

**RAHWAY VALLEY SEWERAGE AUTHORITY**

**Summary of Minutes**  
**Regular Meeting held April 15, 2010**

- Minutes  
Approved Minutes of March 18, 2010 Regular Meeting.
- Communications  
OPRA request from Dan Berry of Guest Supply Co.; and an OPRA Request from Jason Tosches of Capital Public Affairs Inc.
- Treasurers Reports  
The Treasurer Reports for the month of February 2010 were received.
- 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 and Finance Committees.
- Unfinished Business  
Cancel Excess Flow Hearings; Approval of Change Order #6 on Contract#155 to E.E. Cruz in the amount of \$557,178.00 plus \$463,243.00 payable directly to SM Electric.
- New Business  
Approved the following: Bank Check Signatures; Security Purchase; and Amend the 2010 Budget.
- New Business (Cont'd.)  
Approved the following expenditures: Award of Contract #1018 to Aquatic Scientific Consulting in an amount of \$6,640.00; and Award of Contract #1029 to Birdsall Services in an amount of \$18,420.00.

**RAHWAY VALLEY SEWERAGE AUTHORITY**

**Summary of Minutes (Cont'd.)**  
**Regular Meeting held April 15, 2010**

- Bills & Claims

OPERATING FUND	0-01	\$1,329,633.66
BUILDING & EQUIPMENT FUND	0-02	<u>\$1,439,547.53</u>
TOTAL ALL FUNDS:		\$2,769,181.19

**RAHWAY VALLEY SEWERAGE AUTHORITY**

**Regular Meeting Minutes – April 15, 2010**

The Vice Chairman called the meeting to order at 8:00 p.m.

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

In accordance with the requirements of the Open Public Meetings 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 forwarded to The Star Ledger, the Home News Tribune and the Clerk of each of the eleven member municipalities on February 9, 2010 and April 6, 2010.

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
Paul M. Sefranka	for the City of Rahway
Attilio S. Ventura	for the Borough of Roselle Park

The following member was absent:

Robert G. Luban	for the Township of Woodbridge
Joan Papen	for the Township of Scotch Plains

The following were also present:

Robert J. Materna	Secretary-Treasurer
Joanne Grimes	Office Admin./Board Secretary
Robert Valent	Superintendent
James Wancho, P.E.	Paulus, Sokolowski & Sartor
Brian Hak, Esq.	Weiner Lesniak, LLP, General Counsel

The following were also present:

John Buonocore	RVSA Staff Engineer
Tom Watters	RVSA Employee
Wayne Baker	The Westfield Leader

### **Approval of Minutes**

Mr. Sefranka made a motion, seconded by Mr. Chin, to approve the minutes of the Regular Meeting held March 18, 2009. The motion was approved by those present with the exception of Mr. Murphy and Mr. Sefranka who abstained. Mrs. Papen and Mr. Luban were absent.

### **Communications**

An OPRA Request was received April 5, 2010 from Dan Berry of Guest Supply Co., seeking copies of the Annual Sewer Assessments and Industrial Permit Fee Assessments for the last five years. The documents were provided to him as requested.

An OPRA Request was received April 9, 2010 from Jason P. Tosches of Capital Public Affairs, Inc., seeking copies of the expenses and reimbursements for conferences, conventions and continuing education or professional service certifications. A response was sent on April 14, 2010 and the documents will be provided in the near future.

### **Report of Treasurer**

The Treasurer's Reports for the month of February 2010 have been distributed to the Commissioners for review and will be spread on the minutes. So ordered.

### **Report of Executive Director**

Mr. Valent gave an overview of the following report:

#### **Sewer Treatment Endorsements**

The following is a list of Sewer Treatment Endorsements processed between 3/16/10 and 4/13/10. A copy of the log sheet with additional information related to these applications has been distributed for your reference:

<u>Number</u>	<u>Date</u>	<u>Applicant</u>	<u>Municipality</u>
1168-10-RW	03/19/10	Eladio Marquez	Rahway
1169-10-RW	03/26/10	Peter Matlosz	Rahway
1170-10-KW	03/29/10	Paparatto Construction	Kenilworth
1171-10-KW	03/29/10	Zdzislaw Lesniewski	Kenilworth
1172-10-KW	03/29/10	Zdzislaw Lesniewski	Kenilworth
1173-10-WF	03/30/10	Rodolfos Construction	Westfield
1174-10-CR	03/31/10	D Villane Construction	Cranford
1175-10-WB	04/07/10	Raymond Connelly c/o RFCY Group	Woodbridge

1176-10-WB	04/08/10	Ocean Pacific Interiors c/o Milrose Cons.	Woodbridge
1177-10-KW	04/09/10	Drejaj Development Co. LLC	Kenilworth

### 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 Report
- RVSA Contractors & Engineers Claims for Payment
- RVSA Purchase Orders in Excess of \$1500.
- RVSA Monthly Operations Report

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

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

### Contract #155 – Plant Upgrade

At the March Regular Meeting, the Board approved a Memorandum of Understanding regarding the settlement of Claims with SM Electric on Contract #155; E.E. Cruz is the General Contractor. The Change Order reflected in the MOU, which was approved, is for the amount of \$557,178.00. This matter was on the Engineering Committee Agenda and a motion is on the agenda under Unfinished Business.

