



BAYSHORE REGIONAL SEWERAGE AUTHORITY

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Robert C. Fischer
EXECUTIVE DIRECTOR

MINUTES REGULAR MEETING MONDAY, MARCH 20, 2017

At 7:03 P.M. on Monday, March 20, 2017 Chair McMullen called the meeting of the Bayshore Regional Sewerage Authority to order and makes the following announcement:

I hereby announce that pursuant to Section 5 of the Open Public Meetings Act, that adequate notice of this meeting has been sent to the Asbury Park Press and is on the BRSA Official Website. Notice has also been sent to the Clerks of Aberdeen, Hazlet, Holmdel, Keansburg, Keyport, Matawan, Union Beach and Marlboro and the Western Monmouth Utilities Authority. This notice is also posted in the lobby of the Bayshore Regional Sewerage Authority Administration Building.

Chair McMullen asked all in attendance to stand for the Pledge of Allegiance and a Moment of Silence for the safety of US Troops all over the world.

Chair McMullen requested a roll call of attendance:

PRESENT: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen
ABSENT: Commissioner Pisano

Also in Attendance: Robert C. Fischer, Executive Director
Pete Canal, BRSA Staff Engineer
J. Michael Broyles, BRSA Superintendent
Manuel Ponte, Consulting Engineer
John Napolitano, BRSA Attorney
Susan DuBey, Admin. Assistant

REPORTS

Executive Directors Report, BRSA Projects, Special Reports & Connection Applications

Robert Fischer Reported:

Disaster Recovery Update

- CPPE Mercury Scrubber was placed in service on March 21, 2017.
- A comparison of the efficiency of the Niro rebuilt incinerator - Dorr Oliver vs. Niro Incinerators – in February 2017 the Niro burned 193 tons of sludge using 3,929 gallons of fuel oil where the Dorr Oliver burned 181 tons using 19,272 gallons of fuel
- Remsco-Pump Station-Contract 73S-instrumentation startup & punch list work-project about 92% complete.
- Shorelands-Contract 71S- is complete

- Combined Blower Building-Contract 80S- installed flood wall protection around blower building, installed new diffusers in tank 1 & 2 and will conduct testing tomorrow
- Power Distribution System-Contract 81S-held preconstruction meeting last week with PKF Mark III, issued Notice to Proceed. Plans to mobilize will be early this summer.

Disaster Funding

- Stone Hill submitted payment #21 in the amount of \$81,522.87, Remsco submitted payment #18 in the amount of \$21,019.04 and Shorelands did not submit a request for payment.
- Combined cumulative Phase I project payments excluding February payment totals \$23,581,458.50.
- Of that 88% is Construction costs, 10.7% is engineering costs and 0.4% is administrative cost and NJEIT Technical fees are 0.9%. FEMA reimbursable portion is 62.5% or \$14,735,793.04. Removing the upgrade and Sandy portion brings the FEMA reimbursable would be at 80.2%
- Stone Hill Construction application #6 for the Combined Blower Building Project is in the amount of \$285,576.90.

Audit

- The auditors have been in reviewing financial books and requesting documents and invoices from myself & Sue.
- Audit should wrap up early April and be on the Agenda for the Boards approval at the April meeting.

Other

- Met last week with R3M & MCBOA regarding the resiliency power project. MCBOA is interested. FEMA & NJOEM representatives were contacted; a meeting is set up for next Thursday.
- Request from WMUA to refund their excess Rent Reserve in the amount of \$1,086.47.
- Color Site Plan showing the Potential re-drawn Conservation Easement Area- met with DEP & PS&S in conjunction with the 1991 Expansion CAFRA Permit.

