

RAHWAY VALLEY SEWERAGE AUTHORITY

**Summary of Minutes of
Regular Meeting held January 15, 2009**

- Minutes
Approved the minutes of the November 24, 2008 Regular Meeting.
Approved the minutes of the December 18, 2008 Regular Meeting.

- Communications
A resolution from the Borough of Mountainside, and a letter from Bruce Bergen, Counsel for Springfield.

- Treasurers Reports
None were received.

- Executive Director
Sewer Connections and the status of various contracts.

- Consulting Engineer
Overview of contracts; flow rights and user charge reports.

- Construction Consultant
Overview of contracts.

- Counsel
Overview of legal matters.

- Committees
A Report was given by the Finance Committee.

- Unfinished Business
None.

- New Business
Approved the following: Re-adopt 2009 Budget; Adopt the Rules & Regulations; Security Purchases; and postpone Excess Flow Hearings to February 26, 2009.

- New Business (Cont'd.)
Approved the following expenditures: Amend Contract #0727 – Omni Environmental in an amount of \$4,000.00; Award Contract #0916 to BCUA/GLEC in an amount of \$4,794.00 Award Contract #0918 – Gable Associates in an amount of \$0.0003/kwh; Amend Contract #105C – CCMS in an amount of \$28,833.01; Amend Contract #155C – CCMS in an amount of \$140,143.33; and Authorization to pay Coastal Technical Sales directly for work on Contract #155, in an amount of \$11,567.08.

RAHWAY VALLEY SEWERAGE AUTHORITY

Summary of Minutes of (Cont'd.)

Regular Meeting held January 15, 2009

-	Bills & Claims		
	Operating Fund	8-01	\$607,017.87
	Operating Fund	9-01	\$356,484.42
	Operating Fund Manual	9-01	\$69,516.59
	Building & Equipment Fund	8-02	<u>\$736,245.69</u>
	Total All Funds		\$1,769,264.57

RAHWAY VALLEY SEWERAGE AUTHORITY

Regular Meeting Minutes – January 15, 2009

The Chairman called the meeting to order at 7:30 p.m.

The Chairman read the statement on “Open Public Meetings Law”.

In accordance with the requirements of the Open Public Meeting Act, State of New Jersey, adequate notice of this meeting has been provided by the inclusion of the date, time and place in a Notice which was forwarded to the Star Ledger, the Home News Tribune and was filed with the Clerk of each of the eleven member municipalities on February 19, 2008.

The Chairman asked if any member of the body believed that this meeting was being held in violation of the provisions of the Open Public Meetings Act; to please state their objection and the reasons for same.

Hearing no objections, the Chairman stated we shall proceed with our regularly scheduled meeting.

The Chairman requested that everyone stand to salute the Flag and observe a moment of silence.

Roll Call

The following members were present:

Allen Chin	for the Town of Westfield
C. Clark Landale	for the Borough of Mountainside
Richard LoForte	for the Borough of Kenilworth
Charles P. Lombardo	for the Borough of Garwood
Robert G. Luban	for the Township of Woodbridge
Frank G. Mazzarella	for the Township of Clark
James J. Murphy	for the Township of Cranford
Joan Papen	for the Township of Scotch Plains
* Attilio S. Venturo	for the Borough of Roselle Park

* Arrived after roll call.

The following members were absent:

Paul M. Sefranka	for the City of Rahway
Maria A. Abram	for the Township of Springfield

The following were also present:

Michael J. Brinker, Jr., PE	Executive Director
Robert J. Materna	Secretary-Treasurer
Joanne Grimes	Office Admin./Board Secretary
James Wancho, P.E.	Paulus, Sokolowski & Sartor
Brian Hak, Esq.	Weiner Lesniak, LLP, General Counsel
John Buonocore	CCMS
Robert Valent	RVSA Superintendent
Wayne Baker	Westfield Leader Newspaper

Approval of Minutes

Mr. Luban made a motion, seconded by Mr. Chin, to approve the minutes of the Regular Meeting held November 24, 2008. The motion was unanimously approved.

Mr. Luban made a motion, seconded by Mr. Chin, to approve the minutes of the Regular Meeting held December 18, 2008. The motion was approved by those present with the exception of Mr. LoForte, Mr. Mazzarella and Mr. Murphy who abstained.

Communications

- A Resolution was received from the Borough of Mountainside dated January 6, 2009, as follows:

“Resolution #26-2009 – BE IT RESOLVED by the Mayor and Council of the Borough of Mountainside, County of Union, State of New Jersey, that Rene Dierkes is hereby appointed as the Borough’s representative to the Rahway Valley Sewerage Authority effective February 1, 2009, term to expire February 1, 2014.”

- The following letter dated January 13, 2009 was received from Bruce Bergen, Attorney for the Township of Springfield.

“As you are aware, we are attorneys for the Township of Springfield, and we have recently been supplied with a copy of your December 22, 2008 letter to the Township of Springfield, Township Clerk Kathleen Wisniewski, scheduling an excess flow hearing for January 22, 2009. First I would respectfully request an adjournment of this hearing so that the Township may have sufficient time to obtain appropriate records and to prepare for the hearing. I would presume that the next meeting would be February 26, 2009, but would ask that you please confirm same.

Second, I would request that the following documents be forwarded to me at your soonest ability, in connection with our preparation for the hearing. Specifically, please provide us with copies of all flow rights utilization reports, for all member municipalities for each month from September 2007, (presumably including the 2007 measuring year totals), through all reports issued to date. Further, would you please supply us with a copy of the approved minutes of the RVSA meeting of December 18, 2008.

Finally, I would appreciate if the appropriate person could provide us with an explanation of the meaning of paragraph 9.2.2 of the January 11, 1995, Agreement, as well as specific calculations concerning the maximum potential Excess Rental Charge which Springfield may be subject to as a result of the scheduled hearing. Thank you for your assistance and cooperation. I trust we will hear immediately if there is some reason why the hearing cannot be postponed.”

Note: A response was sent to Mr. Bergen, via email, indicating that the board would discuss the adjournment at tonight’s meeting. Further, he was advised that he could obtain a copy of the flow rights utilization reports from the municipal clerk as the Authority had already provided

them a copy. The Excess Rental Charge calculations, which were prepared by Mr. Brinker, were sent as an attachment to the email.

Report of Treasurer

The Treasurer's Reports for the month of December 2008 are not finalized. The reports will be distributed to the Commissioners upon completion.

Report of Executive Director

Sewer Treatment Endorsements

The following is a list of Sewer Treatment Endorsements processed between 12/17/08 and 1/13/09, and a copy of the log sheet with additional information has been distributed for your reference:

<u>Number</u>	<u>Date</u>	<u>Applicant</u>	<u>Municipality</u>
1091-08-WB	12/17/08	Peter A. DeFazio	Woodbridge

Monthly Reports

The following reports were received, distributed to the Commissioners and discussed at the Engineering Committee Meeting:

- PS&S Monthly Reports
- CCMS - Contract #105 – Cogeneration Facility
- CCMS - Contract #155 – WWTP Upgrade
- Weiner Lesniak – Monthly Update
- RVSA IPP Monthly Update
- RVSA Monthly Grievance Update
- RVSA Operations Update

Personnel

Union Negotiations remain unchanged. The Board may want to discuss this further in Executive Session.

