

**TWO RIVERS WATER RECLAMATION AUTHORITY
ONE HIGHLAND AVENUE
MONMOUTH BEACH, NEW JERSEY 07750**

The Regular Meeting of the Two Rivers Water Reclamation Authority was held on Tuesday, August 16, 2011 at 6:00 PM at One Highland Avenue, Monmouth Beach, New Jersey.

Mr. William Leonard, Chairman, presided.

Members Present: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta*
Mr. Brian McPeak

Members Absent: Mr. John Bonforte
Mr. William W. Noize

Others Present: Mr. Michael A. Gianforte, P.E., Executive Director
Mr. Edward Griffin, Financial Manager
Mr. Dennis J. Galvin, P.E., Engineering Manager
Mr. David Applegate, P.E., Representing the Firm of
Birdsall Engineering
Mr. David Laughlin, Esq., Birdsall & Laughlin, LLC

* Mrs. Catherine D. LaPorta arrived at 6:01 p.m.

Public Present: Councilman and Little Silver Resident Daniel Levine
Peter & Linda Franco of Little Silver

NOTICE OF REGULAR MEETING

Statement is hereby made that adequate Notice of Meetings has been provided by publishing the same in the Asbury Park Press on Saturday, December 25, 2010, and The Atlanticville on Wednesday, January 19, 2011, and mailing the same on Wednesday, December 22, 2010, to the Clerks of the participant municipalities of the Boroughs of Fair Haven, Little Silver, Monmouth Beach, Oceanport, Shrewsbury and West Long Branch, and all customer communities whose geographic boundaries are co-extensive with those of this Authority, and by prominently posting said Notice in the entry way of the Authority's office building on Wednesday, December 22, 2010.

CHAIRMAN RULES OF QUORUM

Mr. Leonard declared that a quorum was present. All present saluted the American Flag.

**APPROVAL OF THE REGULAR MONTHLY MEETING
MINUTES OF JULY 19, 2011**

Mr. Barham moved that the minutes from the Regular Monthly Meeting held July 19, 2011 be approved as submitted. The motion was seconded by Mr. Tocci and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta

ABSTAIN: Mr. Brian McPeak

MEMBERS ABSENT: Mr. John Bonforte
Mr. William W. Nolze

Mr. Baarck brought up the fact that there is a typographical error in the July 19th minutes on page 31 where "composite" should be "compost". There was a brief discussion before the minutes were approved.

CORRESPONDENCE

Mr. Gianforte reported that the Authority received over fourteen thousand dollars which represents full reimbursement for expenses related to the December 26th 2010 snow event.

Mr. Gianforte stated that copies are available for review.

PUBLIC COMMENT ON AGENDA

There was no comment by the public.

ENGINEERING COMMITTEE

ENGINEERING MANAGER'S REPORT

Collection System SCADA: Mr. Galvin reported that the SCADA Pilot Project Pump Station 5 has been delayed because the hardware failed tests conducted at the consultant's office and the problems must be rectified completely before the equipment can be installed.

Contract 137 Underground Storage Tanks Removal and Above Ground Storage Tank Installation: Mr. Galvin answered questions related to the pending credit change order.

Administration Building Boiler Replacement: Mr. Galvin presented the results of bids to be considered in the resolution on the agenda.

CONSULTING ENGINEER'S REPORT

Mr. Applegate had no additions to his report.

OPERATION MANAGER'S REPORT

Mr. Gianforte presented the Operation Manager's Report. Mr. Gianforte discussed the odor complaints from Breezy Point in Little Silver. An explanation of the chemical injection for odor and corrosion control was provided including the recent issues related to the feed on the Fort Monmouth Site.

Mr. Leonard remarked that Mr. Gianforte reported a year ago of this problem. Mr. Gianforte responded that they had this problem a year ago and they had a problem again when there were mechanical issues in Fort Monmouth in July and again August 4th.

Mr. Gianforte read the following resolutions:

RESOLUTION #2011-08-62 AWARDING CONTRACT NO. 140 BOILER REPLACEMENT PROJECT

The Contract has been awarded to Gabe Sganga, Inc. in the amount of \$140,700.00. Mr. Tocci moved Resolution #2011-08-62 for adoption. The motion was seconded by Mr. Berdahl and carried by the following vote on roll call:

AYES:	Mr. William E. Leonard, Chairman Mr. Thomas Barham, Vice Chairman Mr. William R. Baarck, PE, Secretary Mr. Arno Weber, Assistant Secretary Mr. Barry J. Berdahl, Ph. D, Treasurer Mr. Richard Tocci, Assistant Treasurer Mr. Gregory J. Christopher Mr. Scott Hartman Mrs. Catherine D. LaPorta Mr. Brian McPeak
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MEMBERS ABSENT:	Mr. John Bonforte Mr. William W. Nolze
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Mr. Baarck asked when the installation is scheduled for completion in order to avoid the heating season. Mr. Gianforte reported that this project will be started before the heating season but there will be work during the heating season.