### Contract #162 – Administration Bldg. (Old Wing) Roof Replacement

This was discussed at the March Engineering Committee Meeting and PS&S was authorized to prepare Plans and Specifications in order to go out for bid for this work. PS&S is presently working on this matter.

### User Charges / Billing Methodology

As previously discussed, letters were sent to the member municipalities regarding proposed alternative billing methodology and the Commissioners were asked to communicate with their respective Mayor and Council regarding this matter.

We are still waiting for Cranford and Roselle Park's responses. Both municipalities were going to be discussing the matter at their Council meetings last week.

### City of Rahway

As discussed at the March Regular Meeting, Peter Pelissier, the Business Administrator for the City of Rahway submitted a request for information and a meeting. This matter was discussed at

the April Engineering Committee Meeting. A letter will be sent to Mr. Pelissier and a meeting will also be scheduled.

Excess Flow Hearings

Annual Excess Flow Hearings were scheduled for February 25, 2010 for Woodbridge, Kenilworth, Roselle Park and Springfield. The Hearings were cancelled due to the weather. This matter was discussed at the Engineering Committee Meeting. The Commissioners agreed to cancel the meetings, however, will require information from the four municipalities in question. Action is on the agenda under Unfinished Business.

Contract #1018 – NJHDG Testing Services

The Authority is a member of the New Jersey Harbor Dischargers Group (NJHDG) and as a part of this group engages various consultants to perform work. Linden Roselle Sewerage Authority (LRSA), the lead agency for this work, solicited proposals under the NJ Local Public Contracts Law and a proposal was received from Aquatic Science Consultants (ACS) for continued PCB Tracking and testing which they are doing in the Harbor. The total amount proposed is \$83,100.00 of which Rahway Valley’s share is 7.99% or \$6,640.00. Anthony Gencarelli recommends approval of the continued participation in the Group and award of this contract. Copies of the letter from LRSA and the proposal were distributed to the Commissioners for review. This matter was discussed at the Engineering Committee Meeting and a motion is on the agenda under New Business.

Sewer Line TV Inspection

The Authority was advised that a sink hole developed on Walnut Avenue in the Township of Clark, where the Authority’s Truck Sewer Line is located. The Authority along with officials from the County of Union, Township of Clark, and Elizabethtown Gas met at the site. Subsequently, the Authority performed a TV Inspection of its Trunk Line through the area. It was determined that the sink hole is not the responsibility of the Authority. The Board directed the staff to back charge the County for the cost of the TV Inspection.

Contract #1029 – C-4 Licensed Collection System Operator

A Request For Proposal was posted on the Authority’s website for these services. On April 13, 2010, the following proposals were received:

- Item 1 = Familiarize self with trunkline and operations of same.
- Item 2 = Weekly check of Authority’s collection system (4 hours per week)
- Item 3 = 8 Hours for miscellaneous services (if necessary)

<u>Company</u>	<u>Item</u>	<u>Amount</u>	<u>NTE Total</u>
Birdsall Services	1. 40 hrs. @\$95.00	\$3,800.00	
Cranford, NJ	2. 140 Hrs. @\$95.00	13,300.00	
	3. 8 hrs. @\$165.00	1,320.00	
	Total		\$18,420.00

CDM	1. 40 hrs. @\$118.29	\$4,731.60	
Edison, NJ	2. 140 Hrs. @\$118.29	16,560.60	
	3. 8 hrs. @\$118.29	946.32	
	Total		\$22,238.52
	<b>Proposed \$39.43@3 times multiplier</b>		
	<b>= \$118.29, plus mileage @\$0.50 \$22,790.00</b>		
D2L Associates	1. 40 hrs. @\$125.00	\$5,000.00	
Cedar Grove, NJ	2. 140 Hrs. @\$125.00	17,500.00	
	3. 8 hrs. @\$125.00	1,000.00	
	Total		\$23,500.00

In the past this work was preformed by the Executive Director. Joanne Grimes, Office Administrator did a cursory review of the proposals and the proposals were forwarded to Counsel for review. Questions were directed to Counsel who advised that the low proposal was found to be in order. Action to award the contract to Birdsell Services is on the agenda under New Business.

### Closed Session

Mr. Dierkes made a motion to go into closed session at this time, 8:11 p.m. for discussion of Personnel Matters. The motion was seconded by Mr. LoForte and approved by those present.

