

REGULAR MEETING – December 20, 2007

The Chairman calls the meeting to order at 7:30 p.m.

TURN ON RECORDER

The Chairman reads the statement on “Open Public Meetings Law”.

In accordance with the requirements of the Open Public Meetings Act, State of New Jersey, adequate notice of this meeting has been provided by the inclusion of the date, time and place in a Notice forwarded to The Star Ledger, the Home News Tribune and the Clerk of each of the eleven member municipalities on February 6, 2007.

If any member of this body believes that this meeting is being held in violation of the provisions of the Open Public Meetings Act, please state your objection and the reasons for same at this time.

.... Hearing no objections, we shall proceed with our regularly scheduled meeting.

The Chairman requests that everyone stand to salute the Flag.

Roll Call

<u>Pres.</u>	<u>Absent</u>	<u>Town Rep.</u>	<u>Pres.</u>	<u>Absent</u>	<u>Name</u>
_____	_____	Clark	_____	_____	M. Brinker, Interim Exec. Dir.
_____	_____	Cranford	_____	_____	R. Materna, Secretary-Treasurer
_____	_____	Garwood	_____	_____	J. Grimes, Office Administrator
_____	_____	Kenilworth	_____	_____	B. Hak, Counsel
_____	_____	Mountainside	_____	_____	J. Wancho, Consulting Engineer
_____	_____	Rahway			
_____	_____	Roselle Park			
_____	_____	Scotch Plains			
_____	_____	Springfield			
_____	_____	Westfield			
_____	_____	Woodbridge			

Approval of Minutes

1. Chairman: Do I hear a motion to approve the minutes of the Regular meeting held October 18, 2007.

Motion:

Second:

Discussion:

Those in favor of the motion say Aye: _____

Those opposed to the motion say Nay: _____

2. Chairman: Do I hear a motion to approve the minutes of the Regular meeting held November 19, 2007.

Motion:

Second:

Discussion: (R. Luban to abstain)

Those in favor of the motion say Aye: _____

Those opposed to the motion say Nay: _____

Communications

Copies of the communications were distributed to the Commissioners.

- A Notice of Non-Payment on Public Project and Bond Claim were received November 8, 2007, from ISCO Industries, LLC against Marvec Construction Corporation, RVSA Contract #144.
- A response letter to the aforementioned lien claim was received December 14, 2007, from Connell Foley, LLP attorney for Marvec Construction Corp. contesting the claim on Contract #144 from ISCO Industries, LLC, as unfunded and untrue.
- A Construction Lien Claim was received on November 14, 2007 from Coastal Technical Sales, Inc. against E.E. Cruz & Company, Inc., RVSA Contract #155.
- A response letter to the aforementioned lien claim was received December 11, 2007 from E.E. Cruz & Company, Inc. contesting the claim on Contract #155 from Coastal Technical Sales, Inc., as unfounded and untrue.
- A letter was received from Suplee, Clooney & Company on December 3, 2007, thanking the Commissioners for their confidence in the firm and extending warm wishes for the Holiday Season and New Year.
- A letter addressed to Chairman Attilio Venturo, was received from Olga Rivera of Rahway on November 2, 2007 regarding the October 18, 2007 meeting.
- A letter addressed to the Commissioners, was received October 30, 2007, from Brian Garland of Rahway regarding the October 18, 2007 meeting.
- A letter addressed to Anthony Gencarelli was received November 19, 2007, from Pilar Patterson, Bureau Chief – NJDEP, Point Source Permitting – Region 2, regarding the Final Surface Water Major Modification Permit Action.
- The following Resolution #10, was received from the Borough of Kenilworth on December 3, 2007:

WHEREAS, the Borough of Kenilworth is one of the 11 member municipalities of the Rahway Valley Sewerage Authority (RVSA) a regional sewerage authority created and

operating pursuant to the New Jersey Sewerage Authorities Law, N.J.S.A. 40:14A-1 et. seq.; and

WHEREAS, RVSA operates sewage treatment facilities constructed, maintained and operated with funds received from the taxpayers of the member municipalities, which facilities have cost hundreds of millions of dollars to construct and which are undergoing extensive capital projects intended to upgrade and make more efficient the operation of those facilities, the costs of which capital projects exceed \$175 million; and

WHEREAS, RVSA's annual operating costs are in excess of \$18 million, which costs are paid primarily by the member municipalities; and

WHEREAS, RVSA is responsible for the handling and treatment of the sanitary sewage for its 11 member municipalities in a cost-efficient and environmentally sound manner; and

WHEREAS, as a member municipality whose taxpayers have paid and continue to pay significant amounts of money to the construction and operation of RVSA, the Kenilworth is concerned that RVSA be operated in a sound and cost-efficient manner; and

WHEREAS, over the past several years, various consultants for RVSA and some members of RVSA have suggested or recommended that RVSA consider entering into a privatization contract for part or all of its operations; and

WHEREAS, the Kenilworth and other members have expressed concerns regarding whether such privatization would actually result in better or more cost effective operation of RVSA; and