Discussion on the Main Pump Station Rebuild

Mr. Gianforte referred to the two items of discussion on the agenda; the first is the Main Pump Station Rebuild update. The one pump that was rebuilt is back in place and the Authority staff is working with Fairbanks Morse and Garr Jones to develop a plan for the rebuilding of the other pumps. The plan will include the purchase of a complete replacement motor, volute and stainless steel impeller. There were some very high flows over the weekend in the 30 MGD range. The pump station handled them and the other pumps that are sent to be rebuilt did have a lower capacity than the one that was already rebuilt which is what was expected. Mr. Gianforte asked if anyone had any questions and there was a brief discussion relating to the impellers and long lead times.

Birdsall Engineering Proposal

The second item for discussion is Birdsall Engineering's Proposal on the Photovoltaic Feasibility Study and the installation of solar panels. The Board discussed the Birdsall proposal and concluded that Mr. Applegate will bring in his Solar Energy Expert, Tom Brice, to give a brief presentation at the next meeting. There was further discussion on this topic.

Mr. Baarck requested that a list of solar installations near the salt water environment be provided.

**RESOLUTION #2011-08-63
AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A
TREATMENT WORKS APPROVAL APPLICATION FOR JOE'S CRAB SHACK;
FOR PROPERTY KNOWN AS MONMOUTH MALL PAD SITE "D",
IN THE BOROUGH OF EATONTOWN**

Mr. Tocci moved Resolution #2011-08-63 for adoption. The motion was seconded by Mr. Barham and carried by the following vote on roll call:

AYES:

- Mr. William E. Leonard, Chairman
- Mr. Thomas Barham, Vice Chairman
- Mr. William R. Baarck, PE, Secretary
- Mr. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. Gregory J. Christopher
- Mr. Scott Hartman
- Mrs. Catherine D. LaPorta
- Mr. Brian McPeak

MEMBERS ABSENT:

- Mr. John Bonforte
- Mr. William W. Nolze

Mr. Berdahl asked where Pad Site "D" is and Mr. Gianforte answered that it is right next to Friday's. Mr. Galvin stated it is located where the Mobile Station used to be. Mr. Galvin also wanted to add to the Resolution is that they will pay the Two River's application fee. It is not included in the Resolution and it should be noted.

**RESOLUTION #2011-08-64
AUTHORIZING CHARGES AGAINST THE ENGINEERING INSPECTION
ACCOUNT FOR IVY AT SHREWSBURY FOR PROPERTY KNOWN AS
BLOCK 2, LOTS 1 & 13; IN THE BOROUGH OF SHREWSBURY,
MONMOUTH COUNTY, NEW JERSEY**

Mr. Tocci moved Resolution #2011-08-64 for adoption. The motion was seconded by Mr. Barham and carried by the following vote on roll call:

AYES:

- Mr. William E. Leonard, Chairman
- Mr. Thomas Barham, Vice Chairman
- Mr. William R. Baarck, PE, Secretary
- Mr. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. Gregory J. Christopher
- Mr. Scott Hartman
- Mrs. Catherine D. LaPorta
- Mr. Brian McPeak

MEMBERS ABSENT:

- Mr. John Bonforte
- Mr. William W. Nolze

RESOLUTION #2011-08-65
GRANTING TENTATIVE APPROVAL FOR A MINOR SUBDIVISION
TO NICHOLA AND PATRICIA RAVASHIERE FOR PROPERTY KNOWN
AS BLOCK 13, LOTS 28 & 29; IN THE BOROUGH OF WEST LONG BRANCH

Mr. Christopher moved Resolution #2011-08-65 for adoption. The motion was seconded by Mr. Tocci and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak

MEMBERS ABSENT: Mr. John Bonforte
Mr. William W. Nolze

FINANCE AND INSURANCE COMMITTEE

Mr. Berdahl read the following Resolution.

RESOLUTION #2011-08-66
AUTHORIZING PAYMENT OF BILLS

Mr. Berdahl moved Resolution #2011-08-66 for adoption. The motion was seconded by Mr. Barham and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak

MEMBERS ABSENT: Mr. John Bonforte
Mr. William W. Nolze

**RESOLUTION #2011-08-67
2012 AUTHORITY BUDGET APPROVAL**

Mr. Berdahl moved Resolution #2011-08-67 for adoption. The motion was seconded by Mr. Weber and carried by the following vote on roll call:

AYES:	Mr. William E. Leonard, Chairman Mr. Thomas Barham, Vice Chairman Mr. Arno Weber, Assistant Secretary Mr. Barry J. Berdahl, Ph. D, Treasurer Mr. Richard Tocci, Assistant Treasurer Mr. Scott Hartman Mrs. Catherine D. LaPorta Mr. Brian McPeak
NAYS:	Mr. William R. Baarck, PE, Secretary Mr. Gregory J. Christopher
MEMBERS ABSENT:	Mr. John Bonforte Mr. William W. Nolze

Mr. Berdahl asked Mr. Griffin about Net Assets Utilized and if they are reserves. Mr. Griffin answered that this is the Unrestricted Net Assets. Mr. Berdahl stated that the amount went up roughly \$150,000 over last year which Mr. Griffin confirmed. He stated that the Authority is submitting an unbalanced Budget with Expenditures exceeding Income.