Staff Engineer Report

Pete Canal Reported:

- Odor Control Scrubber Improvement-Contract 97.
Three bids were received ranging from \$236,700 to \$551,000, with the lowest bidder being bR Welding. They are asking to withdraw their bid due to a math error on their spread sheet. Staff & Attorney agreed to error. Award recommended to the second low bidder in the amount of \$479,000 to Iron Hills Construction. Actual Engineers estimate for Contract 97 was \$489,000.
- Award of Engineering and Construction Management Services for the Odor Control Scrubber Improvement-Contract 97- to R3M Engineering in the amount of \$57,383. Approx. 21 weeks of construction, 12% of the construction cost.
- Keansburg Mixed Use project – going back and forth with Developers Agreement. Lowered EDU's to 195 (eliminated restaurant) and will pay connection fee in full
- Niro Incinerator-Contract 74S-Hazen and Sawyer is seeking Amendment #2 in the amount not to exceed \$250,000 for additional time especially with the CPPE Unit and added scope work. Hazen and Sawyer presented a proposed additional budget of \$305,000 and it was negotiated down to \$250,000 to take it to the end of Contract 74S. The construction project they are overseeing has been extended by fifteen months due to Mercury Scrubber and other issues.

Ed Barboe is present to explain the additional expenditures.

- a. contractors schedule - has been extended by 15 months at approx. \$142,000 or 57% of the amendment. Additional contractors work on site, progress meetings, inspections, various project control schedules.
- b. Mercury Scrubber - approx. \$63,000 or 25%, was coordinating with other facilities using the Mercury Scrubber, water quench mitigation system, early warning system, etc. and to ensure protection against heating of carbon bed by addition of appropriate controls.
- c. Scada system cabinet and development of equipment removal access plan so components can be removed easier with a plan, on such equipment as heat exchanger, approximately \$18,000 or 7.2%

Pete stated that with this amendment the total Engineering Construction management Services comes to 12% of the construction cost and is 60% reimbursable from FEMA.

A discussion took place concerning the additional costs and delay of time the Mercury Scrubber has caused.

Consulting Engineer – R3M

Manuel Ponte reported:

- Odor Control #1 Improvements Project - recommend Iron Hills Construction as 2nd lowest bidder. The Notice to Proceed will be issued the week of April 1st with approx. 26 weeks of field work to be done. Reviewed bids and agree with the withdrawal of lowest bidder due to mathematical error. Attorney and Consulting Engineer are in agreement.
- Closeout of 71S – waiting for credit on 2 pumps that were not rebuilt due to lack of parts, review Of staining on stucco finish of flood walls.

Superintendent's Report

Mike Broyles submitted:

- Flow is the same and the effluent quality improved since last month
- NIRO Incinerator has been running good
- Had an issue with flange on the heat exchanger, had some down time for repair
- Received our 13th consecutive Safety Incentive Award from the JIF
- Preparing for NJDEP Annual Lab Audit
- Received one odor complaint from St. Johns Street

Sam Lauro did call once with an odor complaint but said that the odors have been much better

MOTION (by Chair McMullen) – to accept the Treasurers Report

6. TREASURER'S REPORT

STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS

TD BANK	Balance
TRUSTEE ACCOUNTS	February 28, 2017
<u>2010 NJEIT BONDS</u>	
Revenue	\$ 0.00
Construction	\$ 1,357,560.87
Bond Service	\$.05
Total 2010 Accounts	\$ 1,357,560.92
TD BANK	
NJEIT Project Fund	\$ 3,818,360.43
NJEIT Project Fund #2	\$ 1,546,708.78
Incoming Revenue Account	\$ 819,654.13
Operating Regular Account	\$ 449,912.47
Operating Reserve Account	\$13,334,584.36
Operating Payroll Account	\$ 284,646.32
TOTAL AUTHORITY ACCOUNTS	\$20,253,866.49
TOTAL	\$21,611,427.41

Detail of the Trustee accounts, receipts and disbursements, including investment activity, are on file in the Administrative Office of the Bayshore Regional Sewerage Authority.

SCHEDULE OF ACCOUNTS RECEIVABLE

SERVICE CHARGES:	Balance
SERVICE CHARGES:	February 28, 2017
Hazlet Township Sewerage Utility	\$ 0.00
Township of Holmdel	\$ 0.00
Borough of Union Beach	\$ 0.00
Borough of Keyport	\$ 0.00
Borough of Keansburg	\$ 0.00
Borough of Matawan	\$ 0.00
Western Monmouth Utilities Authority	\$ 0.00
Township of Aberdeen	\$ 0.00
TOTAL	\$ 0.00
OUTFALL AUTHORITY CHARGES	
Hazlet Township Sewerage Authority	\$ 0.00
Township of Holmdel	\$ 0.00
Borough of Union Beach	\$ 0.00
Borough of Keyport	\$ 0.00
Borough of Keansburg	\$ 0.00
Borough of Matawan	\$ 0.00
Western Monmouth Utilities Authority	\$ 0.00
Township of Aberdeen	\$ 0.00
TOTAL	\$ 0.00