Excess Flow Hearings

The Excess Flow Hearings will be held on Thursday, January 22, 2009 at 7:00, 7:30 and 8:00 p.m. for Roselle Park, Springfield and Woodbridge respectively. The Hearings will be held in the Authority Boardroom.

Cogeneration Funding

As previously advised the NJBPU Office of Clean Energy-Renewable Energy Advanced Power Program awarded a grant to the Authority in the amount of \$500,000. The Authority executed

the documents and continues to wait to hear from the BPU and/or the EDA regarding release of these funds.

Contract #105-C Construction Oversight Services

As previously discussed, Contract Amendments are being processed on a monthly basis for work performed by CCMS. CCMS's current invoice is in the amount of \$28,833.01 total amended contract amount of \$2,380,375.45. A motion is on the agenda under New Business.

With regard to the Cogeneration/Sludge Drying Facility, the matter of the additional diesel engines should be discussed further.

Contract #155-C Construction Oversight Services

As discussed at the January 8, 2009 Engineering Committee Meeting, a proposal was received from CCMS regarding an amendment to their contract, excluding the work performed through December 2008.

Action is on the agenda under New Business to amend the existing contract for an amount of \$140,143.33 which will cover work invoiced through December 2008, total amended contract amount of \$10,862,407.33.

The second amendment is in an amount of \$990,000.00 which covers a six month contract extension through June 30, 2009, total amended contract amount of \$11,852,407.33. A resolution has also been prepared for action on this matter. A copy of the latest letter Proposal dated January 14, 2009, was distributed to the Commissioners prior to this meeting and we are awaiting responses to our verbal inquiries of January 14. The Commissioners may want to discuss this in Closed Session prior to taking action.

Contract #155-CSP Plant Upgrade – E.E. Cruz

To date, the following claims have been filed:

<u>Vendor</u>	<u>Lien Amount</u>	<u>Date Filed</u>	<u>Status if Applicable</u>
Coastal Technical Sales	\$11,567.08	10/14/08	Lien Claim Pending Board Decision
Turtle & Hughes	\$1,263,467.18	10/15/08	<u>Discharged</u>
Samson Electric	\$206,661.12	10/17/08	Lien Claim Pending
Samson Electric	\$847,355.70	01/07/09	<u>Dismissed</u>
Cooper Electric	\$116,687.81	10/23/08	<u>Released</u> 1/14/09

The Authority received the following correspondences from Coastal Technical Sales regarding their lien which Mr. Monahan discussed with the Board at the November Board meeting. They are seeking a determination from the Board.

Copy of a letter dated December 12th, received December 22, 2008, addressed to Brian Hak, Counsel:

“Attached is the documentation that we discussed yesterday which has been previously presented to the Rahway Valley Sewerage Authority. Our President E.J. Monahan attended last month’s meeting and made our case to the RVSA.

The documentation includes previous correspondence as well as copies of the invoices. Please call us immediately if there is any additional documentation that you require. The amount that we are requesting is \$11,567.08.”

Letter dated December 22nd, received December 29th, 2008, addressed to Michael Brinker:

“Please provide us with a final determination regarding our lien against E.E. Cruz. Our president E.J. Monahan, attended your November meeting and we provided additional information to your attorney, Brian Hak. We have followed all required procedures and provided all requested information.

We ask for a quick resolution to this matter.”

The foregoing was discussed at the Engineering Committee meeting held January 8, 2009, and Counsel recommends that it be further discussed in Closed Session this evening.

Contract #158 – Outfall Line Repairs

PS&S is in the process of preparing the plans and specifications for the necessary Outfall Line repairs as further detailed in their report. This matter was discussed at the Engineering Committee Meeting held January 8, 2009.

* Mr. Venturo arrived at this time, 7:37 p.m.

Contract #159 – CSP - Chemical Handling and Feed Systems

This contract was awarded at the November meeting and the documents were executed. PS&S is waiting for clarification on an insurance matter. The status of this contract is further outlined in PS&S’s report. This matter was discussed at the Engineering Committee Meeting held January 8, 2009.

Rules & Regulations

The Authority’s Rules and Regulations which were preliminarily approved by the Board on August 21, 2008 on 1st Reading. Now that the NJDEP has approved the Rules & Regulations and the public comment period is complete, a resolution will be on the January 15, 2009 meeting for adoption on 2nd Reading. This matter was discussed at the Engineering Committee Meeting held January 8, 2009.

Contract #0727 - Engineering Support Services

Tim Bradley of Omni Environmental was engaged by the Authority, at the request of Richard

Rudin of Weiner Lesniak and John Hall of Hall & Associates, to provide engineering support services on the NJDEP Settlement Hearing. Mr. Bradley recently submitted a request for an amendment to his contract in the amount of \$4,000.00, which is for additional services related to the upcoming stipulation of settlement meeting, total amended contract amount of \$11,000.00. A resolution is on the agenda under New Business.

Contract #0918 - Electrical Energy Aggregation Program

The Authority has been a part of an electric energy aggregation group for the past several years. The group, led by the Mount Holly MUA, sought proposals for a Registered Energy Agent to represent the group in the solicitation of Electrical Energy. James Cassella, RVSA Assistant to the Executive Director, recently received a proposal and recommendation from the group to enter into a contract with Gabel Associates of Highland Park, NJ for these services. The terms, conditions and prices charged (and to be paid by the supplier) are identical to the last contract of 2007. A resolution is on the agenda under New Business.

Contract #0916 – Technical Advisor Services

A memo was received from the Bergen County Utilities Authority (BCUA), one of the lead agencies for the NJHDG of which the RVSA is a member, regarding Technical Advisory Services for 2009. BCUA solicited and received proposals through a non-fair and open process pursuant to NJSA 19:44A-20.4 et seq. Great Lakes Environmental Center (GLEC) has been providing these services to the NJHDG for the past several years. BCUA is recommending award to GLEC in an amount of \$60,000.00 for calendar year 2009. RVSA's share is \$4,794.00. I concur with the recommendation and a resolution is on the agenda under New Business.

Additional Diesel Engines for Cogeneration Facility

Mr. Brinker stated that at the last Engineering Committee meeting he handed out a status report and provided an update to the Commissioners regarding backup power sources. He distributed additional information this evening. He noted that these handouts indicate the latest information obtained with regard to additional backup power for the plant. He indicated that he obtained prices for two new diesel engines; prices to utilize the generators presently on site; and also a price from PSE&G for an alternate feeder line coming in off of Hazelwood Avenue.

Mr. Brinker noted he met with Foley and also with J.H. Reid regarding the trailer mounted units presently on site. Negotiations are presently taking place to keep those engines on site until the facility is completely operational.

Mrs. Papen asked about another firm. Mr. Brinker responded that he also reached out to Waukesha, however, they haven't gotten back to him and also if they do, the Authority will still have to remove the two temporary units presently on site in order to install something else.

Mr. Venturo commented that apparently the installation of emergency standby generators that the Authority is looking to permanently install is for the start up of the existing CAT Engines from a dead start. Mr. Brinker stated its not to start the engines, it's to provide backup power which is necessary if the plant is running on Public Service and the power goes out, the

Authority could be without power for up to 20 minutes as the CAT Engines do not have black start or cold start capability. Mr. Venturo asked what degree is “warm up”. Mr. Brinker responded that it is about 180° oil temperature. Mr. Venturo suggested having heaters put in. Mr. Brinker stated that heaters won’t bring the oil to that temperature. Mr. Venturo said there are many things that we can do regarding this and further more, that to have this designed without this in forethought, is a lack of experience in cogeneration plants. He then said maybe the Authority should be looking to the design teams’ insurance company for errors and omissions.

