

MINUTES
REGULAR MEETING
MONDAY, AUGUST 20, 2018

At 7:02 P.M., Chairman Steiner made the following announcement:

The Regular Meeting of the Bayshore Regional Sewerage Authority will now come to order. 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. 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.

Chairman Steiner 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.

Chairman Steiner called for a roll call of attendance:

PRESENT: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

Also In Attendance: Mr. Robert C. Fischer, Executive Director
J. Michael Broyles, Superintendent
Peter Canal, Chief Engineer
Manuel Ponte, P.E., Consulting Engineer
John Napolitano, Esq.
Susan DuBey, Admin. Assistant

REPORTS

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

Mr. Fischer Reported:

Disaster Recovery Update

- Closed out Contracts 71S, 73S and tonight we are closing out 74S.
- Combined Blower Building Project is complete. Just working out some bugs in the Process Control System.
- Contract 81S-Power Distribution System-regarding the subcontractor bankruptcy- PKF believes they will be able to get the enclosures T1, T2 and T3 delivered soon. PKF's distributor Turtle and Hughes has picked another vendor to complete T4, T5, T6 and the Main Switch Gear lineup. The BRSA, PKF and GE have not made any payments towards the enclosures. There will be a 6 to 8 month delay in the project as a result of this issue.

PKF was asked to put together a long term power plan that extends the project completion to April, 2019. The Transformers that were removed will be put back on elevated flat beds and

wire them back in so we can use them while we wait for the enclosures.
Commissioner Sutton stated that since the company filed for Chapter 7 we should be able to get the completed enclosures fairly cheap.

John Napolitano said that being it was a contracted price they would have to stick to that price.

We have contacted the NJ Office of Emergency Management and FEMA as well as the NJIB who provide the Short & Long term loans.

Power Resiliency Project

- Provided FEMA and NJOEM with information regarding R3M's Hazard Mitigation Proposal
- Installing up to three natural gas generators on site for resiliency power in case of long term emergency and in "Storm Anticipation" mode for BRSA and MCBOA. Generators could run up to 3 months if needed. Our current emergency generators are designed to run for 24 hours however they ran for 7 or 8 days during Sandy and had extensive work done on them afterwards.
- FEMA questions have been answered and NJNG modeled the system. Minor upgrades may be necessary.
- Waiting for FEMA to obligate the funds for this project. We should hear something soon.
- At September/October meeting R3M will present a conceptual presentation on this project.

Collective Bargaining Agreement

- Will be discussed in Closed

Staff Engineer Report

Given By Pete Canal:

- RFP went out to 3 firms for the repair of a sewer line on Virginia Avenue, Hazlet.
- Matawan Force Main emergency repair on Clark Street – paving completed
- Refurbishment of Odor Control Systems #2,3 & 4 Contract to low bidder Iron Hills Contractor in the amount not to exceed \$585,000.
- Engineering and Construction Management of Odor Control Systems #2,3 &4 to R3M Engineering in the amount not to exceed \$53,858.

Edward Barboe and John Wojnas gave a power point presentation of the Close-Out of Contract 74S-NIRO incinerator repairs and mitigation.

- Contract 74S-Niro Incinerator- Close-Out and release final payment and accept maintenance bonds
- Contract 80S-Stone Hill Contractors-Combined Blower Building #1 & 2 -Change Order #2, in the credit amount of (\$242,292)

Chairman Steiner asked about the pre-fab homes on Florence Avenue in Hazlet.

Pete said it's a 3 lot subdivision but developer is having trouble with the contractors.

Consulting Engineer – R3M

Manuel Ponte Reported:

- 3rd quarter 2017/2018 Flow Report – slightly higher than last quarter.
- Received three sealed bids for Contract 105-Odor Control Systems # 2,3 & 4. The lowest bid was Iron Hill Construction @ \$585,000, second lowest was BR Welding @ \$748,700 and the highest bid was William Kohl Construction @ \$858,400.

- Proposal for R3M Contract 105-for the Construction Contract Administration & Construction Inspection Services in the amount not to exceed \$53,858.

Superintendent’s Report

Mike Broyles Reported:

- The flow for July was pretty much average, plant performance was good and continues thru August.
- Incinerator running as usual at a 2 shift per day schedule to keep inventory low due to the temperature. Fuel oil slightly higher due to burning schedule.
- Received one odor complaint in July and wind direction was consistent with complaint.
- Risk Control did a safety inspection, focused on Press room where a few of our accidents occurred. Employees have fallen due to the stairs at press, need to reconfigure depth and location.

