

RAHWAY VALLEY SEWERAGE AUTHORITY

**Summary of Minutes of
Regular Meeting held February 19, 2009**

- Minutes
Approved the minutes of the January 15, 2009 Regular Meeting.
- Communications
Resolutions from the Township of Woodbridge and Borough of Garwood regarding their Commissioner appointments; a letter from the Township of Springfield's Counsel and Commissioner Mazzarella regarding the Excess Flow Hearings; and several OPRA Requests.
- Treasurers Reports
The Treasurer Reports for the month of December 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
Reports were given by the Engineering, Finance and Nominating Committees.
- Unfinished Business
None.
- New Business
Approved the following: Security Purchases; Treatment Works Applications (TWA's) for the Townships of Scotch Plains and Springfield and the City of Rahway; and postponement of the Excess Flow Hearings to February 26, 2009.
- New Business (Cont'd.)
Approved the following expenditures: Amend Contract #105C – CCMS in an amount of \$24,904.91; Amend Contract #155C – CCMS in an amount of \$202,421.26; Award Contract #161E to PS&S in an amount of \$99,700.00; and Amend Contract #0826 with Greenbaum, Rowe, Smith & Davis in an amount of \$1,959.00.

RAHWAY VALLEY SEWERAGE AUTHORITY

Summary of Minutes of (Cont'd.)
Regular Meeting held February 19, 2009

-	Bills & Claims		
	Operating Fund	8-01	368,048.82
	Building & Equipment Fund	8-02	193,297.34
	Construction Fund	8-04	<u>1,038.00</u>
	2008 Year Total		562,384.16
	Operating Fund	9-01	1,216,408.45
	Building & Equipment Fund	9-02	<u>345,245.29</u>
	2009 Year Total:		1,561,653.74

RAHWAY VALLEY SEWERAGE AUTHORITY

Regular Meeting Minutes – February 19, 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 16, 2009.

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:

Maria A. Abram	for the Township of Springfield
Allen Chin	for the Town of Westfield
* Rene Dierkes	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
Paul M. Sefranka	for the City of Rahway
Attilio S. Ventura	for the Borough of Roselle Park

* Arrived after roll call.

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

The following were also present (Cont'd.):

Tricia Gasperine	McManimon & Scotland
James Fagan	NW Financial
Amanda Feliu	The Spi Group
Ollie Hartsfield	The Spi Group
Wayne Baker	Westfield Leader Newspaper
William Caruso	Clark Resident
Joseph Pubchara	Clark Resident

Election of Officers

The Chairman, Mrs. Papen, asked the Secretary to conduct the election for Chairman for the year ending February 18, 2010.

Mr. Materna asked the Nominating Committee for their recommendation for the Office of Chairman for the year ending February 18, 2010.

Mr. Lombardo was nominated by Mr. Venturo and seconded by Mr. Chin.

Mr. Materna asked if there were any other nominations.

There were none. Mr. Materna then stated that there being no further nominations, he asked for a motion to close the nominations.

Mr. Chin made a motion, seconded by Mr. Sefranka that the nominations be closed. The motion was unanimously approved by those present; Mr. Dierkes and Mr. Luban were absent.

Mr. Materna then stated that as the Secretary, he cast a ballot for the election of Mr. Lombardo as Chairman.

The Chairman stated "So ordered".

Mr. Materna declared Mr. Lombardo as the duly elected Chairman for the year ending February 18, 2010.

The newly elected Chairman, Mr. Lombardo, assumed the role of Chairman.

The Chairman, Ms. Lombardo, asked the Secretary to conduct the election for Vice-Chairman for the year ending February 18, 2010.

Mr. Materna asked the Nominating Committee for their recommendation for the Office of Vice-Chairman for the year ending February 18, 2010.

Mr. Luban was nominated by Mr. Venturo and seconded by Mr. Mazzarella.

Mr. Materna asks if there were any other nominations.

There were none. Mr. Materna then stated that there being no further nominations, he asked for a motion to close the nominations.

Mr. Ventura made a motion, seconded by Mr. Sefranka, that the nominations be closed. The motion was unanimously approved by those present. Mr. Dierkes and Mr. Luban were absent.

Mr. Materna then stated that he cast a ballot for the election of Mr. Luban as Vice-Chairman.

Mr. Materna declared Mr. Luban as the duly elected Vice-Chairman for the year ending February 18, 2010.

The newly elected Chairman, Mr. Lombardo, made a presentation to the out-going Chairman, Mrs. Papen. Mr. Lombardo stated that on behalf of the Commissioners, staff and professionals, he wanted to thank her for her leadership during the past year and noted that everyone appreciates all that she had done.

Mrs. Papen thanked everyone for their cooperation during the year. She added that it was a pleasure serving as the Chairman and added that she is sure that Mr. Lombardo, who is taking over, will do an outstanding job.

Mr. Lombardo stated that he had a few items to share with the Board. He stated that he would first like to thank the Mayor and Council of the Borough of Garwood for reappointing him to the Authority Board for the next five years and the Authority Board for nominating him as Chairman for the next year. Mr. Lombardo noted that the Authority is working to complete two major projects and added that "we as Commissioners need to work cooperatively with the Professionals and Staff to complete our mission for the betterment of our communities". He added that in the year 2009, as advised by our Construction Management Team, the Cogen and CSP Projects will be completed.

Mr. Lombardo added "as I stated at the Authority's last meeting, we should seek Federal Funding to offset some of the Authority's indebtedness. Federal monies will hopefully be available to the Authority from the Federal Economic Stimulus Package and with the new and exciting ideas from our new President." Mr. Lombardo stated that he and the Executive Director have contacted Union County Utilities Authority (UCUA) to set up a meeting in the next few months to establish some common ground and to hopefully have the UCUA use our clean water or accept our dried sludge at their facility. This could become a potential financial benefit for the Authority.

Mr. Lombardo noted that he has decided to re-establish the Security Committee at this time, as we must be proactive to protect our Authority and our investment. The Committee was established a few years ago and was put on the back burner because of construction; he added that now is the time to move forward. He also recommended holding a Commissioners "Roundtable" in late May or early June. Mr. Lombardo added that Mr. Chin has agreed to moderate this meeting. He said that it's appropriate to hold such a meeting at this time, because there are four new Commissioners on the Board and some of the senior Commissioners are being questioned by their respective Mayor and Councils. The roundtable will be an open forum for the Commissioners to discuss issues of concern or general questions that any Commissioner may

have. The information acquired at such a roundtable can be shared with the Commissioners respective municipalities.

Mr. Lombardo continued on to say in the past seven years, this Authority has saved \$365,323 in administrative salaries because of certain staffing changes. He noted that he believes that with the leadership of the Personnel Committee, the Authority should consider hiring an Engineer to assist the Executive Director, and noted this will be an important addition to the Authority. He asked that with the assistance of the Executive Director, the Authority can post the necessary requirements on the website and in appropriate publications, and that the interviewing process start in the near future. Mr. Lombardo also noted that at the December meeting, it was brought to the Board's attention that there are growing issues between Union Personnel and Management. He directed the Personnel Committee to review and establish some ground rules and to bring these issues to a conclusion in the best interest of all parties involved.

