

THE LINDEN ROSELLE SEWERAGE AUTHORITY

The minutes of the Special meeting held on Wednesday, September 5, 2018 at 12:00 P.M. in the office of the Linden Roselle Sewerage Authority.

Chairman Vircik announced that the Public Notice of time and date of the Public Meeting has been duly executed in accordance with the Open Public Meeting Act, P.L., 1975, Ch. 231, notification being mailed 08/30/18 to the Local Source, Star Ledger, Home News Tribune, and to the municipal clerks of Linden and Roselle for posting in a public place.

Present: George Vircik, Chairman; Edward Mikolajczyk, Treasurer; Derek Armstead, Member; Mr. Strano, Alternate Member;

Late: Jamel Holley, Member;

Absent: Reginald Atkins, Alternate Member;

Attending: David G. Brown, Executive Director; Jeffrey A. Williams, Superintendent; Richard Rudin and Louis Karp from Weiner Law Group; Tom Laustsen, CDM Smith Co.;

MOTION: Upon motion of Mr. Mikolajczyk, and seconded by Mr. Armstead the Board unanimously approved to appoint Mr. Strano as an Acting Secretary for this Special meeting.

EXECUTIVE SESSION

MOTION: Upon motion of Mr. Strano, seconded by Mr. Mikolajczyk the Board unanimously approved the Resolution to hold an Executive Session to discuss "Aries Project" and any other matters as may come before the Members.
(At 12:05 P.M., Resolution #07E-18 attached). Mr. Holley arrived.

MOTION: Upon motion of Mr. Holley, seconded by Mr. Armstead the Board unanimously approved that the Executive Session was closed 12:44 P.M. and the Special meeting resumed.

Meeting open to the public.

Chris Kidd, Project Developer from Aries Energy joined the meeting.

The Chairman stated that were questions on these two agreements and even beyond that, therefore the Board did not approve the agreements today.

At this point Chairman asked if there are any questions from Board to Aries representative.

There were a lot of questions asked in regard this project, which most of all questions pertained to savings to the Authority. Chris Kidd could not answer some of the questions and stated that Aries will get back to the Authority.

Mr. Holley said to Chris Kidd, Aries representative, that he needs to have answers for those questions especially pertaining cost savings to the Authority because the Mayor and Councilmen who serve on the Board and also the Governing Body, have concerns in terms of savings, therefore we need more definite answers in order for the Board to move forward with this project.

At this point of the meeting were more questions in regards the Aries company itself, which is located in Tennessee. Chris stated that in Tennessee they are using a different technology than here at the Authority, so is hard to compare those two different technologies.

The discussion still continue back and forth in regard to economic benefits, back end process and financial analysis for sludge processing.

The Mayor stated that the Board does not want to slow down the Aries gasification project and that Authority would like to expedite as well, however the Board needs to know more in a detail regarding the benefits of this project to the Authority.

Rich Rudin added to discussion that the Board is looking for, "how likely with your technology the Authority could see a meaningful savings".

Chris Kidd, Aries representative, suggested because he does not have answer for all the questions to call Phil Gennarelli, perhaps he would be able to satisfy the Board with the answers. Chris Kidd called Phil Gennarelli advising him that the Board is in the public session of the meeting and the outcome of the meeting, also that the Board needs to know the cost savings potential to the Authority if Aries processes Authority's sludge. Mr. Gennarelli stated that based on 2018 rate case he believes that total cost would be between \$65.00 and \$75.00 per ton. This is including \$38.00 per ton what Spectraserv is charging and the balance is the back end of the facility. Further he stated that if we would share the upside with them on a 50/50 basis, there could be reduction up to \$15.00 to \$20.00 per ton, overall assuming 40,000 ton per year. Also Mr. Gennarelli added that Aries estimate is to match what the current provider is charging the Authority but the all focus is on saving on the back end by shutting down the system. Mr. Gennarelli stated that the Aries is relying on the Authority's current provider pricing and that is the way the agreement is structured. Mr. Gennarelli further stated that Aries is in the middle of permitting to move forward and about to go to Zoning Board.

Mayor stated that unfortunately the Authority will table the decision for couple more weeks and suggested to Aries representatives meet in his office for further discussion and some directions; all parties agreed.

MOTION: Upon motion of Mr. Holley, seconded by Mr. Armstead the Board unanimously decided tabled Resolution #49-18 in regard to Aries Project "Use and Occupancy Agreement" for further consideration.

ADJOURNMENT

MOTION: Upon motion of Mr. Holley, seconded by Mr. Mikolajczyk, the Special Board Meeting was adjourned at 1:23 P.M.