

THE LINDEN ROSELLE SEWERAGE AUTHORITY

The minutes of the regular meeting held on Wednesday, July 25, 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 12/29/17 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; Robert Sadowski, Vice-Chairman; Edward Mikolajczyk, Treasurer; Jamel Holley, Member;

Late: Reginald Atkins, Alternate Member;

Absent: Ralph Strano, Alternate Member

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

Visitor: Craig Halloran, City of Linden resident.

MOTION: Upon motion of Mr. Sadowski, and seconded by Mr. Mikolajczyk the Board unanimously approved to appoint Mr. Holley as an acting Secretary for this meeting.

MOTION: Upon motion of Mr. Mikolajczyk, and seconded by Mr. Sadowski, the Board unanimously approved the Agenda set forth below.

MOTION: Upon motion of Mr. Mikolajczyk, and seconded by Mr. Sadowski, the Board approved the minutes of the June 27, 2018 Regular Board Monthly Meeting Minutes. Mr. Vircik abstained from the vote.

MOTION: Upon motion of Mr. Mikolajczyk, and seconded by Mr. Holley, the Board unanimously accepted Treasury Report as read.

BUSINESS AGENDA

Resolution to approve MOU Agreement between HCST and LRSA

Both the Hudson County Schools of Technology Postsecondary Division (HCST) and the Linden Roselle Sewerage Authority (the "Authority") have a mutual interest in assisting the training and educational process for Water and Wastewater Operators. In order for HCST to operate an educational program for the training and educational purposes and allow the appropriate HCST Staff and Instructors on-site to administer the program. To facilitate this mutually beneficial goal, HCST has proposed that the Authority enter into a Memorandum of Understanding memorializing the rights and obligations of the Authority and HCST. Therefore the Executive Director and Staff are recommending that the Board approve MOU Agreement between HCST and LRSA to facilitate the training and skills enhancement of Water and Wastewater Operators.

MOTION: Upon motion of Mr. Holley, seconded by Mr. Sadowski, the Board unanimously approved Resolution approving Memorandum of Understanding Agreement between Hudson County Schools of Technology Adult & Continuing Education Division and the Linden Roselle Sewerage Authority to facilitate the training and skills enhancement of Water and Wastewater Operator. (Resolution #44-18 attached).

Mr. Atkins arrived.

BUSINESS AGENDA (continued)

EXECUTIVE DIRECTOR'S REPORT

The Executive Director presented to the Board his monthly report (see attached report).

Mr. Rudin asked, if we know the reasons why the PSEG Effluent Reuse is down significantly.

The Executive Director stated that they not using as much water as they use to. The Superintendent added that PSEG plant burns fossil fuel. Fossil fuel costs have been up therefore PSEG are using facilities with alternate fuels. Superintendent further said that Authority noticed during the summer they are already using more reuse water for their cooling system.

No other questions of the Executive Director's report.

SUPERINTENDENT'S REPORT

Superintendent presented to the Board his monthly report (see attached report).

Chairman asked if there is anything new with the JVM Cheese Company. Tom Laustsen stated that the building is designed in accordance with the recommendations and CDM Smith has no issues. Tom Laustsen added that written recommendation was given to the Executive Director this morning.

No other questions of the Superintendent's report.

BIDS AND PURCHASES

Award of Contract to provide Financial Advisory Services

The Authority is in need to retain the services of a Financial Advisor to perform debt assessment and funding and budget analysis in conjunction with undertaking anticipated capital improvement projects in accordance with a fair and open process. One proposal was received from NW Financial Group, LLC. The proposal was reviewed by Authority Staff and it was determined to be responsive. NW Financial Group, LLC demonstrated very extensive experience serving as a Financial Advisor to many sewer authorities and other public entities in the State. NW Financial proposed a fee for Financial Advisory Services based on an hourly rate schedule with the maximum amount of the contract not to exceed \$13,000. Therefore, the Executive Director and Staff are recommending that the Board award contract to retain NW Financial Group, LLC to provide Financial Advisory Services with the upper limit of \$13,000.

