

RAHWAY VALLEY SEWERAGE AUTHORITY

Summary of Minutes

Regular Meeting held January 21, 2010

- Minutes
None.

- Communications
A letter from Claire Gray, the Municipal Clerk for the Town of Westfield regarding the appointment of Allen Chin.

- Treasurers Reports
None.

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

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

- Counsel
Overview of legal matters.

- Committees
Reports were given by the Engineering, Finance and Personnel Committees.

- Unfinished Business
None.

- New Business
Approved the following: Security Purchases; Adopt the 2010 Budget; First Reading of the Amended Rules and Regulations; and personnel related items.

- New Business (Cont'd.)
Approved the following expenditures: Amend Contract #105-C to CCMS in an amount of \$12,565,59; Award Contract #155-A/E to PS&S in an amount of \$30,000.00.

- Bills & Claims

OPERATING FUND	0-01	\$462,842.77
OPERATING FUND	9-01	\$626,293.33
BUILDING & EQUIPMENT FUND	9-02	<u>\$411,896.01</u>
TOTAL ALL FUNDS:		\$1,501,032.11

RAHWAY VALLEY SEWERAGE AUTHORITY

Regular Meeting Minutes – January 21, 2010

The Vice Chairman stated that the Chairman had advised that he would be arriving late this evening and asked that the Vice Chairman start the meeting in his absence.

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

The Vice 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 Vice 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 Vice Chairman stated we shall proceed with our regularly scheduled meeting.

The Vice 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
	Stephen Greet	for the Borough of Garwood
	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. Venturo	for the Borough of Roselle Park

* Arrived after roll call at 7:40 p.m.

** Arrived after roll call at 7:42 p.m.

The following member was absent:

Robert G. Luban	for the Township of Woodbridge
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The following were also present:

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:

Robert Valent	RVSA Superintendent
Dan Ward	RVSA Maintenance Manager
Anthony Gencarelli	RVSA Manager of Regulatory Compliance
Robert Poltz	RVSA MIS Manager
Donna Corris	RVSA Payroll & Benefits Administrator
Thomas Macaluso	RVSA Asst. Laboratory Supervisor
Robert Safchinsky	RVSA Maintenance Coordinator
Sandretta Buchanon	Receptionist
Mr. Buchanon	Relative of RVSA Employee
Jim Thor	RVSA Employee
Cisco Rivera	RVSA Employee
Steve Moriera	RVSA Employee
Tom Watters	RVSA Employee
Harry Dones	RVSA Employee
John Buonocore	CCMS

Approval of Minutes

The Vice Chairman stated that the minutes of the Regular Meeting held December 16, 2009 have not been finalized and therefore, no action will be taken at this time.

Communications

The following resolution dated January 5, 2010, addressed to Joanne Grimes, was received January 19, 2010 from Claire Gray, Municipal Clerk for the Town of Westfield:

“WHEREAS, in accordance with R.S. 40:14A-4 and the by-laws of the Rahway Valley Sewerage Authority created pursuant thereto, the Town of Westfield is entitled to appoint one member of the said Authority for a term of five (5) years: and

NOW, TEHREFORE, BE IT RESOLVED by the Town Council of the Town of Westfield that Allen Chin is hereby appointed a member of the Rahway Valley Sewerage Authority for a term of five (5) years, commencing and effective February 1, 2010; and

BE IT FRUTHER RESOLVED that the Town Clerk is hereby authorized and directed to file a certified copy of this resolution along with the appropriate filing fee of \$5.00 to the State of New Jersey, Division of Revenue, 225 West State Street, PO Box 308, Trenton , NJ 08625-0308 and a certified copy to the Secretary-Treasurer of the Authority.”

Report of Treasurer

The Treasurer’s Reports for the month of December 2009 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 12/17/09 and 1/20/10. A copy of the log sheet with additional information related to these applications has been distributed for your reference:

Number	Date	Applicant	Municipality
1155-09-WB	12/29/09	Meenu Verma	Woodbridge
1156-09-WB	12/29/09	Sweetwater Construction Corp.	Woodbridge
1157-09-WB	01/06/10	Francesco Bagel/ Demetrios Georgallis	Woodbridge
1158-10-WB	01/19/10	Ahmed Halal Meat Mkt./Mansoor Tahir	Woodbridge

Monthly Reports

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

- PS&S Monthly Engineering Report
- Weiner Lesniak – Monthly Report
- RVSA Contractors & Engineers Claims for Payment
- RVSA Purchase Orders in Excess of \$1500.00
- RVSA Operations Report
- IPP Monthly Report

CCMS - Contract #105 – Cogeneration Facility – No written report was submitted as not much activity had taken place, however, John Buonocore gave a verbal report.

CCMS - Contract #155 – WWTP Upgrade. No written report was submitted as not much activity had taken place; however, John Buonocore gave a verbal report.

The following updated reports were received and will be discussed this evening:

- PS&S Monthly Report Update
- Weiner Lesniak – Monthly Report Update

Contract #105-C Construction Oversight Services - CCMS

Contract Amendments are being processed monthly for work being performed by CCMS and PS&S on Contract #105-C. CCMS's current invoice (Amendment #22) is in the amount of \$12,565.59 total amended contract amount of \$2,656,488.56. This was discussed at the Engineering Committee Meeting and action is on the agenda under New Business.