Mr. Lombardo stated that if any Commissioner has a concern about a Professional or Staff Member, they should speak to the appropriate Committee Chairman who will advise the Chairman of the Authority. The matter will then be brought to the respective Committee for discussion and resolution.

In closing, Mr. Lombardo noted that he anticipates a very productive year at the Authority and is looking for continued success.

Approval of Minutes

Mr. Chin made a motion, seconded by Mr. Murphy, to approve the minutes of the Regular Meeting held January 15, 2009. The motion was approved with the exception of Ms. Abram and Mr. Sefranka who abstained, and Mr. Dierkes and Mr. Luban who were absent.

Communications

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

“BE IT RESOLVED by the Municipal Council of the Township of Woodbridge, that said Municipal Council hereby consents to the Mayor's appointment of the following person to serve as a member of the Board of the Rahway Valley Sewerage Authority for a five (5) year term commencing January 1, 2009 and terminating December 31, 2013:

Robert Luban
305 Colonia Blvd.
Colonia, NJ 07067

Note: A note was sent to the Township of Woodbridge regarding the appointment dates as they are for an incorrect period; they should be February 1, 2009 through January 31, 2014.

- A resolution dated January 27, 2009, was received from the Borough Clerk for the Borough of Garwood, as follows:

“BE IT RESOLVED by the Mayor and Council of the Borough of Garwood, County of Union, State of New Jersey that Charles Lombardo of 275 Fourth Avenue, Garwood, New Jersey be and he is hereby appointed a member of the Rahway Valley Sewerage Authority from the Borough of Garwood for a Five (5) year term – February 1, 2009 to February 1, 2014.

- The following letter, addressed to Joanne Grimes, was received from the Township of Springfield’s Attorney, Bruce Bergen, via Fax on February 17, 2009:

“As you are aware, the above matter was carried for hearing until Thursday, February 26, 2009. At this time, the Township of Springfield would request a further adjournment of this matter, for purposes of allowing for additional discovery.

In a recent meeting among municipal officials, it was determined that in order to properly prepare for the administrative hearing, the Township of Springfield would be in need of the following documents, which we hereby request be forwarded to us at the soonest possible date: reports, and all related documents, as to calibration and any other service performed upon the monitoring meter or meters upon which the Authority relied in determining the exceedances with which the Township of Springfield is charged, for the past three years; a map of all parts of the Authority system through which Springfield’s waste flows, including but not limited to the diameter and other specifications of all such pipes, as well as similar information concerning any and all other branches which feed into any of these pipes.

Thank you for your prompt attention to this matter. I trust the Authority Board will act affirmatively upon this request for a further adjournment, to allow Springfield to exercise its due process rights in preparing for this hearing.”

- An OPRA Request was received from Maser Consultants regarding the Flow Capacity study performed by HMM, municipal allocations and the 1995 Agreement.
- An OPRA Request was received from Maser Consultants regarding the Borough of Roselle Park’s flow rights, excess rental charges and user charges.
- An OPRA Request was received from Porzio Bromberg & Newman regarding the Township of Clark’s Assessments and Industrial Permit Fees.
- An OPRA Request was received from Laura McPhaul regarding sewer backups in the City of Rahway.

* Mr. Dierkes arrived at this time, 7:43 p.m.

- The following letter, dated February 18, 2009, was received this evening from Commissioner Mazzearella:

“The Mayor of Clark Township along with the Township Council wanted me to advise you that Clark Township is not in favor of conducting Excess Flow Hearings for those member municipalities that have exceeded their flow allocation.

First and foremost as you know, we (all of the municipalities) across the country are experiencing extreme difficulties in meeting their budget obligations to the taxpayers. By initiating the flow hearings and subjecting the communities with potential substantial monetary penalties, you are in essence adding insult to injury, due to the economic situation we are presently thrust into, the Authority should be partnering with the communities to lessen the burden financially.

I have continually stated that I believe the methodology behind allocation is flawed and there should not be any caps imposed. I believe the municipalities should pay for what they use.

The Assessment to the member communities because of the mandated plant expansion is causing extreme financial difficulties. Added to this, the economy is exacerbating the process. Adding penalties only enhances the community’s financial frustration.

Therefore, in this regard, I on behalf of Clark Township, respectfully request that the Authority forego the excess flow hearings and any penalties that may incur.”

Suspend the Regular Order of Business

The Chairman stated that Mr. James Fagan of NW Financial and Ms. Tricia Gasparine of McManimon & Scotland are present this evening to address the Board regarding the Authority’s outstanding debt. The Chairman asked for a motion to Suspend the Regular Order of Business.

Mr. Mazzearella made a motion, seconded by Mr. Chin, to Suspend the Regular Order of Business. The motion was unanimously approved.

* Mr. Luban arrived at this time, 7:54 p.m.

Mr. Fagan stated that Mr. Materna requested that he come up with ideas and suggestions for consideration on deferring the payment due on the Authority’s outstanding bonds. Mr. Fagan stated that the recent debt structure that was done for the Authority included for the most part Capital Appreciation Bonds (CABS) and the NJEIT financing. The NJEIT refinanced a portion of the outstanding Bonds for a longer period of time which in turn lessened the Authority’s debt.

Mr. Fagan noted that August 10, 2010, the Authority will have to make a principal payment plus interest in an amount of approximately \$8,000,000. Mr. Fagan stated that the Board can consider refinancing the \$8,000,000 due in 2010 and spread that out over a period of time starting in 2011 for the next ten years with a million dollars of added interest over that ten year period. This will

lessen the amount due in 2010, however, the replacement debt due in 2011 through 2021, will be \$8,965,000.

Ms. Gasparine stated that one of the hurdles that the Authority has to jump through when they consider the issuance of notes or bonds is to go before the Local Finance Board. It's not an approval process; however, it's a findings process. Ms. Gasparine noted that if the issuance does not reflect at least a 3% savings, the LFB will not grant a favorable finding on the issuance. This does not impact whether or not the Authority can proceed with the bonding, however, it would have to be explicitly stated in the Bond Indenture so that the investors would be aware of it.

Mr. Mazzarella asked what Mr. Fagan thinks the Authority should do over a short and long term period. Is there anything out there for the Authority considering the bonding we have right now? Mr. Fagan said as another thought, if we are looking for additional money to spend on new construction programs, grant funds may be available to fund these projects.

Mr. Venturo stated that we do not want to borrow any more money. He noted that our present outstanding indebtedness is approximately \$250,000,000.

Mr. Materna stated that we are only trying to postpone the \$8,000,000 debt payment that is due in 2010. Mr. Venturo said that he just heard the statement that we can allocate some more money to more projects that we want done. Mr. Venturo added that its time that the projects are ended; we can't afford any more.

Mr. LoForte stated that we are talking about deferring a payment of \$8,000,000 in 2010. He asked if the Authority will be facing the same payment the next year. Mr. Materna stated the Authority's debt service needs in the year 2011 are approximately \$13.5 million.