Balance of Rent Reserve Accounts as of February 28, 2017

Hazlet Township Sewerage Utility	\$ 753,779.79
Township of Holmdel	\$ 318,842.59
Borough of Union Beach	\$ 194,722.00
Borough of Keyport	\$ 272,347.28
Borough of Keansburg	\$ 303,453.30
Borough of Matawan	\$ 323,239.15
Western Monmouth Utilities Authority	\$ 95,600.23
Township of Aberdeen	\$ 455,158.76
TOTAL	\$ 2,717,143.10

OFFEDER BY: Commissioner Sutton, SECONDED BY: Commissioner Whalen, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

7. PAYMENT OF BILLS

MOTION (by Chair McMullen) - for payment of the following:

Operating Fund Req. No.P195(Payroll)	\$ 452,906.42
Operating Fund Req. No. 545 (Regular)	\$ 278,970.15
NJEIT Project Fund Req. #PF-22	\$ 120,015.12
NJEIT Project Fund #2 Req. #PF02-07	\$ 344,907.46
Wire Transfer FEMA Funds to NJEIT #WT016	\$ 660,840.46

OFFEDER BY: Commissioner Sutton, SECONDED BY: Commissioner Steiner, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

8. APPROVAL OF MINUTES

MOTION (by Chair McMullen) - to approve the following Minutes:

Reorganization & Regular Meeting of February 27, 2017
Closed Session of February 27, 2017

OFFEDER BY: Commissioner Steiner, SECONDED BY: Commissioner Khachaturian, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

Public Portion

ANNOUNCEMENT (by Chair McMullen): This portion of the meeting is now open to the public for comments or questions related to Agenda items only. The public is reminded; only questions or comments specific to the scope of the Agenda items are to be addressed at this time. As a courtesy to all, please be mindful of limiting your comments to 5 minutes.

No Public In Attendance

Resolutions

RESOLUTION (47/17): To Grant Chelsea Bray Regular Employment Status Effective March 4, 2017

WHEREAS, Chelsea Bray was hired as a probationary employee in the job title of Laboratory Technician on December 4, 2016; and

WHEREAS, the probationary period expires on March 4, 2017, and

WHEREAS, funds are available and have been budgeted for this position, and

WHEREAS, in a memorandum to the Executive Director dated March 14, 2017 the Plant Superintendent and Operations Superintendent have recommended that Ms. Bray be granted Regular Status effective March 4, 2017.

NOW THEREFORE BE IT RESOLVED by the Commissioners of the Bayshore Regional Sewerage Authority that Chelsea Bray is hereby granted Regular Status as an employee of the Bayshore Regional Sewerage Authority, and is further granted the rights and privileges, and responsibilities of the position.

OFFEDER BY: Commissioner Steiner, SECONDED BY: Commissioner Whalen, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

RESOLUTION NO. (48/17): To Return Excess Rent Reserve to Western Monmouth Utilities Authority

WHEREAS, the Bayshore Regional Sewerage Authority (the "Authority") and Western Monmouth Utilities Authority ("WMUA") are parties to an executed Sewer Service Agreement ("SSA"); and

WHEREAS, in accordance with the SSA WMUA shall maintain a reserve equal to one quarterly payment in a sewer rent reserve account held by the Authority; and

WHEREAS, in accordance with the SSA the Authority shall return any rent reserve amount in excess of their annual obligation to the WMUA upon their request, and

WHEREAS, the WMUA currently has an excess balance of \$1,086.47 in their Rent Reserve Account; and

WHEREAS, the WMUA has requested the return of \$1,086.47 in excess rent reserve balance.

NOW THEREFORE BE IT RESOLVED, the Bayshore Regional Sewerage Authority Commissioners hereby authorize the return of excess Rent Reserve to the WMUA according to the executed SSA in the amount of \$1,086.47.