Contract #105 – Sludge Dryer

As reported by Robert Valent, RVSA Superintendent, at the Engineering Committee Meeting, the Sludge Dryer was put into operation on January 6th and has been in operation since. The dryer will be operated 5 days per week as intended.

PADEP (Pennsylvania DEP) visited the plant site on January 11th to observe the operation of the

dryer. They are in the process of reviewing a Permit Application for Class A Biosolids Reuse in PA, which was submitted by We-Care Organics regarding RVSA's dried Biosolids.

Contract #155-C Construction Oversight Services - CCMS

CCMS is working on Contract Close out.

Contract #155-A/E Contract Closeout Mediation Services

As discussed at the Engineering Committee Meeting, the Design Engineer Team of PS&S/M&E (AECOM)/CDM have requested an estimated amount of \$30,000.00 for their assistance in the Delay Claim Mediation, as reported by Counsel. The Engineering Committee recommended approval and action is on the agenda under New Business.

Contract #159 – CSP Chemical Feed System Improvements

A&A Industrial is continuing work on this contract. The Consulting Engineer will report further on the status of this contract.

Excess Flow Hearings

Annual Excess Flow Hearings will be held February 25, 2010 for Woodbridge (6:30 p.m.), Kenilworth (7:00 p.m.), Roselle Park (7:30 p.m.) and Springfield (8:00 p.m.). Letters were sent January 6, 2010, to these municipalities regarding the Hearings.

User Charges / Billing

As mentioned at the December meeting by Mr. Murphy, and suggested at that same meeting by representatives of several member municipalities, the board discussed the possibility of changing the method in the determination of the user charges and the billing process specified in the 1995 Agreement among the member municipalities, and other issues related to this matter. This was discussed at the Engineering Committee Meeting.

Counsel will address this matter further.

Mrs. Papen stated that the Board had decided that a letter would go out to the towns that we were contemplating looking into this study and before we did any further work, we wanted to know the members interests. Mr. Mazarella stated he thought Mrs. Papen was correct.

Mrs. Papen said that Counsel is supposed to address this matter and asked in what way. Mr. Materna said that we will discuss this matter further at an upcoming Engineering meeting. Mrs. Papen noted that we want to get moving on this, we don't want to postpone it.

Mr. Mazarella said that if we are going to be discussing this at the Engineering Committee Meeting, Mr. Wancho could get the NJDEP regulations regarding billing methodologies and distribute that to all of the Commissioners. Mr. Wancho stated that he could provide that to the Commissioners in a couple of days.

Mr. Murphy stated that again, the report indicates that Counsel will report on this. Mr. Hak noted that after consulting with Mr. Materna and Mr. Chin, they felt that the letter should take the form of an invitation for the municipalities to come and have a presentation given to them on the issue.

Mr. Hak stated that he feels that Mrs. Grimes should prepare the invitation letter and suggested that the Commissioners decide on when they want to have the presentation. If we don't decide now, it will end up being deferred again and again. Mr. Chin stated that before we pick a date, who is going to make the presentation and put the program together? Mr. Hak suggested that PS&S be involved in putting everything together. Mr. Mazzarella stated he thinks there should be an overview letter first, saying we want to entertain a methodology change and get their response. After the letter is drafted, the Commissioners can have input and then the letter can go out to the communities.

Mr. Materna stated that a sensitive portion of a presentation is to communicate that any change in the billing allocation from the 5 year moving average to another method (i.e. EDU or water usage), will require unanimous consent by the member municipalities. Mr. Mazzarella stated that we have to get feed back from the municipalities before we can go forward.

Mr. Mazzarella and Mrs. Abram both indicated that their municipalities would like the Authority to direct bill changes to users and not to have the towns act as a pass through. Mr. Materna stated that "direct billing" is a major undertaking. Mr. Greet stated that the RVSA would then have to be the enforcer of unpaid accounts, property liens, etc. Mr. Materna stated that he is in favor of reviewing the methodology (5 year moving average vs. the other options), but the undertaking of the responsibility to bill the 100,000 customers is an overwhelming process. He added that he has reservations about the Authority undertaking responsibility for direct billing to its users.

Mr. Murphy stated that we should contact the other Authorities to find out what method they use to bill their users. He asked Mr. Wancho to look into this.

After further discussion, Mr. Mazzarella asked that Mr. Wancho work with Mrs. Grimes to formulate the letter, provide it to the Commissioners for review and then send it out.

Rules & Regulations

Janet Thevenin, IPP Coordinator, has been working with the NJDEP and Regulatory Counsel on the revisions to the RVSA Rules and Regulations. On January 5, 2009, the NJDEP readopted the NJPDES regulations (N.J.A.C. 7:14A) to incorporate changes in 40 CFR Part 403 due to the Federal Streamlining Rule. As a result, the RVSA was required to revise its Rules and Regulations to address the new requirements in N.J.A.C. 7:14A Subchapter 19. After review by the RVSA counsel, the Eighth Revision of the Rules and Regulations Concerning Discharges (Rules and Regulations) to the RVSA was submitted to the NJDEP for approval on July 1, 2009. Additional modifications were made to the Rules and Regulations based on subsequent NJDEP comments and the document was resubmitted for approval during the months of October and November. In a letter dated December 1, 2009, the NJDEP approved the proposed modifications permitting the RVSA to finalize adoption of the Eighth Revision of the Rules and Regulations.