Chairman Steiner called for a **MOTION** to approve the Treasurer’s Report

TREASURER’S REPORT

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

**TREASURER’S REPORT
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**

TD BANK	Balance
<u>TRUSTEE ACCOUNTS</u>	<u>July 31, 2018</u>
<u>2010 NJEIT BONDS</u>	
Construction	\$ 1,364,061.41
Bond Service	\$.05
Total NJEIT	\$ 1,364,061.46
TD BANK	
Lakeland Bank-CD	\$ 1,004,472.22
Cash Management	\$ 7,016,840.05
NJEIT Project Fund	\$ 562,202.37
NJEIT Project Fund #2	\$ 2,951,579.33
Incoming Revenue Account	\$ 337,475.83
Operating Regular Account	\$ 1,755,122.27
Operating Reserve Account	\$ 12,071,354.04
Operating Payroll Account	\$ 773,445.06
Debt Service Fund	\$ 200,001.53
TOTAL AUTHORITY ACCOUNTS	\$ 26,672,492.70
TOTAL	\$ 28,036,554.16

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

		Balance <u>July 31, 2018</u>
SERVICE CHARGES:		
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	\$	<u>0.00</u>
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	\$	<u>0.00</u>
TOTAL	\$	0.00
 Balance of Rent Reserve Accounts as of July 31, 2018		
Hazlet Township Sewerage Utility	\$	756,377.04
Township of Holmdel	\$	319,941.21
Borough of Union Beach	\$	195,392.94
Borough of Keyport	\$, 291,715.58
Borough of Keansburg	\$	304,498.89
Borough of Matawan	\$	324,352.91
Western Monmouth Utilities Authority	\$	97,430.62
Township of Aberdeen	\$	<u>457,785.16</u>
TOTAL	\$	2,747,494.35

PAYMENT OF REQUISITIONS

Chairman Steiner called for a **MOTION** - to approve payment of bills listed on:

Operating Fund Req. No. 564 (Regular)	\$943,673.51
Payroll Account Req. No.P212 (Payroll)	\$171,496.85
NJEIT Project Fund Req. #PF- 38	\$409,745.20
NJEIT Project Fund #2 Req. #PF-24	\$ 35,690.59

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

APPROVAL OF MINUTES

Chairman Steiner called for a **MOTION** to approve the following Minutes:

Regular Meeting Minutes of July 16, 2018

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

AYES: Commissioners Cavanagh, Sutton, Whalen and Chairman Steiner

ABSTAIN: Commissioners Khachaturian and McMullen

Closed Session of July 16, 2018

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

AYES: Commissioners Cavanagh, Sutton, and Chairman Steiner

ABSTAIN: Commissioners Khachaturian, McMullen and Whalen

PUBLIC PORTION

Chairman Steiner announced that this portion of the meeting is now open to the public for comments or questions related to **Regular Meeting 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 accordingly.

Sam Lauro of Union Beach complained about the odors coming from the plant.

Mr. Fischer informed him that a resolution is being passed to refurbish Odor Control Systems #2,3,4 and there has been a marked improvement . The headworks area no longer has odors associated with it as a result of a 2017 Odor Control Project.

Mr. Lauro says he bikes around town to see if he can smell odors in other areas and doesn't know why other people don't complain. Mr. Fischer said the Authority eliminates odors and will continue to do so.

Charles Hoffman of Hazlet asked if there is any odor component that comes from to the Outfall Authority. Mr. Fischer said No, they have an open lagoon and a pump station.

RESOLUTIONS

RESOLUTION No. (83/18): To Accept the Nine (9) Month Flow Report for 2017/2018

WHEREAS, R3M Engineering, Consulting Engineers for the Bayshore Regional Sewerage Authority, (“Authority”) have determined the quantity of sewerage from each of the Towns and Authorities connected to the Authority’s system for the period September 27, 2017 to June 27, 2018, the nine (9) month flow report; and

WHEREAS, said flow figures have been calculated from actual meter readings, maintenance service reports, meter calibration reports and other data; and

WHEREAS, said flow figures have been reviewed by the Commissioners of this Authority.

NOW THEREFORE BE IT RESOLVED the Commissioners of the Bayshore Regional Sewerage Authority hereby accept the flow calculations, certified by R3M for the period September 27, 2017 to June 27, 2018.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

RESOLUTION No. (84/18): To award Change Order No. 2, in the credit amount of \$242,292 to Stone Hill Contracting Company, Inc. for Contract No. 80S, Combined Blower Building

WHEREAS, the Bayshore Regional Sewerage Authority (“Authority”) needs to perform repairs & mitigation on the blower buildings due to damages caused by Hurricane Sandy; and

WHEREAS, in accordance with Local Public Contract Laws, Contract 80S Combined Blower Building was awarded to Stone Hill Contracting Company, Inc. (SHC) on May 23, 2016 for a total price of \$6,158,180 via Resolution 67/16; and

WHEREAS, the Authority previously approved Change Order No.1 in the amount of \$230,300.55 via Resolution No. 105/17, increasing the total contract value to \$6,388,480.55; and