Mr. Chin made a motion to return to the regular order of business at this time, 8:37 p.m. The motion was seconded by Mr. Dierkes and approved by those present.

### Return to Regular Order of Business

#### Sewer Connection Fees

The Authority presently has three different application forms for connections into the Sewer Authority system. The fees for these permit applications have remained unchanged for about 20 years. This matter was briefly discussed at the Engineering Committee Meeting and deferred for further discussion to the May Engineering Committee Meeting.

#### Office Interior

The office interiors in the Administrative Office Building old and new wings were done in 1990 when the addition to the building was built. The private office and general areas are in desperate need of updating. This was discussed at the March Engineering Committee Meeting at which time the Commissioners asked for additional information. A detailed report including health and safety issues was prepared by Mrs. Grimes, and was provided to the Commissioners. The Engineering Committee briefly discussed the matter, and agreed that the health and safety matters should be addressed, however, deferred it to the May meeting for further discussion and consideration.

Generators

Mr. Valent advised the Board that the permanent Baldor Generators were put into service today and ran without incident. He added that there was an issue going back on line, in that, one cable failed. Mr. Valent stated that they will test the cable to see where the problem is and make the necessary repairs. He further stated that the Caterpillar (CAT) Generators can now be returned to CAT.

Plant Capacity

Mr. Valent advised the Board during the month of March, that the plant exceeded its pump capacity on several occasions due to the storm events. Mr. Valent added that it is imperative that the municipalities take necessary action to reduce I/I.

**Report of Consulting Engineer**

The following report to the Authority Board summarizes our activities for the period of March 13, 2010 through April 9, 2010.

Trunk Sewer Rehabilitation - Contract #144

Follow-up mediation was conducted on March 16, 2010. The claims continue to be in dispute.

Air Permitting

No activity this period.

During prior periods PS&S prepared and submitted comments to NJDEP on behalf of the Authority regarding requested clarifications and revisions of conditions of concern in the most recent NJDEP draft Title V Air Permit Modification Approval related to the operation of the Cogen engines.

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

PS&S reviewed the final payment requisition which will close out the project.

Contract #159 Chemical Feed System Improvements

Work has continued in both the Headworks and Pump and Blower Buildings. The work includes demolition and installation of the following: HVAC equipment, ductwork, chemical pumps control panels, field instruments, ceiling lights, switches, receptacles, emergency and exit lights, conduit and wire runs to pump control panels and various electrical devices/field instruments.

The contractor is currently installing the Pump and Blower Building roof top units as well as ductwork. A revised construction schedule indicates a contract completion date of June 24, 2010.

#### 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 and sludge pumping station roof work. PS&S is processing their final payment requisition.

#### Miscellaneous General Consulting

PS&S has provided the following services during this report period:

1. Assistance with user charge/alternate billing methodology, including consultation with the Authority and preparation of a summary letter to the Authority with follow-up task items.
2. Follow-up to meeting with Cranford.
3. Development of plans and specifications for Administration Building roof.

#### User Charge and Flow Rights Reports

PS&S is currently working on the March Flow Rights and User Charge reports. PS&S reviewed the Roselle Park flow data as was requested at the February Board Meeting.

#### 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 March 9, 2010 through April 12, 2010.

#### CSP Improvements & related issues

##### Contract #155

Mediation sessions with respect to the electrical subcontractor's claims which were filed against the Authority were held on February 17, 2010 and February 18, 2010 at which time some of the claims were resolved. A resolution approving the settlement was adopted by the Board at the March Regular meeting. The Authority has retained the services of Russell Berner of Construction Claims Group as a claims expert relative to the subcontractor's outstanding claim. An additional date with respect to this outstanding claim is to be scheduled. This matter may be discussed in Executive Session.

##### Cogeneration Facility Contract #105

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 case shall proceed according to the alternate dispute procedures set forth in the contract with CCMS.

We have had extensive consultations with the Authority's damages expert, Cipolla & Co., LLC and Authority staff regarding the case. Notices have been sent by this office to existing parties as well as a number of additional parties that the Authority will be bringing into the litigation. Finally, meetings have been held with representatives of a number of member municipalities in order to apprise them of the status of this matter.

This matter may be discussed in further detail in Executive Session.

### 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. Mediation sessions regarding the contractor's claims were held at the Authority's offices on January 12, 2010 and on March 16, 2010. An additional mediation session will be scheduled if it is necessary.

#### 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 public entity subcommittee which is responsible for coordinating efforts with other municipal and sewerage authority third party defendants for purposes of presenting defenses that are unique to the subgroup. Meetings of the subgroup have been held with and without the Special Master in order to discuss the structure of ADR discussions. In addition, this office has sent notices to all insurance carriers that that could be identified that issued policies to the Authority from approximately 1959 to the present. A number of these insurance carriers have agreed to provide the Authority with coverage subject to a reservation of rights. This matter may be discussed in Executive Session.

