

MINUTES OF THE REGULAR MEETING OF THE ATLANTIC
HIGHLANDS/HIGHLANDS REGIONAL SEWERAGE AUTHORITY HELD
JANUARY 27, 2011 AT THE ATLANTIC HIGHLANDS BOROUGH HALL

This meeting was called to order at 7:01 PM at the Atlantic Highlands Borough Hall meeting room with the following roll call:

PRESENT: Mr. Fligor, Mr. Bishof, Mr. Braswell, Mr. O'Neil, Mr. Urbanski

ABSENT: Mr. Rybeck

Staff members present were Mr. Palamara-Administrator, Mr. Gemmell-Engineer, Mr. McNamara-Attorney, Mr. Mason-Operations Supervisor and Mrs. Clark-Secretary.

Also present were Atlantic Highlands Councilmen Hoffmann and Dellosso, Highlands Councilman Francy and members of the public.

Mr. Braswell announced that this meeting is in compliance with the Open Public Meetings Act by virtue of notice having been sent to the Two River Times and the Asbury Park Press. The notice was also forwarded to the Borough Clerks of both Atlantic Highlands and Highlands.

APPROVAL OF MINUTES:

Mr. Fligor offered a motion approving the minutes of the Regular and Executive Session Meetings of December 16, 2010 and the Special Meetings of January 7 and 12, 2011 as distributed, with a correction to change the word Litigation to Arbitration in the first sentence and the second paragraph fourth line of the Executive Session meeting from December, 16, 2010, seconded by Mr. Bishof with the following roll call vote:

Ayes: Mr. Fligor, Mr. Bishof, Mr. Braswell, Mr. Urbanski (for 1/7/2011 and 1/12/2011)

Nays: None

Abstain: Mr. O'Neil, Mr. Urbanski (for 12/16/2010)

Absent: Mr. Rybeck

ENGINEER'S REPORT:

PUMP PROJECT: Mr. Gemmell reported on the Atlantic Highlands Pump Replacement Project. He reminded the Authority that on December 9, 2010 they had their first publication for proposals. One bid was received on December 22, 2010 and because of deficiencies, price and other issues that bid was rejected. The RFP for pump installation was re-advertised on January 13, 2011 and four bids were received on January 25, 2011. The low bid, from A.C. Schulte's, was found to be acceptable and he recommends that the Authority award the contract to A.C. Schulte's for an amount of \$48,326.00. The award would need to be subject to approval from the DEP.

SCADA PROJECT: Mr. Gemmell said that he is working with Mr. Palamara and Mr. Mason to reconfigure the specs for the AHPS SCADA System.

Mr. Palamara told the Authority that there were two Pump Replacement Project resolutions for consideration this evening. The first is to award an Engineering Services contract for the Atlantic Highlands Pump Station Replacement Project. Mr. Gemmell has tonight brought a proposal to provide these services for \$13,500. Mr. Gemmell explained what these services would include.

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RESOLUTION 4-2011, APPOINTING T&M ASSOCIATES AS PROJECT ENGINEER FOR THE ATLANTIC HIGHLANDS PUMP STATION PUMP REPLACEMENT PROJECT

was offered Mr. Bishof, seconded by Mr. Fligor, and adopted upon the following roll call vote:

Ayes: Mr. Fligor Mr. Bishof, Mr. Braswell, Mr. O'Neil, Mr. Urbanski

Nays: None

Absent: Mr. Rybeck

Mr. Palamara explained that the proposal from A. C. Schultes was about \$7,500 lower than the next proposal but since their submittal package did not contain a copy of their certificate of incorporation, organizational chart and some other requested items, their proposal was sent to our attorney for review. The opinion letter from our attorney states that the failure to submit these items was a minor defect that is waivable, and that the Authority may award this contract to A. C. Schultes. Mr. Palamara noted that a statement was added to the draft resolution stating "all deficiencies in the Proposal of A. C. Schultes are deemed minor and are waived."

