authority can not issue this permit due to various reasons as follows: 1) LRSA is holding capacity for 345,000 gallons per day; 2) LRSA has to report to the State what the flow is and what LRSA has committed to.

This permit was issued 5 years ago and they have not commenced discharging to the Authority. Since a capacity fee was implemented in 2015, the Executive Director is recommending the permit adoption is not acted upon until either a capacity fee is paid by the applicant for holding the capacity in reserve or a commencement date for the discharge is obtained. Therefore the Executive Director is recommending deferring this permit adoption.

EXECUTIVE DIRECTOR'S REPORT

Construction Project: Main Street Pump Station

The Executive Director reported that the project is at 90% completion on design and there is no change from last month. The NJDEP Treatment Works Approval Permit Application will be submitted. The State is charging the Authority permit fee of \$8,408. The TWA permit must be issued by the State before the project can go out for open bidding. The Executive Director will keep the Board updated.

Digester Cleanout Project

The Executive Director reported that during the month Spectraserv completed this project. The Authority has commenced the start-up of this digester and anticipates gas production within the next 60 – 90 days as it was reported, however it will be much sooner than that time frame.

EXECUTIVE DIRECTOR'S REPORT (continued)

Primary Tank Sludge Collectors

The Executive Director reported that Spectraserv has continued with the work. They are almost complete with the installation of the new equipment; flights, sprockets, shafts on one tank. They have submitted their first payment request which has been reviewed and approved for payment at this Board Meeting. This project is moving along on schedule.

Flood Mitigation Project

The Executive Director reported that in review the Authority awarded CDM a contract (Study Phase) and they will be starting the work shortly. The Executive Director along with Tom Laustsen attended an EPA seminar on Flood Resilience this month. The seminar was extremely helpful and is an asset in developing the Authority's plan.

NJPDES Permit

The Executive Director reported that Authority submitted to NJDEP updated information pertaining to the Residual General Permit. The permit renewal is effective 1/1/17. The updates were to the narrative description of the sludge processing, Sludge disposal plan and reflecting the Roughing Filters being shut down.

HIGHLIGHTING DEPARTMENTS

Operations Department

➤ **Plant Performance**

The Executive Director reported that the plant operated well during the month of August 2016, meeting all permit limits. Also during the month we have commenced the start-up of digester #2. The Executive Director added that the plant effluent numbers are the lowest of all times.

Maintenance Department

➤ **Corrective Repairs and Replacement**

Repaired dresser coupling on barge pump #1; repaired gravity thickener dome exhaust fan; plant roof inspection done and required repairs were made; rebuilt gear box for K-4 sludge transfer pump; replaced exhaust fan motor at the UV basement; repaired motorized gas valve at supply side of heat exchanger; changed oil on drive for clarifier #2; UV repairs, communication cables, modules and plugs.

Monitoring Department

➤ **Rainfall**

Rainfall for August was .86 inches. Year to date rainfall is 18.67 inches, compared to 19.51 inches for the first eight months of 2015.

➤ **Bayway Stormwater Chamber** - No leaks were detected at the monthly inspection.

➤ **IPP Program**

◆ **Linden Bulk Transportation**

A Show Cause Hearing was held on August 3rd regarding results of two oil and grease samples collected in May, which were in violation of the daily limit. The Executive Director reported that hearing determination was that the incident was exceptional and unintentional non-compliance which was beyond the reasonable control of Linden Bulk. The violation was dismissed and the penalty was not imposed.

◆ **Inspections**

Eleventh of the thirteen annual majors IPP inspections were completed.

◆ **General Magnaplate**

Exceeded their nickel limit at a level to be classified as a serious violation. A Show Cause Hearing was scheduled for August 30, 2016, which includes a proposed minimum

Monitoring Department (continued)

◆ **General Magnaplate (continued)**

mandatory penalty of \$1,000. The hearing determination was that General Magnaplate affirmative defense was approved and the violation was dismissed and the proposed penalty was withdrawn, however they have to do nickel analysis every month for six months.