### **Committee Reports**

The Vice Chairman asked for the reports from the following Committees:

#### Engineering Committee (Allen Chin, Chairman)

Mr. Chin stated that an Engineering Committee Meeting was held April 8, 2010, at which time several items were discussed. Items that require action are on the agenda under Unfinished and New Business.

#### Finance Committee (Joan Papen)

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.

#### Insurance Review Committee (James Murphy, Chairman)

No report.

#### Legal Committee (Frank Mazarella, Chairman)

No report.

Personnel Committee (Rene Dierkes, Chairman)

Mr. Dierkes stated that Personnel Committee Meetings were held on April 8, and again this evening. If any items require action, it will be taken under New Business.

Public Relations Committee (Paul Sefranka, Chairman)

No report.

Security Committee (Steve Greet, Chairman)

No report.

Sludge Management Committee (Attilio Venturo, Chairman)

No report.

**Unfinished Business**

The following Resolution #10-19 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. LoForte. The resolution was approved by those present. Mrs. Papen and Mr. Luban were absent.

RESOLUTION #10-19

CANCEL HEARINGS PREVIOUSLY SCHEDULED IN CONNECTION WITH THE EXCEEDENCE OF FLOW RIGHTS IN ACCORDANCE WITH THE REVISED AGREEMENT DATED JANUARY 11, 1995 BY AND BETWEEN THE RAHWAY VALLEY SEWERAGE AUTHORITY'S MEMBER MUNICIPALITIES

WHEREAS, the Rahway Valley Sewerage Authority (the "Authority") is governed in part by a certain revised Agreement (the "Agreement") dated January 11, 1995 by and between the Authority's member municipalities; and

WHEREAS, the Agreement provides for the procedures to be employed and the hearing to be held attendant to the exceedance of flow rights belonging to the individual member municipalities as set forth in the Agreement; and

WHEREAS, the Authority received information that four of the member municipalities had exceeded the amount of flow rights specifically provided for under the Agreement; and

WHEREAS, as a result the foregoing information, the Authority scheduled said hearings to be held on February 25, 2010, however, due to inclement weather said hearings were postponed; and

WHEREAS, the Commissioners of the Authority have considered rescheduling said hearings, however, have determined to cancel the 2010 hearings, and alternately request documentation from the municipalities in question.

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

The Authority formally cancels the Exceedance Hearings for the Township of Woodbridge, the Borough of Kenilworth, the Borough of Roselle Park, and the Township of Springfield's for 2010; and

The Authority shall provide a copy of the regulations regarding Excess Flow Exceedances as outlined in the 1995 Agreement including the Excess Rental Charge Fee Schedule; and

The Authority will request in its notification that the Hearings have been cancelled, that the aforementioned member municipalities who exceeded their flow rights on more than 10 occasions during the 10-2008 / 9-2009 period, provide the Authority with documentation regarding corrective work that will be performed on their respective sanitary sewer systems during the period 10-2009 / 9-2010 to lessen their exceedances; and

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately and/or as required by law.

Mr. Chin made a motion approving Change Order #6 on Contract #155 – Plant Upgrade, payable to E.E. Cruz, in an amount of \$557,178.00 and an amount of \$463,243.00 payable directly to SM Electric, a subcontractor to E.E. Cruz, as per the Memorandum of Understanding which was approved by the Board at its March 18, 2010 Regular Meeting. The motion was unanimously approved by those present. Mrs. Papen and Mr. Luban were absent.

### **New Business**

The following Resolution #10-20 was offered by Mr. Chin, on motion of Mr. Chin, and seconded by Mr. Murphy. The resolution was approved by those present. Mrs. Papen and Mr. Luban were absent.

#### **RESOLUTION #10-20**

WHEREAS, the Rahway Valley Sewerage Authority (Authority) received a proposal from Linden Roselle Sewerage Authority (LRSA), on behalf of the New Jersey Harbor Dischargers Group (NJHDG) from Aquatic Sciences Consulting 15751 Bushy Park Road, Woodbine, MD 21797, for Extraordinary Unspecifiable Services, specifically for continued services of the ongoing PCB Trackdown Study, RVSA Contract #1018; and

WHEREAS, the NJHDG of which the Authority is a member, has a need to engage a consultant to perform this work; and

WHEREAS, pursuant to the Local Public Contracts Law N.J.S.A. 40A:11-5, contracts of this nature may be awarded without bidding, however, a proposal was received for the award of this contract through a non-fair and open process in accordance with N.J.S.A.

19:44A-20, et. seq.

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

WHEREAS, the Executive Director or his designee, pursuant to statute has executed the required certification for the aforementioned services, which Certification is attached hereto and made a part thereof.

