

MINUTES OF THE REGULAR MEETING OF THE ATLANTIC
HIGHLANDS/HIGHLANDS REGIONAL SEWERAGE AUTHORITY HELD
AUGUST 25, 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. Rybeck

ABSENT: Mr. O'Neil (excused), Mr. Urbanski (excused) - Both commissioners called Mr. Braswell and Mr. Palamara to say they would not be able to attend this evening because of preparations for the hurricane.

Staff members present were Mr. Palamara-Administrator, Mr. McNamara-Attorney, Mr. Holman-Auditor, Mr. Leeser-Operations Supervisor and Mrs. Clark-Secretary.

Also present were Atlantic Highlands Mayor Rast, Atlantic Highlands Councilmen Hoffmann, Delloso, and Archibald, Atlantic Highlands Police Chief Vasto 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 Meeting and the Executive Session of July 28, 2011 as distributed, seconded by Mr. Rybeck and approved upon the following roll call vote.

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

NAYS: None

ABSENT: Mr. O'Neil, Mr. Urbanski

AUDITOR'S REPORT: Mr. Holman said he would hold his report for Executive Session.

ENGINEER'S REPORT: Mr. Gemmell reviewed his Status Report. He noted that the Atlantic Highlands Pump Station project closeout is underway and there is would be recommendation for final payment to Schultes.

On August 9th there was a telephone conference with the SCADA system manufacturer, the Authority operating staff and Authority computer consultant to review the placement and installation of SCADA computers at the Authority pump stations and security issues regarding the SCADA system access.

Mr. Gemmell said that the fine screen investigations are ongoing and they are contemplating a test of a manual screen in the influent channel to see if this would help with the ragging problems.

Mr. Gemmell spoke of the Flow Meter Report, which was prepared for the Borough of Atlantic Highlands and was provided to T&M for review. He said that the report indicates that the Authority's metering is consistent with the open channel flow metering prepared by the Borough's consultant.

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Going through the monthly flows, Mr. Gemmell said that there was a significant increase over the past couple of months. He suggests the Borough's check for I&I issues at this time. Mr. Rybeck asked if ongoing monitoring was possible. Mr. Gemmell said that it was but it would be costly. He said there would be monitoring costs as well as maintenance costs.

Mr. Rybeck asked if the operational costs could be reduced to help offset the cost of the metering. Mr. Palamara said that the metering could help identify the source of the increases and thereby allowing the Boroughs to more effectively spend their money on repairs. He explained that the Authority has flow meters which the Boroughs are welcome to use without cost. Mr. Rybeck is looking for a more organized plan, not just metering where they think there may be a problem, but a systematic plan where each Borough would meter a section at a time to cover all areas thoroughly.

Mr. Fligor said that Atlantic Highlands has put millions into this system and have yet to see a return on that money. Atlantic Highlands is not spiking during rain fall, but after the water table comes up. Mr. Fligor stated that the Borough does not have the money to pursue this further, and that for all the money that the Borough has put out there has not been one decrease of fees from the Authority. He said there have been decreases in the percentages, but not in fees, and with TOMSA rates going up all cost savings go right out the door. Discussion continued.

Mr. Gemmell said that controlling I&I is an ongoing process. Mr. Bishof said that he believes a lot of the water is being pumped from basements and gutters into the sewer system. Mr. Fligor said that Atlantic Highlands has once again started checking to be sure that sump-pumps from the business and homes are being pumped into the storm water system and not the sewer system.

Mr. McNamara asked if anyone in the Boroughs has looked into the Environmental Infrastructure Trust for additional funds from the DEP. Mr. Gemmell said that the Boroughs could run a smoke test to find the homes which have their gutters and leaders hooked into the sewer system. Mr. Bishof suggested that both towns send a letter to residents to make them aware that they cannot tie into the sewer system. Mr. McNamara suggested the Boroughs look into rain barrels; he said that some towns up north are doing this so that they can hold the run off. Mr. Fligor said that all businesses on First Avenue are running to the storm drains. Discussion continued.

Mr. Braswell asked for a price on smoke testing. Mr. Gemmell said he will get a price, but would like this mentioned to the Borough Officials. Mr. Palamara noted that the Authority would be able to help gather additional I&I information once the SCADA Systems are installed. The SCADA information will allow an analysis of rain effects that could help identify I&I sources. Mr. Rybeck said that I&I in the older homes is a problem because of terracotta pipes and root blockages are also a problem. Mr. Rybeck said that a no interest loan could be offered from the Municipalities for homeowners to make improvements.

Mr. Braswell asked when the SCADA will be done in Atlantic Highlands. Mr. Gemmell said it would be done within a couple months. Mr. Braswell asked that 6 months worth of data be collected then reviewed.