WHEREAS, there is a need to amend the Contract and perform additional work necessary for the completion of the project and adjust the final quantities, as detailed in C.80s Change Order No.2 documents, dated August 13, 2018 for a total contract credit of \$242,292; and

WHEREAS, SHC has submitted a proposal for Change Order No.2 to amend the contract work and perform final quantities adjustments, in the credit amount of \$242,292, which includes FEMA Reimbursable Mitigation totaling \$46,792, FEMA Reimbursable Restoration totaling \$37,928 and Non-FEMA Reimbursable Upgrades credit totaling \$327,012; and

WHEREAS, the Authority staff and our consulting engineer, Hazen & Sawyer have reviewed the proposal and are recommending Change Order No.2, in the credit amount of \$242,292; and

WHEREAS, Change Order No.2 will be submitted to New Jersey Environmental Infrastructure Trust for review and approval; and

WHEREAS, in accordance with N.J.S.A. 5:30-5.4 (a) (3), the Authority certifies the availability of funds in the Capital line item, to cover the maximum dollar value of the pending contract as set forth in this Resolution.

NOW THEREFORE BE IT RESOLVED the Commissioners of Bayshore Regional Sewerage Authority approve Change Order No.2 for Stone Hill Contracting Company, Inc., in the credit amount of \$242,292, decreasing the total Contract value to \$6,146,188.55.

BE IT FURTHER RESOLVED, the Executive Director is hereby authorized to execute any necessary documents to approve this Change Order.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

RESOLUTION No. (85/18): To approve Close-Out of the NIRO Incinerator Repairs & Mitigation, Contract No. 74S for Stone Hill Contracting Company, Inc.

WHEREAS, the Bayshore Regional Sewerage Authority (“Authority”) needs to perform repairs & mitigation on NIRO Incinerator due to damages caused by Hurricane Sandy; and

WHEREAS, in accordance with Local Public Contract Laws, Contract 74S NIRO Incinerator Repairs and Mitigation was awarded to Stone Hill Contracting Company, Inc. (SHC) on February 23, 2015 for a total price of \$16,445,997 via Resolution 35/15; and

WHEREAS, the Authority previously approved eight (8) Change Orders totaling \$1,138,194.72, increasing the total contract value to \$17,584,191.72; and

WHEREAS, all work is completed and the Authority Chief Engineer and its Consulting Engineer, Hazen & Sawyer are recommending acceptance of the Maintenance Bond and closeout of the Contract, subject to receiving all required warranties, attorney review and NJEIT approval.

NOW THEREFORE BE IT RESOLVED the Commissioners of the Bayshore Regional Sewerage Authority approve acceptance of the Maintenance Bond and closeout of the NIRO Incinerator Repairs & Mitigation, Contract No. 74S for Stone Hill Contracting Company, Inc., subject to receiving all warranties, attorney review and NJEIT approval.

BE IT FURTHER RESOLVED, the final payment amount of \$406,829.90 shall not be released until all warranties and bonds have been approved.

BE IT FURTHER RESOLVED, the Executive Director is hereby authorized to execute any necessary documents to approve closeout of the project.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

RESOLUTION No. (86/18): To Award the Refurbishment of Odor Control Systems #2, #3, #4 Contract to Iron Hills Construction Inc. in the amount of \$585,000

WHEREAS, the Bayshore Regional Sewerage Authority (“Authority”) owns and operates Odor Control Systems No. 2, #3, and #4 which service the Primary Clarifiers, Sludge Holding Tank, Aeration Basins and Belt Filter Press Room at its sewage treatment facility in Union Beach, NJ; and

WHEREAS, the Odor Control Systems are an essential component of the treatment plant and in need of improvements; and

WHEREAS, the Authority approved Resolution No. 55/18 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 Refurbishment of Odor Control Systems #2, #3, #4 Contract # and three (3) sealed bid were received and publically opened on August 16, 2018 at 2pm EST, ranging in price from a low of \$585,000 to a high of \$858,400; and

WHEREAS, the engineering estimate for the project is \$529,700; and

WHEREAS, the Authority Attorney, R3M Engineering and Staff, have reviewed the bids and recommend award to the lowest responsive, responsible bidder, Iron Hills Construction, Inc. from Wayne, NJ in the amount of \$585,000; and

WHEREAS, in accordance with NJAC 5:30-5.4(a)(3), the Authority certifies the availability of funds in the unrestricted net position item, to cover the maximum dollar value of the pending contract as set forth in the Resolution.

NOW THEREFORE BE IT RESOLVED, by the Commissioners of the Bayshore Regional Sewerage Authority, that Refurbishment of Odor Control Systems #2, #3, #4 Contract # is awarded to Iron Hills Construction, Inc. from Wayne, NJ in accordance with the terms and conditions of contract documents at a price of \$585,000.