Mr. Materna noted that right now we have the WWTP and the Cogen projects that are finishing up. He noted that it was his understanding that the Grants under the new stimulus program are slated for "shovel ready" new construction projects; not projects that are in progress or that are completed.

Mr. Murphy asked about options on refinancing various different amounts and the effects on future budgets.

Mrs. Abram stated that we can keep deferring this, however, our kids and our grandkids will be paying for this. She noted that we are not saving any money; we are just deferring payment and adding expense. Mrs. Abram also noted that we will be facing the same thing a year from now and noted that refinancing also has costs associated with it. Mr. Materna stated that Mrs. Abram is correct and noted that if you refinance the 2010 dept and not in subsequent years, the impact will be even greater.

Mr. Fagan noted that the debt the Authority has right now is all fixed rate not variable. He added that the Authority knows what payments it will be facing down the road.

Mr. Sefranka stated that we should look at the options as presented to us and see what will best serve this Authority.

Mrs. Papen asked how many years could the Authority do these refinancings. Mr. Fagan said they could be done for several years, however, it all depends on the “useful” life of the plant, which in some cases may be 40 years, however, the NJEIT only allows for 20 year financing.

Mr. Dierkes asked if anyone has figured out how much it will cost each household if we don't refinance the \$8,000,000. He said it's about \$240,000 to Mountainside and higher for other towns, however, he asked what is the impact to the individual.

Mr. Materna stated that he will work with Mr. Fagan and Ms. Gasparine to come up with scenarios on refinancing \$4,000,000 and \$8,000,000 of the 2010 debt service and what impact that will have on the future and a schedule of what action would need to be taken and when, if the Board was going to consider the refinancing.

After discussion, the Chairman thanked them for coming to the meeting. They thanked the Board and left the meeting.

Mr. Mazzarella made a motion to return to the Regular Order of Business. The motion was seconded by Mr. Luban and unanimously approved.

Regular Order of Business

Report of Treasurer

The Treasurer's Reports for the month of December 2008 have been distributed to the Commissioners for review and will be spread on the minutes. So ordered.

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>
1091-09-WB	01/21/09	Abha Patel	Woodbridge
1092-09-	-	VOIDED	-
1093-09-CR	01/21/09	Menlo Engineering	Cranford

Monthly Reports

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

- PS&S Monthly Engineering Report
- CCMS - Contract #105 – Cogeneration Facility
- CCMS - Contract #155 – WWTP Upgrade

- Weiner Lesniak – Monthly Update
- RVSA Contractors & Engineers Claims for Payment
- RVSA Purchase Orders in Excess of \$1500.

Personnel

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

Contract #105-C Construction Oversight Services - CCMS

As previously discussed, Contract Amendments will be processed monthly for work being performed by CCMS on Contract #105-C. CCMS's current invoice is in the amount of \$24,904.91 total amended contract amount of \$2,405,380.36. This was discussed at the Engineering Committee Meeting held February 5, 2009 and a motion is on the agenda under New Business.

Contract #105 Cogeneration/Sludge Drying Facility

I provided an update with regard to the proposed purchase of Diesel Engines at the Engineering Committee Meeting. At the Engineering Committee Meeting, it was decided that I wouldn't conduct any further inquiries or solicitations as to the availability of stand by generators until such time that the Engine Expert makes their recommendation to the Board.

Contract #105-D Cogeneration Engine Expert

As directed at the January Board meeting, a Request For Qualifications was prepared for an Expert in Gaseous Fueled Engine Generator Sets. The RFQ was posted on the Authority's website and sent to Garden State Engineering and Careba-Mott-MacDonald. Qualifications were received on February 18, 2009. I will review the documents upon receipt and provide a recommendation.

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

To date, the following claims have been filed against the contractor:

<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	Agreement Executed/discharged
Turtle & Hughes	\$1,263,467.18	10/15/08	Lien improperly filed and subsequently discharged.
Samson Electric	\$206,661.12	10/17/08	Claim against Bond Co.
Samson Electric	\$847,355.70	01/07/09	Lawsuit discharged.
Cooper Electric	\$116,687.81	10/23/08	Lien Claim Pending

Contract #155 & #156-C CSP Construction Oversight Services - CCMS

Since their original contract ended in December, in order to pay CCMS for their ongoing services, their current contract in the amount of \$10,862,407.33 needs to be amended. Their January 30, 2009 invoice is in the amount of \$202,421.26, if approved, will amend the contract total to \$11,064,828.59. This was discussed at the Engineering Committee Meeting held February 5, 2009 and a motion is on the agenda under New Business.

Contract #155 & #156-C CSP Construction Oversight Services - CCMS

As discussed at the December and January meetings, CCMS submitted a proposal for additional services on this contract. Since the original submission, they have, as requested, twice revised their proposal and resubmitted it. The current proposal dated February 2, 2009 was forwarded to the Commissioners. The present request requires clarification.

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.

Subsequently, PS&S and I performed the annual Outfall Line Inspection. A copy of the report prepared by PS&S was forwarded to the Commissioners.

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.

Contract #161E – Rehabilitation of Sludge Storage Tank Covers, Control Bldg. and Pumping Station

At my request, PS&S submitted a proposal to provide Engineering Services including design, bidding and construction oversight for the Rehabilitation of the Sludge Storage Tank Covers, Sludge Storage Control Building and Sludge Pumping Station at a cost not to exceed \$99,700.00. A copy of the proposal was sent to the Commissioners for review and consideration. This was discussed at the Engineering Committee Meeting held February 5, 2009 and a motion is on the agenda under New Business.

Contract #0826 – 2008 Legal Services On Regulatory Matters 11/25-12/31/08

A contract was awarded to Greenbaum, Rowe, Smith & Davis to provide legal services on Regulatory Matters for the period November 25 to December 31, 2008 at the request of General Counsel. Greenbaum initially proposed a cost not to exceed \$8,000.00 however, submitted their invoice for services and are seeking an additional \$1,959.00 for work performed, total amended contract amount of \$9,959.00. This was discussed at the Engineering Committee Meeting held February 5, 2009 and a motion is on the agenda under New Business.

TWA – Scotch Plains

A Treatment Works Application was submitted by the Township of Scotch Plains on behalf of D'Amore Residence for a project on Eton Row in the Township of Scotch Plains. The project includes the installation of 225 lf of 8" sewer to serve two single family homes and will generate approximately 600 gpd of additional flow. I reviewed the application, found it to be in order and recommend approval. A motion is on the agenda under New Business.

TWA – Springfield

A Treatment Works Application was submitted by the Township of Springfield for the Township of Springfield for a sewer relining project... The project includes the addition of manholes and reinforced concrete pipe for the realignment of an existing sewer line which was exposed due to erosion along the Rahway River. This project will not result in any additional flow. I reviewed the application, found it to be in order and recommend approval. A motion is on the agenda under New Business.

TWA – Rahway

A Treatment Works Application was submitted by the City of Rahway on behalf of MCB Engineering Associates/Renaissance at Rahway LLC for property located on East Grand Avenue & Monroe Street in the City of Rahway. An application for this site was previously submitted and approved. However, said application was for 62-2 bedroom and 8-1 bedroom units 15,600 gpd and is being revised for 44-2 bedroom and 44-1 bedroom units with a projected flow of 16,500 gpd, a 900 gpd increase from the original application. I reviewed the application, found it to be in order and recommend approval. This was discussed at the Engineering Committee Meeting held February 5, 2009 and a motion is on the agenda under New Business.