* Allen Chin and Brian Hak arrived at this time, 7:40 p.m.

The major changes to the Rules and Regulations as a result of the most recent revision include new requirements allowing for the use of Best Management Practices in lieu of local limits, conversion of mass and concentration limits, and granting of sampling waivers for pollutants not believed to be present in wastewater discharges. Additionally, the new regulations require the RVSA to evaluate Indirect Users for the need to develop and implement a Slug Control Plan. A summary of the amendments to the RVSA Rules and Regulations was distributed to the Commissioners for review.

** Maria Abram arrived at this time, 7:42 p.m.

Report of Consulting Engineer

The following report to the Authority's Board summarizes our activities for the period of December 12, 2009 through January 18, 2010.

Trunk Sewer Rehabilitation - Contract #144

The mediation that was requested by the Contractor is scheduled for January 12, 2010. PS&S is currently reviewing documentation in preparation for the mediation. A meeting and a conference call was held with General Counsel in preparation for the mediation.

Air Permitting

PS&S has continued to provide follow-up review, discussions and input regarding the most recent NJDEP draft Title V Air Permit Modification Approval regarding the operation of the Cogen engines, and PS&S is in the process of preparing comments on behalf of the Authority regarding the clarification and revision of conditions of concern in the NJDEP draft.

In addition, upon startup of the Cogeneration/Sludge Drying Facility's Thermal Hot Oil Heater (Oil Heater), PS&S will be providing assistance to the Authority regarding the preparation of the required USEPA notification and information submittal for the startup of the Oil Heater; and PS&S will also continue to provide assistance to try to obtain relief from the USEPA requirement to maintain detailed records of every startup & shutdown etc. of the Oil Heater.

Contract 158 Outfall Repair

Montana Construction has completed all contract work including the wetlands restoration. PS&S has discussed the wetlands restoration with the NJDEP they appear to be satisfied with the restoration efforts. PS&S has approved the final payment requisition which will close out the project.

Contract 159 Chemical Feed System Improvements

Work has continued in both the Headwork's and Pump and Blower Buildings. The work

includes demolition and installation of the following: double containment chemical piping and supports, HVAC equipment, hydronic piping, dilution and cold water piping, FRP grating and handrails, stairs and platforms, interior and exterior emergency shower/eyewash stations, chemical pumps control panels, pipe testing and conduit runs to pump control panels and various electrical devices. The contractor has recently submitted his construction schedule with a contract completion date of June 24, 2010. The contractor is currently beyond the original contract completion date of October 27, 2009.

Contract 161 Rehabilitation of the Sludge Storage Tank Covers, Sludge Storage Tank Control Building and Sludge Pumping Station

Spectraserv Inc. has completed all tank rehabilitation work. Spectraserv has also completed the sludge pumping station roof work. PS&S will begin project close out.

User Charge and Flow Rights Reports

The November Flow Rights and User Charge updates were prepared by PS&S in December. Because excessively high peak flows were identified for Meter No. 1 (Springfield), PS&S requested that this be evaluated by CSL prior to release of final reports. CSL has reported that the area-velocity type meter currently installed at Meter No. 1 is providing accurate repeatable data in accordance with manufacturers specifications. In addition, high BOD and TSS readings continue to be noted for Meter No. 20 (Mountainside). PS&S has discussed the high BOD and TSS results with the engineer for the Borough of Mountainside. Final reports for the November data were provided to the Authority on January 11, 2010. The December reports were finalized and provided to the Authority on January 14, 2010.

Mr. Sefranka stated that Rahway noticed an unusually high amount of flow and added that this may have been inadvertently caused by contractor during work being done on the Monroe Street Bridge. This Rehabilitation Project is ongoing in Rahway which may have been part of the cause for high flows in Rahway.

Mr. Ventura said if we look at the flow reports for this month, we notice that practically everyone exceeded their flow rights. He stated that he would like to know after the Excess Flow Hearings for Roselle Park, Springfield and Woodbridge, will these hearings continue on for all the other members also. Mr. Mazzarella stated that Hearings will be held each year for any town that exceeds on more than 10 occasions and hopefully to get these municipalities to do I/I abatement work.

Mr. Ventura stated that Rahway does not have any meters measuring its flow. It is done by additions and subtraction from the other meters and they have combined sewers. Mr. Sefranka stated that – that comment is fundamentally incorrect. It's possible to have back water enter into the sanitary sewers because when one gets higher than the other, the flow reverses. When the tide goes out, it affects the flows in system.

Mr. Mazzarella stated that is precisely why we need to consider an alternate billing methodology.