NOW, THEREFORE, BE IT RESOLVED that the New Jersey Harbor Discharges Group of which the Authority is a member, engage Aquatic Sciences Consulting to perform the services described herein at a total cost of \$83,100.00 of which the Rahway Valley Sewerage Authority's share is 7.99% or \$6,640.00; and

BE IT FURTHER RESOLVED that a Contract for the services described herein be entered into between the NJHDG and Aquatic Sciences Consulting; and

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

Resolution #10-21 was removed from the agenda.

The following Resolution #10-22 was offered by Mr. Murphy, on motion of Mr. Murphy, and seconded by Mr. Chin. The resolution was approved by those present. Mrs. Papen and Mr. Luban were absent.

RESOLUTION #10-22

WHEREAS, the Rahway Valley Sewerage Authority (Authority) adopted By-Laws which govern certain protocol of the Authority; and

WHEREAS, the Executive Director of the Authority retired and said position remains open at this time; and

WHEREAS, Article 8 of said By-Laws requires that all voucher checks bear the signatures of the Executive Director, Treasurer, and the Chairman or a facsimile stamp indicating their respective signatures; and

WHEREAS, Article 8 also states that in the event of illness, incapacity or absence of the aforementioned, a replacement will be appointed by the Chairman to act, pro tem, in his/her stead.

NOW THEREFORE, BE IT RESOLVED that the Chairman has appointed Robert Valent, who is presently an acting Co-Executive Director, to be authorized to provide his signature as the third signature on all vouchers.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately.

The following Resolution #10-23 was offered by Mr. Murphy, on motion of Mr. Murphy, and seconded by Mrs. Abram. The resolution was approved by those present with the exception of Mr. Chin who abstained. Mrs. Papen and Mr. Luban were absent.

RESOLUTION #10-23

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 July 5, 2010:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$1,557,773.11	0.70%	Town Bank, Westfield, NJ

The following Resolution #10-24 was offered by Mr. Sefranka, on motion of Mr. Sefranka, and seconded by Mr. Greet.

RESOLUTION #10-24

RESOLUTION TO AMEND THE 2010 BUDGET

FISCAL YEAR: FROM JANUARY 1, 2010 TO DECEMBER 31, 2010

WHEREAS, Rahway Valley Sewerage Authority’s (Authority) 2010 Total (Annual and Capital Budgets) Budget for the Fiscal Year beginning on January 1, 2010 and ending on December 31, 2010 was introduced and approved on the 17th of December, 2009 and adopted on the 21st of January, 2010; and

WHEREAS, the Authority’s Board desires to amend the original Annual Budget for the Year 2010 to reflect Total Revenues of \$22,570,000, Total Appropriations including any Accumulated Deficit, if any, of \$26,925,500 and Total Unreserved Net Assets of \$4,355,500.

NOW, THEREFORE BE IT RESOVLED by the Commissioners of the Rahway Valley Sewerage Authority that the original \$23,440,000 “Assessments to Member Municipalities” for the Year 2010 be changed to \$22,315,000, the original “Operating Expenses” of \$14,642,500 for the Year 2010 be changed to \$14,142,500 and the original “Funds provided by Unreserved Retained Earnings” of \$3,730,500 for the Year 2010 be changed to \$4,355,500; and

BE IT FURTHER RESOLVED that said amendment must be approved by the State of New Jersey, Department of Community Affairs, Division of Local Government Services (Division of Local Government Services) prior to it taking effect; and

BE IT FURTHER RESOLVED that upon said approval by the State of NJ, that the budget reduction will be reflected in the second 2010 Assessment to the Authority Member Municipalities, which is due and payable by the Member Municipalities on July 1, 2010; and

BE IT FURTHER RESOLVED that two (2) certified copies of this resolution along with

the amended information of the Authority's 2010 Amended Annual Budget shall be filed forthwith with the Director of the Division of Local Government Services for the certification of the 2010 Authority Budget as so amended.

Mr. Sefranka stated that each member community should vote for this because in his opinion, the municipalities are living on a thread, with the State funding being reduced, this motion follows that idea. He urged his support for the resolution.

Mr. Murphy stated that in November when the Board was considering the 2010 Budget, he strongly opposed reducing surplus to this extent, however, he stated that since the events that have taken place this year with Trenton cutting money from the municipalities whereby cutting all funding and saying "still run", he feels everyone needs to make adjustments in a short period of time. Therefore we need to give our municipalities as much as we can so they can continue to run as best possible.

Mr. Venturo stated that he agreed and is in favor of adopting the amended budget.

Mrs. Abram stated that she agrees. She added that she does not agree with some comments made, however, feels that RVSA should be conservative in our spending and on a municipal level as well, she added that the school boards who in her opinion need to be much more conservative.

Mr. Greet stated that he agreed with the comments made, he noted that if we have surplus in our budget, then we should give it back to the communities at this time.