ATTORNEY'S REPORT:

Mr. McNamara said that he will reserve his report on TOMSA Litigation for Executive Session.

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ADMINISTRATOR'S REPORT:

Mr. Palamara spoke about the Budget Amendment. He said that the Boroughs were notified in writing in December about the need for the Budget Amendment for the MCIA bonds that were not going to be sold until 2011. He noted that the Authority approved the amendment in June so that the costs could be split between the two municipalities over the next six months. He stated that Atlantic Highlands was having a hard time coming up with their share and the Authority has been working with them to see if there was any way the Authority could assist them. He said that the Authority has the ability to defer some payments until 2012 and this would help Atlantic Highlands. Mr. Palamara recommended the approval of the draft Resolution cancelling the budget amendment. He said this was discussed with the Finance Committee and with the Auditor and would be in compliance with state budget requirements.

RESOLUTION 52-2011, AMENDING THE 2011 AUTHORITY BUDGET was offered by Mr. Bishof, seconded by Mr. Fligor and adopted upon the following roll call vote.

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

NAYS: None

ABSENT: Mr. O'Neil, Mr. Urbanski

Mr. Palamara stated that there has been very high water consumption at the Atlantic Highlands Pump Station because of a bad seal on the old pump that was just replaced. While 185,000 gallons were used in this quarter last year, this quarter is now on track to use only 10,000 gallons.

The Authority has received quotes to do the work on the toilets as discussed, but the quotes have come in higher than expected so he has requested additional quotes.

Mr. Palamara spoke about the Flow Metering Report. He said that the report agrees that the Authority numbers are correct. It also confirms that the permanent metering is much more accurate than the portable meters.

The Disposable Wipes article will be going out next week in the Atlantic Highlands Borough Newsletter, and then will be put on the Borough website. Mr. Palamara asked Mr. Braswell if it could also be put on the Highlands website. Mr. Braswell will look into it.

Seascape Manor is still waiting for easement approval. A small Brewery just opened up in Atlantic Highlands. Although they were given an application for the Authority they have not followed through with it and Mr. Palamara feels there could be a lot of waste water.

PERSONNEL

Mr. Palamara said that they have been discussing the need for hiring backup pump station operators over the last few months. He said it will not change the amount of staffing hours which is now in place; there will still be the same amount of hours, just split between more people. The Personnel Committee has recommended three people, all of which have sewerage training. Mr. Palamara gave a brief review of the three people being recommended. Mr. Rybeck noted that he did not get the applications till tonight and does not feel this is enough time to make a decision based on the documentation.

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RESOLUTION 54-2011, HIRING BACKUP PUMP STATION OPERATOR TRAINEES,

at a rate of \$15.00 per hour while training and \$16.00 per hour after training, without any health insurance coverage or non-statutory benefits, was offered by Mr. Bishof, seconded by Mr.

Braswell and adopted upon the following roll call vote:

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

NAYS: None

Abstain: Mr. Rybeck

Absent: Mr. O'Neil, Mr. Urbanski

Mr. Palamara noted that Resolution 53-2011 states that his salary is an annual amount of \$37,250.00 not entitled to overtime, bonus or other pay.

RESOLUTION 53-2011, EMPLOYMENT CONDITIONS OF THE AUTHORITY

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

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

NAYS: None

ABSENT: Mr. O'Neil, Mr. Urbanski

Mr. Palamara discussed the Budget to Actual Report and Bill List.

RESOLUTION 55-2011, PAYMENT OF BILLS FOR AUGUST 25, 2011 IN THE

AMOUNT OF \$212,691.73 FOR OPERATIONS AND \$4,906.97 FOR CAPITAL

BUDGET/NJEIT DISBURSEMENTS was offered by Mr. Fligor, seconded by Mr. Bishof, and adopted upon the following roll call vote.

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

NAYS: None

ABSENT: Mr. O'Neil, Mr. Urbanski

OPERATIONS SUPERVISOR'S REPORT:

Mr. Leeser reported that the Bioxide tank needs to be cleaned. He said that the Bioxide pumps stopped working and it was discovered that the supply lines are packed with debris that has settled over the years. He is waiting for a quote from Siemens; he thinks it should only be a couple hundred dollars. Mr. Braswell asked if Mr. Leeser would need to come before the Authority once he has this price or if they can just approve this work now. Mr. Palamara said that he feels it will be a little more than a couple hundred dollars, but that it is an operations expense and the work will get done as soon as they have the best quote.