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Holley, the Board unanimously approved Resolution awarding a contract to retain NW Financial Group, LLC to perform debt assessment and funding and budget analysis with undertaking anticipated capital improvement projects with the compensation in the amount of not to exceed \$13,000. (Resolution #45-18 attached)

Authorizing an Amendment contract with Univar to purchase Liquid Sodium Permanganate

The Authority awarded a contract to Furnish and Deliver Liquid Sodium Permanganate to Univar USA, Inc. for a two year period in the sum of \$87,295.00. There is a need of a contract amendment in the amount of \$40,718.00 to ensure that the operating needs of the Authority will be met, therefore increasing the contract to a total not to exceed amount of \$128,013.00. The facility has experience an increased demand for this product due to a large increase in sludge production which has led to more transfers of digested sludge. Liquid Sodium Permanganate is injected into the sludge line prior to the plant's 2 gravity belt thickeners for the reduction of H2S. Therefore the Executive Director and Staff are recommending that the Board approve the contract amendment with Univar USA, Inc., in the amount of \$40,718.00.

BIDS AND PURCHASES (continued)

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Mikolajczyk, the Board unanimously approved and authorized an Amendment to the contract with Univar USA, Inc., in the amount of \$40,718.00 for the purchase of Liquid Sodium Permanganate for the total not to exceed amount of \$128,013.00 (Resolution #46-18 attached)

ENGINEERS REPORT

Tom Laustsen has nothing to add to his written report.

Chairman questioned did the Authority filled for final FEMA reimbursement the for Main Street Pumping Station project. Tom stated that he spoke with Cathy, Authority's Finance Manager in that regards and she stated that paper work is in the process of being prepared for reimbursement. There were no other questions of the engineer.

Mr. Sadowski ask question in regards Blue Apron. The Executive Director reported that the Authority will have hearing tomorrow with Blue Apron. The Superintendent will be serving as the Hearing Officer and Edward Majeski will be representing Authority and on the line is a \$1,000 fine. The Superintendent added that the Blue Apron has a problem finding a company to install their pretreatment process.

PUBLIC COMMENT

Chairman asked the attendee from the public to state the name and address.

Mr. Craig Halloran residing at 120 Donaldson Place in Linden. Mr. Halloran stated that this is his first time at the meeting. He said that he has 28.5 years of experience in the wastewater and that he worked at the Joint Meeting in Elizabeth and is presently retired. Mr. Halloran stated that he is here basically to ask some questions what goes on with his money. One of those question as he asked, quote "how do I arrange tour of the plant; secondly how much we paying for sludge and what percent solids is sludge; what it can be done to lower the cost; how I can get copies of influent and effluent analysis and the discharge permit; what is the plant rated for; and how does the Authority handle influx of rain water.

The Executive Director along with Superintendent replied that just right after meeting they can meet to answer all above questions. All parties agreed.

BILLS AND CLAIMS

Certification and recommendation received from the Executive Director, Purchasing/Contract Manager, and Financial Manager.

Operating Fund

MOTION: Upon motion of Mr. Holley, seconded by Mr. Sadowski, the Board unanimously approved payment of the Operating Bills in the amount of \$636,534.48 (Resolution attached).

Renewal and Replacement Fund

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Mikolajczyk the Board unanimously approved payment of the Renewal and Replacement Bills in the amount of \$3,264.00 (Resolution attached).

ADJOURNMENT

MOTION: Upon motion of Mr. Sadowski, seconded by Mr. Mikolajczyk, the meeting was adjourned at 12:22 P.M. and it was ordered that the monthly Board Meeting of the LRSA be held on Wednesday, August 22, 2018 at 12:00 P.M. in the office of the Authority.

THE LINDEN ROSELLE SEWERAGE AUTHORITY

MONTHLY RECEIPTS

June 1, 2018 - June 30, 2018

REVENUE FUND

Non-Major User

| | |
|-----------------------------------|--------------|
| City of Linden | 1,775,758.79 |
| County of Union | 42,996.04 |
| Infineum USA LP | 26,474.41 |
| City of Elizabeth | 16,596.72 |
| Panos Brands LLC (P&S Properties) | 16,003.34 |
| Budget Inn Motel | 5,525.62 |
| ETO Sterilization, Inc. | 4,412.40 |
| B&B Electroplating Co. | 3,566.95 |
| D'Angelo Metal | 947.11 |
| Epicor | 926.65 |
| ST Linden Terminal, LLC | 380.74 |
| Mercer Coating | 166.57 |