TWA – Rahway

A Treatment Works Application was submitted by the City of Rahway on behalf of Heartstone Development LLC / Station Place at Rahway for property located on Campbell Street in the City of Rahway. An application for this site was previously submitted and approved. However, said application was for 80-2 bedroom units with 18,000 gpd of flow and is being revised for 64-2 bedroom and 52-1 bedroom units with a projected flow of 22,200 gpd, a 4,200 gpd increase from the original application. I reviewed the application, found it to be in order and recommend approval. A motion is on the agenda under New Business.

Cogeneration Funding – BPU / NJ Economic Development Authority

As discussed at the February 5, 2009 Engineering Committee Meeting, the Authority received the check from the NJEDA on February 5, 2009 in the amount of \$500,000.

Excess Flow Hearings

Excess Flow Hearings are scheduled for the Borough of Roselle Park, and Townships of

Springfield and Woodbridge, to be held Thursday, February 26, 2009 at 7:00, 7:30 and 8:00 p.m. respectively.

The Chairman asked if there were any comments with regard to Springfield's request to again postpone the Excess Flow Hearings.

Mrs. Abram stated that she read the letter from the Township of Springfield and wanted to know if Springfield could get the information they are requesting. Mr. Brinker responded that it will take a while to gather all of the information that Mr. Bergen has requested as we will have to go back to our metering maintenance contractor for some of the data. Mr. Brinker also noted that all of the flow reports have already been provided to the Township with the monthly minutes.

Mrs. Papen stated that about four years ago Springfield's attorney requested that the minutes and flow reports no longer be submitted to the Township Engineer and start being forwarded to the Municipal Clerk. Mrs. Papen added that the Township Clerk should have the records.

Mr. Mazarella stated that in his view and on behalf of his municipality, that during these economic times, we should defer holding these Hearings and not issue penalties to the municipalities who have exceeded their flows. We should look to the communities to see what they are doing to abate their I/I.

Mr. Lombardo stated that he thinks we need to at least bring the municipalities to the table. Mr. Luban concurred and added that we should not defer the hearing and added that we have the right to know what is going on within the municipalities that is causing these exceedances. The Commissioners agreed that the penalties could be waived at this time, but the Hearings should not be postponed and will be held February 26, 2009.

Report of Consulting Engineer

The following report to the Authority Board summarizes our activities for the period of January 13, 2009 through February 13, 2009.

JCO Compliance

PS&S finalized the fourth quarter report and submitted it to the NJDEP prior to the end of January, meeting the JCO deadline. The first quarter report for 2009 is due at the end of April.

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.

General Counsel set up a Settlement Conference with representatives of the DAG's office, NJDEP and Authority representatives on January 23rd to discuss previously submitted documentation in support of the temporary suspension of the maximum weekly mass loading limits, the details related to the emergency outfall and comments to the Stipulation of Settlement. Based on the discussions at the meeting there appears to be the basis for settlement. Some additional follow-up, including a report on the emergency outfall, is required.

The DAG/NJDEP issued a revised Stipulation of Settlement based on the discussions at the meeting and it is under review. 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 coordinated the repair and it was successfully implemented on February 6th.

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. After many months of pursuit by the Executive Director, the RVSA has recently received the grant check.

Air Permitting

PS&S has been tracking the progress of the NJDEP review of the Title V Modification Application previously prepared and submitted to NJDEP by PS&S on the Authority's behalf (the Application was for modifying certain permit required monitoring and record-keeping requirements and addressing some potential variability in digester gas characteristics).

Currently, PS&S completed a review of the NJDEP draft permit conditions recently received from NJDEP; has prepared and submitted a response to NJDEP that included the NJDEP requested additional information regarding the scrubber (spray tower condenser) on the outlet of the Sludge Dryer; and PS&S will be providing follow-up with NJDEP regarding any NJDEP questions and/or comments on the response submittal.

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 engine nos. 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 rewiring of the three way valves on the engine gas train, replacing damaged bird screen on the rupture disc relief piping, and routine exercise of the stand-by generator sets.

Contract #158 Outfall Repair

PS&S is currently finalizing the design of the outfall repair plans and specifications. PS&S is currently coordinating any the regulatory issues related to the repair activities which will take place in a wetland area. PS&S had previously notified Middlesex County regarding the project and recently discussed the coordination of activities to avoid an area of site remediation on an adjacent piece of County property. PS&S will keep the County informed and invite them to any pre-bid or pre-construction meetings.

Contract #159 Chemical Feed System Improvements

PS&S has issued a Notice of Award to the apparent low bidder, A&A Mechanical. After review and follow-up the bonds and insurance are acceptable. Punch list work being conducted in the Headwork's by EE Cruz is currently underway and the Notice to Proceed is on hold until EE Cruz has completed these efforts and is out of the way. PS&S has provided electronic drawing files to the contractor for his development of shop drawings.

Contract #160 Emergency Outfall Feasibility Study

PS&S has completed the evaluation of hydraulic capacity in the RVSA trunk and gravity relief sewers to determine potential extreme flow loading to the plant and has evaluated the use of DSN 003 and the gravity relief sewer pump station as potential locations for the emergency outfall. Based on this review it appears feasible and a configuration using a flow control gate in the existing 003 overflow chamber was developed. This configuration was discussed with the NJDEP to determine if its design and use would be consistent with the NJPDES permit and JCO. Based on the discussions with the NJDEP it appeared to be acceptable. A summary report has been drafted for the Authority's review.

Due to timing issues related to the EE Cruz contract (#155), PS&S proceeded with design drawings of the proposed improvements/modifications as discussed at the February Engineering Committee meeting in order to obtain a cost to implement the improvements from EE Cruz in the event that they are willing to do the work. These drawings were provided to CCMS last week. Any modification to the 003 chamber will impact the ability of EE Cruz to complete the work in this area, including final alignment and paving of the plant road.

General Consulting

PS&S conducted the outfall inspection with the Executive Director on January 27th.

An inspection report has been prepared and submitted to the Authority.

User Charge and Flow Rights Reports

The January reports, covering December 2008 were distributed after the January meeting. The February reports, covering January 2009 will be distributed when the data is available to complete them.

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 January 6, 2009 through February 16, 2009.

CSP Improvements & related issuesContract #155

We continue to monitor and evaluate potential delay claims being asserted by the contractor/electrical subcontractor with respect to Contract #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.

We have received documentation from the Contractor releasing and discharging the Municipal Mechanic's Lien claims filed by Cooper Electric Supply Company, Samson Electric Supply Inc. and Turtle & Hughes Inc. At the last meeting the Board authorized the release of the amount reflected in the lien claim filed by Coastal Technical Sales, Inc. (Coastal) directly to Coastal. We have prepared a discharge for Coastal to execute and upon receipt of same the Authority will release the monies.