Mr. LoForte asked how they measure flow rights specifically during the storms where we went

from 40 million gallons one day to 105 million gallons the next day. Mr. Wancho stated that the flow metering is done continuously throughout and essentially the flow numbers are calculated for your user charge requirements with a plus and minus meters depending on which town you are. The same calculation gets done for the peak flows for any given day. If the peak flow shows up as an exceedance to your flow rights, then that is indicated as a flow rights violation.

Mr. Mazzarella noted that the Board, in the past, has voted to disregard some flow exceedances for specific dates when severe weather affects the whole system similar to the storms we faced in December.

Mr. Venturo stated, for the new Commissioners, that the reading is taken at the highest level, even if it is only for a minute in a 24 hour period.

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 15, 2009 through January 19, 2010.

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 #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.

This office has received a Notice of Claim from the contractor on behalf of its electrical subcontractor which has been reviewed by the Authority and its consultants. A response has been submitted to the contractor setting forth the Authority's position with respect to same. The subcontractor has also recently filed a municipal mechanic's lien claim pursuant to N.J.S.A. 2A:44-125 et seq. in the amount of \$256,609.61 against monies owed to the general contractor. By letter dated August 25, 2009 the contractor has formally disputed the municipal mechanic's lien claim. Mediation sessions with respect to the subcontractor's claims have been scheduled for February 10, 2010, February 17, 2010 and, if necessary, February 18, 2010. This matter was discussed in Executive Session during the January 14, 2010 Engineering Committee meeting.

Cogeneration Facility

The Authority and the contractor have been named as defendants in a lawsuit filed by Caterpillar and Foley Power Systems ("CAT/Foley") seeking to repossess the temporary diesel generators that were installed by CAT/Foley on the Authority's property pursuant to an agreement executed between them and the contractor. The Authority's responsive pleading setting forth its Answer, Counterclaim and Crossclaim, including its claim for liquidated damages against the contractor, was filed on April 9, 2009. On July 2, 2009 the Authority filed 3rd party claims against its consultants PS&S and CCMS alleging its right to indemnification/contribution based on the

contractor's crossclaim for delay and errors and omissions. The parties have been engaged in discovery. CAT/Foley has filed a motion for partial summary judgment seeking judgment against JH Reid in the amount of \$669,250 in contract damages for past generator rental costs and an order that Reid pay \$66,925 monthly beginning January 1, 2010 for future rental costs of the generators. Reid has cross-moved against CAT/Foley for the payment of monies allegedly due Reid pursuant to an agreement entered into between Reid and CAT/Foley. CCMS has also moved for a stay of the court proceedings so that the matter may be sent to the alternate dispute procedures set forth in its contract with the Authority. All motions will be heard by the court on January 25, 2010.

We have also had extensive consultations with the Executive Director regarding the exhaust breeching restraint issue. Waldron Engineering has been retained by the Authority for purposes of calculating the design pressure so that a redesign of the breeching system can be performed. Waldron's final report dated January 12, 2010 regarding this issue has been distributed to all parties and the Board.

This matter was discussed in Executive Session during the January 14, 2010 Engineering Committee meeting.

Miscellaneous

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. On April 9, 2009 this office received an expert's report from the contractor's counsel purportedly supporting its three (3) claims. A response to the report prepared by the Authority's consultants denying the basis for the contractor's claims has been forwarded to the contractor. A mediation session regarding the contractor's claims was held at the Authority's offices on January 12, 2010. This matter was discussed in Executive Session during the January 14, 2010 Engineering Committee meeting.

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.

The Authority filed its Answer to the Third Party Complaint on September 25, 2009. This office has been selected to serve on a Steering Committee in order to provide a voice to public entity third-party defendants, such as the Authority, with respect to certain procedural issues including early disposition through motions to dismiss. This office has also been asked to participate on a sewerage authority subcommittee which is responsible for coordinating efforts with other sewerage authority third party defendants for purposes of presenting defenses that are unique to the subgroup. An ADR Planning Session meeting was held on January 14, 2010 the objective of which was to obtain ideas from counsel relating to the scope of settlement, timetable for negotiations, structure of ADR discussions, and funding issues. This matter was discussed in Executive Session during the January 14, 2010 Engineering Committee meeting.

Clark Twsp. Assessment issue

On August 18, 2009 the Authority was served with a lawsuit filed by Clark Twsp. seeking to rescind or otherwise reform the 1995 Service Agreement in order to allow for a reduction in the Township's assessment due to the closure of operations of a major industrial user, United Gypsum. This office filed a motion to dismiss Clark's third-party complaint on September 22, 2009 with which all of the other member municipalities joined. By Letter Opinion dated December 8, 2009 the court granted the Authority's motion. Should Clark choose to appeal it must be filed within forty-five (45) days of the court's order of December 8, 2009. To date, a Notice of Appeal has not been filed.

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 14, 2010, at which time several items were discussed. Items that require action are on the agenda under New Business.

Finance Committee (Joan Papen)

Mrs. Papen 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.

Insurance Review Committee (J. Murphy, Chairman)

No report.

Legal Committee (Frank Mazarella, Chairman)

No report.

Personnel Committee (Rene Dierkes, Chairman)

Mr. Dierkes stated that the Personnel Committee met on January 14th and 21st, 2010, to discuss various personnel matters. Necessary action will be taken under New Business.