OFFEDER BY: Commissioner Khachaturian, SECONDED BY: Commissioner Whalen, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

RESOLUTION NO. (49/17): To Authorize an Engineering Amendment to Hazen & Sawyer for the Construction Management and Inspection Services of the NIRO Incinerator Repair & Mitigation, Contract No. 74-S, in the amount of \$250,000

WHEREAS, through Resolution 94/14, the Bayshore Regional Sewerage Authority (the "Authority") contracted with Hazen & Sawyer Engineers of NY ("H&S") for the Construction Management and Inspection Services of the NIRO Incinerator, Repair & Mitigation, Contract No. 74-S; and

WHEREAS, the Authority amended the contract with H&S for the Construction Management and Inspection Services of the NIRO Incinerator, Contract No. 74-S to cover additional expenses beyond the original scope of work; and

WHEREAS, the Authority has requested H&S to perform additional engineering services beyond the original scope of work as a result of the construction contract being extended past the completion date, including additional inspection time and construction management services; and

WHEREAS, H&S submitted a proposal dated March 3, 2017 for Amendment No.2, in the amount of \$250,000; and

WHEREAS, the Authority Engineer and Executive Director have met with the staff of H&S and Engineering Committee to review the revised proposal and find the amendment request dated March 3, 2017 to be fair and reasonable and represent work that was beyond the original scope of work; and

WHEREAS, funds are available for this purpose.

NOW THEREFORE BE IT RESOLVED, the Commissioners of the Bayshore Regional Sewerage Authority hereby approve contract amendment No.2 in the amount of \$250,000 to H&S in accordance with the terms and conditions of its correspondence dated March 3, 2017 increasing their amended budget amount from \$1,925,247 to \$2,175,247.

BE IT FURTHER RESOLVED, the Executive Director is hereby authorized to execute the contract amendment with H&S.

OFFERED BY: Commissioner Khachaturian, SECONDED BY: Commissioner Whalen, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

RESOLUTION NO. (50/17): To Allow BR Welding, Inc. Withdraw its Bid for Odor Control Scrubber (Phase I) Improvements Contract #97

WHEREAS, the Bayshore Regional Sewerage Authority (the "Authority") owns and operates an Odor Control System No. 1 Improvements which services the Main Pump Station and Aerated Grit Chamber at its treatment plant in Union Beach, NJ, and

WHEREAS, the Odor Control System an essential component of the treatment plant is in need of improvements, and

WHEREAS, in accordance with Local Public Contracts Law, the Authority advertised for the Improvements to the Odor Control System No. 1 Improvements, Contract 97 and three (3) sealed bid were received and publically opened on March 15, 2017 at 1pm EST, ranging in price from a low of \$236,700 to a high of \$551,000; and

WHEREAS, the apparent low bidder BR Welding, Inc. ("BRW"), pursuant to N.J.S.A. 40A:11-23.3, requested to withdraw its bid due to a mathematical error; and

WHEREAS, the Authority's Engineer and Attorney have reviewed the documentation submitted by BRW and agree that it supports BRW request that a mistake was significant and to enforce the contract be unconscionable; and

WHEREAS, the withdrawal of the bid does not serious prejudice the Authority accept for the loss of the bargain.

NOW THEREFORE BE IT RESOLVED, by the Commissioners of the Bayshore Regional Sewerage Authority that the bid of BRW for Contract 97 for Odor Control Systems No. 1 Improvements may be withdrawn and BRW shall be disqualified from future bidding on this project.

OFFEDER BY: Commissioner Steiner, SECONDED BY: Commissioner Whalen, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

RESOLUTION No. (51/17): To Award the Odor Control Scrubber (Phase I) Improvements Contract #97 to Second Low Bidder, Iron Hills Construction Inc, in the amount of \$479,000

WHEREAS, the Bayshore Regional Sewerage Authority (the "Authority") owns and operates an Odor Control System No. 1 Improvements which services the Main Pump Station and Aerated Grit Chamber at it treatment plant in Union Beach, NJ, and

WHEREAS, the Odor Control System an essential component of the treatment plant is in need of improvements, and

WHEREAS, the Authority approved Resolution No. 10/17 authorizing the staff and R3M Engineering to prepare specifications and advertise a Public Contract; and

WHEREAS, in accordance with Local Public Contracts Law, the Authority advertised for the Improvements to the Odor Control System No. 1 Improvements, Contact 97 and three (3) sealed bid were received and publically opened on March 15, 2017 at 1pm EST, ranging in price from a low of \$236,700 to a high of \$551,000; and