Mr. Luban said he would rather see a suggestion on how to fix the problem, than the finger pointing. Mr. Venturo said it’s up to the professionals to fix the problem. He also noted that he does not understand how the other Commissioners can sit here and not say anything about adding to the indebtedness. Mr. Luban said that some Commissioners have conversations with their respective Mayors and Council Members regarding the Authority outside of here. Mr. Brinker said this is not an extra charge that the Commissioners have to go back to the towns on, he added that there are extra funds in the CSP for contingencies. Mr. Brinker also noted that as part of the loan program, we were required to do a Value Engineering Study. Mr. Brinker noted that the design team included these two diesel engines, however, the VE Study recommended that the diesel engines be taken out for a cost savings of \$1.7 million dollars, and that was the design that was accepted by this Board.

Mr. Mazzarella asked what would be the outcome if we don’t purchase the generators. Mr. Brinker responded that if we are running the engines continuously and we have PSE&G as backup, then PSE&G is there to back up the plant. He added that if you reverse it, say if you are running on PSE&G because it is too costly to run the engines or if the engines are out for service, or because we have another backfire ... again if you are running on PSE&G and there is a power outage, it will take 20 minutes to get the engines up and running. In those 20 minutes, the plant would be without power and that could be disastrous, manholes could pop in the City of Rahway, there could be discharges directly into the Rahway River in violation of the Authority’s permit, etc. Mr. Mazzarella asked if there is any holding capacity. Mr. Brinker responded that there is only holding is the basement of the Headworks facility.

Mr. LoForte asked about the money. Mr. Materna responded that the Authority has sufficient funds to cover the cost of the engines.

Mrs. Papen asked if Mr. Brinker had ever looked into the crankcase heaters. Mr. Brinker stated that he had, and they cost about \$15,000 each; however, these heaters would keep the oil at about 150° and the oil needs to be about 240°, therefore, you could only run them with about 50% load which is not sufficient. Mr. Chin asked if you could increase the size of the heater. Mr. Wancho said he would look into that. Mrs. Papen said we should be asking all questions.

Mr. Brinker also advised the Board that there are issues with the blending system going from one form of gas to another. After further discussion, Counsel advised that this should be discussed in closed session.

Mr. Brinker noted that he will continue to investigate this matter and will report back to the Board his findings.

Report of Consulting Engineer

The following report to the Engineering Committee summarizes our activities for the period of December 10, 2008 through January 12, 2009.

JCO Compliance

PS&S has prepared a draft of the fourth quarter report and distributed it for review. The report is due at the end of the month.

Administrative Appeals Re: NJPDES/TWA Permits

PS&S continues to coordinate activities with General Counsel and Special Counsel, Hall & Associates and the Greenbaum law firm, related to the follow-up from the Settlement Conference at the Office of Administrative Law on October 25, 2007, to discuss the NJPDES and TWA permit appeals. The two remaining open issues are the temporary suspension of the maximum weekly mass loading limits for CBOD and TSS during high flow events and the allowance of an emergency outfall line. Due to lack of NJDEP and Office of Administrative Law ("OAL") response Counsel had filed a Notice of Appeal with the Appellate Division of the Superior Court of New Jersey based upon the agency inaction of the NJDEP and the OAL.

There has been movement on the part of the OAL to settle the remaining issues within the last few weeks. A settlement conference was held with the OAL and NJDEP to discuss the remaining issues. A draft Stipulation of Settlement was issued by the OAL for review. Several follow-up conference calls were held by the RVSA "team" to discuss the Stipulation of Settlement and strategy moving forward. General Counsel is attempting to set up a meeting/conference call with the representatives of the NJDEP/DAG to discuss comments to the Stipulation of Settlement.

Specific activities are typically reported by General Counsel.

Trunk Sewer Rehabilitation - Contract #144

PS&S continues to dispute the remaining contractor claims related to the contractor's assertion that he was delayed, and discussing same with the Authority and General Counsel. General Counsel sent a letter to the contractor rejecting his claims and instituting liquidated damages. No response to the letter has been received from the Contractor.

With respect to the liner repair that is required on several of the Park manholes, PS&S is attempting to reschedule the work for either January 23rd or 30th. Since the repair will require the park road to be partially closed, we will coordinate with the County when a date has been determined.

Cogeneration Funding

A NJBPU Office of Clean Energy-Renewable Energy Advanced Power Program grant has been

awarded to the Authority in the amount of \$500,000. The Authority received an agreement from the NJBPU and executed same. Reimbursement of the approved grant monies is still however pending. The Executive Director has been calling NJBPU to ascertain status.

Air Permitting

PS&S and the Authority have completed the preparation of an additional Title V Modification application to modify certain permit required monitoring and record-keeping requirements and to address some potential variability in digester gas characteristics. PS&S has prepared revised emissions calculations based on the most recent digester gas reduced sulfur compound analysis, and decisions regarding the Authority's desired fuel blending scenarios. PS&S has submitted this application to NJDEP on the Authority's behalf, and is tracking the progress of NJDEP review. Currently, PS&S has received draft permit conditions from NJDEP, and is reviewing these conditions. In addition, NJDEP has requested additional information with regard to the scrubber on the outlet of the Sludge Dryer; PS&S is working with the Authority to provide this information. PS&S is also assisting the Authority with regard to emissions testing and permitting issues for the Multi-Stage Scrubber and Sludge Dryer, and is providing assistance to the Authority with respect to potential air permit implications related to the numerous cogeneration engine malfunctions and responses to these malfunctions.

Cogeneration/Sludge Drying Facility – Engine Investigation

PS&S continues to assist the Authority and CCMS in follow-up activities related to the engine “backfire” events associated with engines #1 and #3. During the last period PS&S was involved with the following activities associated with all four engines:

Review of correspondence.

Review of work progress.

Inspection and coordination efforts associated with load testing of engines to include synchronizing to bus of the cogeneration switchgear; operating in parallel with PSE&G; mapping and re-testing engine #3 on blended fuel and digester gas; repair engine #3 exhaust breaching; and routine exercise of the stand-by generator sets.

Contract #158 Outfall Repair

PS&S has proceeded with the design of the outfall repairs including assessment of repair techniques. PS&S met with the Executive Director to discuss the techniques. PS&S is currently assessing the regulatory issues related to the repair activities which will take place in a wetland area. PS&S has also proceeded with the development of the plans.

Contract #159 Chemical Feed System Improvements

PS&S has issued a Notice of Award to the apparent low bidder, A&A Mechanical. The contractor has signed the contracts and submitted their bonds and insurance. General Counsel has identified an issue with the submitted insurance certificate and further discussion is taking place between the contractor's insurance agent and General Counsel to resolve. The bond

appears to be acceptable. Once the issue with the insurance documentation is resolved PS&S will issue a contract Notice to Proceed. EE Cruz delivered the sodium hypochlorite tanks and A&A off loaded them and stored them near the Headwork's building. The installation of the tanks or any related work cannot commence until issuance of the Notice to Proceed and the turn over of the Headwork's building from EE Cruz to the Authority.

Contract #160 Emergency Outfall Feasibility Study

PS&S has proceeded with the evaluation of hydraulic capacity in the RVSA trunk and gravity relief sewers to determine potential flow loading to the plant. PS&S met with the Executive Director to discuss several emergency overflow concepts that will be evaluated.

