

MINUTES OF THE REGULAR MEETING OF THE ATLANTIC
HIGHLANDS/HIGHLANDS REGIONAL SEWERAGE AUTHORITY HELD
FEBRUARY 24, 2011 AT THE ATLANTIC HIGHLANDS BOROUGH HALL

This meeting was called to order at 7:00 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, Mr. Rybeck

ABSENT: None

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 Councilman Hoffmann, Highlands Councilman Francy and members of the public.

Mr. Rybeck 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.

REORGANIZATION ITEMS:

ELECTION OF CHAIRMAN.

RESOLUTION 8-2011, ELECTION OF MR. BRASWELL AS AUTHORITY

CHAIRMAN was offered by Mr. Fligor, seconded by Mr. Rybeck and adopted with the following roll call vote:

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

Nays: None

Abstain: Mr. Braswell

Absent: None

ELECTION OF VICE CHAIRMAN. Mr. Braswell offered a motion to appoint Mr. Fligor as Vice Chair. Mr. Fligor declined.

RESOLUTION 9-2011, ELECTION OF MR. BISHOF AS AUTHORITY VICE

CHAIRMAN was offered by Mr. Fligor, seconded by Mr. O'Neil and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

ELECTION OF SECRETARY, ASSISTANT SECRETARY, TREASURER AND ASSISTANT TREASURER.

RESOLUTION 10-2011, ELECTION OF MR. O'NEIL AS SECRETARY, MR. RYBECK AS ASSISTANT SECRETARY, MR. FLIGOR AS TREASURER AND MR. URBANSKI AS ASSISTANT TREASURER

was offered by Mr. Braswell, seconded by Mr. Urbanski and approved with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

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Mr. Braswell noted that committees will be appointed on an “as needed” basis so none will be appointed this evening.

DESIGNATION OF THE OFFICIAL NEWSPAPERS.

RESOLUTION 11-2011, DESIGNATION OF THE TWO RIVER TIMES AND THE ASBURY PARK PRESS AS THE OFFICIAL NEWSPAPERS OF THE AUTHORITY was

offered by Mr. O’Neil, seconded by Mr. Fligor and adopted upon following roll call vote:

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

Nays: None

Abstain: None

Absent: None

APPROVAL OF MEETING DATE SCHEDULE.

RESOLUTION 12-2011, ANNUAL NOTICE OF MEETINGS, AS LISTED:

March 24, 2011	April 28, 2011	May 26, 2011	June 23, 2011
July 28, 2011	August 25, 2011	September 22, 2011	October 27, 2011
November 22, 2011	December 22, 2011	January 26, 2012	February 23, 2012 (Re-Org)

was offered by Mr. Bishof, seconded by Mr. O’Neil and adopted upon following roll call vote:

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

Nays: None

Abstain: None

Absent: None

PROPOSAL FOR AUTHORITY ATTORNEY. One proposal was received and reviewed. There was discussion of the rate for meeting attendance and Mr. McNamara agreed to reduce his proposal from \$500 to \$250 per meeting.

RESOLUTION 13-2011, APPOINTING MR. PATRICK McNAMARA OF THE FIRM OF SCARINCI-HOLLENBECK AS ATTORNEY TO REPRESENT THE AUTHORITY UNDER A FAIR AND OPEN PROCESS was offered by Mr. Fligor, with the condition that

the hourly rates stay the same as 2010 and the amount for meeting attendance be cut to a Not-to-Exceed amount \$250, seconded by Mr. O’Neil and adopted upon following roll call vote:

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

Nays: None

Abstain: None

Absent: None

PROPOSALS FOR AUTHORITY SPECIAL ATTORNEY. Two proposals were received and reviewed. Discussion followed. Mr. O’Neil offered a motion to table this appointment until the March meeting, seconded by Mr. Fligor with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