RESOLUTION 5-2011, INSTALLATION OF SEWAGE PUMP FOR THE ATLANTIC HIGHLANDS PUMP STATION TO BE AWARDED TO A. C. SCHULTES, INC. was offered Mr. Urbanski, seconded by Mr. O'Neil, and adopted upon the following roll call vote:

Ayes: Mr. Fligor Mr. Bishof, Mr. Braswell, Mr. O'Neil, Mr. Urbanski

Nays: None

Absent: Mr. Rybeck

ATTORNEY'S REPORT:

Mr. McNamara said he would defer his report to Executive Session.

ADMINISTRATOR'S REPORT:

2011 BUDGET: Mr. Palamara reported that we are still awaiting approval from the State to adopt the 2011 Budget so Budget adoption will be held until the next meeting.

CONSTRUCTION PROJECTS: Pumps will be shipped any day now. A pump installation pre-construction meeting with the DEP and contractor is scheduled for February 10, 2011.

RFPs FOR 2011 PROFESSIONALS: Mr. Palamara noted that partial drafts of the RFPs for professionals had been distributed for discussion by Commissioners; additional updates and attorney review are still to be done. He said that there has been discussion by Commissioners as to whether they should be lump sum proposals or priced on an actual time basis as in the past. Mr. Palamara then explained how the RFP was written for each of the Professionals. He noted that the draft RFPs provide for meeting attendance to be bid at a fixed cost.

He said that while a fixed price amount could be requested for the audit portion of the work, budget work varies because most of that work is done by us and other financial work is done as needed or requested by commissioners so the position has always been paid on an actual time basis. He explained that the draft RFP for the Auditor is written as "not to exceed \$19,000 for the audit, budget and other work and \$5,000 for litigation".

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The draft RFPs for Attorney and Special Attorney splits “up to \$20,000 for legal work and \$20,000 for litigation” between the two positions.

The draft RFP for the Engineer is “not to exceed \$10,000”. This does not include construction projects; they are covered by separate contracts as needed.

Following discussion, Commissioners agreed that the RFPs would be issued with the hourly rate basis used in previous RFPs.

2011 COMMITTEES: Mr. Palamara said that Mr. Rybeck asked that consideration be given for next month’s Reorganization as to whether to designate standing committees. It was decided that the three committees for 2011 would be finance, personnel and operations.

Mr. Rybeck arrived at 7:32 PM.

RESOLUTION 6-2011, PAYMENT OF BILLS IN THE AMOUNT OF \$193,628.40 was offered by Mr. Fligor, seconded by Mr. Urbanski, and adopted upon the following roll call vote:

AYES: Mr. Fligor, Mr. Bishof, Mr. Braswell, Mr. Urbanski, Mr. Rybeck

NAYS: None

ABSTAIN: Mr. O’Neil

ABSENT: None

OPERATOR’S REPORT:

Mr. Mason read through his report. It was noted that the Highlands collection system has had higher than normal number of SSOs and blockages, which required cleaning by an outside contractor. The rebuild of Progressive Cavity Pumps #3 and #2 are complete. Mr. Mason also replaced a drive belt on #1 Progressive Cavity Pump. The rebuilt mixers from A. C. Schulte’s have come in. One mixer was installed in Atlantic Highlands and the other is a spare. The Oxygen Sensor on the gas detectors in the Atlantic Highlands station had to be replaced. There is a light in the Atlantic Highlands wet well that needs to be replaced, the repair should be less than \$1,600.

Mr. Mason said they had a favorable NJDEP inspection in both plants in December. Mr. Mason expressed his concern that the installation of the SCADA System could cost the Authority more than expected because the installer that was used the last time did not bid on the system maintenance and he feels that A. C. Schulte does not have the same kind of experience. Mr. Mason asked for permission to order three stators for the Highlands pumps.