Public Relations Committee (Paul Sefranka, Chairman)

No report.

Security Committee (Frank Mazarella, Chairman)

No report.

Sludge Management Committee (Attilio Venturo, Chairman)

No report.

Unfinished Business

None.

New Business

The following Resolution #10-01 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 noted he is not a Director of the Town Bank, however, he will abstain. Mr. Luban was absent.

RESOLUTION #10-01

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 January 16, 2010:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$1,503,062.15	1.13%	Town Bank, Westfield, NJ

The following Resolution #10-02 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. Mr. Luban was absent.

RESOLUTION #10-02

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 5, 2010:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$1,552,992.77	1.23%	Town Bank, Westfield, NJ

The following Resolution #10-03 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. Mr. Luban was absent.

RESOLUTION #10-03

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 4, 2010:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$1,000,000.00	1.23%	Town Bank, Westfield, NJ

Mr. Venturo noted that local regional banks are raising the amount of interest they will pay. Mr. Venturo asked if Mr. Materna would be interested in hearing from an Officer of the Bank regarding this. Mr. Materna said he would.

The following Resolution #10-04 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. Murphy. The resolution was approved by those present. Mr. Luban was absent.

RESOLUTION #10-04

FIRST 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), Seventh Revision dated August 21, 2008, Effective February 1, 2009; 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 comply with New Jersey Statutes and NJDEP Regulations.

NOW, THEREFORE, BE IT RESOLVED, by the Rahway Valley Sewerage Authority that it hereby amends the Rules and Regulations as set forth in the attached document entitled "Rules and Regulations Concerning Discharges to the Rahway Valley Sewerage Authority" Eighth Revision dated January 21, 2010; and

BE IT FURTHER RESOLVED that these Rules and Regulations will take effect after the NJDEP's final review and subsequent Second Reading by the Governing Body of the Rahway Valley Sewerage Authority.

The following Resolution #10-05 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. Murphy. The resolution was approved by those present. Mr. Luban was absent.

RESOLUTION #10-05

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, #09-17, #09-23, #09-32, #09-41, #09-49, #09-58, #09-60, #09-64, #09-70, #09-95 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 engaged the firm Paulus, Sokolowski & Sartor (PS&S) as a subcontractor ("Subcontractor") to assist them on this contract; 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 \$12,565.59; 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 2010 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 \$2,643,922.97 be and are hereby amended to provide for the increased contract amount of \$12,565.59 resulting in an amended contract amount not to exceed

\$2,656,488.56; and

BE IT FURTHER RESOLVED that CCMS shall be required to provide the Authority with monthly invoices which shall include supporting documentation for its services and the services of its Subcontractor; and

BE IT FURTHER RESOLVED, that the Authority will make payment to CCMS and its Subcontractor based upon the Authority's analysis of the monthly submissions; 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 #10-06 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mrs. Abram.

Mrs. Papen made a motion to amend the resolution to reflect a "Not to Exceed Amount". The motion to amend was seconded by Mr. Greet and approved by those present with the exception of Mr. Sefranka who voted no.

The resolution as amended was approved by those present with the exception of Mr. Sefranka who voted no. Mr. Luban was absent.

RESOLUTION #10-06

WHEREAS, the Rahway Valley Sewerage Authority (Authority) received a proposal from Paulus, Sokolowski & Sartor (PS&S), 67A Mountain Blvd. Ext., Warren, NJ, for Professional Services, to be known as Contract #155-A/E; and

WHEREAS, the Authority has a need to engage a consultant to provide Engineering Services specifically related to assisting with a Delay Damage Claim on Contract #155; and

WHEREAS, the Authority received the proposal from PS&S dated January 11, 2010 for the services of the three design engineering firms of PS&S, AECOM (formerly known as M&E) and CDM, reflecting a not to exceed amount of \$30,000.00; and

WHEREAS, the Secretary-Treasurer of the Authority hereby certifies that the necessary funds for said contract have been budgeted for in the 2010 Annual Budget.

NOW, THEREFORE, BE IT RESOLVED that the Rahway Valley Sewerage Authority engage Paulus, Sokolowski & Sartor, who will serve as the lead for the three firms, to perform the services described herein at a not to exceed amount of \$30,000.00; 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 #10-07 was offered by Mr. Dierkes, on motion of Mr. Dierkes, and seconded by Mr. Murphy.

RESOLUTION #10-07

2010 ADOPTED BUDGET RESOLUTION

Rahway Valley Sewerage Authority

FISCAL YEAR: FROM January 1, 2010 TO December 31, 2010

WHEREAS, the Annual Budget and Capital Budget/Program for the Rahway Valley Sewerage Authority for the fiscal year beginning January 1, 2010 and ending December 31, 2010, has been presented for adoption before the governing body of the Rahway Valley Sewerage Authority at its open public meeting of January 21, 2010; 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 \$23,695,000.00, Total Appropriations, including any Accumulated Deficit, if any, of \$27,425,500.00 and Total Unrestricted Net Assets utilized of \$3,730,500.00; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$5,000,000.00 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 21, 2010 that the Annual Budget and Capital Budget/Program of the Rahway Valley Sewerage Authority for the fiscal year beginning, January 1, 2010 and ending December 31, 2010, 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 Vice Chairman asked for a Roll Call Vote:

Municipality	AYE	NAY	ABSTAIN	ABSENT
Clark			X	
Cranford	X			
Garwood	X			
Kenilworth	X			
Mountainside	X			
Rahway		X		
Roselle Park	X			
Scotch Plains	X			
Springfield			X	
Westfield	X			
Woodbridge				X

As the vote was 7 to 1 with 2 abstentions, the resolution was approved.