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 – Contract #105

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. On January 8, 2009 we attended a meeting with the contractor in order to discuss this issue as well as other outstanding issues relative to the contract. Further details regarding this item may be discussed in Executive Session.

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.

Finally, we are currently analyzing the Authority's options regarding possible recourse against Caterpillar.

JCO

We have reviewed the draft quarterly report received from PS&S.

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 was held among the parties at the Authority site on January 23, 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.

Contract #159-Chemical Feed Facilities

We have been working with the Contractor and its insurance carrier in order to resolve issues regarding insurance coverage with respect to this contract.

New Laboratory Information System contract

Researched and advised the Executive Director on various issues raised with respect to this contract.

NJDEP v. Occidental Chemical Corp. et al. (Passaic River Litigation)

The RVSA and all of its constituent municipalities have been named as Third Party Defendants by the original defendants to this lawsuit. The original lawsuit was filed in 2005 by NJDEP against several chemical companies that had an interest in a piece of property located in Newark alleging that the companies had polluted the Passaic River with various hazardous chemicals including DDT and TCDD, some of the most hazardous dioxins known to man. The Complaint alleges that as a result of the defendants practices of dumping these chemicals into the river between 1940 and 1971 the entire Newark Bay Complex, defined as the lower 17 miles of the Passaic River, Newark Bay, the lower reaches of the Hackensack River, the Arthur Kill, the Kill van Kull, and adjacent waters, have become polluted and seeks to have the original defendants pay for the cost of the clean up. The original defendants in their Third Party Complaint allege that approximately 73 public entities such as various municipalities and sewerage authorities, including the RVSA and its constituent municipalities, should share in the liability for the cleanup due to their alleged practices of discharging hazardous chemicals into the Newark Bay Complex.

We are in the process of evaluating the Third Party Complaint for purposes of filing an Answer to same. In addition, NJDEP, has sent a notice to all public entities listed in the Third Party Complaint invited them to a meeting for purposes of discussing the claims against them. It is NJDEP’s position “that many of the Third Parties have nominal, if any, liability for contamination in the Passaic River.”

Committee Reports

The Chairman stated that a copy of the 2/19/2009-2/18/2010 Committee Appointments have been distributed to the Commissioners this evening and are listed below. As those Committees take effect after this meeting, the Committee reports to be given this evening shall be from the existing Committee members.

<u>Committee</u>	<u>Chairperson</u>	<u>2009 Committees</u>	
		<u>Committee Members</u>	
Engineering	Allen Chin	Paul Sefranka	Maria Abram
Finance	Joan Papen	Allen Chin	James Murphy Rene Dierkes
Insurance Review	James Murphy	Allen Chin	Rene Dierkes
Legal	Frank Mazzarella	Paul Sefranka	Robert Luban
Nominating	Attilio Venturo	Maria Abram	Rene Dierkes
Personnel	Robert Luban	Frank Mazzarella	Richard LoForte
Public Relations	Paul Sefranka	Maria Abram	Rene Dierkes
Retreat	Allen Chin		
Security	Frank Mazzarella	James Murphy	Joan Papen
Sludge Management	Attilio Venturo	Richard LoForte	Joan Papen

The Chairman then 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 February 5, 2009, at which time several items were discussed. Items that require action are on the agenda under New Business.

Finance Committee (Charles Lombardo, Chairman)

Mr. Murphy 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.

Nominating Committee (Attilio Venturo, Chairman)

Mr. Venturo stated that a Nominating Committee Meeting was held February 5, 2009, at which time the annual reorganization and appointment of the Chairman and Vice Chairman were discussed. This was acted on earlier in the meeting.

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 Mazarella, Chairman)

No report.

Unfinished Business

None.

New Business

The following Resolution #09-12 was offered by Mrs. Papen, on motion of Mrs. Papen, and seconded by Mr. Murphy. The resolution was approved by those present with the exception of Mr. Chin who abstained.

RESOLUTION #09-12

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 May 19, 2009:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$1,002,103.11	1.42%	The Town Bank, Westfield, NJ

The following Resolution #09-13 was offered by Mrs. Papen, on motion of Mrs. Papen, and seconded by Mr. Murphy. The resolution was unanimously approved.

RESOLUTION #09-13

WHEREAS, the Township of Scotch Plains submitted a Treatment Works Application on behalf of Harbor Consultants, Inc. and D'Amore Residence for property located on Eton Row in the Township of Scotch Plains, State of New Jersey; and

WHEREAS, the application is for the construction of 255 lf of sewer to service two single family homes with a proposed flow of 600 gpd; and

WHEREAS, the flow from the foregoing connection will not cause the Authority to exceed its permitted flow of 40 mgd; and

WHEREAS, the application has been reviewed by Michael J. Brinker, Jr., P.E., Executive Director/Chief Engineer, and found to be in order.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that it does hereby accept and approve the aforesaid application.

The following Resolution #09-14 was offered by Mrs. Abram, on motion of Mrs. Abram, and seconded by Mr. Chin.

Mr. Brinker stated that this is a realignment of a sewer along the river and asked if it could be one of the reasons for Springfield's exceedance. Mrs. Abram stated she did not know, however, would contact her Engineer and ask the question.

As there was no further discussion, the question was called and the resolution was unanimously approved.

RESOLUTION #09-14

WHEREAS, the Township of Springfield submitted a Treatment Works Application for a sewer realignment project in the Township of Springfield, State of New Jersey; and

WHEREAS, the application is for the realignment of sanitary sewer located along the Rahway River on Meisel Avenue, and will include the addition of manholes and reinforced concrete pipe to an existing sewer line which has been exposed due to erosion along the river and will not result in any additional flow; and

WHEREAS, the flow from the foregoing project will not cause the Authority to exceed its permitted flow of 40 mgd; and

WHEREAS, the application has been reviewed by Michael J. Brinker, Jr., P.E., Executive Director/Chief Engineer, and found to be in order.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that it does hereby accept and approve the aforesaid application.

The following Resolution #09-15 was offered by Mr. Sefranka, on motion of Mr. Sefranka, and seconded by Mr. Murphy. The resolution was unanimously approved.

RESOLUTION #09-15

WHEREAS, the City of Rahway submitted a Treatment Works Application on behalf of MCB Engineering and Renaissance at Rahway LLC for property located on East Grand Avenue and Monroe Street in the City of Rahway, State of New Jersey; and

WHEREAS, an application for the aforementioned project was previously approved for 72 units (64 2-Bedroom and 8 1-Bedroom Units) with a proposed flow of 15,600 gpd; the applicant is seeking to revise this to 88 units (44 2-Bedroom and 44 1-Bedroom Units) with a proposed flow of 16,500 gpd, which is an increase of 900 gpd; and

WHEREAS, the flow from the foregoing connection will not cause the Authority to exceed its permitted flow of 40 mgd; and

WHEREAS, the application has been reviewed by Michael J. Brinker, Jr., P.E., Executive Director/Chief Engineer, and found to be in order.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that it does hereby accept and approve the aforesaid application.

The following Resolution #09-16 was offered by Mr. Sefranka, on motion of Mr. Sefranka, and seconded by Mr. Chin. The resolution was unanimously approved.