Mr. Lesser said operating temperatures on the new pumps in Atlantic Highlands are running a little high but he was assured that the temperatures would drop and as the pumps wore in, and so far this is proving true. AC Schulte's has finished the punch list and they removed the old pump from the building. Mr. Fligor said that the cost of metal is up and the pump should be taken to Red Bank Recycling and sold for scrap.

Mr. Leeser then mentioned that they have been getting wet well low level shut-off failures at the Atlantic Highlands Pump Station. ABS was called in to check the problem and advised them that the SCADA installation would resolve this issue. Mr. Leeser spoke of the increase in flows with the recent rains. Mr. Braswell asked if everything was set for the hurricane, and was told that everything is in order.

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OLD BUSINESS:

Mr. Bishof asked Mr. Gemmell to explain the Atlantic Highlands/Highlands Sanitary Flow Metering Report which was in this evening's packets.

Mr. Gemmell said that there had been some concern about the accuracy of the Authorities metering and the Borough of Atlantic Highlands hired a consultant to meter the flow into the station to try to prove or disprove the accuracy of the Authority meters. The results of the analysis show that the Authority metering is accurate.

Mr. Gemmell said that while the study focused upon metering accuracy, the Report also suggests that the Borough's system is tight and does not have excessive I&I; he does not agree. He said the flow information in the Report as well as our flow records clearly refutes that.

NEW BUSINESS:

There was no New Business.

PUBLIC COMMENTS:

Atlantic Highlands Councilman Archibald asked if there is a policy of attendance for members. Mr. Braswell said that it has been discussed recently and members need to notify someone if they will be absent from a meeting. Following discussion of how to deal with excessive absenteeism, Mr. Palamara noted that the Authority has no recourse to take action against excessive absenteeism but the Boroughs can. The State has regulations that allow for a member to be removed by the appointing Borough if three consecutive meetings are missed without reason. Mr. McNamara said that it is not easily done; the courts will only look at unexcused absences.

Councilman Archibald asked Mr. Palamara to clarify the cause for the recent \$88,000 increase to Atlantic Highlands. Mr. Palamara said that the Borough's were notified in December that a Budget Amendment could be needed for debt service and personnel issues. He said the Budget Amendment has also been mentioned at almost every Authority meeting since December and the MCIA portion of the increase was known in January. Mr. Fligor said that the Borough has known since February or March. Councilman Archibald asked when the Authority came up with the final number. Mr. Palamara said that personnel costs were not known in the end of May and the Amendment was done on June 30th; he contacted both Borough Administrators shortly after that. Discussion followed.

Mr. Bill Phillips asked why the Atlantic Highlands Pump Station is using 29,000 gallons of fresh water per month. Mr. Braswell noted that this was discussed earlier in tonight's meeting. Mr. Palamara explained that water is used to pressurize the seals on the main sewage pumps and the pump shafts were so worn that high water flow was needed to prevent sewage discharge. New pumps with dry seals have been installed and the estimated usage for this quarter is down to 10,000 gallons. New toilets will also be installed, to bring that number down ever further.

Mr. Phillips asked about funds in the TOMSA Reserve Account. Mr. Palamara said the Authority has deposited \$650,000 in this account over the years and there is an additional \$110,000 from interest; he said that the Authority has never taken a penny from this account.

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Chief Vasto asked how close the Authority was to a settlement with TOMSA. Mr. McNamara said they have been sent a first draft of a settlement agreement. He said that our Auditor is in the process of reviewing their most recent financials and he hopes that the Authority can come to final closure within the next 30 days.

Chief Vasto asked about the process to dissolve the Authority. Mr. McNamara said that the Authority itself has no say in the matter, they cannot self destruct. He explained the process needed and said the Borough's must do this jointly. Councilman Hoffmann said that the Council was told not to move on the dissolution until after the TOMSA settlement was done. Mr. Palamara said that the draft settlement terms include installing an alternate force main that will allow the two towns to operate independently and further progress will continue after the settlement. Discussion followed.

EXECUTIVE SESSION:

Mr. McNamara stated that the Authority was going into Closed Session for the specific purpose of discussing the ongoing arbitration between the Authority and TOMSA.

RESOLUTION 56-2011, EXECUTIVE SESSION TO DISCUSS TOMSA ARBITRATION, AND RESERVING THE RIGHT TO TAKE ACTION WHEN BACK IN OPEN SESSION

was offered at 8:49 PM by Mr. Rybeck, seconded by Mr. Fligor, and adopted upon the following roll call vote.

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

NAYS: None

ABSENT: Mr. O'Neil, Mr. Urbanski

The Regular meeting re-convened at 9:40 PM with all the above members present.

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

Meeting adjourned at 9:42 PM.

Michelle Clark, Recording Secretary