Mr. Dierkes made a motion to create a new position of Staff Engineer as follows:

1. The job title of Staff Engineer is hereby created;
2. The Staff Engineer shall be a Salary Grade K position with a salary range of \$75,000 to \$113,000;
3. The Staff Engineer shall report to the Executive Director through the Chief Engineer;
4. A job description for this position has been developed by the Executive Director.

The motion was seconded by Mr. Chin.

Mrs. Abram asked if the Commissioners looked at this job description already. Mr. Dierkes said that the Committee did. Mrs. Abram noted that she had not seen it yet.

Mr. Murphy asked if the Committee was unanimous in its approval. Mr. Dierkes said yes.

Mr. LoForte stated that last year this was discussed, around July sometime, and noted the job description was distributed then. He added we advertised last July, however, no action was taken.

Mr. Mazzarella stated that the Committee is now considering this, as a current employee has filed for his retirement. The sentiment of the Commissioners has been to not hire any new individuals - this is a trade off.

Mrs. Abram asked what is the title of the person who is retiring. Mr. Dierkes stated that it is the Assistant to the Executive Director.

Mr. Sefranka stated that the Board had discussed keeping salary revenue neutral and asked if this was the case. He added we can not spend one single dime more and asked if this would. Mr. Dierkes stated that it costs more than a dime more, yes. Mr. Sefranka stated then it goes against what we talked about. Mr. Dierkes added that the more important question is, is this person needed, and added that we don't want to be penny wise and pound foolish. Mr. Sefranka added

that we are always adding and never subtracting and there are no more resources to pull from, every community has a limit, this was supposed to be revenue neutral.

Mr. Chin said that he thought everyone was aware of the situation with the Executive Director, which is in question right now. There is sort of an immediate need for engineering support. Not only for legal situations but for other situations which may come up. If in fact we have a change in top management there will be a salary savings. He added if we do hire this person, there will be an increase in budget but in the long term – over the year, it will reflect a big reduction in expenses.

Mr. Sefranka noted except if you look at it from the stand point that we are going to eventually replace the head of the organization, and then you have not met the mandate.

Counsel recommended that the Commissioners go into closed session at this time to continue the discussion on personnel matters.

Closed Session

Mrs. Papen made a motion to go into closed session. The motion was seconded by Mrs. Abram and approved by those present.

Mr. Murphy made a motion, seconded by Mrs. Papen, to return to regular order of business at 8:42 p.m. The motion was approved by those present.

Regular Order of Business

The Vice Chairman stated that motion on the table is to create a new position of Staff Engineer, Salary Grade K, with a salary range of \$75,000 to \$113,000, and the Staff Engineer will report to the Executive Director through the Chief Engineer, as recommended by the Personnel Committee. The motion was seconded by Mr. Chin and the Chairman called the vote. The motion was approved by those present with the exception of Mr. Greet who abstained and Mr. Sefranka who voted no. Mr. Luban was absent.

Mr. Dierkes made a motion, seconded by Mr. Chin, approving salary increases for the Secretary-Treasurer, Supervisory and Administrative personnel of 1.75% applied to the 2008 base salaries for the year 2009; and a pool equivalent to 3% of the 2009 base salaries (\$58,500) for 2010 increases, to be distributed to the aforementioned personnel based on performance evaluations. The motion was approved by those present. Mr. Luban was absent.

Mr. Dierkes made a motion, seconded by Mr. Chin, approving an increase of \$250.00 per month to the Executive Director's monthly stipend retroactive to July 1, 2009, as discussed at previous Personnel Committee Meetings. The motion was approved by those present with the exception of Mr. Greet who abstained. Mr. Luban was absent.

Bills and Claims

Mrs. Papen made a motion, seconded by Mr. Murphy, that the following bills and claims previously audited by the Finance Committee be ordered paid. The motion was unanimously approved by those present. Mr. Luban was absent.

