

MINUTES OF THE REGULAR MEETING OF THE ATLANTIC
HIGHLANDS/HIGHLANDS REGIONAL SEWERAGE AUTHORITY HELD
SEPTEMBER 22, 2011 AT THE ATLANTIC HIGHLANDS BOROUGH HALL

This meeting was called to order at 6:54 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, Mr. Urbanski – Mr. Palamara stated that Mr. Urbanski called him before tonight's meeting to say that he is resigning from the Authority.

Staff members present were Mr. Palamara-Administrator, Mr. McNamara-Attorney, Mr. Haines-Auditor, Mr. Leeser-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 Meeting and the Executive Session of August 25, 2011 as distributed, seconded by Mr. Bishof 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

HURRICANE REPORT:

Mr. Palamara reported on Hurricane Irene damage and related issues. He said that in addition to the initial damage, because of high groundwater levels and additional rain, it has taken the Pump Stations two full weeks to get back to normal. He noted that it wasn't until this past Monday that the levels got below alarm conditions.

Mr. O'Neil arrived at this time, 6:57 pm.

He spoke of the failure of two submersible pumps and comminutors at the Highlands Pump Station and both pumps in the Highlands Waterwitch Avenue lift station. Submersible pump number two was replaced with a new pump, the existing conduit was used on a temporary basis but the electrical connections were wired outside the wet well. A new cord, basically an industrial grade extension cord, was run for pump number one as a temporary fix.

Pump stations were manned on a 24 hour basis during the storm. Mr. Palamara said that they lost communications with the SCADA system in Highlands due to the Comcast network being down. He said that when the power came on at Atlantic Highlands one of the pumps shut off and didn't come back up and within a very short time the wet well almost reached discharge levels. He explained the repairs needed to the wet well in Highlands. Mr. Fligor questioned the engineering costs listed in the T&M's Proposal. Mr. Palamara noted that these are estimates, the

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final engineering fees would be based upon actual work done but with the not-to-exceed limit in the Proposal. Mr. Palamara asked for the authorization for Mr. Gemmell to put together bid specs so that proposals for the needed work could be obtained. He said that all of the work should be eligible for FEMA reimbursement of up to 75%.

RESOLUTION 57-2011, AUTHORIZING MR. GEMMELL TO DRAFT SPECS AND OBTAIN PROPOSALS FOR WET WELL REPAIRS NEEDED DUE TO HURRICANE IRENE WITH ENGINEERING FEES NOT TO EXCEED \$5,000 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. O'Neil, Mr. Rybeck

NAYS: None

ABSENT: Mr. Urbanski

AUDITOR'S REPORT:

Mr. Haines said he would hold his report for Executive Session.

ENGINEER'S REPORT:

Mr. Gemmell reviewed his Status Report. AC Schulte's has completed most of the items from the punch list for the Atlantic Highlands Pump Replacement Project. Installation of the drain still needs to be resolved, they have agreed on an additional fee of \$200. Final closeout documents will be prepared as soon as this is complete.

Sodon's Electric is in the process of installing the conduit and wiring for the SCADA system. Mr. Gemmell has requested a schedule for the SCADA Equipment installation. There have been numerous conversations between Mr. Gemmell, Mr. Palamara and Healy Ruff regarding the layout of the computer equipment for the SCADA system and the communications between the two stations. Mr. Palamara said that there will be a separate computer in Highlands. The computer at the Atlantic Highlands Pump Station will run both pump stations, but the computer in Highlands will have full software, will be backed up at least daily, and will be ready to take over the operations immediately, if necessary. He said that if the Authority is dissolved, everything would be in place with each station having its own computer. Mr. Palamara said that they will need to have equal computers in the two stations and therefore they will be purchasing a used computer for to match the existing computer.

Mr. Palamara also spoke of adding a cellular connection for operational backup. He said that communications were lost during the storm when the Comcast network went out and that loss of communication is a safety and cost problem; often requiring that operators be on-site at each pump station. Mr. Fligor said that they should be aware that the cost could be very high for a cellular connection. Mr. Palamara noted that the Highlands Police Department needed to evacuate their building during the hurricane and at that point there was no one to hear the alarm from the pump station. He said they are looking into provisions to sure that alarms will be received. He said that the new system will go through the on call list before going to the Police Department.

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Mr. Gemmell spoke about the ragging problems caused by wipes. He said that a manual bar screen could be installed on a temporary basis to see if it will help reduce this problem. Mr. Leeser said it takes between a half hour and an hour and a half to clean the pumps and this is done every day, sometimes more than once. Discussion followed.

RESOLUTION 58-2011, FABRICATION AND INSTALLATION OF A MANUALLY CLEANED BAR SCREEN, FOR TESTING was offered by Mr. Bishof, seconded by Mr. Rybeck and adopted upon the following roll call vote.

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

NAYS: None

ABSENT: Mr. Urbanski

Mr. Gemmell noted that the extreme increase in flows following the rainfall is a clear sign of the infiltration. He said that he has provided the requested information about smoke testing.

He discussed the proposal Mr. Palamara requested for NJEIT/NJDEP financing for a replacement force main replacement running down Buttermilk Valley to Sears Avenue. Mr. Bishof said they should go with the \$2.1 million plan rather than the \$3.1 million. He said that once this is done the towns could then proceed with dissolution. Mr. McNamara recommended that the Authority move forward with the DEP resolution. Mr. Gemmell explained the other steps which are involved in pursuing DEP funding.