Mr. LoForte stated that he is hesitant to approve the amended budget, but will vote for it because of the economic situation the towns are facing; however noted that down the road – with the budget for 2011, the municipalities will face a 20% increase because so much surplus was used to offset this budget and there will not be any surplus to off set the 2011 budget. He added the towns will then feel the pain.

Mr. Chin stated that in his opinion, the Board should only approve an amendment to the budget reflecting a decrease of \$625,000 not the \$1,250,000 reflected in the resolution as he agrees with Mr. LoForte's comments on reducing the surplus to such a low level. Mr. Chin further stated that he will however go along with the majority.

Mr. Mazzarella stated that he feels the Authority must do this to show good faith as a good neighbor. We need to go the extra mile. He added that we must show that we have looked at everything and have cut as much as we can.

After brief discussion, Mr. Venturo asked for a roll call vote.

<u>Member</u>	<u>Aye</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Clark	X			
Cranford	X			
Garwood	X			
Kenilworth	X			
Mountainside	X			
Rahway	X			
Roselle Park	X			
Scotch Plains				X
Springfield	X			
Westfield	X			
Woodbridge				X

The resolution was approved by those present. Mrs. Papen and Mr. Luban were absent.

The following Resolution #10-25 was offered by Mr. Dierkes, on motion of Mr. Dierkes, and seconded by Mr. Greet. The resolution was approved by those present. Mrs. Papen and Mr. Luban were absent.

RESOLUTION #10-25

WHEREAS, the Rahway Valley Sewerage Authority (Authority) received a proposal from Birdsall Services Group, 65 Jackson Drive, Cranford, NJ 07016, for Professional Services specifically to serve as the Licensed Collection System Operator for the Authority for the period April 16, 2010 through December 31, 2010; and

WHEREAS, pursuant to the Local Public Contracts Law N.J.S.A. 40A:11-5, contracts of this nature may be awarded without bidding, however, Request For Proposals were advertised on the Authority’s web site and proposals were received for the award of this contract through a fair and open process in accordance with N.J.S.A. 19:44A-20, et. seq.

WHEREAS, the Authority received a proposal from Birdsall Services Group reflecting an hourly rate of \$95.00 for Tasks 1 and 2 and \$165.00 for Task 3, total not to exceed \$18,420.00; and

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

NOW, THEREFORE, BE IT RESOLVED that the Rahway Valley Sewerage Authority engage Birdsall Services Group to perform the services described herein at an hourly rate of \$95.00 for Tasks 1 and 2 and \$165.00 for Task 3, total not to exceed \$18,420.00; and

BE IT FURTHER RESOLVED that a Professional Service Contract 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.

**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. Mr. Murphy stated that he would like the details on the invoices from Cipolla & Co. to be provided in the future. The motion was then unanimously approved by those present. Mrs. Papen and Mr. Luban were absent.

**BUILDING & EQUIPMENT FUND**

<b>CHECK</b>	<b>DATE</b>	<b>VENDOR</b>	<b>ACCT/LINE#</b>	<b>AMOUNT</b>
2519	03/29/10	EE CRUZ COMPANY INC.	140.7	677,920.00
2520	03/29/10	SM ELECTRIC	140.7	463,243.00
2521	04/15/10	A&A INDUSTRIAL PIPING, INC.	140.7	29,213.80
2522	04/15/10	CONSTRUCTION CLAIMS GROUP	140.7	5,376.50
2523	04/15/10	CIPOLLA & COMPANY, LLC	140.2	179,603.95
2524	04/15/10	CONSOLIDATED CONSTRUCTION MGT.	140.7	6,782.68
2525	04/15/10	HATCH MOTT MACDONALD	140.2	29,274.78
2526	04/15/10	J.H. REID, GENERAL CONTRACTOR	140.2	39,162.82
2527	04/15/10	PAULUS, SOKOLOWSKI & SARTOR	140.7	8,970.00

**Total Building & Equipment Fund Checks: 9**  
**Total Void Checks: 0**  
**Total Amount Void: \$0.00**  
**Total Amount Paid: \$1,439,547.53**

**OPERATING FUND - MANUAL CHECKS**

<b>CHECK</b>	<b>DATE</b>	<b>VENDOR</b>	<b>ACCT/LINE#</b>	<b>AMOUNT</b>
198	03/19/10	NJ STATE HEALTH BENEFITS	03/04	83,976.89
199	04/05/10	NJ STATE HEALTH BENEFITS	03/04	83,140.49

**Total Operating Fund Manual Checks: 2**  
**Total Void Checks: 0**  
**Total Amount Void: \$0.00**  
**Total Amount Paid: \$167,117.38**