Mr. Baarck addressed the Chairman, Mr. Leonard, saying that this is not the right time, based on what is going on in the Government and in the Nation, to operate on an unbalanced Budget. He stated he believes the Authority should further "tighten its belt" and rework the Budget to be at least on a break-even basis for next year.

Mr. Griffin called the Board's attention to the fact that 84% of the Budget cannot be changed. Salaries and benefits are in accordance with contracts. Mr. Griffin provided additional examples and the commissioners gave suggestions. Further discussion took place on how to trim the Budget.

Mr. Gianforte answered many of the questions the Commissioner's asked such as staff reductions. Mr. Gianforte reminded the Board that since he became Executive Director, the number of staff has reduced over the years due to attrition with no replacements that were not necessary; and making things more efficient has made it possible to do without the additional staff and using current staff to do some of the work that had formerly been done by outside vendors. He felt there are people who will probably retire in the near future. He informed the Commissioners that this Budget is a proper Budget and costs are kept down wherever the opportunity presents itself and that this may be the first year that the Unreserved Net Assets may be utilized. Mr. Gianforte and Mr. Griffin both stated that the Unreserved Net Assets amount budgeted for last year was not used nor has it ever been used in previous years. Mr. Gianforte also pointed out that the Commissioners have not voted to raise the rate since 2002 effective 2003 and now would not be the time to increase the rate.

Lengthy discussion ensued. It was agreed that the Budget be approved as it is and then a finance meeting will be held to further review the budget at which time an Amendment can be made prior to adoption in October.

**RESOLUTION #2011-08-68
AUTHORIZING THE PURCHASE OF A REPLACEMENT VEHICLE**

Mr. Christopher moved Resolution #2011-08-68 for adoption. The motion was seconded by Mr. Berdahl and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak

MEMBERS ABSENT: Mr. John Bonforte
Mr. William W. Nolze

Mr. Berdahl asked who the car would be for and Mr. Gianforte answered that it would be for his use and that the lease on the current vehicle is up. Mr. Christopher asked if the dealer was a state contractor and Mr. Gianforte answered yes.

**RESOLUTION #2011-08-69
APPROVING THE SETTLEMENT OF ALL CLAIMS AGAINST THE
MONMOUTH COUNTY MOSQUITO EXTERMINATION COMMISSION AND AUTHORIZING
THE EXECUTIVE DIRECTOR TO EXECUTE A SETTLEMENT AGREEMENT AND RELEASE
CALLING FOR THE AUTHORITY TO RECEIVE FOURTEEN THOUSAND, ONE HUNDRED
AND NINE DOLLARS AND SEVENTY SEVEN CENTS (\$14,109.77)
IN FULL AND FINAL SETTLEMENT OF ALL CLAIMS**

Mr. Berdahl moved Resolution #2011-08-69 for adoption. The motion was seconded by Mr. Barham and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak

MEMBERS ABSENT: Mr. John Bonforte
Mr. William W. Nolze

Mr. Christopher asked why the Mosquito Commission was not paying the bill in its entirety. Mr. Gianforte answered as Executive Director of the Two Rivers Water Reclamation Authority by stating that he does not remember ever asking for payment in full for any settlement. Mr. Gianforte also stated that the Authority had done some work in the area clearing out trees which was taken into consideration when adjusting this claim. The Authority also had a pipe that was installed around 1972 that had concrete around it that may or may not have been deteriorated and was easily removed with a backhoe not noticed by the backhoe operator. Now there is a brand new stream crossing with brand new pipe. It was not a proven fact that the County was

responsible for the situation but circumstantial evidence is convincing enough for them to settle with the Authority. In Mr. Gianforte's opinion, this is a large and fair settlement.

Mr. Berdahl asked Mr. Laughlin his opinion and Mr. Laughlin said he had no comment. It is a conflict of interest for him.

Further discussion continued relative to the broken pipe, the settlement and the actual amounts of the damage claim versus the settlement amount. Mr. Griffin explained the breakdown and in his opinion, the settlement was very fair.

PERSONNEL COMMITTEE

Mr. Gianforte reported in Mr. Bonforte's absence that there are two items to discuss. The first is the discussion of the impact of the new pension and healthcare reform, including the premium share and a flexible spending account in the Authority's 125 Plan.