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PROPOSALS FOR AUTHORITY AUDITOR. Two proposals were received and reviewed. **RESOLUTION 14-2011, APPOINTING MR. FRANK HOLMAN OF THE FIRM OF HOLMAN-FRENIA AS AUDITOR TO REPRESENT THE AUTHORITY UNDER A FAIR AND OPEN PROCESS** was offered by Mr. Fligor, with the condition that the hourly rates stay the same as 2010 and the amount for meeting attendance be cut to a Not-to-Exceed amount \$250, 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
Abstain: None
Absent: None

PROPOSAL FOR AUTHORITY BOND COUNSEL. One proposal was received and reviewed. **RESOLUTION 15-2011, APPOINTING MR. DREW STAUFFER OF THE FIRM OF McLAUGHLIN, GELSON, D'APOLITO AND STAUFFER AS BOND COUNSEL TO REPRESENT THE AUTHORITY UNDER A FAIR AND OPEN PROCESS** was offered by Mr. Fligor, with the condition that the rate of pay shall not be more than \$160 per hour, seconded by Mr. O'Neil and adopted with the following roll call vote:
Ayes: Mr. Fligor, Mr. Bishof, Mr. Braswell, Mr. O'Neil, Mr. Urbanski, Mr. Rybeck
Nays: None
Abstain: None
Absent: None

PROPOSALS FOR AUTHORITY ENGINEER. Six proposals were received and reviewed. Mr. O'Neil moved to appoint Mr. Gemmell of T&M Associates. After some discussion about T&M's prices being so much higher than Van Cleef's, Mr. Gemmell said that he would come back next month with a revised rate schedule and Mr. O'Neil withdrew his motion.

Mr. Fligor offered a motion to table the appointment of engineer until the March meeting, seconded by Mr. O'Neil and adopted with the following roll call vote:
Ayes: Mr. Fligor, Mr. Braswell, Mr. O'Neil, Mr. Urbanski, Mr. Rybeck
Nays: None
Abstain: Mr. Bishof
Absent: None

APPROVAL OF MINUTES:

Mr. Bishof offered a motion approving the minutes of the Regular Meeting of January 27, 2011 as distributed, seconded by Mr. Fligor with the following roll call vote:
Ayes: Mr. Fligor, Mr. Bishof, Mr. Braswell, Mr. O'Neil, Mr. Urbanski
Nays: None
Abstain: Mr. Rybeck
Absent: None

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ENGINEER'S REPORT:

Mr. Gemmell reported that NJDEP has authorized the award the Atlantic Highlands Pump Station Mechanical and Electrical Improvement Contract to A. C. Schultes. A pre-construction conference was held with Schultes, the NJDEP and the state Office of Equal Employment Opportunity, Mr. Mason, Mr. Palamara and Mr. Gemmell, and we expect the sequence of installation plan from Schultes by next week.

Mr. Gemmell said they are working with the Authority on some improvements to the Highlands Pump Station, rewiring the submersible pumps, plus working with Mr. Mason on selection of fine screen filters to eliminate some of the recurring ragging problems.

Mr. Gemmell also said that they have begun work on reformatting the Request for Proposal portion of the Atlantic Highlands Pump Station Improvements with regard to the SCADA installation. This project will be advertised after DEP approval is obtained.

ATTORNEY'S REPORT:

Mr. McNamara said he is waiting on a meeting date for the next negotiation session. He feels that should happen early next month and he will report back at the next Authority meeting.

ADMINISTRATOR'S REPORT:

2011 BUDGET. Mr. Palamara reported that the State has approved the Budget as submitted.

RESOLUTION 16-2011, ADOPTING THE 2011 AUTHORITY BUDGET was offered by Mr. Fligor, seconded by Mr. Urbanski and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

Mr. Palamara said that the Authority bonds require that certain financial reserves be maintained. The Trustee bank only provides under a quarter percent interest but he has checked with other banks and found there are some savings banks which will give one and a quarter percent. In addition there are some funds which can be invested for longer periods of time and could bring three percent. New accounts could be placed in any state approved bank but a resolution is needed to approve the submission of the forms required. Mr. Palamara said that the rates vary, but at this time, Hudson City is offering one and a quarter percent, Union County is offering one point one percent, this is a bigger bank and they will allow wire transfers, and Capital One is also offering one point one percent.