WHEREAS, the apparent low bidder BR Welding, Inc. ("BRW"), pursuant to N.J.S.A. 40A:11-23.3, requested to withdraw its bid of \$236,700 due to a mathematical error and by previous Resolution the Authority approved BRW's request; and

WHEREAS, the engineering estimate for the project is \$489,000; and

WHEREAS, the Authority Attorney, R3M Engineering and Staff, have reviewed the bids and recommend award to the second lowest responsive responsible bidder, Iron Hills Construction Co., Inc. from Wayne, NJ in the amount of \$479,000; and

WHEREAS, funds are available for this project.

NOW THEREFORE BE IT RESOLVED, by the Commissioners of the Bayshore Regional Sewerage Authority, that Contract 97 for Odor Control Systems No. 1 Improvements is awarded to Iron Hills Construction Co., Inc. from Wayne, NJ in accordance with the terms and conditions of contract documents at a price of \$479,000.

BE IT FURTHER RESOLVED, the Chair and Secretary of the Authority are authorized to execute any and all necessary documentation to award the contract to Iron Hills Construction Co., Inc. from Wayne, NJ.

OFFEDER BY: Commissioner Sutton, SECONDED BY: Commissioner Steiner, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

RESOLUTION No. (52/17): To Award Engineering and Construction Management Services for the Odor Control Scrubber (Phase I) Improvements Contract #97 to R3M Engineering

WHEREAS, the Bayshore Regional Sewerage Authority (the "Authority") solicited and received public bids in accordance with the Local Public Contracts Law for Contract #97 - Odor Control Scrubber (Phase I) Improvements; and

WHEREAS, the Authority awarded Contract # 97 to Iron Hills Construction on March 20, 2017 by Resolution #51/17; and

WHEREAS, R3M Engineering completed the design plans and bid specifications for Project #97 and provided the Authority with a proposal for Construction Management Services for Project #97; and

WHEREAS, the Authority and R3M Engineering has negotiated a fair and reasonable price for Construction Management Services for Project 97; and

WHEREAS, funds are available for this purpose; and

WHEREAS, the Authority desires to award a non-fair and open contract for Construction Management Services for Project #97 to R3M Engineering at the not to exceed price of \$57,383 as a time and expense contract.

NOW THEREFORE BE IT RESOLVED, the Commissioners of the Bayshore Regional Sewerage Authority award the Contract for Construction Management Services for the Odor Control Scrubber (Phase I) Improvements Contract #97 to R3M Engineering of Old Bridge, NJ in accordance with the terms and conditions in their proposal dated March 16, 2017 in the amount not to exceed \$57,383.

BE IT FURTHER RESOLVED, the Executive Director is hereby authorized to execute all necessary documents to award the Contract to R3M Engineering of Old Bridge, NJ.

OFFEDER BY: Commissioner Sutton, SECONDED BY: Commissioner Khachaturian, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

Public Portion

ANNOUNCEMENT (by Chair McMullen) – This portion of the meeting is OPEN TO THE PUBLIC to discuss any BRSA matters the public may care to address. The public is reminded, only questions or comments not previously addressed; and/or specific to the scope of BRSA's operations or projects will be addressed. As a courtesy to all members of the public wishing to speak, please be mindful of limiting your comments to 3 minutes.

No Public In Attendance

Mr. Fischer advised the Personnel Committee that he would like to schedule a meeting to discuss 2017 Performance Evaluations for all Non-Union employees. A tentative date of April 17th at 5:30 pm was agreed upon.

Adjournment

ANNOUNCEMENT (by Chair McMullen)

The next Regular Meeting of the BRSA will be held on Monday, April 17, 2017. All meetings are held at 7:00 PM in the Administration Building at 100 Oak Street, Union Beach, NJ.

MOTION (by Chair McMullen) to adjourn the meeting @ 7:59 PM.

OFFERED BY: Commissioner Khachaturian, SECONDED BY: Commissioner Whalen, and carried by a unanimous voice vote recorded as follows:

AYES: Commissioners Khachaturian, Steiner, Sutton, Whalen and Chair McMullen

Respectfully Submitted,

Susan A. DuBey
Administrative Assistant