➤ **Laboratory**

◆ **NJDEP Audit**

NJDEP issued the report for the July 26, 2016 laboratory audit covering the period of 2012 to June 2016. The report cited 31 citations, which the 2011 audit cited 15 citations, and the 2008 audit cited 54 citations. The Laboratory Certification Program now includes the field measurements / testing being performed by the operators, which attributed to a number of citations. The other citations were related to the 2013 NJDEP updates to analytical methods which LRSA has adopted into its written SOP's, but were not put into practice, deficiencies not cited in prior audits, quality control procedures and an updated QA/QC manual. A contributing factor was that the lab was shut down for renovations from July 2012 until January 2015, in addition hurricane Sandy delayed the project schedule. Further the Executive Director stated that about six of the citations the authority is not in agreement with and are being debated with the State. Since the audit Authority made it a priority and succeeded in implementing almost all of the corrective measures to comply with the citations, also the remaining citations will be addressed by the 90 day deadline. The Executive Director also reported that some of these citations were picked up by the Laboratory supervisor when she attended a technical seminar in May 2016 and advised the State. The NJDEP Lab Certification Program has become more complex and technical, requiring a higher level of technical oversight.

➤ **Air Program / Air Permit Compliance**

The Executive Director reported that the Authority filed an application for a modification to the Subchapter 8 permit in which Authority requested that the limit for digester gas production be withdrawn because it was assigned in error and also the limit for sludge throughout be removed since it does not affect air emissions from the facility. NJDEP requested that LRSA submit the procedures calculation that will be used to calculate monthly emissions to assure compliance with the gas production limit be eliminated and demonstrate the sludge throughout limit being removed does not impact the emissions. Both of the requested information was developed by CDM Smith and submitted to the State. Further the Executive Director stated that as he requested the State has not acted on the prior violations for these limits.

Business Department

➤ **Expenditure Report**

The Executive Director reported that at the eight month of 2016, expenditures are at a level of 66% at 66% of the fiscal year. As anticipated the Authority caught up with the earlier year expenditures and now is right in line with the budget.

➤ **Revenue Report**

The Executive Director reported the Authority's loading data for the first seven months of 2016 from class A & B users have come significantly near budget projections in the last two months. This is attributed to Public Service increasing in the last few months and Unitex coming online. It is too early for any year end forecast, but it is anticipated that the loads will meet the budget projections.

Business Department (continued)

➤ **Bank Account (Chapter 88)**

The Executive Director reported that the \$300,000 funds approved by the Board for retiree health benefits contingency account has been transferred to Northfield Bank.

No questions of the Executive Director's Report.

BIDS AND PURCHASES

Awarding a contract for Furnishing and Delivering 1,900 UV Disinfection Lamps

Bid specifications were developed for the furnishing and delivering of 1,900 UV lamps. Specifications were picked up by four firms, however only two bids were submitted and publicly opened. The submission of First Light Technologies, Inc., the lowest bidder was deemed responsible and responsive. Their sample lamp, which was submitted with the bid as required, was reviewed and met all the specifications. The First Light Technologies, Inc. is the current contract holder and supplied the lamps to the Authority in 2015 at the same price of \$13.50 per lamp. Therefore, the Executive Director and Staff are recommending that the Board award a contract for the furnishing and delivering of 1,900 UV Lamps at a price of \$13.50 per lamp to First Light Technologies, Inc. in the total amount of \$25,650.

MOTION: Upon motion of Mr. Vircik, seconded by Mr. Mikolajczyk, the Board unanimously approved Resolution award a contract to Furnish and Deliver 1,900 Ultraviolet Disinfection Lamps to First Light Technologies, Inc. in the sum of \$25,650, on its bid of \$13.50 per lamp. (Resolution #42-16 attached)

Recommendation for Authority's 2017 Insurance Broker

The Executive Director briefly overviewed the Authority's current annual insurance procurement procedures and suggested that after researching other Authorities practices, the Authority look into obtaining a Broker in lieu of an insurance advisor. The pro's and con's are discussed as outlined in a memo. The Executive Director further said that he received email from Mike Hill (current Insurance Advisor) advising the Authority that he will no longer offer the Insurance Consulting Services. Therefore, the Executive Director recommends that Authority issue an RFP for Insurance Broker Services.

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Mikolajczyk, the Board unanimously approved recommendation of the Executive Director to request qualifications for Insurance Broker Services for Authority's 2017 Insurance coverages by issuing an RFP for these services.