WHEREAS, despite such concerns raised by the Kenilworth and other members, RVSA determined to undertake an investigation of privatization of a portion of its operations and retained various consultants to make recommendations to RVSA as to the appropriateness of moving forward to take actions to solicit request for qualifications for a privatization contract; and

WHEREAS, in response to concerns voiced by the Kenilworth and other members, RVSA determined to conduct a Mayors Forum to present to the Mayors and other representatives of the member municipalities the reasons why RVSA had decided to move forward to take actions to solicit requests for qualifications for a privatization contract; and

WHEREAS, during this Mayors Forum, based on questions asked, concerns raised and information presented, RVSA's own consultants, including Steve Kellogg, Senior Vice President of CDM, agreed that it was premature to consider whether privatization might be a sound and cost effective measure for RVSA, and agreed that the appropriate course was to await completion of the significant capital projects being undertaken at the RVSA facility, including the Comprehensive Strategic Plan (CSP) contracts, the Major Upgrades contracts, and the Cogeneration/Sludge Drying Facility contract and a sufficient time after such completion to be able to undertake an informed evaluation of how the RVSA facility was operating; and

WHEREAS, Kenilworth and various other member municipalities welcomed these recommendations as a much sounder approach to the question of whether some form of privatization of RVSA's operations or facilities might be sound and/or cost effective; and

WHEREAS, despite the recommendations of its own consultants in November 2006, and despite the fact that the capital projects referred to at the November 30 Mayors' Forum have not all be completed and in operation, RVSA placed on its October 18, 2007 agenda a motion to solicit proposals for the services of (1) Special Counsel, (2) Special Engineer, and (3) Special Financial Advisor, to perform certain work related to the preparation of a Request for Qualifications on a privatization contract; and

WHEREAS, to solicit such proposals and to move forward with the process contemplated thereby will be a time consuming and costly process, and should not be considered, let alone undertaken, until the capital projects referred to at the November 30 Mayors' Forum have all been completed and in operation for a sufficient time to enable an informed evaluation of how the RVSA facility was operating; and

WHEREAS as recognized by RVSA previously, no such actions should be taken by RVSA toward possible privatization without first informing the Mayors and other municipal representatives of the basis for such action, and seeking the input of these important parties; and

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Borough of Kenilworth hereby affirmatively and emphatically states its position that it is inappropriate and premature for RVSA to solicit proposals for the services of (1) Special Counsel, (2) Special Engineer and/or (3) Special Financial Advisor to perform any work related to the preparation of a Request For Qualifications on a privatization contract or to take any other actions to move forward with the process contemplated thereby. As previously recognized by RVSA's own consultants and represented to the public at the November 30 2006 Mayors Forum, no further consideration should be given to the actions taken toward possible privatization until the capital projects referred to at the November 30 Mayors Forum have all been completed and in operation for a sufficient time to enable an informed evaluation of how the RVSA facility was operating.

- The following letter addressed to Ms. Joanne Grimes was received December 18, 2007 from Edith L. Merkel, Township Clerk for the Township of Clark:

“Enclosed herewith please find a copy of Resolution #07-152 which was adopted at a Regular Township Council Meeting held December 17, 2007.

Please read the attached Resolution into the minutes as a matter of record at your December 20, 2007 regular meeting.

If you have any questions, please feel free to call my office at anytime.”

“RESOLUTION 07-152 - WHEREAS, the Rahway Valley Sewerage Authority (“RVSA”) has advised the Governing Body of the Township of Clark and other member bodies that it retains on hand surplus operating funds from the 2007 budget in the amount of \$2,621,000 (unaudited) along with cumulative surpluses from operating budgets from 2003 and 2006 in the amount of \$3,497,709 resulting in a total surplus from the respective operating budgets of \$6,118,709; and

WHEREAS, the Governing Body of the Township of Clark has recently been further advised of the RVSA’s decision, subject to the approval of member municipalities, to distribute the aforesaid surplus to the member municipalities in accord with their respective assessments; and

WHEREAS, the surplus funds to be distributed to the Township of Clark as a consequent of the foregoing is the sum of \$829,961; and

WHEREAS, the Township desires to anticipate the receipt of these funds in its 2008 budget; and

WHEREAS, the RVSA has indicated to the Township that the said funds will be reimbursed in one payment at such time as its Counsel completes its review of the 1995 Agreement Among Member Municipalities, Debt Covenants and Regulatory Requirements and upon the adoption of a confirmatory resolution by the member municipalities; and

WHEREAS the Governing Body of the Township of Clark desires to show its support for the proposed action of the RVSA as above stated and commends the RVSA upon its decision, subject to the approval of the member municipalities, to reimburse the member municipalities with the surplus funds on the basis of their assessments as such action is in the public interest and in the interest of the member municipalities.

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the Township of Clark that it does publicly commend the RVSA for its decision to make the reimbursement referenced hereinabove and it urges all member municipalities to endorse and support this proposal.”