RESOLUTION #09-16

WHEREAS, the City of Rahway submitted a Treatment Works Application on behalf of EKA Associates and Station Place at Rahway for property located on Campbell Street in the City of Rahway, State of New Jersey; and

WHEREAS, an application for the aforementioned project was previously approved for 80 2-Bedroom Units with a proposed flow of 18,000 gpd; the applicant is seeking to revise this to 116 units (64 2-Bedroom and 52 1-Bedroom Units) with a proposed flow of 22,200 gpd, which is an increase of 4,200 gpd; and

WHEREAS, the flow from the foregoing connection will not cause the Authority to exceed its permitted flow of 40 mgd; and

WHEREAS, the application has been reviewed by Michael J. Brinker, Jr., P.E., Executive Director/Chief Engineer, and found to be in order.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that it does hereby accept and approve the aforesaid application.

The following Resolution #09-17 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. Murphy. The resolution was unanimously approved.

RESOLUTION #09-17

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, #09-08 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 \$24,904.91; 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 \$2,380,375.45 be and are hereby amended to provide for the increased contract amount of \$24,904.91 resulting in an amended contract amount not to exceed \$2,405,280.36; 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 #09-18 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. Sefranka. The resolution was unanimously approved.

RESOLUTION #09-18

WHEREAS, the Rahway Valley Sewerage Authority previously approved Resolutions #05-14, #09-09 and related Agreements 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 January 2009; and

WHEREAS, the additional amount to be authorized for this Contract is \$202,421.26; 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 \$10,862,407.33 be and are hereby amended to provide for the increased contract amount of \$202,421.26 resulting in an amended contract amount not to exceed \$11,064,828.59; 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 #09-19 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. Papen. The resolution was unanimously approved.

RESOLUTION #09-19

WHEREAS, the Rahway Valley Sewerage Authority (Authority) received a proposal from Paulus, Sokolowski & Sartor, 67A Mountain Blvd. Ext., Warren, NJ 07059 for Engineering Services related to Contract #161E Engineering Services related to the Rehabilitation of the Sludge Storage Tank Covers, Sludge Storage Control Building and Sludge Pumping Station; and

WHEREAS, the Authority received the proposal from Paulus, Sokolowski & Sartor dated February 2, 2009, reflecting an amount of \$99,700.00 for the work necessary on this contract; and

WHEREAS, Services of this nature have been determined to be exempt from public bidding under Title 40A; 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 Paulus, Sokolowski & Sartor to perform the services described herein at a cost of \$99,700.00; and

BE IT FURTHER RESOLVED that a Contract for the services described herein be

entered into and approved by the Authority; and

BE IT FURTHER RESOLVED that said Contract must be executed by both parties within 90 days of award, in the event that the designated Party to this contract fails or refuses to sign said contract and all terms and conditions included therein, this Resolution shall be void and services shall be forthwith terminated; and

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

The following Resolution #09-20 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. Sefranka. The resolution was unanimously approved.

RESOLUTION #09-20

WHEREAS, the Rahway Valley Sewerage Authority previously approved Resolution #08-82 and related Agreement for Contract #0826 – 2008 Legal Services related to Regulatory Matters, for the purpose of engaging Greenbaum, Rowe, Smith & Davis of Metro Corporate Campus, Woodbridge, NJ 07095, for Professional Services; and

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

WHEREAS, Greenbaum, Rowe, Smith & Davis submitted documentation reflecting the need for additional monies related to their work on Contract #0826; and

WHEREAS, the additional amount to be authorized for this Contract is \$1,959.00; 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 2008 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 Resolution and related Agreement with Greenbaum, Rowe, Smith & Davis in an amount of \$8,000.00 be and are hereby amended to provide for the increased contract amount of \$1,959.00 resulting in an amended contract amount not to exceed \$9,959.00; 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.

Bills and Claims

Mr. Murphy 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
2362	01/20/09	CONSOLIDATED CONSTRUCTION MGT.	140.7	140,143.33
2363	02/19/09	ARGENT ASSOCIATES LLC	140.7	597.50
2364	02/19/09	CDW GOVERNMENT, INC.	140.7	301.00
2365	02/19/09	COASTAL TECHNICAL SALES, INC.	140.7	11,567.08
2366	02/19/09	CONSOLIDATED CONSTRUCTION MGT.	140.2	28,833.01
2367	02/19/09	e-CUBED CONSULTING, LLC	140.7	8,035.00
2368	02/19/09	EE CRUZ COMPANY INC.	140.7	330,821.71
2369	02/19/09	PAULUS, SOKOLOWSKI & SARTOR	140.7/9	4,985.00
2370	02/19/09	TUTTLE RAILING SYSTEMS	140.7	11,000.00
2371	02/19/09	WEINER LESNIAK LLP	140.9	2,259.00

Total Building & Equipment Fund Checks: 10

Total Void Checks: 0

Total Amount Void: \$.00

Total Amount

Paid: \$538,542.63

CONSTRUCTION FUND

CHECK	DATE	VENDOR	ACCT/LINE#	AMOUNT
1185	02/19/09	PAULUS, SOKOLOWSKI & SARTOR	140.4	1,038.00

Total Construction Fund Checks: 1

Total Void Checks: 0

Total Amount Void: \$.00

Total Amount Paid: \$1,038.00

OPERATING FUND

CHECK	DATE	VENDOR	ACCT/LINE#	AMOUNT
35790	01/20/09	VISION SERVICE PLAN	03	1,193.01
35791	01/29/09	RAHWAY VALLEY SEWERAGE AUTH.	01/02	177,290.83
35792	01/30/09	DELTA DENTAL PLAN OF NJ	03	5,276.59
35793	01/30/09	STANDARD INSURANCE COMPANY	03	2,204.13
35794	01/30/09	VERIZON WIRELESS	11	832.03
35795	01/30/09	VISION SERVICE PLAN	03	1,172.08
35796	02/03/09	PITNEY BOWES, INC.	48	82.00
35797	02/03/09	PURCHASE POWER	48	70.62
35798	02/09/09	STAPLES BUSINESS ADVANTAGE	27	282.63
35799	02/09/09	TRUMP MARINA HOTEL CASINO	15/49	360.00
35800	02/11/09	HP EXPRESS SERVICE	27	274.00
35801	02/19/09	A TOUCH OF ITALY	49	237.00
35802	02/19/09	ACCELERATED TECHNOLOGY	27	14,174.30
35803	02/19/09	ADP, INC.	03	170.28