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

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

RESOLUTION No. (87/18): To Award Engineering and Construction Management Services for the Refurbishment of Odor Control Systems #2,#3,#4 to R3M Engineering in the amount

WHEREAS, the Bayshore Regional Sewerage Authority (“Authority”) solicited and received public bids in accordance with the Local Public Contracts Law for Contract # Refurbishment of Odor Control Systems #2,#3,#4; and

WHEREAS, the Authority awarded Contract #105 to Iron Hills Construction on August 20, 2018 by Resolution #87/18; and

WHEREAS, R3M Engineering completed the design plans and bid specifications for Contract #105 and provided the Authority with a proposal for Construction Management Services; and

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

WHEREAS, in accordance with NJAC 5:30-5.4(a)(3), the Authority certifies the availability of funds in the Unrestricted Net Position line item, to cover the maximum dollar value of the pending contract as set forth in the Resolution; and

WHEREAS, the Authority desires to award a non-fair and open contract for Construction Management Services for Contract # 105 to R3M Engineering at the not to exceed price of \$53,858 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 Refurbishment of Odor Control Systems #2,#3,#4 Contract #105 to R3M Engineering of Old Bridge, NJ in accordance with the terms and conditions in their proposal dated August 16, 2018, in the amount not to exceed \$53,858.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

RESOLUTION No. (88/18): To Secure Flood Insurance For the Authority Buildings Eligible For National Flood Insurance Program Coverage

WHEREAS, the Bayshore Regional Sewerage Authority (“Authority”) owns several buildings at the Treatment Plant located at 100 Oak Street in Union Beach, NJ; and

WHEREAS, the buildings further identified as Main Pump Station Addition and Administration Building are eligible for flood insurance under the National Flood Insurance Program (NFIP); and

WHEREAS, the Selective Insurance Company will provide total coverage of \$1,000,000 for Buildings and \$417,400 for contents for a total premium of \$11,613 with a \$90,000 deductible; and

WHEREAS, as a condition of FEMA funding the Authority is required to obtain and maintain flood insurance on all eligible buildings; and

WHEREAS, the quoted premiums and coverages have been reviewed by the Authority Risk Management consultants, Conner Strong & Buckelew who has recommended binding these coverages; and

WHEREAS, in accordance with NJAC 5:30-5.4(a)(3), the Authority certifies the availability of funds in the insurance line item, to cover the maximum dollar value of the pending contract as set forth in the Resolution.

NOW THEREFORE BE IT RESOLVED, the Commissioners of the Bayshore Reginal Sewerage Authority hereby authorize the payment of the above stated premiums to secure flood insurance for the named Authority Buildings for a one year term according to the building renewal date and instruct the Executive Director to execute all necessary documentation to secure this coverage.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

PUBLIC PORTION

Chairman Steiner announces: This 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.

Charles Hoffman, Florence Avenue, Hazlet asked how the litigation is going.

John Napolitano said it moving along.

Charles stated that at the last two Hazlet Township Committee meeting concerns for Affordable Housing was discussed and that Hazlet had to come up with 440 units by 2025. He asked if the BRSA could handle the Increase in flow. Mr. Fischer said Yes. Commissioner Cavanagh stated that no application for building any units has been given to any Board in Hazlet.

Charles asked if Methane recapture system could resolve the Odor problem. Commissioner Cavanagh said that Methane is odorless.

Mr. Fischer said we incinerator our sludge so it doesn't produce Methane gas.

Executive Session

Chairman Steiner calls for a **MOTION** to go into Closed Session at 8:21 P.M. in accordance with Section 8 of the Open Public Meetings Act, Chapter 231, P.L. 1975, permitting the exclusion of the public from a meeting in certain circumstances. This action will be taken to discuss matters falling within attorney-client privileges, specifically, pending or **anticipated litigation, contract negotiations and matters of employment of public employees.** It is anticipated at this time that the above stated subject matter shall be made public at such time as the need for non-disclosure no longer exists.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

END CLOSED SESSION

Chairman Steiner called for a **MOTION** to End Closed Session and Re-Open the Regular Meeting @ 8:55 P.M.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

ANNOUNCEMENT (by Chairman Steiner):

The next Meeting of the B.R.S.A. Regular Meeting will be held on Monday, September 17, 2018, at 7:00 P.M. All meetings take place in the Administration Building of the Authority located at 100 Oak Street, Union Beach, NJ 07735.

At 8:59 P.M., Chairman Steiner called for a **MOTION** to Adjourn the meeting.

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

AYES: Commissioners Cavanagh, Khachaturian, McMullen, Sutton, Whalen and Chairman Steiner

Respectfully submitted,
Susan DuBey
Administrative Assistant