User Charge and Flow Rights Reports

The December reports, covering November 2008 were distributed at the November Board Meeting. The January reports, covering December 2008 will be distributed when the data is available to complete them.

AEA Conference – Cogeneration Presentation

Mr. Wancho advised the Board that the AEA had asked him about six months ago, if he would make a presentation at the Spring Conference regarding Cogeneration. Mr. Wancho stated that at the time he responded he would, and wanted to know if that is okay with the Authority. Mr. Brinker noted that Mr. Wancho should include in his presentation all of the problems the Authority had with the Caterpillar Engines. After brief discussion, the Board agreed, however, requested that Mr. Wancho provide a copy of the presentation to Commissioner Chin, Counsel and the Executive Director to review.

Report of Counsel

The following is a summary of all General Counsel Services that have been provided by this office to the Rahway Valley Sewerage Authority for the time period covering December 11, 2008 through January 5, 2009.

CSP Improvements & related issues

Contract #155

We continue to monitor and evaluate potential delay claims being asserted by the contractor/electrical subcontractor with respect to Contract No. 155. We previously provided the Executive Director with detailed legal memoranda evaluating the merits of same and making recommendations with respect to actions to be taken by the Authority.

Pursuant to the discussion held at the November meeting, we have corresponded with both E.E. Cruz and Coastal Technical Sales, Inc. relative to Coastal's municipal mechanic's lien claim and have requested each of the parties to submit to this office any and all documents supporting their respective positions with respect to the issue. Mr. Hak noted that he received the information

from Coastal but not from E.E. Cruz.

Administrative Appeals Re: Treatment Works Approval

With respect to the Treatment Works Approval, the final issue on appeal has been consolidated with the appeal that was filed regarding the Authority's NJPDES permit. (See discussion of NJPDES Permit Appeal- item #1 under "Miscellaneous").

Cogeneration Facility

We have conducted extensive legal research with respect to potential change orders that have been submitted by the contractor, including its recent request for additional overhead, and have provided the Executive Director with a detailed legal memorandum evaluating the merits of same and making recommendations with respect to actions to be taken by the Authority. We have also evaluated the Authority's claims for liquidated damages against the contractor. We have conferred with the Executive Director and the construction oversight engineer relative to the issue of liquidated damages versus the amount of monies left in the contract. We are in the process of scheduling a meeting with the contractor in order to discuss this issue as well as other outstanding issues relative to the contract.

We also continue to monitor the progress of the claim that has been submitted by the contractor to its builder's risk insurance carrier for the payment of the Authority's legal fees associated with the Caterpillar engine explosions.

Miscellaneous

NJPDES Permit Appeal

On October 26, 2007 a settlement conference was held at the Office of Administrative Law at which time a resolution of the remaining two (2) issues in the case (an emergency bypass and the required loading limits) was discussed with NJDEP. The parties at that time had reached an agreement in principle, however, NJDEP has since failed to finalize the proposed settlement. By letter dated June 4, 2008 we requested that the Administrative Law Judge re-list our motion for sanctions that we previously filed on behalf of the Authority. After several follow-up telephone calls to the Judge and still not having received any response to our June 4, 2008 letter, we sent a follow-up letter to the Judge dated June 23, 2008 which also has gone unanswered.

As discussed in Executive Session on August 21, 2008, on September 5, 2008 this office filed a Notice of Appeal with the Appellate Division of the Superior Court of New Jersey based upon the agency inaction of the NJDEP and the Office of Administrative Law ("OAL"). Simultaneously, we also filed a Motion to join the OAL as a party Respondent as well as a Motion to accelerate the appellate schedule. On October 3, 2008 NJDEP responded by filing a Motion to Dismiss to which we submitted response papers.

By Order dated October 29, 2008 the Appellate Division granted both of our motions to join the OAL and to accelerate the appeal. The appeal was scheduled to be heard on January 13, 2009, however, the appellate schedule has been adjourned until February 12, 2009 in order to allow for

further settlement negotiations between the parties to take place. A settlement conference to be held among the parties is tentatively scheduled for January 15, 2009.

Trunk Sewer conflicts

We have prepared an agreement with Bank of America for purposes of establishing the bank's responsibilities with respect to an encroachment on the Authority's trunk sewer line by a proposed branch bank building in Cranford. The proposed agreement has been revised in accordance with discussions between this office and counsel for the bank and has been forwarded to the bank's counsel for review and execution. We have also prepared a similar agreement with the Breathless Go-Go bar in Rahway regarding a similar issue. Finally, the Easement Agreement with respect to the Leonardis property in Clark has been prepared and once it has been executed by the property owner, payment for same will be made.

Contract #144-Trunk Sewer Rehabilitation

We have had several discussions with the Executive Director and the Consulting Engineer regarding the contractor's potential change orders (claims) as well as the Authority's claims for liquidated damages and credits being asserted against the contract. In addition, we have conducted extensive legal research with respect to the issues surrounding the contractor's two largest claims which was the subject of a detailed legal memorandum previously provided to the Executive Director. On May 15, 2008 we sent a letter to the contractor's counsel denying the contractor's claims and making a demand for liquidated damages and credits against the contract to which the Authority is entitled. The contractor's counsel responded by letter dated June 18, 2008 whereby he requested that if the claims could not be resolved in the near future that the Authority designate its desired alternate dispute resolution (ADR) procedure and that the matter proceed in accordance with such ADR. We responded by letter dated June 23, 2008 requesting certain information from the contractor which, to date, has not been provided. By letter dated September 4, 2008 the Contractor made a formal request for an extension of time from June 11, 2007 to December 11, 2007, a time period of 153 days. We prepared a response to the Contractor's request for an extension of time on behalf of the Executive Director. By letter dated October 24, 2008 the contractor expressed its desire to continue with its delay claims. After a subsequent telephone conversation with counsel for the contractor, no further communications have been received.

Mr. Ventura asked Counsel, as the Authority's legal advisor, why hasn't he jumped in and advised the Board what they should do. Mr. Hak responded that first this should be discussed in closed session and secondly, we do not have all the facts and added that until we do, it is premature to take legal action.

Committee Reports

The Chairman asked if there were reports from any of the following Committees:

Engineering Committee (Allen Chin, Chairman)

Mr. Chin stated that an Engineering Committee Meeting was held January 8, 2009, at which time

several items were discussed. Items that require action are on the agenda under Unfinished and New Business.

Finance Committee (Charles Lombardo, Chairman)

Mr. Lombardo stated that a Finance Committee Meeting was held earlier this evening at which time the Bills and Claims were reviewed. Action is on the agenda under Bills and Claims.

Legal Committee (Clark Landale, Chairman)

No report.

Personnel Committee (James Murphy, Chairman)

No report.

Public Relations Committee (Attilio Venturo, Chairman)

No report.

Sludge Management Committee (Frank Mazzarella, Chairman)

No report.

Nominating Committee (Attilio Venturo, Chairman)

A Nominating Committee Meeting will be held immediately following the February Engineering Committee Meeting.

Unfinished Business

The following Resolution #08-85 was offered on second reading by Mr. Lombardo, on motion of Mr. Lombardo, and seconded by Mr. Chin.

The Chairman requested a roll call vote.

<u>AYES</u>	<u>NAYS</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Clark	Roselle Park		Rahway
Cranford			Springfield
Garwood			
Kenilworth			
Mountainside			
Scotch Plains			
Westfield			
Woodbridge			

As the vote was 8 to 1, the resolution was approved.