35804	02/19/09	ADP, INC.	16	2,206.05
35805	02/19/09	ADVANCED SPECIALTY SALES, INC.	32	997.32
35806	02/19/09	ALL AMERICAN SEWER SERVICE INC.	21/32	37,090.00
35807	02/19/09	ALLIED ELECTRONICS INC.	27	202.43
35808	02/19/09	AMERICAN INDUSTRIAL SUPPLY CORP	32	1,721.10
35809	02/19/09	AMERICAN WEAR	32	1,408.00
35810	02/19/09	APPLIED ANALYTICS, INC.	32	1,772.10
35811	02/19/09	APPROVED FIRE PROTECTION CO.	31	1,154.15
35812	02/19/09	ATLANTIC REMEDIAL TECHNOLOGIES	32	6,165.45
35813	02/19/09	ASSOCIATED AUTO PARTS	35	90.76
35814	02/19/09	ASSOCIATION OF ENV.AUTH.	15/31/49	4,935.00
35815	02/19/09	ATLANTIC COMMUNICATIONS	31/32	12,726.50
35816	02/19/09	AVENEL REFRIGERATION	40	597.70
35817	02/19/09	AVOGADRO ENVIRONMENTAL CORP.	41	10,155.48
35818	02/19/09	AXYS ANALYTICAL SERVICES LTD	41/48	17,983.24
35819	02/19/09	BARTELL FARM & GARDEN SUPPLY	40	15.75
35820	02/19/09	BIRD-X	32	236.00
35821	02/19/09	GEORGE T. BISEL CO., INC.	13	109.00
35822	02/19/09	BOWCO LABORATORIES, INC.	32	63.00
35823	02/19/09	MICHAEL J. BRINKER, JR.	13	1,065.09
35824	02/19/09	CAMP, DRESSER & MCKEE, INC.	06	616.71
35825	02/19/09	CAMPBELL FOUNDRY COMPANY	42	917.00
35826	02/19/09	CANON FINANCIAL SERVICES, INC.	16	1,360.90
35827	02/19/09	C C STEVEN & ASSOCIATES	32	2,633.98
35828	02/19/09	CCH GROUP	13	165.00
35829	02/19/09	CDW GOVERNMENT, INC.	27/32	3,449.58
35830	02/19/09	CENTRISYS CORPORATION	32	8,438.03
35831	02/19/09	CITY OF RAHWAY, UNITED WATER	33	16,581.94
35832	02/19/09	COGENT COMMUNICATIONS, INC.	27	674.00
35833	02/19/09	CONDUCTIX WAMPFLER	32	1,172.27
35834	02/19/09	CONSOLIDATED RAIL CORP.	18	686.16
35835	02/19/09	COOPER ELECTRIC SUPPLY CO.	27/32	6,077.38
35836	02/19/09	CSL SERVICES, INC.	30	15,331.88
35837	02/19/09	D2L ASSOCIATES, INC.	42	6,200.00
35838	02/19/09	DAVID WEBER OIL COMPANY	32	130.20
35839	02/19/09	DELL MARKETING L.P.	27	205.08
35840	02/19/09	DIVITA BALANCE SERVICE CO.	40	340.00
35841	02/19/09	ELIZABETHTOWN GAS	22	3,221.36
35842	02/19/09	ENVIRONMENTAL RESOURCE ASSOC.	40	593.18
35843	02/19/09	ELIZABETHTOWN GAS	22	16,394.04
35844	02/19/09	FEDEX	48	347.93
35845	02/19/09	FISHER SCIENTIFIC	40	1,574.56
35846	02/19/09	GABRIEL DISCOUNT TIRE CENTER	35	730.95
35847	02/19/09	GANNETT NJ NEWSPAPERS	12	1,440.90
35848	02/19/09	W.W. GRAINGER, INC	32/35	1,020.44
35849	02/19/09	GARY W. GRAY TRUCKING, INC.	25	67,875.58
35850	02/19/09	GREAT LAKES ENVIRONMENTAL	41	1,062.25
35851	02/19/09	GREENBAUM, ROWE, SMITH & DAVIS	08	9,959.00
35852	02/19/09	GREENWOOD PRODUCTS, INC.	43	160.67
35853	02/19/09	HACH COMPANY	40/43	1,092.84
35854	02/19/09	HALL & ASSOCIATES	41	4,277.65
35855	02/19/09	HAYES PUMP INC	32	660.86

35856	02/19/09	HESS CORPORATION	19	227,563.24
35857	02/19/09	HI-BRETT PURATEX	32	1,081.70
35858	02/19/09	HOME DEPOT CREDIT SERVICES	32	361.75
35859	02/19/09	INDUSTRIAL RUBBER COMPANY	32	776.12
35860	02/19/09	INTERNATIONAL SALT COMPANY	32	2,495.56
35861	02/19/09	JACOBSON DISTRIBUTING COMPANY	32	160.00
35862	02/19/09	JERSEY ELEVATOR COMPANY INC.	32	182.71
35863	02/19/09	JRM MEDICAL SERVICES, INC.	40	820.00
35864	02/19/09	JOE ROMER TROPHY SHOP	13	65.83
35865	02/19/09	JW GOODLIFFE & SON	32	1,875.00
35866	02/19/09	LAB SAFETY SUPPLY, INC.	31/43	1,576.58
35867	02/19/09	MAFFEY'S SECURITY GROUP	32	2,142.00
35868	02/19/09	MAGELLAN BEHAVIORAL HEALTH	03	568.89
35869	02/19/09	McELROY, DEUTSCH, MULVANEY	08	990.00
35870	02/19/09	MCINTYRE'S LOCK & LAWNMOWER SHOP	32	208.75
35871	02/19/09	MCMASTER-CARR SUPPLY CO.	32/35	1,617.48
35872	02/19/09	METALS USA	32	1,850.00
35873	02/19/09	MIDDLESEX WATER COMPANY	33	1,826.93
35874	02/19/09	MODERN HANDLING EQUIP. OF NJ	35	737.66
35875	02/19/09	NJ MANUFACTURERS INSURANCE CO.	17	18,085.00
35876	02/19/09	TREASURER - STATE OF NJ	37	400.00
35877	02/19/09	NJ STATE LEAGUE OF MUNIC.	31/49	270.00
35878	02/19/09	NJ WATER ENVIRONMENT ASSOC.	31	9.99
35879	02/19/09	NW FINANCIAL GROUP	09	552.50
35880	02/19/09	O'JOHNNIES, INC.	13	720.87
35881	02/19/09	ONE CALL SYSTEMS, INC.	32	57.20
35882	02/19/09	PAULUS, SOKOLOWSKI & SARTOR	06	12,183.32
35883	02/19/09	POLAND SPRING	46	131.59
35884	02/19/09	POLYDYNE INC	23	40,940.00
35885	02/19/09	PSE&G COMPANY	42	531.23
35886	02/19/09	PSE&G COMPANY	19	33,585.51
35887	02/19/09	PUBLIC EMPLOYEES RETIREMENT SYS.	04	74.81
35888	02/19/09	QC LABORATORIES	41	2,518.00
35889	02/19/09	R&C VALVE REPAIR, INC.	32	153.24
35890	02/19/09	CITY OF RAHWAY	18	10.00
35891	02/19/09	RAHWAY ELECTRIC SUPPLY CO.	32	2,008.33
35892	02/19/09	RARITAN SUPPLY COMPANY	32	916.00
35893	02/19/09	REINER GROUP INC.	32	243.00
35894	02/19/09	RICHARD LUCAS CHEVROLET	35	816.07
35895	02/19/09	FRANCISCO RIVERA, JR.	31	150.00
35896	02/19/09	RUTGERS, THE STATE UNIVERSITY	31	690.00
35897	02/19/09	RAHWAY VALLEY SEWERAGE AUTH.	01/02	258,105.72
35898	02/19/09	RVSA PETTY CASH	14	332.63
35899	02/19/09	DARREN SCHIPPE	31	399.00
35900	02/19/09	SMITH TRACTOR & EQUIPMENT INC.	35	97.04
35901	02/19/09	SPECTRASERV INC.	26	10,870.16
35902	02/19/09	STAR LEDGER	12	1,545.70
35903	02/19/09	STORR TRACTOR COMPANY	32	20,181.00
35904	02/19/09	THE BANK OF NEW YORK MELLON	09	3,000.00
35905	02/19/09	THE SPI GROUP, LLC	27/46	7,879.92
35906	02/19/09	TREASURER - STATE OF NJ	37	328,264.83
35907	02/19/09	TRUMP TAJ MAHAL CASINO RESORT	49	1,588.25