**OPERATING FUND**

<b>CHECK</b>	<b>DATE</b>	<b>VENDOR</b>	<b>ACCT/LINE#</b>	<b>AMOUNT</b>
37514	03/19/10	MICHAEL J. BRINKER, JR.	04	442.00
37515	03/31/10	RAHWAY VALLEY SEWERAGE AUTH.	01/02	626,261.83
37516	04/05/10	COGENT COMMUNICATIONS, INC.	27	674.00
37517	04/05/10	DELTA DENTAL	03	5,966.76
37518	04/05/10	ELIZABETHTOWN GAS	22	2,010.32
37519	04/05/10	MIDDLESEX WATER COMPANY	33	800.30
37520	04/05/10	PITNEY BOWES, INC.	48	82.00

CHECK	DATE	VENDOR	ACCT/LINE#	AMOUNT
37521	04/05/10	STANDARD INSURANCE COMPANY	03	1,888.62
37522	04/05/10	VISION SERVICE PLAN	03	1,255.80
37523	04/05/10	WOODRUFF ENERGY	22	3,593.10
37524	04/08/10	HOME DEPOT CREDIT SERVICES	32	24.85
37525	04/08/10	HEWLETT-PACKARD PUBLIC SECTOR	27	1,016.00
37526	04/08/10	STAPLES BUSINESS ADVANTAGE	13	283.49
37527	04/08/10	STAPLES CREDIT PLAN	13/27	401.44
37528	04/08/10	VERIZON WIRELESS	11	970.68
37529	04/15/10	A TOUCH OF ITALY	49	242.89
37530	04/15/10	ADP, INC.	03	670.28
37531	04/15/10	ADP, INC.	16	2,185.18
37532	04/15/10	ADVANCED SPECIALTY SALES, INC.	32	2,558.98
37533	04/15/10	ALL AMERICAN SEWER SERVICE INC.	32	8,620.00
37534	04/15/10	AMERICAN INDUSTRIAL SUPPLY	32	193.09
37535	04/15/10	AMERICAN WEAR	32	1,114.00
37536	04/15/10	APPLIED ANALYTICS, INC.	32	440.00
37537	04/15/10	AQUATIC SCIENCES CONSULTING	41	1,636.00
37538	04/15/10	ASSOCIATED AUTO PARTS	35	92.42
37539	04/15/10	BALCO INDUSTRIES INC.	31	744.00
37540	04/15/10	CANON BUSINESS SOLUTION	16	888.60
37541	04/15/10	CARROT-TOP INDUSTRIES INC.	32	954.74
37542	04/15/10	CDW GOVERNMENT, INC.	27	143.77
37543	04/15/10	CHALMERS & KUBECK, INC.	32	2,233.00
37544	04/15/10	CHROMATE INDUSTRIAL CORP.	32	194.27
37545	04/15/10	RAHWAY-UNITED WATER RESOURCES	33	2,205.22
37546	04/15/10	COMMERCIAL JAY-HILL REPAIRS	40	361.24
37547	04/15/10	COOPER ELECTRIC SUPPLY CO.	32	4,075.56
37548	04/15/10	CYCLE CHEM INC.	40	1,817.28
37549	04/15/10	D2L ASSOCIATES, INC.	42	3,720.00
37550	04/15/10	DELL MARKETING L.P.	27	4,324.74
37551	04/15/10	DWYER INSTRUMENTS, INC.	32	527.85
37552	04/15/10	e-CUBED CONSULTING, LLC	27	300.00
37553	04/15/10	ELIZABETHTOWN GAS	22	8,426.39
37554	04/15/10	EXCELSIOR BLOWER SYSTEM	32	115.40
37555	04/15/10	FABRITOOL INC.	32	1,180.00
37556	04/15/10	FEDERAL ELEVATOR INCORPORATED	31	1,465.00
37557	04/15/10	FISHER SCIENTIFIC	40	2,964.81
37558	04/15/10	FLEXLINE	32	56.00
37559	04/15/10	NAIM FRANKLIN	31	47.99
37560	04/15/10	W.W. GRAINGER, INC.	32	1,810.18
37561	04/15/10	GARY W. GRAY TRUCKING, INC.	25	33,043.79
37562	04/15/10	GREENBAUM, ROWE, SMITH & DAVIS	08	82.00
37563	04/15/10	HACH COMPANY	40/41	1,394.05
37564	04/15/10	HESS CORPORATION	19	150,178.38
37565	04/15/10	INDEPENDENT OVERHEAD DOOR CO.	32	2,465.00
37566	04/15/10	ITT WATER AND WASTEWATER	32	32.50
37567	04/15/10	IVES EQUIPMENT CORPORATION	32	834.14
37568	04/15/10	JRM MEDICAL SERVICES, INC.	40	1,886.00
37569	04/15/10	WALTER JORDAN	31	69.99
37570	04/15/10	LONGO ELECTRICAL-MECHANICA	32	1,495.00
37571	04/15/10	MAGELLAN BEHAVIORAL HEALTH	03	568.89
37572	04/15/10	McELROY, DEUTSCH, MULVANEY	08	4,234.91