RESOLUTION #08-85

2009 ADOPTED BUDGET RESOLUTION

Rahway Valley Sewerage Authority

FISCAL YEAR: FROM January 1, 2009 TO December 31, 2009

WHEREAS, the Annual Budget and Capital Budget/Program for the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2009 and ending, December 31, 2009 has been presented for adoption before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of January 15, 2009; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$26,521,000.00, Total Appropriations, including any Accumulated Deficit, if any, of \$28,521,000.00 and Total Unrestricted Net Assets utilized of \$2,000,000.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$12,800,000.00 and Total Unrestricted Net Assets planned to be utilized of \$ -; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of Rahway Valley Sewerage Authority, at an open public meeting held on January 15, 2009 that the Annual Budget and Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2009 and, ending, December 31, 2009 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

The following Resolution #09-01 was offered on second reading by Mr. Lombardo, on motion of Mr. Lombardo, seconded by Mr. Chin and unanimously approved by those present. Ms. Abram and Mr. Sefranka were absent.

RESOLUTION #09-01

SECOND READING

WHEREAS, the Rahway Valley Sewerage Authority (Authority) had previously adopted "Rules and Regulations Concerning Discharges to the Rahway Valley Sewerage Authority" (Rules and Regulations), Sixth Revision dated October 23, 2003, Effective

July 15, 2004; and

WHEREAS, the Authority is permitted to amend and/or revise such Rules and Regulations pursuant to New Jersey Statute; and

WHEREAS, the Authority in conjunction with the New Jersey Department of Environmental Protection (NJDEP) and the Authority’s General Counsel have determined that it is necessary to revise said Rules and Regulations to comport with New Jersey Statutes and NJDEP Regulations; and

WHEREAS, the Rahway Valley Sewerage Authority (Authority) previously approved on first reading the “Rules and Regulations Concerning Discharges to the Rahway Valley Sewerage Authority” (Rules and Regulations), Seventh Revision dated August 21, 2008.

NOW, THEREFORE, BE IT RESOLVED, by the Rahway Valley Sewerage Authority that it hereby formally adopts the amended the Rules and Regulations as set forth in the attached document entitled “Rules and Regulations Concerning Discharges to the Rahway Valley Sewerage Authority” Seventh Revision, adopted this 15th day of January, 2009; and

BE IT FURTHER RESOLVED that these Rules and Regulations shall take effect February 1, 2009 and a copy of same will be transmitted to the Clerk of each of the municipalities and posted on the Authority’s website.

New Business

The following Resolution #09-02 was offered by Mr. Lombardo, on motion of Mr. Lombardo, and seconded by Mr. Murphy.

Mr. Chin stated that he is no longer a director of The Town Bank; however, he will still abstain from voting. The Chairman called the question. The resolution was approved by those present with the exception of Mr. Chin who abstained. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-02

BE IT RESOLVED that the officers of the Rahway Valley Sewerage Authority be and are hereby authorized to invest the following for the Operating Reserve Fund, to mature on February 18, 2009 and March 18, 2009 respectively:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$1,000,000.00	1.76%	The Town Bank, Westfield, NJ
\$2,022,458.33	1.76%	The Town Bank, Westfield, NJ

The following Resolution #09-03 was offered by Mr. Lombardo, on motion of Mr. Lombardo, and seconded by Mr. Murphy. The resolution was approved by those present with the exception of Mr. Chin who abstained. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-03

BE IT RESOLVED that the officers of the Rahway Valley Sewerage Authority be and are hereby authorized to invest the following for the Capital Replacement Fund, to mature on April 8, 2009:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$2,518,715.27	1.76%	The Town Bank, Westfield, NJ

The following Resolution #09-04 was offered by Mr. Lombardo, on motion of Mr. Lombardo, seconded by Mr. Murphy and unanimously approved by those present. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-04

BE IT RESOLVED that the officers of the Rahway Valley Sewerage Authority be and are hereby authorized to invest the following for the Operating Fund, to mature on February 18, 2009:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$1,755,803.21	1.75%	Investors Savings Bank

The following Resolution #09-05 was offered by Mr. Chin, on motion of Mr. Chin, seconded by Mr. Lombardo and unanimously approved by those present. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-05

WHEREAS, the Rahway Valley Sewerage Authority previously approved Resolution #07-55 and #07-75 and related Agreements for Contract #0727, for the purpose of engaging Omni Environmental, 321 Wall Street, Research Park, Princeton, NJ 08540, for Professional Services specifically related to providing Settlement Conference Engineering Support Services; and

WHEREAS, the Authority has determined that there is a need to amend this agreement to provide for additional Engineering Services; and

WHEREAS, Omni Environmental submitted documentation reflecting the need for additional monies related to the additional scope on this contract; and

WHEREAS, the additional amount to be authorized for this Contract is \$4,000.00; and

WHEREAS, the Secretary-Treasurer of the Authority, who is the Chief Financial Officer, hereby certifies that the necessary funds for said contract are available in the 2009 Annual Budget.

WHEREAS Professional Services have been determined to be exempt from public

bidding under N.J.A.C. 40A:11-1 et. seq.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that the previously adopted Resolutions and related Agreements with Omni Environmental in an amount of \$7,000.00; be and are hereby amended to provide for the increased contract amount of \$4,000.00 resulting in a total contract not to exceed \$11,000.00; and

BE IT FURTHER RESOLVED that the Chairman and Secretary are authorized to execute an amendment to the Professional Service Contract previously entered into; and

BE IT FURTHER RESOLVED that a "Notice of Award" be published in accordance with law.

The following Resolution #09-06 was offered by Mr. Chin, on motion of Mr. Chin, seconded by Mr. Landale and unanimously approved by those present. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-06

WHEREAS, the Rahway Valley Sewerage Authority (Authority) received a proposal from Bergen County Utilities Authority (BCUA), Box 9, Foot of Mehrhof Road, Little Ferry, NJ 07643, on behalf of the New Jersey Harbor Dischargers Group (NJHDG) from Great Lakes Environmental Center, 739 Hastings Street, Traverse City, Michigan for Professional Services; and

WHEREAS, the NJHDG of which the Authority is a member, has a need to engage a consultant to provide Technical Advisor Services, Contract #0916; and

WHEREAS, pursuant to the Local Public Contracts Law N.J.S.A. 40A:11-5, contracts of this nature may be awarded without bidding, however, RFP's were received for the award of this contract through a non-fair and open process in accordance with N.J.S.A. 19:44A-20-4, et. seq.

WHEREAS, said services require knowledge of an advanced type in a field of learning acquired by a prolonged training period; and

WHEREAS, the Authority has received a proposal through the New Jersey Harbor Dischargers Group (NJHDG) from Great Lakes Environmental Center, reflecting an amount of \$60,000.00 for 2009 of which the Authority's share is 7.99% or \$4,794.00; and

WHEREAS, the Secretary-Treasurer of the Authority hereby certifies that the necessary funds for said contract have been budgeted for in the 2009 Annual Budget.

NOW, THEREFORE, BE IT RESOLVED that the Rahway Valley Sewerage Authority engage Great Lakes Environmental Center to perform the services described herein at a

cost not to exceed \$4,794.00; and

BE IT FURTHER RESOLVED that a Professional Service Contract for the services described herein be entered into between BCUA the lead agency for this work, on behalf of the NJHDG, and Great Lakes Environmental Center; and

BE IT FURTHER RESOLVED that a "Notice of Award" be published in Accordance with law.