BUILDING & EQUIPMENT FUND

CHECK	DATE	VENDOR	ACCT/LINE#	AMOUNT
2492	01/21/10	A&A INDUSTRIAL PIPING, INC.	140.7	114,713.90
2493	01/21/10	CONSOLIDATED CONSTRUCTION MGT.	140.2/7	11,223.87
2494	01/21/10	DELL MARKETING L.P.	140.7	87.70
2495	01/21/10	EASTERN SHEET METAL & PLATE	140.7	13,878.88
2496	01/21/10	HATCH MOTT MACDONALD	140.2	7,124.02
2497	01/21/10	MONTANA CONSTRUCTION CORP.	140.2	220,500.00
2498	01/21/10	PAULUS, SOKOLOWSKI & SARTOR	140.2/4	9,581.53
2499	01/21/10	WEINER LESNIAK LLP	140.2/4/9	34,786.11

Total Checks: 8
Total Void Checks: 0
Total Amount Void: \$0.00
Total Amount Paid: \$411,896.01

OPERATING FUND - MANUAL CHECK

CHECK	DATE	VENDOR	ACCT/LINE#	AMOUNT
195	01/19/10	NJ STATE HEALTH BENEFITS	03/04	84,390.70

Total Checks: 1
Total Void Checks: 0
Total Amount Void: \$0.00
Total Amount Paid: \$84,390.70

OPERATING FUND

CHECK	DATE	VENDOR	ACCT/LINE#	AMOUNT
37189	12/22/09	AMALGAMATED GENERAL AGENCIES	17	22,648.81
37190	12/29/09	HESS CORPORATION	19	120,845.52
37191	12/29/09	NJ MOTOR VEHICLE COMMISSION	35	165.00
37192	12/29/09	ROBERT POLTZ	27	106.98
37193	12/29/09	PSE&G COMPANY	19	35,806.36
37194	12/29/09	RAHWAY VALLEY SEWERAGE AUTH.	01/03	161,554.09
37195	12/31/09	GEORGE S. COYNE CHEMICAL CO.	18	4,516.35
37196	12/31/09	HOME DEPOT CREDIT SERVICES	32	23.22
37197	12/31/09	STAPLES CREDIT PLAN	27	83.67
37198	12/31/09	TRAVELERS	17	27,280.00
37199	01/11/10	DELTA DENTAL PLAN OF NJ	03	5,966.76
37200	01/11/10	STANDARD INSURANCE COMPANY	03	2,246.69
37201	01/11/10	VISION SERVICE PLAN	03	1,276.73
37202	01/24/10	A TOUCH OF ITALY	49	179.76
37203	01/24/10	ADP, INC.	03	170.28
37204	01/24/10	ADP, INC.	16	2,463.16
37205	01/24/10	ADVANCED SPECIALTY SALES, INC.	32	1,031.02
37206	01/24/10	AERC RECYCLING SOLUTIONS	31	445.00

37207	01/24/10	AIRMATIC COMPRESSOR SYSTEMS	32	2,013.42
37208	01/24/10	AMERICAN WEAR	32	1,193.95
37209	01/24/10	APPLIED ANALYTICS, INC.	32	60.08
37210	01/24/10	ASCO SERVICES	32	600.00
37211	01/24/10	ASSOCIATED AUTO PARTS	35	72.60
37212	01/24/10	AVENEL REFRIGERATION	40	190.44
37213	01/24/10	ARCANGEL BOSQUE	31	99.98
37214	01/24/10	BOWCO LABORATORIES, INC.	32	63.00
37215	01/24/10	MICHAEL J. BRINKER, JR.	31	100.00
37216	01/24/10	CAMP, DRESSER & MCKEE, INC.	06	1,243.08
37217	01/24/10	CANON BUSINESS SOLUTION	16	888.60
37218	01/24/10	CANON FINANCIAL SERVICES, INC.	16	346.52
37219	01/24/10	CANON BUSINESS SOLUTIONS-EAST	16	888.60
37220	01/24/10	CHARLES F. CONNOLLY DIST. CO.	32	138.10
37221	01/24/10	GEORGE CHESKOWICH	31	100.00
37222	01/24/10	CITY OF RAHWAY - UNITED WATER	33	3,132.95
37223	01/24/10	CONSOLIDATED RAIL CORP.	18	674.62
37224	01/24/10	COOPER ELECTRIC SUPPLY CO.	32	79.54
37225	01/24/10	CSL SERVICES, INC.	30	12,340.00
37226	01/24/10	D2L ASSOCIATES, INC.	42	2,480.00
37227	01/24/10	DAVID WEBER OIL COMPANY	32	2,358.75
37228	01/24/10	DELL MARKETING L.P.	27	2,747.61
37229	01/24/10	HARRY DONES	31	97.49
37230	01/24/10	ELIZABETHTOWN GAS	22	12,111.82
37231	01/24/10	ENVIRONMENTAL COMPLIANCE	41	4,995.00
37232	01/24/10	ENVIRONMENTAL RESOURCE ASSOC.	40	653.00
37233	01/24/10	EZ AUTO GLASS	35	404.45
37234	01/24/10	FLUID COMPONENTS	32	2,801.79
37235	01/24/10	FEDEX	48	321.33
37236	01/24/10	FISHER SCIENTIFIC	40	2,636.40
37237	01/24/10	W.W. GRAINGER, INC.	32/40	333.26
37238	01/24/10	GARY W. GRAY TRUCKING, INC.	25	92,842.08
37239	01/24/10	GREAT LAKES ENVIRONMENTAL	41	449.40
37240	01/24/10	GREENBAUM, ROWE, SMITH & DAVIS	08	1,589.58
37241	01/24/10	HACH COMPANY	40	1,654.66
37242	01/24/10	HI-BRETT PURATEX	32	355.00
37243	01/24/10	INTERNATIONAL SALT COMPANY	32	2,367.00
37244	01/24/10	LIBERTY MUTUAL INSURANCE GROUP	17	12,261.55
37245	01/24/10	MAGELLAN BEHAVIORAL HEALTH	03	568.89
37246	01/24/10	McELROY, DEUTSCH, MULVANEY	08	1,795.66
37247	01/24/10	MCMANIMON & SCOTLAND, L.L.C.	09	602.00
37248	01/24/10	MCMASTER-CARR SUPPLY CO.	31/32	3,374.82
37249	01/24/10	MIDDLESEX WATER COMPANY	33	805.70
37250	01/24/10	MODERN HANDLING EQUIP. OF NJ	35	1,129.70
37251	01/24/10	NEW PIG CORPORATION	32	122.67
37252	01/24/10	NJ MANUFACTURERS INSURANCE CO.	17	19,072.00
37253	01/24/10	NJ MOTOR VEHICLE COMMISSION	35	253.50
37254	01/24/10	TREASURER - STATE OF NJ	37	3,000.00
37255	01/24/10	TREASURER - STATE OF NJ	40	530.80
37256	01/24/10	NORTHERN SAFETY CO., INC.	31	320.40
37257	01/24/10	NW FINANCIAL GROUP	09	510.00
37258	01/24/10	O'JOHNNIES, INC.	13	2,032.18
37259	01/24/10	OLSEN'S BRAKE SERVICE	35	1,346.40