35908	02/19/09	TURTLE & HUGHES INC.	32	1,606.84
35909	02/19/09	UNITED PARCEL SERVICE	48	140.81
35910	02/19/09	USA BLUEBOOK	32	1,999.50
35911	02/19/09	VAN HOUTEN-AVENEL PLUMBING	32	270.40
35912	02/19/09	VERIZON CONFERENCING	11	83.50
35913	02/19/09	VERIZON	11/30	3,037.65
35914	02/19/09	VERIZON WIRELESS	11	1,675.02
35915	02/19/09	VIRTUAL COMPUTER SOLUTIONS	27	525.00
35916	02/19/09	DANIEL WARD	31	34.89
35917	02/19/09	WEINER LESNIAK LLP	07/08	95,510.86
35918	02/19/09	921-GTS-WELCO	32	343.65
35919	02/19/09	WOODRUFF ENERGY	22	4,762.10
35920	02/19/09	WILLIAM YACHERA	31	150.00

Total Operating Fund Checks: 131
Total Void Checks: 0
Total Amount Void: 0.00
Total Amount Paid: 1,584,457.27

Total All Fund Checks: 142
Total Void Checks: 0
Total Amount Void: \$0.00
Total Amount Paid: \$2,124,037.90

OPERATING FUND	8-01	368,048.82
BUILDING & EQUIPMENT FUND	8-02	193,297.34
CONSTRUCTION FUND	8-04	<u>1,038.00</u>
2008 YEAR TOTAL		562,384.16

OPERATING FUND	9-01	1,216,408.45
BUILDING & EQUIPMENT FUND	9-02	<u>345,245.29</u>
2009 YEAR TOTAL:		1,561,653.74
TOTAL ALL FUNDS		2,124,037.90

Open the Floor to the Public

Mr. William Caruso addressed the Board. He stated that he is a taxpayer, a resident of Clark Township and a former Councilman. He stated that he was at the meeting to tell the Commissioners what is really going on. It seems that the people in these towns believe that the Commissioners on this Board are flushing us right out of town. They believe the Board is a runaway train. They believe that the Authority spent so much on the redevelopment of the plant and cogeneration plant and that it's a bottomless hole. Mr. Caruso said that someone from the Board needs to explain to these towns what is really going on down here. Who is going to take responsibility for this? Was this planned? Was there a cap on spending? He said "we understand that the Authority received a letter from the NJDEP mandating the upgrade of the plant, but the final paragraph did not say spend what ever you want." Most people do not even know how the system works; all they know is that they flush their toilets and hope that it goes down and that the system works. Mr. Caruso said that in Clark alone, 92 homes are up for sale and 27 homes are in foreclosure and noted that it's not only happening in his town but in all the

towns. Mr. Caruso said that Mr. Venturo stated that we have to stop spending money and he is absolutely correct. He added that if any of the Commissioners stood for election, they wouldn't be elected. He stated that the meetings should be televised and someone should also go to Washington to tell them we need some of the stimulus money.

Mrs. Papen advised Mr. Caruso that we do record the meetings and the recordings are available to the member municipalities for free, if they request them.

Mr. Chin stated that Clark Township implemented direct billing and asked Mr. Caruso what his assessment was for the year. Mr. Caruso stated that he is retired but believes he was charged \$175.00 and it's no longer in the tax base. Mr. Chin asked Mr. Caruso to spend some of his time to find out what residents are paying in other towns. Mr. Caruso said that's not an excuse. Mr. Chin also asked Mr. Caruso what his electric bill was last month. Was it \$75, \$80 or higher? Mr. Chin told Mr. Caruso to look at all of his utilities and noted that the prices that everyone are paying for all their utilities and noted that they take the sewage for granted. People flush but don't stop to think about the cost of treatment, which is the least expensive of all of the utilities.

Mr. Joseph Pubchara addressed the Board. He stated that he is also a resident of Clark and a taxpayer. He asked about the increases. He stated that the plant upgrade project started out as a \$70 Million project and is now at \$250 Million. He asked what is to stop it from going to \$300 Million in a year. He also asked about Winfield, Linden and Fanwood being non member users of this system.

Mr. Brinker stated that there are 240 homes off of Raritan Road in Linden that discharge into the Cranford trunk line and noted that they have an agreement with Cranford. Mr. Brinker added that Winfield has an agreement with Clark and Fanwood has an agreement with Scotch Plains, so the answer is that they are paying their share through the member municipality that they have an agreement with.

Mr. Pubchara asked what is done with the RVSA's bi-product. He wanted to know if the sludge is sold for agricultural purposes or is it given away. Mr. Brinker stated that we pay to remove our dewatered sludge at the present time. When our sludge dryer goes on line, that product will be used as a soil enhancer and whatever profit the purveyor realizes, will be split between the purveyor and the RVSA 50/50, however, we will still pay for the hauling costs. Mr. Brinker added that the methane gas is used in dual fuel boilers here on the site and will be used in the future in the cogeneration facility.

Mr. Pubchara stated that it appears that it is more economically feasible to run the plant without the cogeneration facility. Mr. Brinker stated that we do not know that yet as we have not been able to go into full operation with the cogeneration and sludge drying facility. Once we are able to do that we will be better able to analyze it.

Mr. Pubchara stated that he just wanted the Board to know that there are residents out there who are hurting from the current economic crisis and hoped that the Board would do all it could to not hit the taxpayers with any additional costs.

Mr. Mazzarella stated that all of the Commissioners here are very concerned and passionate about trying to keep the costs down. Mr. Brinker stated that the staff is also as passionate about keeping the costs down.

Mr. Pubchara thanked the Board and left the meeting at this time.

Closed Session

Mr. Luban made a motion to go into closed session at this time, 9:15 p.m., to discuss legal and personnel related matters, based on Attorney Client privilege. The motion was seconded by Mr. Mazzarella and unanimously approved.

Mr. Chin made a motion to return to the regular order of business at this time, 9:37 p.m. The motion was seconded by Mr. Luban and unanimously approved.

Return to Regular Order of Business

Adjournment

As there was no further business, on motion of Mr. Chin, seconded by Mr. Luban, the meeting adjourned at 9:38 p.m. The motion was unanimously approved.

Robert J. Materna
Robert J. Materna, Secretary-Treasurer

JG/jg
Attachments