Municipality

0.00

Major Industry Users

| | |
|------------------------------|-----------|
| Linden Bulk Transportation | 85,840.85 |
| Veolia N.A. | 42,442.32 |
| Safety Kleen (Clean Harbors) | 14,185.18 |

Miscellaneous

| | |
|---------------------------------|-----------|
| Linden Board of Education | 55,137.74 |
| PSE&G (Mo. Effluent May-18) | 20,481.50 |
| ST Linden Terminal - (Easement) | 1,608.13 |
| Linden Free Public Library | 237.95 |

Total Revenue Fund \$2,113,689.01

OPERATING FUND

| | |
|--|------------|
| State of New Jersey PERS (Reimbursement) | 177.77 |
| Fortune Metal (Sale of Scrap) | 199.25 |
| Aries Clean Energy (Reimbursement) | 25,859.42 |
| 2018 2nd Qtr. EE Medical (Reimbursement) | 50,070.96 |
| Northfield Transfer | 850,000.00 |

Total Operating Fund \$926,307.40

Linden Property Holding Escrow Account

| | |
|---|--------------------|
| Beginning Balance as of 06/01/18 | 78,140.71 |
| LPH Negotiations & Agreement for Easements/Licenses | 0.00 |
| Ending Balance as of 06/30/18 | <u>\$78,140.71</u> |

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**LINDEN ROSELLE SEWERAGE AUTHORITY
EXECUTIVE DIRECTOR'S REPORT
July 25, 2018**

ADMINISTRATIVE ACTIVITIES

1. Edmunds

Chart of Accounts was received by the vendor and data discovery is in progress and the Vendor Master File is ready for Trainer Review.

2. New Employees

Orientation session is completed for all new employees.

DEPARTMENTS

A. Monitoring Department

1. All EPA and NJDEP reports were completed and submitted on time.
2. NJDEP Compliance Manager conducted an audit of the Authority's facility and the report was received and no deficiencies were cited.
3. PSEG Effluent Reuse is down from an average of 3.43 MG to 2.44 MG.
4. The rainfall for June 2018 is 3.98". The rainfall through June 2018 is up at 22.43" for the first six months as compared to last year, 2017 at this time it was 21.95".
5. LCP Chemicals is requesting to discharge ground water to the Authority. The Authority and its consultant Mott McDonald will be meeting with them to discuss and assess the matter.

B. BUSINESS DEPARTMENT

1. Revenue

Residential billing revenue in the amount of \$1,758,189.94 was received in June 2018 along with \$17,568.85 in interest payments and \$2,077.18 in prepayments.

2. Expenses

Currently O & M Expenses YTD as of June 30, 2018 is \$4,875,395.04 or approximately 51.68% of the total annual budget for O & M.

3. Budget

Budget requests have gone out to the industries for 2019 projections and the Managers are beginning their preparations to submit to the Financial Manager by late July or early August.

Respectfully submitted,



David G. Brown II
Executive Director

Superintendents Report to the Board

July 25, 2018

Highlighting Departments

Operations:

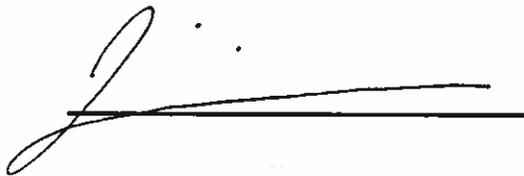
1. Plant performance - The plant operated well during June 2018 meeting all permits limits.
2. We have had several meetings with Aries Energy on the Proposal of the site.
3. We are still seeing higher than normal BOD influent readings both in concentration and loading.

Maintenance:

1. Performed Monthly Preventive Maintenance, electrical safety checks and normal packing maintenance.
2. Repaired explosive gas meter in screen house.
3. Replace corroded duct work outside GBT on exhaust fan.
4. Rebuilt K1 Pump.
5. Extensive Grounds Keeping.
6. Worked on Backflow preventers.
7. Provided maintenance to Allen St PS.

Laboratory:

1. Lab Water system was serviced and sanitized.
2. Mercury samples were sent to outside lab and the results came back as Non-detect.
3. All SOPs (except Fecal coliform) were reviewed and updated to reflect our procedures.
4. The QA/QC Manual has been updated to reflect reporting changes.
5. The monthly QA was completed and all of the second quarter QA for 2018 has been completed.



Respectfully Submitted,
Jeffrey A. Williams
Superintendent