The following Resolution #09-07 was offered by Mr. Chin, on motion of Mr. Chin, seconded by Mr. Landale and unanimously approved by those present. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-07

WHEREAS, there exists a need to obtain the services of a registered energy agent for the Rahway Valley Sewerage Authority (Authority) in conjunction with the New Jersey Sewerage and Municipal Utility Authority Electricity Supply Aggregation (NJSMUAESA) program; and

WHEREAS, the Local Public Contracts Law N.J.S.A. 40A:11-5(1)(a)(ii) exempts the award of contracts for Extraordinary Unspecifiable Services from the requirements of public advertisement and bidding; and

WHEREAS, the award of this contract meets the statutes and regulations governing the award of said contracts; and

WHEREAS, the NJSMUAESA received a proposal from Gabel Associates reflecting a fee of \$0.0003/kwh for all electricity purchased if a two year supply contract is awarded or \$0.0005/kwh if a one year supply contract is awarded to be paid through the energy supplier; and

WHEREAS, the Secretary-Treasurer of the Authority hereby certifies that the necessary funds for said contract have been budgeted for in the 2009 Annual Budget.

WHEREAS, this Contract, the Authority's #0918, is being awarded after a fair and open process.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that:

The Chairman and Secretary be and are hereby authorized and directed to execute the attached agreement with Gabel Associates; and

This contract is being awarded without competitive bidding after a fair and open process as an "Extraordinary Unspecifiable Service" in accordance with N.J.S.A. 40A:11-5(1)(a)(ii) of the Local Public Contracts Law because this service is specialized and

qualitative in nature requiring expertise, extensive training and proven reputation.

BE IT FURTHER RESOLVED that a "Notice of Award" be published in accordance with law.

The following Resolution #09-07 was offered by Mr. Chin, on motion of Mr. Chin, seconded by Mr. Lombardo and approved with the exception of Mr. Landale who voted against. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-08

WHEREAS, the Rahway Valley Sewerage Authority previously approved Resolutions #03-89, #07-16, #07-23 and #09-23, #09-31, #09-32, #09-44, #09-46, #09-51, #09-62, #08-80 and related Agreements for Contract #105-C, for the purpose of engaging Consolidated Construction Management Services (CCMS), for Professional Services specifically to serve as the Construction Manager on Contract #105-Cogeneration/Sludge Drying Facility; and

WHEREAS, the Authority has determined that there is a need to amend this agreement; and

WHEREAS, CCMS submitted documentation reflecting the need for a contract extension and additional monies related to their work on Contract #105-C; and

WHEREAS, the additional amount to be authorized for this Contract is \$28,833.01; and

WHEREAS, the Secretary-Treasurer of the Authority, who is the Chief Financial Officer, hereby certifies that the necessary funds for said contract are available in the 2009 Annual Budget.

WHEREAS Professional Services have been determined to be exempt from public bidding under Title 40A.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that the previously adopted Resolutions and related Agreements with CCMS in an amount of \$2,351,542.44 be and are hereby amended to provide for the increased contract amount of \$28,833.01 resulting in an amended contract amount not to exceed \$2,380,375.45; and

BE IT FURTHER RESOLVED that the Chairman and Secretary are authorized to execute an amendment to the Professional Service Contract previously entered into; and

BE IT FURTHER RESOLVED that a "Notice of Award" be published in accordance with law.

The following Resolution #09-09 was offered by Mr. Chin, on motion of Mr. Chin, seconded by

Mr. Luban, and approved with the exception of Messers Landale, LoForte, Mazzarella and Venturo who voted against. Mr. Sefranka and Ms. Abram were absent. As the vote was 5 to 4, it passed.

RESOLUTION #09-09

WHEREAS, the Rahway Valley Sewerage Authority previously approved Resolutions #05-14 and related Agreement for Contract #155-#156C, for the purpose of engaging Consolidated Construction Management Services (CCMS), for Professional Services specifically to serve as the Construction Manager on Contracts #155-CSP Plant Upgrade and Contract #156-Gravity Relief Sewer; and

WHEREAS, the Authority has determined that there is a need to amend this agreement; and

WHEREAS, CCMS submitted documentation reflecting the need for a contract extension and additional monies related to their work on Contract #155-#156C through the month of December 2008; and

WHEREAS, the additional amount to be authorized for this Contract is \$140,143.33; and

WHEREAS, the Secretary-Treasurer of the Authority, who is the Chief Financial Officer, hereby certifies that the necessary funds for said contract are available in the 2009 Annual Budget.

WHEREAS Professional Services have been determined to be exempt from public bidding under Title 40A.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that the previously adopted Resolutions and related Agreements with CCMS in an amount of \$10,722,264.00 be and are hereby amended to provide for the increased contract amount of \$140,143.33 resulting in an amended contract amount not to exceed \$10,862,407.33; and

BE IT FURTHER RESOLVED that the Chairman and Secretary are authorized to execute an amendment to the Professional Service Contract previously entered into; and

BE IT FURTHER RESOLVED that a "Notice of Award" be published in accordance with law.

Closed Session

Mr. Luban made a motion to go into closed session at this time, 8:35 p.m., to discuss legal and personnel related matters, based on Attorney Client privilege. The motion was seconded by Mr. Lombardo and unanimously approved.

Mr. Landale made a motion to return to the regular order of business at this time, 9:17 p.m. The

motion was seconded by Mr. Luban and unanimously approved.

Return to Regular Order of Business

Resolution #09-10 was removed from the table.

The following Resolution #09-11 was offered by Mr. Chin, on motion of Mr. Chin, seconded by Mr. Luban, and unanimously approved by those present. Mr. Sefranka and Ms. Abram were absent.

RESOLUTION #09-11

AUTHORIZING THE RELEASE OF FUNDS TO COASTAL TECHNICAL SALES, INC. PURSUANT TO THE MUNICIPAL MECHANICS' LIEN LAW

WHEREAS, the RAHWAY VALLEY SEWERAGE AUTHORITY (hereinafter the "Authority") has as one of its primary functions the right to act upon and oversee all issues pertaining to the Authority's finances; and

WHEREAS, E.E. Cruz, Inc. (hereinafter "Cruz") was awarded as general contractor, Authority Contract #155 (hereinafter the "Contract") for Wastewater Treatment Plant improvements in accordance with the Authority's Comprehensive Strategic Plan; and

WHEREAS, on or about October 17, 2007, Coastal Technical Sales, Inc. (hereinafter "Coastal"), a subcontractor of Cruz, filed a Notice of Lien Claim under the Municipal Mechanics' Lien Law, N.J.S.A. 2A:44-125 et seq., for \$30,598.27 against Cruz for outstanding monies still owed for materials furnished by Coastal to Cruz during the course of the Contract; and

WHEREAS, pending the resolution of the October 17, 2007 claim, Cruz made partial payment toward the monies owed to Coastal in the amount of \$19,031.19 pursuant to the October 17, 2007 lien claim; and

WHEREAS, as a result of such partial payment, Coastal filed a second Notice of Lien Claim (hereinafter the "Lien Claim") on or about October 10, 2008, reducing the monetary amount sought under the Lien Claim from \$30,598.27 to \$11,567.08 to reflect Cruz' partial payment as well as the remaining balance still outstanding; and