RESOLUTION 59-2011, AUTHORIZING PREPARATION AND SUBMISSION OF A NJEIT/NJDEP FINANCING APPLICATION FOR THE HIGHLANDS FORCE MAIN REPLACEMENT was offered by Mr. Bishof, seconded by Mr. Rybeck and adopted upon the following roll call vote.

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

NAYS: None

ABSENT: Mr. Urbanski

ATTORNEY'S REPORT:

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

ADMINISTRATOR'S REPORT:

Mr. Palamara noted that discussion on Hurricane equipment damage has already taken place. He said that the toilets have been replaced. Due to safety issues there is a need to replace wet well grates at the Highlands Pump Station now rather than waiting for the NJEIT project in the spring.

He told the Commissioners that the credit rating for the Bank of America has been dropped which may affect the Authority's forward purchase agreements with them. Bank of America is locked in to pay 5% interest on over a half a million. He said he has spoken with the Bond Counsel and the Authority may have an opportunity to make a better deal.

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Mr. Palamara mentioned that the Budget process will start next month. The finance committee will be meeting in October with preliminary numbers and hopefully the budget will be approved in November. Mr. Rybeck asked for the Budget to Actual Report, Mr. Palamara said that there just wasn't time this month to put that together, because of the hurricane. He read through the list of expenses from the hurricane. He said he is working to have the Authority reimbursed for 75% of these expenses from FEMA. Mr. Palamara then spoke of generator issues, which they have forwarded to Foley, and other hurricane related damage.

RESOLUTION 60-2011, PAYMENT OF BILLS FOR SEPTEMBER 22, 2011 IN THE AMOUNT OF \$183,709.72 FOR OPERATIONS AND \$9,134.07 FOR CAPITAL BUDGET/NJEIT DISBURSEMENTS

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. O'Neil, Mr. Rybeck

NAYS: None

ABSENT: Mr. Urbanski

OPERATIONS SUPERVISOR'S REPORT:

Mr. Leeser reported that he got an estimate of \$1,700 for the Bixode tank cleaning. He feels this is much too high and will find a way to clean it himself. He is waiting for quotes for the submersible pump which was lost during the storm. Schulte's is coming in on Monday to give a quote on the comminutor problems, depending on the price to fix it, he may look into the purchase of new ones. Mr. Leeser read through the flows. He said that Atlantic Highlands seems to have a lot of I&I issues. Mr. Rybeck thanked Mr. Leeser and his staff for the hard work and hours put in during the storm. Mr. Fligor and Mr. Braswell also expressed their gratitude.

OLD BUSINESS:

There was no Old Business.

NEW BUSINESS:

Mr. Bishof asked that the expansion of the customer base be added as an agenda item. He said there are too many homes that could be hooked up to the sewer system that are not. Expansion of the Customer Base would cut down on the cost for both towns. Discussion followed. Mr. Palamara said that he has spoken with Mr. Hubeny regarding adding the houses on the hill to the Waste Water Management Plan service area. He said that the septic tanks up on the top of the hill are disruptive to the stabilization of the hill. He said that this would be up to the Borough's to expand the service areas. Mr. Braswell suggested that this recommendation be sent to the Boroughs. Mr. Fligor said that Mr. Hubeny is fully aware of this.

PUBLIC COMMENTS:

Mr. Paul Cavise asked for a dissolution process update. Mr. McNamara explained that dissolution is done through the municipalities; the Authority cannot put itself out of business.

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Councilman Francy asked if the TOMSA settlement was finalized. Mr. McNamara said they are closer than last month; TOMSA has received a draft settlement agreement along with all the financial information which would go with it. He said that he is hopeful that there will be a settlement agreement by the next meeting. He said the towns should begin the process to have everything in place to move forward. Councilman Hoffman said that he feels this process is taking too long, he asked if the towns should wait another month for the settlement to be in place before moving forward with discussions with TOMSA. Mr. Rybeck said that the settlement has nothing to do with dissolution.

Councilman Francy said that the forced main replacement shouldn't go above \$2.1 unless they need to verify the condition of the pipe. Discussion followed. Mr. Bill Phillips asked Mr. Gemmell why the line cannot be x-rayed rather than dug. Mr. Gemmell said he hasn't found that technology. Mr. Phillips suggested that Mr. Gemmell call Keilly Construction.

Mr. Cavise asked if the Authority has forecasted twenty years out. He said it is important to the towns to have that analysis. Mr. Palamara said they do a five year planning analysis. Mr. Cavise said that perhaps dissolution is not the best solution. Mr. McNamara explained that that is not in the Authorities control.

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 61-2011, EXECUTIVE SESSION TO DISCUSS TOMSA ARBITRATION, AND RESERVING THE RIGHT TO TAKE ACTION WHEN BACK IN OPEN SESSION was offered at 8:40 PM by 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. Rybeck

NAYS: None

ABSENT: Mr. Urbanski

The Regular meeting re-convened at 9:04 PM with all the above members present.

RESOLUTION 62-2011, SUPPORTING THE CHANGE IN TOMSA SETTLEMENT AMOUNT was offered by Mr. Bishof, seconded by Mr. Rybeck, and adopted upon the following roll call vote.

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

NAYS: None

ABSENT: Mr. Urbanski

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

Meeting adjourned at 9:08 PM.

Michelle Clark, Recording Secretary