Resolution for an Inter-Agency Agreement with City of Linden for Vehicle Maintenance

The Uniform Shared Services and Consolidation Act authorizes local government units to enter into agreement for the provision of shared services. Therefore the Authority inquired to utilize the City of Linden Municipal Garage for its vehicle maintenance. On August 17, 2016 the City of Linden has authorized an Agreement by adoption of Resolution No. 2016-289. The Executive Director stated that Authority has old dump truck which is always a problem to find a repair shop to fix old vehicles. The Executive Director recommends that the Board approves and execute the Shared Services Agreement for Authority's vehicle maintenance to be utilized on an as needed basis only.

MOTION: Upon motion of Mr. Vircik, seconded by Mr. Sadowski, the Board unanimously approved Resolution Approving a Shared Services Agreement with City of Linden Municipal Garage for its vehicle maintenance only if needed at a rate of \$85.00 per hour, plus cost of parts, in accordance with the terms of the Shared Services Agreement that has been proposed for this purpose. (Resolution #43-16 attached)

BIDS AND PURCHASES (continued)

Authorization the Purchase of Electricity Supply for Public Use on an online Auction Website

The Local Unit Technology Pilot Program and Study authorized the purchase of energy generation service for public use through the use of an online auction service. The Authority as the Lead Agency of the Linden Roselle Sewerage Authority Cooperative Pricing System has determined to utilize a reverse auction in order to procure electricity for the next contract period which begins in June 2017, through the online auction services of EMEX, LLC, an approved vendor pursuant to the Act, waiver number EMEXLLC-1. Executive Director further stated that EMEX will be compensated for all services rendered in connection with the Reverse Auction by the successful supplier to which a contract is awarded. Therefore the Executive Director is recommending that the Board authorize him to execute on behalf of the Linden Roselle Sewerage Authority Cooperative Pricing System any electricity contract proffered by the participating supplier that submits the winning bid in the EMEX Reverse Auction if the auction achieves a price that is determined to be in the best interest of the Cooperative.

MOTION: Upon motion of Mr. Mikolajczyk, seconded by Mr. Vircik, the Board unanimously approved Resolution authorizing the Purchase of Electricity Supply Services for Public use on an Online Auction Website if the auction achieves a price that is determined to be in the best interest of the Cooperative, and authorizing the Executive Director to execute on behalf of the Linden Roselle Sewerage Authority Cooperative Pricing system any electricity contract proffered by the participating supplier that submits the winning bid in the EMEX Reverse Auction. (Resolution #44-16 attached)

ENGINEERS REPORT

Tom Laustsen added that there is a meeting scheduled for next week with J. Fletcher Creamer, a contractor who is under contract to do remediation work at the Bayway refinery. The proposed remediation work involves the construction of a slurry wall. According to the proposed design, the wall is to be constructed around the LRSA's Main Interceptor Sewer.

PUBLIC COMMENT

No one from public was present.

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 \$577,202.67 (Resolution attached).

Renewal and Replacement Fund

MOTION: Upon motion of Mr. Vircik, seconded by Mr. Mikolajczyk the Board unanimously approved payment of the Renewal and Replacement Bills in the amount of \$465,054.78 (Resolution attached).

ADJOURNMENT

MOTION: Upon motion of Mr. Vircik, seconded by Mr. Mikolajczyk, the meeting was adjourned at 1:07 P.M. and it was ordered that the next monthly meeting of the LRSA be held on Wednesday, **October 26, 2016 at 12:00 P.M.** in the office of the Authority.

THE LINDEN ROSELLE SEWERAGE AUTHORITY

MONTHLY RECEIPTS

August 1, 2016 - August 31, 2016

REVENUE FUND

Non-Major User

City of Linden	190,596.83
S&H Development LLC	363.38

Municipality

Borough of Roselle	720,350.00
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Major Industry Users

0.00

Miscellaneous

PSE&G (Mo. Effluent July-16)	19,819.00
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Total Revenue Fund \$931,129.21

OPERATING FUND

Miscellaneous (faxes, copies, bids, etc.)	1.00
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Northfield Transfer	700,000.00
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Total Operating Fund \$700,001.00

Linden Property Holding Escrow Account

Beginning Balance as of 08/01/16	78,140.71
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LPH Negotiations & Agreement for Easements/Licenses	0.00
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Ending Balance as of 08/31/16	<u>\$78,140.71</u>
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