RESOLUTION 17-2011, AUTHORIZING ACCOUNT OPENING FORMS FOR HUDSON CITY SAVINGS BANK, UNION COUNTY SAVINGS BANK AND CAPITAL ONE BANK was offered by Mr. Fligor, seconded by Mr. O'Neil and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

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NJEIT PROJECTS: Application to NJEIT for disbursement of \$107,692 has been filled.

JIF/SEM: Mr. Palamara reported that the Commissioners training session has been rescheduled to the April meeting. It is now scheduled for April 28th at 6:00 PM and the Authority will receive a \$250 premium reduction for every commissioner who attends, plus \$250 for his attendance. Mr. Palamara noted that he has notified the Boroughs and some other entities so they can share in the savings.

Mr. Palamara told the Board that the JIF membership for 2011, 2012 and 2013 was due for renewal.

RESOLUTION 18-2011, AUTHORIZING RENEWAL OF MEMBERSHIP IN THE NEW JERSEY UTILITY AUTHORITIES JOINT INSURANCE FUND, AND RESOLUTION 19-2011, TO REAPPOINT MICHAEL AVALON AS THE AUTHORITY RISK MANAGEMENT CONSULTANT were offered together by Mr. Urbanski, seconded by Mr. Bishof and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

SEM: The natural gas supply contract bids were received on February 14, 2011. The winning bid was lower than estimated, coming in at \$7.14 per dekatherm where \$7.30 was projected. The current electricity supply contract continues for the next couple months; bids for the next contract will follow shortly.

CUSTOMER CONSTRUCTION INFORMATION: Mr. Palamara stated that a new single family house was approved at 123 East Mount Avenue.

Planning Board approval was given for a project at 44 First Avenue that will consist of 10 residential and three commercial units. The contract purchaser is aware that Authority approval is required and that there are capacity issues they must resolve; they are preparing an application to the Authority.

There is a similar project across the street at the old Skipper Shop that will have 16 residential units and 9,000 square feet of commercial space. That project was approved by the Planning Board over a year ago but it still requires Authority approval; that project is in litigation at this time and no application has been filed with the Authority as yet.

ATLANTIC HIGHLANDS BOROUGH: Mr. Palamara spoke with Mr. Hubeny and was told that review and analysis of flow information from Hill Road and Seventh Avenue is continuing. Mr. Fligor noted that at last night's Council meeting to putting a meter on the Atlantic Highlands line to measure the flows coming from Atlantic Highlands was approved. He said this will be a short term metering, probably for one month. Discussion followed.

Mr. Rybeck had asked for an update on grease traps. Mr. Hubeny told Mr. Palamara that grease trap inspections continue and they are checking non-commercial establishments as well a commercial and are in good shape. Mr. Hubeny also said that there have been no grease back-ups in Atlantic Highlands since last fall.

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Mr. Palamara said that there are two additional resolutions which were not on the Agenda this evening, one to pay for the new pumps and one to pay for the SCADA system.

MOTION AUTHORIZING THE ADDITION OF TWO RESOLUTIONS TO THE FEBRUARY AGENDA was offered by Mr. Bishof, seconded by Mr. Fligor and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

RESOLUTION 20-2011, AUTHORIZING THE PAYMENT OF \$58,850 TO LOC PUMP FOR THE AHPS SEWAGE PUMPS was offered by Mr. Bishof, seconded by Mr. Rybeck and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

RESOLUTION 21-2011, AUTHORIZING THE PAYMENT OF \$62,690 TO HEALY-RUFF FOR THE AHPS SCADA SYSTEM EQUIPMENT was offered by Mr. Fligor, seconded by Mr. Bishof and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

PAYMENT OF BILLS: Mr. Palamara noted that Capital Items/NJEIT Disbursements and Bond Issuance Disbursements are now shown separately on the Bill List.