Mr. Gianforte reported to the Board that the two unions are now settled. Everyone in both of those unions is contributing 1 ½ % of their salary to healthcare which is reflected in the Budget. In addition to that, all of the non-union personnel will be contributing, effective immediately and in accordance with the scale that is in the new healthcare reform plan, up to \$7,500 per year additional in the contribution towards our healthcare which has been stepped in.

The other issue is that the Authority is also mandated to put a Flexible Spending Account in place. Proposals have been received from 3 different firms; one is ADP who does the Authority's payroll, one is Wage Works which does the State Contract work for all State Workers and the third one is I.A.A. which is the organization that does the County's programs. The total annual cost ranges from \$1,200 with the State Wage Works up to \$1,630 annually with ADP. Mr. Gianforte explained that he would like to put a Resolution on the Agenda for next month to award to Wage Works for setting up a Flexible Spending Account keeping in mind that there will be savings associated with not having to pay FICA on the amount of money that is deducted for the Flexible Spending Account.

If ten people were to participate, it is anticipated that the Authority will see a savings on an annual basis of \$330 with Wage Works, or it will net out to cost us \$100 per year with ADP.

Mr. Leonard asked if enrollment is mandatory and Mr. Gianforte replied that enrollment is optional but creating it is mandatory.

Mr. Gianforte stated that Mr. Bonforte would like to have a Personnel Committee Meeting sometime in the near future to discuss the staffing of some positions.

LEGAL AFFAIRS

Mr. Baarck had nothing to report.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

Mr. Christopher addressed Mr. Leonard about studying the SCADA System a little closer. What pumping stations use the SCADA System? Mr. Galvin addressed the question and explained how the system was expanded and modernized over the last few years because it was not possible to obtain spare parts for the old system anymore. He briefly described what is monitored at this time by the SCADA System and the fact that the Authority is moving forward with the second phase of the SCADA which bids were taken in the spring with unfavorable prices. It was decided to move forward with a pilot project on Station 5 to totally get

back control and more information from the system. SCADA stands for Supervisory Control and Data Acquisition. Some information obtained from Station 5 will be the run hours for the pumps; know the dynamic wet well level; have the ability to turn a pump off while sitting in the Control Room just as can be done now at the Main Pump Station. This Pilot Program at Pump Station 5 is a way to find out the benefits of the hardware being used and see if it is the right direction to take. As a part of the pilot program, the staff with myself included, are increasing their knowledge as to how to install and maintain various equipment in order to save money. Further discussion ensued.

OPEN TO THE PUBLIC

Mr. Peter Franco stated that he and his wife Linda live at 42 Breezy Point and have been having a serious ongoing problem with odors on the property and in the house that he believes are being emitted from the manhole which is in an easement area alongside the house. He further stated he has been on the phone with Mr. Seaman and Mr. Gianforte who has been responding but the problem still exists. Three to four days of the week, the house is uninhabitable due to the odors. He requested that someone on the Authority's staff find out what is causing the problem and do something to solve it.

Mr. Gianforte gave the Board a brief report earlier and stated to Mr. Franco that he would give him a written report on what was found and a copy of the sulfide reports from inside the pipe outside of his house; and would give him a report on how much chemical was being injected upstream and when it is injected so he could see when it was not injected, and how it correlates directly with one hour after the pump, for whatever reason, stopped. You will see that your odor complaint comes in within an hour of that pump stopping so we know that that impacts it and the Authority has an engineer hired to look at the corrosion and odor control study and see if there is another injection point between the Fort Monmouth location and your house so it will have a quicker response. Mrs. Franco spoke to the Board and the discussion continued with Mr. Franco telling the Board all he has done in an effort to resolve the problem.

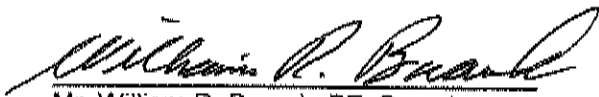
Mr. Leonard ensured that the Authority will do everything in its power to continue to help them resolve the problem.

Mr. Levine addressed the Board about his opinion on the Authority's Budget and gave remarks on various aspects of the meeting. He then asked Mr. Griffin about some of the items he read or heard during the meeting and whether they are in the Budget or not. He asked Mr. Griffin specifically about the Seaview Avenue repair and the 5 year payback plan. Mr. Griffin answered all of his questions about this project and his Budget questions. Mr. Levine also commented on the Mosquito Commission discussion and the amount that was settled upon.

Mr. Barham moved that the Meeting adjourn at 6:57 p.m. seconded by Mr. Berdahl and carried by voice vote.

The Chairman stated that final copies of approved Resolutions are available in the main office.

Respectfully submitted,


Mr. William R. Baarck, PE, Secretary