WHEREAS, pursuant to N.J.S.A. 2A:44-135 and 136, on or about October 27, 2008, the Authority sent notice to Cruz requiring it to show cause before the Authority on November 13, 2008 as to why the Lien Claim should not be paid and required Cruz to file a statement with the Authority as to whether the lien claim is unfounded or untrue if Cruz intended to contest the Lien Claim or its amount, a copy of said notice being sent to Coastal; and

WHEREAS, in lieu of appearing before the Authority on November 13, 2008, Cruz submitted a letter dated November 12, 2008, stating that it was currently investigating the

Lien Claim and broadly disputed the propriety of the Lien Claim, citing the delivery of deficient equipment and material breaches of an agreement without providing any further specificity as to why the Lien Claim should not be paid, while at the same time requesting that the Authority not pay the Lien Claim until Cruz was afforded a fair opportunity for the resolution of the matter between itself and Coastal; and

WHEREAS, Coastal did appear before the Authority on November 13, 2008 and advised the Authority of its substantive position supporting payment under the Lien Claim; and

WHEREAS, the Authority determined that Cruz' response statement broadly denying the propriety of the Lien Claim was inadequate, and in an effort to cure this deficiency and provide Cruz with a fair opportunity for the resolution of the Lien Claim, General Counsel for the Authority sent a letter dated December 5, 2008 to both Cruz and Coastal requesting that they submit all correspondence, documentation, and materials supporting each of their respective positions relating to the Lien Claim; and

WHEREAS, in response to General Counsel's letter, Coastal submitted correspondence, documentation, and invoices purporting to support the validity of its Lien Claim; and

WHEREAS, Cruz failed to submit any supporting correspondence, documentation, or materials in response to General Counsel's letter, contesting the amount of the Lien Claim, or indicating what its current position was with regard to the Lien Claim or why the Lien Claim should not be paid; and

WHEREAS, the Municipal Mechanics' Lien Law permits the payment of a lien claim, without the order of any court, out of the funds in possession of the public agency upon which the lien claimant has a lien, for failure of a contractor to file a statement pursuant to N.J.S.A. 2A:44-135 and 136; and

WHEREAS, the Authority has determined that Cruz has failed to file an adequate statement pursuant to N.J.S.A. 2A:44-135 and 136 as to why the Lien Claim should not be paid or specifying in what respects the Lien Claim is unfounded or untrue, and that no resolution of the Lien Claim has materialized despite the fact that Cruz has been afforded a fair opportunity to do so, and that it is in the best interests of the Authority to settle the outstanding Lien Claim.

NOW, THEREFORE, BE IT RESOLVED, by the Rahway Valley Sewerage Authority, County of Union, State of New Jersey, as follows:

Pursuant to the Municipal Mechanics' Lien Law, the RAHWAY VALLEY SEWERAGE AUTHORITY shall release the remaining \$11,567.08 to Coastal out of the funds in the Authority's possession allocated as payment for work performed by Cruz as general contractor under the Contract for the Comprehensive Strategic Plan, representing the remaining monies due and owing from Cruz to Coastal and in full satisfaction of the Lien Claim.

All funds released to Coastal will be final and the Authority will not be obliged to pay the

same to Cruz but shall be entitled to credit upon the contract for the amount so paid.

All appropriate personnel are hereby authorized and directed to perform such tasks and execute such documents, if any, as are necessary to implement the intent and letter of this Resolution and further, this Resolution shall take effect immediately.

The Board directed the Executive Director to meet with John Buonocore of CCMS to discuss CCMS's amended proposal in order to obtain cost breakdowns and to determine what each consultant is charging, etc. and for CCMS to submit a final revised proposal for consideration at the February meeting.

Mrs. Grimes stated that Springfield requested a one month adjournment for their Excess Flow Hearing. Mrs. Papen asked if anyone else had. Mr. Luban responded that if you adjourn it for one then you should adjourn it for all. After brief discussion, Mr. Luban made a motion, seconded by Mr. Chin to postpone the Excess Flow Hearings to February 26, 2009. The motion was unanimously approved by those present. Mr. Sefranka and Ms. Abram were absent.

Mr. Lombardo stated that he feels that the Authority should be looking into the Presidents new stimulus package to see if there are any funds that the Authority could obtain.

Bills and Claims

Mr. Lombardo made a motion, seconded by Mr. Chin, that the following bills and claims previously audited by the Finance Committee be ordered paid. The motion was unanimously approved.

BUILDING & EQUIPMENT FUND

CHECK #	DATE	VENDOR	ACCT/LINE #	AMOUNT
2359	01/15/09	CDW GOVERNMENT, INC.	140.7	691.25
2360	01/15/09	CONSOLIDATED CONST. MGT.	140.2/7	51,874.77
2361	01/15/09	EE CRUZ COMPANY INC.	140.7	683,679.67

Total Building & Equipment Fund Checks: 3

Total Void Checks: 0

Total Amount Void: \$0.00

Total Amount Paid: \$736,245.69

OPERATING FUND MANUAL

CHECK #	DATE	VENDOR	ACCT/LINE #	AMOUNT
170	01/13/09	NJ STATE HEALTH BENEFITS	03/04	69,516.59

Total Operating Fund Manual Checks: 1

Total Void Checks: 0

Total Amount Void: \$0.00

Total Amount Paid: 69,516.59

OPERATING FUND

CHECK #	DATE	VENDOR	ACCT/LINE #	AMOUNT
35702	12/30/08	RAHWAY VALLEY SEWERAGE	01/02	248,247.54
35703	01/15/09	A TOUCH OF ITALY	49	317.00
35704	01/15/09	ADP, INC.	03	170.28
35705	01/15/09	ADP, INC.	16	2,307.36
35706	01/15/09	ALLIED FILTER COMPANY	32	697.20
35707	01/15/09	AMERICAN IND. SUPPLY CORP	32	324.74
35708	01/15/09	AMERICAN WEAR	32	1,166.00
35709	01/15/09	APPLIED ANALYTICS, INC.	32	265.00
35710	01/15/09	ASSOCIATED AUTO PARTS	35	243.21
35711	01/15/09	ASSOC OF ENV. AUTH.	52	4,500.00
35712	01/15/09	BALCO INDUSTRIES INC.	31	1,515.00
35713	01/15/09	RILEY BLAKE	31	139.97
35714	01/15/09	BOWCO LABORATORIES, INC.	32	63.00
35715	01/15/09	CANON FINANCIAL SERVICES.	16	1,299.72
35716	01/15/09	CHARLES F. CONNOLLY DIST.	32	294.00
35717	01/15/09	COOPER ELECTRIC SUPPLY	32	2,590.22
35718	01/15/09	CSL SERVICES, INC.	30	15,331.88
35719	01/15/09	DAVID WEBER OIL COMPANY	32	655.60
35720	01/15/09	DELTA DENTAL PLAN OF NJ	03	6,168.38
35721	01/15/09	EDIBLE ARRANGEMENTS-WDBR.	18	231.00
35722	01/15/09	ELIZABETHTOWN GAS	22	21,495.40
35723	01/15/09	EMEDCO INC.	31	181.61
35724	01/15/09	ENV. RESOURCE ASSOC.	40	314.18
35725	01/15/09	FLUID COMPONENTS	32	2,970.18
35726	01/15/09	FEDEX	48	338.98
35727	01/15/09	FISHER SCIENTIFIC	40	2,951.19
35728	01/15/09	W.W. GRAINGER, INC.	32	568.49
35729	01/15/09	GARY W. GRAY TRUCKING	25	56,751.40
35730	01/15/09	JOANNE GRIMES	15/49	180.37
35731	01/15/09	HALL & ASSOCIATES	09	174.26
35732	01/15/09	HESS CORPORATION	19	113,603.85
35733	01/15/09	HOME DEPOT CREDIT SERVICES	32	1,241.73
35734	01/15/09	HYDRA-NUMATIC SALES CO.	32	807.78
35735	01/15/09	INDEPENDENT OVERHEAD DOOR	32	2,475.00
35736	01/15/09	INFOR GLOBAL SOLUTIONS INC.	32	2,057.77
35737	01/15/09	JCI JONES CHEMICALS, INC.	29	4,079.43
35738	01/15/09	JERSEY ELEVATOR COMPANY	32	182.71
35739	01/15/09	GARY A. MARANO	31	99.00
35740	01/15/09	DON McCOY	31	122.49
35741	01/15/09	MCMASTER-CARR SUPPLY CO.	32	1,544.07
35742	01/15/09	METALS USA	32	520.00
35743	01/15/09	MILLER AND CHITTY CO., INC.	32	1,690.88
35744	01/15/09	MILLER MECHANICAL CORP.	32	636.00
35745	01/15/09	MOTION INDUSTRIES, INC.	32	397.57
35746	01/15/09	MULTI-CARE HEALTH CENTER	50	150.00
35747	01/15/09	NATIONAL FUEL OIL, INC.	24	865.77