RESOLUTION 22-2011, AUTHORIZING THE PAYMENT OF BILLS IN THE AMOUNT OF \$179,510.80 PLUS CAPITAL AND BONDING EXPENDITURES TOTALING \$47,009.41 was offered by Mr. Bishof, seconded by Mr. Urbanski and adopted with the following roll call vote:

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

Nays: None

Abstain: None

Absent: None

Mr. Fligor suggested that in the future all the professionals be heard first and then allowed to leave if not needed further. Mr. Braswell agreed and directed this change be made to agendas.

SYSTEM OPERATOR'S REPORT:

Mr. Mason gave the flow report, stating that the Atlantic Highlands flows have dropped significantly. The new statos have come in from Johnson Screen. He has a quote from Becker's Tree Service for one and a half days of tree work to be done at both stations, under the Atlantic Highlands Borough's contract rates, for \$1,420.50.

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Mr. Mason said that the SCADA controls and pumps are also in. He thanked the Harbor for use of their fork lift to unload the pumps. He would like to order two pressure transducers for the new SCADA controls in Atlantic Highlands. The best price he has received is \$949, ordering directly from the manufacturer; he will submit a purchase request to the Administrator.

Mr. Rybeck asked Mr. Mason about the condition of the truck. Mr. Mason said that the truck is a 2004, the engine sensor has been replaced and it is in good shape, although it will need new tires.

RESOLUTION 23-2011, AUTHORIZING TREE WORK FROM BECKER'S TREE SERVICE, NOT TO EXCEED \$1,450 was offered by Mr. Fligor, seconded by Mr. O'Neil and adopted with the following roll call vote:

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

Nays: None

Abstain: Mr. Bishof

Absent: None

OLD BUSINESS:

There was no Old Business.

NEW BUSINESS:

Mr. Rybeck said that he would like to see a report spreading the budget expenses over twelve months to see where the Authority stands with respect to the year's budget. He noted that disbursements this month were higher than receipts. Mr. Rybeck said he also feels we should also start reporting the cash position.

Mr. Palamara explained that while the bill to the Boroughs stays consistent throughout the year, our expenditure demands vary by type or season so cash forecasting is needed at times, especially when the Boroughs pay late. He gave a summary of the Authority's financial system and reminded commissioners that other than the funds in the Dispute Account, the Authority has had no reserve for years. All reserves were used for either I&I grants or to subsidize user fees at the Boroughs' request. He also noted that there has been no increase in rates to build up any reserve. He also reminded commissioners that a Budget increase for debt and operations payroll is needed and that the Finance Committee is reviewing these items. Discussion followed and commissioners felt the report should be done on a quarterly basis.

Mr. Fligor noted that Middletown is taking surplus from TOMSA to balance their budget while raising Atlantic Highlands' and Highlands' rates. Mr. Palamara explained that the law allows TOMSA to give back 5% of its operational cost to the town. He said that this was addressed last year and Mr. Holman had reviewed this issue, he advised us then that since our payments to TOMSA are audited each year and our bill is resolved to actual expenses, we do not contribute to their surplus and would not be entitled to any say in its use.

PUBLIC COMMENTS:

Mr. Fligor moved to open the public comment session of the meeting, seconded by Mr. Urbanski. By voice vote all agreed.

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Mr. Francy, Highlands Councilman, said he supports Mr. Rybeck one hundred percent regarding the Cash reserve being reported monthly. Discussion followed.

RESOLUTION 24-2011, AUTHORIZING MONTHLY BUDGET & ACCOUNT BALANCES REPORT was offered by Mr. Braswell, seconded by Mr. Fligor and adopted with the following roll call vote:

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

Nays: Mr. Bishof

Abstain: None

Absent: None

Mr. Francy questioned how the amount of rainfall calculated from the snowfall. Mr. Mason said the full gauge is brought inside and allowed to melt.

Mr. Fligor moved to close the public comment session of the meeting, seconded by Mr. Rybeck. By voice vote all agreed.

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

Meeting adjourned at 8:22 PM

Michelle Clark, Recording Secretary