37260	01/24/10	ONE CALL SYSTEMS, INC.	32	37.40
37261	01/24/10	PAULUS, SOKOLOWSKI & SARTOR	06	2,305.00
37262	01/24/10	PITNEY BOWES, INC.	48	164.00
37263	01/24/10	POLYDYNE INC.	23	15,336.00
37264	01/24/10	PSE&G COMPANY	19/30	594.91
37265	01/24/10	QC LABORATORIES	40	2,093.00
37266	01/24/10	RADWELL INTERNATIONAL INC.	32	398.90
37267	01/24/10	RAHWAY ELECTRIC SUPPLY CO.	32	693.34
37268	01/24/10	RELIABLE ELECTRIC MOTOR REPAIR	32	202.19
37269	01/24/10	ROZANO SIGNS	35	250.00
37270	01/24/10	RAHWAY VALLEY SEWERAGE AUTH.	01/02	178,480.81
37271	01/24/10	PETTY CASH	14	229.92
37272	01/24/10	SAFETY-KLEEN CORP.	32	285.43
37273	01/24/10	SANDY'S FRUIT BASKETS & FLORIST	18	75.00
37274	01/24/10	SPECTRASERV INC.	26	3,305.98
37275	01/24/10	STAR LEDGER	12	69.60
37276	01/24/10	TD BANK, NA	09	19,882.50
37277	01/24/10	TD BANK, NA	09	4,140.00
37278	01/24/10	THE BANK OF NEW YORK MELLON	09	3,000.00
37279	01/24/10	TOTAL AUTOMOTIVE	35	185.67
37280	01/24/10	UNITED PARCEL SERVICE	48	60.44
37281	01/24/10	U.S. BANK NA	09	125,820.00
37282	01/24/10	US FILTER SIEMENS WATER TECH.	40	705.00
37283	01/24/10	USA BLUEBOOK	32	872.81
37284	01/24/10	VERIZON CONFERENCING	11	161.14
37285	01/24/10	VERIZON	11/30	2,287.30
37286	01/24/10	WEINER LESNIAK LLP	07	20,883.59
37287	01/24/10	921-GTS-WELCO	32	871.85
37288	01/24/10	WOODRUFF ENERGY	22	31,083.52
37289	01/24/10	X-ERGON	32	310.33

Total Checks: 101
Total Void Checks: 0
Total Amount Void: \$0.00
Total Amount Paid: \$1,004,745.40

Total Checks: 110
Total Void Checks: 0
Total Amount Void: \$0.00
Total Amount Paid: \$1,501,032.11

OPERATING FUND	0-01	\$462,842.77
OPERATING FUND	9-01	\$626,293.33
BUILDING & EQUIPMENT FUND	9-02	\$411,896.01
TOTAL ALL FUNDS		\$1,501,032.11

Open the Floor to the Public

Mr. Mazzarella asked if anyone wished to address the Board and stated that he was providing a

five minute time period to anyone who wished to do so.

Sandretta Buchanon of 132 Pineview Terrace, Plainfield, NJ addressed the Board. Sandretta Buchanon, an RVSA employee (Secretary-Receptionist) addressed the Board concerning the reduction of her position from “full-time” to “part-time”. She also addressed a number of employment practice issues that were a concern to her. Ms. Buchanon stated that she was concerned that she was being targeted, singled out, harassed, and discriminated against.

After Ms. Buchanon finished, Mr. Mazzarella advised her that the matter would be reviewed by the Personnel Committee.

Closed Session

None.

Adjournment

As there was no further business, on motion of Mr. Chin, seconded by Mr. Greet, the meeting adjourned at 9:07 p.m. The motion was unanimously approved.

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

JG/jg
Attachments