35748	01/15/09	NJ MANUFACTURERS INSURANCE	17	18,085.00
35749	01/15/09	NJ MOTOR VEHICLE COMM.	35	253.50
35750	01/15/09	TREASURER - STATE OF NJ	37	3,089.90
35751	01/15/09	NUTLEY HEATING & COOLING	32	291.29
35752	01/15/09	NW FINANCIAL GROUP	09	127.50
35753	01/15/09	O'JOHNNIES, INC.	13	91.59
35754	01/15/09	PITNEY BOWES, INC.	48	82.00
35755	01/15/09	POLAND SPRING	46	142.38
35756	01/15/09	MARLON PRIVADO	31	108.00
35757	01/15/09	PSE&G COMPANY	19/42	32,435.35
35758	01/15/09	PURCHASE POWER	48	1,218.99
35759	01/15/09	QC LABORATORIES	41	1,424.00
35760	01/15/09	RICHARD LUCAS CHEVROLET	35	783.87
35761	01/15/09	MICHAEL ROGERS, SR.	31	126.03
35762	01/15/09	RAHWAY VALLEY SEWERAGE	01/02	174,144.44
35763	01/15/09	RVSA PETTY CASH	14	30.93
35764	01/15/09	SAFETY-KLEEN CORP.	32	267.99
35765	01/15/09	DARREN SCHIPPE	31	26.50
35766	01/15/09	SIMPLEX GRINNELL LP	31	724.88
35767	01/15/09	STANDARD INSURANCE CO.	03	2,244.35
35768	01/15/09	STAPLES BUSINESS ADV.	13	1,681.31
35769	01/15/09	STAPLES CREDIT PLAN	13/27	109.96
35770	01/15/09	STORR TRACTOR COMPANY	32	115.95
35771	01/15/09	SUNBELT RENTALS	32	757.16
35772	01/15/09	TD BANK, NA	09	19,882.50
35773	01/15/09	TD BANK, NA	09	4,140.00
35774	01/15/09	TOTAL LUBRICATION SERV.	32	1,944.80
35775	01/15/09	UNITED PARCEL SERVICE	48	71.34
35776	01/15/09	U.S. BANK NA	09	34,920.00
35777	01/15/09	U.S. BANK NA	09	88,185.00
35778	01/15/09	U.S. BANK NA	09	2,715.00
35779	01/15/09	US FILTER/SIEMENS WATER	40	644.00
35780	01/15/09	USA BLUEBOOK	31/32	1,461.08
35781	01/15/09	VAN HOUTEN-AVENEL PLUMBING	32	52.76
35782	01/15/09	VERIZON CONFERENCING	11	866.54
35783	01/15/09	VERIZON	11/30	1,236.94
35784	01/15/09	VERIZON WIRELESS	11	644.52
35785	01/15/09	921-GTS-WELCO	32	333.14
35786	01/15/09	WESTFALIA SEPARATOR, INC.	32	3,120.71
35787	01/15/09	WIPE-TEX INTERNATIONAL	32	220.00
35788	01/15/09	WOODRUFF ENERGY	22	61,773.88

Total Operating Fund Checks: 87

Total Void Checks: 0

Total Amount Void: \$0.00

Total Amount Paid: \$963,502.29

Total All Checks: 91

Total Void Checks: 0
Total Amount Void: \$0.00
Total Amount Paid: \$1,769,264.57

OPERATING FUND	8-01	\$607,017.87	
OPERATING FUND	9-01	\$356,484.42	
OPERATING FUND MANUAL	9-01		\$69,516.59
BUILDING & EQUIPMENT FUND	8-02		<u>\$736,245.69</u>
TOTAL ALL FUNDS			<u>\$1,769,264.57</u>

Mr. Landale asked the Chairman if he could address the Board. The Chairman gave the floor to Mr. Landale.

Mr. Landale stated that this is his last meeting. He has served the residents of Mountainside for five years. He went on to say “serving as a Commissioner has been a tremendously rewarding and gratifying experience. In five years the Board has accomplished an unbelievable amount during some very difficult times with some very difficult issues. This experience has enlightened me about those individuals that serve in public office and on public boards. It’s not an easy job. It takes a certain type of person to be a public servant. With that said, I have the utmost respect and admiration for the Commissioners on this Board that have served their communities for 10, 15 and 20 years plus. Each and every one of you are truly passionate about this Board and supporting your communities and it’s a wonderful thing to see and I only wish more people could see it in action. Allen Chin, Sonny Venturo, Charles Lombardo, Bob Luban, Frank Mazzarella, Joan Papen and Jim Murphy – I hope that your communities some day give back to you the way you have given to them. I applaud you for what you have given. Lastly, I want to thank Mike Brinker and his wonderful staff. These people are passionate about the Authority, about their jobs, and they should be recognized.”

Mr. Landale added that last year while serving as Engineering Committee Chairman, he would spend at least one day sometimes two days a month walking the plant and discussing issues with Mr. Brinker to have a better understanding of what was going on. He noted that Mr. Brinker also answered many phone calls on Sunday nights and Saturday afternoons as well.

He again thanked everyone.

Mrs. Papen stated on behalf of the Board, it has been a pleasure working with Mr. Landale and thanked him for all he contributed to the Authority. The Commissioners thanked Mr. Landale and wished him luck.

Mr. Chin added that he is very glad to see someone as young as Mr. Landale serving in the public sector; this takes time away from your family. Mr. Chin thanked him for his time, dedication and interest in the Authority.

Mr. Mazzarella said he and Mr. Landale had their differences, however, believes that Mr. Landale is destined for public service in the future and wished him luck.

Mr. Luban said that it has been a pleasure working with Mr. Landale and that he feels that they both learned from each other and will miss working with Mr. Landale on the Board.

Adjournment

As there was no further business, on motion of Mr. Landale, seconded by Mr. Luban, the meeting adjourned at 9:42 p.m. The motion was unanimously approved.

Robert J. Materna

Robert J. Materna, Secretary-Treasurer

JG/jg
Attachments