Report of Treasurer

The Treasurer’s Reports for the month of October 2007 have been distributed to the Commissioners for review and will be spread on the Minutes. So ordered.

Report of Interim Executive Director

Report of Consulting Engineer

Report of Counsel

Committee Reports

Chairman: Are there reports from any of the following Committees:

Engineering Committee (C. Clark Landale, Chair)

An Engineering Committee Meeting was held on December 17, 2007, at which time several items were discussed. Items which require action are on the agenda under New Business.

Finance Committee (Charles Lombardo, Chair)

Finance Committee Meetings were held December 17, 2007 and earlier this evening at which time the 2008 Budget and Bills and Claims were reviewed and discussed. Action is on the agenda under New Business and Bills and Claims.

Personnel Committee (Joan Papen, Chair)

Sludge Management Committee (Frank Mazzarella, Chair)

Legal Committee (Joan Papen, Chair)

Public Relations Committee (Rosalie Berger, Chair)

Insurance Review Committee (Allen Chin, Chair)

Unfinished Business

New Business

Mr. Lombardo to offer three resolutions and one motion

1. #07-69 (2008 Budget)

Motion:

Second:

Discussion:

Those in favor of the motion say Aye: _____

Those opposed to the motion say Nay: _____

2. #07-70 (Investment Authority)

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

3. #07-71 (2008 Depositories)

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

4. Motion approving the mileage reimbursement be amended from \$0.485 to \$0.505 effective January 1, 2008, as per the IRS tax guidelines, as recommended by the Interim Executive Director.

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

Mrs. Papen to offer two resolutions.

1. #07-72 (Appointment of PACO)

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

2. #07-73 (TWA – Scotch Plains)

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

Mr. Landale to offer two resolutions and four motions.

1. #07-74 (Amend PSA #144 – PS&S \$37,000.00)

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

2. #07-75 (Amend PSA #0727 – Omni Env. \$4,000.00)

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

3. Motion to rescind the motion made at the November 19, 2007 meeting whereby the bids received on Contract #0817 were rejected, as discussed at the Engineering Committee Meeting.

Motion:
Second:
Discussion:

Those in favor of the motion say Aye: _____
Those opposed to the motion say Nay: _____

- 4. Motion to award Contract #0817 to the low bidder, All American Sewer Service, Newark, NJ, Option B, in an estimated amount of \$294,660.00, whose bid was originally found to be non-conforming, however, was in fact in order, as reviewed by Counsel and discussed at the Engineering Committee Meeting.

Motion:
 Second:
 Discussion:

Those in favor of the motion say Aye: _____
 Those opposed to the motion say Nay: _____

- 5. Motion to award Contract #0820-Grit & Screenings Removal to the low bidder, Spectraserv, Inc. of South Kearney, NJ at a cost of \$94.00/ton, total estimated contract amount of \$188,000.00, as discussed at the Engineering Committee Meeting.

Motion:
 Second:
 Discussion:

Those in favor of the motion say Aye: _____
 Those opposed to the motion say Nay: _____

- 6. Motion to award Contract #0822 – Furnish and Deliver Sodium Hypochlorite to the low bidder, JCI Jones Chemicals, Inc. of Warwick, NY at a cost of \$0.87/gal, total estimated contract amount of \$435,000.00, as discussed at the Engineering Committee Meeting.

Motion:
 Second:
 Discussion:

Those in favor of the motion say Aye: _____
 Those opposed to the motion say Nay: _____

Mr. Pelissier to offer one resolution.

- 1. #07-76 (TWA - Rahway)

Motion:
 Second:
 Discussion:

Those in favor of the motion say Aye: _____
 Those opposed to the motion say Nay: _____

Mr. Luban to offer one resolution.

- 1. #07-77 (TWA - Woodbridge)

Motion:
 Second:
 Discussion:

Those in favor of the motion say Aye: _____
 Those opposed to the motion say Nay: _____

Bills and Claims

Motion that the following bills and claims previously audited by the Finance Committee be ordered paid.

Motion:
 Second:
 Discussion:

Those in favor of the motion say Aye: _____
 Those opposed to the motion say Nay: _____

Open the floor to the Public for questions or comments

Closed Session (Only If Necessary) (TURN OFF RECORDER)

Chairman: Do I hear a motion to close the meeting for discussion of pending and/or anticipated legal matters, based on Attorney Client privilege.

Motion:
 Second:
 Discussion:
 Time:

Those in favor of the motion say Aye: _____
 Those opposed to the motion say Nay: _____

Chairman: Do I hear a motion to return to the regular order of business. *(TURN ON RECORDER)*

Motion:
Second:
Discussion:
Time:

Those in favor of the motion say Aye: _____

Those opposed to the motion say Nay: _____

Return to Regular Order of Business

Adjournment

If there is no further business, do I hear a motion that this meeting be adjourned?

Motion:
Second:
Discussion:
Time:

Those in favor of the motion say Aye: _____

Those opposed to the motion say Nay: _____

TURN OFF RECORDER

/jg