CHECK	DATE	VENDOR	ACCT/LINE#	AMOUNT
37573	04/15/10	MCMaster-CARR SUPPLY CO.	32	312.11
37574	04/15/10	MID STATE HVAC MECHANICAL SERV.	32	297.50
37575	04/15/10	MILLER MECHANICAL CORPORATION	32	350.00
37576	04/15/10	MOTION INDUSTRIES, INC.	32	2,427.20
37577	04/15/10	MSI SERVICES, INC.	27	18.75
37578	04/15/10	NATIONAL FUEL OIL, INC.	24	1,852.87
37579	04/15/10	NJ MANUFACTURERS INSURANCE CO.	17	19,072.00
37580	04/15/10	NORTH EAST TECHNICAL SALES	41	938.00
37581	04/15/10	NORTHERN SAFETY CO., INC.	31	312.06
37582	04/15/10	O'JOHNNIES, INC.	13	1,397.04
37583	04/15/10	JOAN PAPEN	49	133.00
37584	04/15/10	PAULUS, SOKOLOWSKI & SARTOR	06	9,670.90
37585	04/15/10	POLYDYNE INC.	23	16,388.00
37586	04/15/10	PSE&G COMPANY	19	384.94
37587	04/15/10	PSE&G COMPANY	19	45,003.28
37588	04/15/10	PUMPING SERVICES, INC.	32	3,717.50
37589	04/15/10	QC LABORATORIES	41	1,706.00
37590	04/15/10	RAHWAY ELECTRIC SUPPLY CO.	32	1,390.75
37591	04/15/10	FRANCISCO RIVERA, JR.	31	100.00
37592	04/15/10	RAHWAY VALLEY SEWERAGE AUTH.	01/02	85,129.88
37593	04/15/10	RVSA PETTY CASH	14	201.25
37594	04/15/10	SAFETY-KLEEN CORP.	32	286.09
37595	04/15/10	SELECT SOLUTIONS, LLC	32	183.92
37596	04/15/10	SIMPLEX GRINNELL LP	31	580.00
37597	04/15/10	SISSCO MATERIAL HANDLING EQUIP.	31	124.99
37598	04/15/10	STODDARD SILENCERS	32	281.90
37599	04/15/10	STORR TRACTOR COMPANY	35	140.18
37600	04/15/10	TAYLOR OIL COMPANY	20	13,734.42
37601	04/15/10	TELEDYNE ISCO, INC.	43	1,164.70
37602	04/15/10	KEVIN TIERNEY	31	64.99
37603	04/15/10	TRUMP MARINA HOTEL CASINO	49	38.25
37604	04/15/10	UNISAFE INC.	31	382.50
37605	04/15/10	UNITED PARCEL SERVICE	48	130.26
37606	04/15/10	US FILTER SIEMENS WATER TECH.	40	1,518.00
37607	04/15/10	U.S. HEALTHWORKS MEDICAL	31/50	641.00
37608	04/15/10	USA BLUEBOOK	32/43	1,421.88
37609	04/15/10	VERIZON	11/30	1,909.35
37610	04/15/10	WEINER LESNIAK LLP	07	19,625.94
37611	04/15/10	921-GTS-WELCO	32	734.37
37612	04/15/10	WOODBRIIDGE PRINTING CENTER	12	1,445.15
37613	04/15/10	WOODRUFF ENERGY	22	24,538.89
37614	04/15/10	YOUR TOPS, INC.	32	4,501.75

**Total Operating Fund Checks: 101**  
**Total Void Checks: 0**  
**Total Amount Void: \$0.00**  
**Total Amount Paid: \$1,162,516.28**

**Total All Checks: 112**  
**Total Void Checks: 0**  
**Total Amount Void: \$0.00**  
**Total Amount Paid: \$2,769,181.19**

OPERATING FUND	0-01	\$1,329,633.66
BUILDING & EQUIPMENT FUND	0-02	\$1,439,547.53
TOTAL ALL FUNDS:		\$2,769,181.19

### **Open the Floor to the Public**

No one addressed the Board.

### **Closed Session**

Mr. Sefranka made a motion to go into closed session at 8:50 p.m. for discussion of legal matters based on Attorney/Client privilege. The motion was seconded by Mr. Murphy and approved by those present.

Mr. Murphy made a motion, seconded by Mr. Chin, to return to regular order of business at 9:27 p.m. The motion was approved by those present.

### **Regular Order of Business**

Brief discussion regarding where charges for professional fees were being charged and also related to the Capital Appreciation Bonds.

### **Adjournment**

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

*Robert J. Materna*

Robert J. Materna, Secretary-Treasurer

JG/jg  
Attachments