RESOLUTION 7-2011, AUTHORIZATION TO PURCHASE 3 STATORS, NOT TO EXCEED \$4,500 was offered by Mr. Fligor, seconded by Mr. O’Neil, and adopted upon the following roll call vote:

AYES: Mr. Fligor, Mr. Bishof, Mr. Braswell, Mr. O’Neil, Mr. Urbanski, Mr. Rybeck

NAYS: None

ABSENT: None

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JIF: Mr. Palamara reported that the SEM will issue an RFP for a 2011 contract for the supply of natural gas next month and a 2011 contract for electricity in a couple of months.

He noted that each year he sets up a JIF seminar in Atlantic Highlands for governing body officials, which earns a \$250 insurance premium credit for all who attend. This year's seminar is set for March 24th at 6:00 PM and notice has been sent to both Highlands and Atlantic Highlands and other local JIF members.

OLD BUSINESS: Mr. Bishof suggested that the Resolution for the change of meeting dates be revised to state meeting will now be the fourth Thursday of each month.

Mr. Urbanski offered a motion to change the next meeting date to the Fourth Thursday, February 24, 2011, seconded by Mr. O'Neil, and adopted upon the following roll call vote:

AYES: Mr. Fligor, Mr. Bishof, Mr. Braswell, Mr. O'Neil, Mr. Urbanski, Mr. Rybeck

NAYS: None

ABSENT: None

NEW BUSINESS: Mr. Urbanski asked about a memo from Adam Hubeny regarding Hill Road. He said that Bob Dougherty said repairs were done on November 2nd but the flows at the end of November were still significantly high and asked that someone be asked to take a look at it.

Discussion of 2011 re-organization items was covered earlier.

PUBLIC COMMENTS:

Bill Phillips, Memorial Parkway, questioned the estimated numbers from previous minutes for the savings from refinancing. Mr. Palamara told him that the numbers weren't final as of November, but the numbers which Mr. Fligor quoted were the actual savings. Mr. Phillips asked about the costs of the three force main replacement alternates, Mr. Palamara supplied that information. Mr. Phillips said that he had a tour of both the Atlantic Highlands and Highlands stations and was very impressed. He asked Mr. Mason about the pumps. Mr. Mason explained the maintenance of the pumps and pump pressures. Discussion continued.

Councilman Jake Hoffmann asked about flow volume factors and capacity. He noted that Highlands Borough considering some large building developments and asked if the Authority's system could handle that flow. Mr. Palamara explained how the allocation of Authority costs change based upon actual flows from each Borough. Mr. Gemmell said that in addition to expansion of the Highland Pump Station, the Atlantic Highlands Pump Station would need to build additional capacity to pump any increased flows from Highlands.

Councilman Francy questioned the billing for Mr. McNamara and Mr. Neiman, saying that Mr. Neiman's bills are much higher. Mr. McNamara explained that he bills monthly and Mr. Neiman bills for a few months at a time.

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Councilman Francy asked for information on the TOMSA matter that could be discussed publically. Mr. McNamara explained that the two sides are pursuing settlement negotiations at this point. He said that there have been offers and counter offers on some operational costs and those negotiations continue to move forward. Neither side has not sought a replacement for Judge Michaels, who passed away in September; both would like to see how far they can get towards a settlement and whether there is the need for additional arbitration. Councilman Francy stated that there needs to be a settlement before there can be a concrete solution for fixing the Rt. 36 force main.

Mr. Phillips asked if the arbitration will have to start from the beginning. Mr. McNamara said that a new arbitrator will need to be paid to get up to speed.

EXECUTIVE SESSION:

Mr. McNamara stated that due to the TOMSA discussion held previously, there is no need for Executive Session at this point.

There being no further business for the meeting, Mr. Fligor offered a motion to adjourn, seconded by Mr. O'Neil, and by voice vote was unanimously carried.

Meeting adjourned at 8:29 PM

Michelle Clark, Recording Secretary