

RAHWAY VALLEY SEWERAGE AUTHORITY

Summary of Minutes

Regular Meeting held May 17, 2007

- Minutes
Approved the minutes of the Regular Meeting held April 19, 2007.
- Communications
Letter from Commissioner Thomas J. McHale.
- Treasurers Reports
Treasurer's reports for the month of March 2007 were received.
- Interim Executive Director
Sewer Connections and the status of various contracts.
- Consulting Engineer
Overview of contracts; flow rights and user charge reports.
- Counsel
Overview of legal matters.
- Committees
Reports were made by the Engineering, Finance, Insurance Review and Nominating Committees.
- Unfinished Business
None.
- New Business
Approved the following: Security Purchases; and for the Interim Executive Director and Counsel to prepare an RFQ for a Public Private Partnership of the Cogeneration Facility.
- New Business (Cont'd.)
Approved the following expenditures: Amend Contract #105-C to CCMS in an amount of \$416,163.00; and the purchase of three screw conveyors from JDV Equipment Corp. at a cost of \$103,050.00.

- Bills and Claims		
<u>Fund Description</u>	<u>Fund#</u>	<u>Amount</u>
Operating Fund	7-01	\$ 930,300.01
Building & Equipment Fund	7-02	3,249,695.89
Construction Fund	7-04	<u>530,229.47</u>
Total All Funds		\$4,710,225.37

RAHWAY VALLEY SEWERAGE AUTHORITY

Regular Meeting Minutes – May 17, 2007

The Chairman called the meeting to order at 7:32 p.m.

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

In accordance with the requirements of the Open Public Meeting 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 which was forwarded to the Star Ledger, the Home News Tribune and was filed with the Clerk of each of the eleven member municipalities on February 6, 2007.

The Chairman asked if any member of the body believed that this meeting was being held in violation of the provisions of the Open Public Meetings Act; to please state their objection and the reasons for same.

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

The Chairman requested that everyone stand to salute the Flag and observe a moment of silence for our servicemen and women overseas.

Roll Call

The following members were present:

Rosalie F. Berger	for the Township of Springfield
Allen Chin	for the Town of Westfield
C. Clark Landale	for the Borough of Mountainside
Charles Lombardo	for the Borough of Garwood
Robert G. Luban	for the Township of Woodbridge
Frank G. Mazzarella	for the Township of Clark
James J. Murphy	for the Township of Cranford
Joan Papen	for the Township of Scotch Plains
Peter H. Pelissier	for the City of Rahway
Attilio S. Ventura	for the Borough of Roselle Park

The following members were absent:

Thomas J. McHale	for the Borough of Kenilworth
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The following were also present:

Michael J. Brinker, Jr., P.E.	Interim Executive Director
Robert J. Materna	Secretary-Treasurer
Joanne Grimes	Office Administrator
James Wancho, P.E.	Consulting Engineer
Brian Hak, Esq.	Counsel
James Cassella	Assistant to the Exec. Dir.
Manny Parada	CCMS
Wayne Baker	Westfield Leader

Approval of Minutes

Mrs. Papen made a motion, seconded by Mr. Chin, to approve the minutes of the Regular Meeting held April 19, 2007. The motion was unanimously approved with the exception of Mr. Landale who abstained.

Communications

Michael Brinker, Interim Executive Director, received a copy of the following letter addressed to Kenilworth Mayor Gregg David and Members of Council dated May 9, 2007, from RVSA Commissioner and current Vice Chairman, Thomas J. McHale:

“Please be advised that effective July 1, 2007, I am hereby resigning from my position as a Commissioner, representing Kenilworth, on the Rahway Valley Sewerage Authority.

I have served as a Commissioner for the past 13 years. I have done my utmost to serve the Mayor, Council and the people of Kenilworth to the best of my ability. It’s time to step down.

My term ends February, 2008. My last meeting will be June 21, 2007. The new Commissioner should be in place by July 19, 2007. Sincerely, Thomas J. McHale.”

Report of Treasurer

The Treasurer’s Reports for the month of March 2007 have been distributed to the Commissioners and will be included in the Minutes.

Report of Interim Executive Director**Sewer Treatment Endorsements**

The following is a list of Sewer Treatment Endorsements processed between 4/16/07 and 5/14/07:

Number	Date	Applicant	Municipality
959-07-CL	04/18/07	Thomas & Sherry Kaczan	Clark
960-07-WB	04/20/07	Palent & Matilsky	Woodbridge
961-07-WB	04/20/07	Palent & Matilsky	Woodbridge
962-07-WB	04/20/07	Palent & Matilsky	Woodbridge
963-07-WB	04/20/07	Geetanjali Singh	Woodbridge
964-07-SF	04/23/07	JMK Auto Sales	Springfield
965-07-KW	05/10/07	E.L Shickhent LLC	Kenilworth
966-07-WB	05/11/07	Menlo Engineering Assoc.	Woodbridge
967-07-WB	05/14/07	Palent & Matilsky	Woodbridge

Monthly Reports

The following monthly reports were received and distributed to the Commissioners:

PS&S Consulting Engineering*
CCMS - Contract #105–Cogeneration Facility*
CCMS - Contract #155–WWTP Upgrade*
CCMS - Contract #156–Gravity Relief Sewer*
Weiner Lesniak - Monthly
Murray Montgomery & O'Donnell – Contract #0713–Monthly Update*
RVSA Superintendent – 2007 Summary Operations*
RVSA Superintendent – Monthly Grievances
RVSA IPP Coordinator – IPP Activities*
Hatch Mott MacDonald – Contract #0721–Eval. of User Charge System – Monthly Update*

* Previously discussed at the Engineering Committee Meeting.

Contract #105 – Cogeneration / Sludge Drying Facility

A Lien Claim (#1) was received from General Supply & Services, Inc. dba GE Supply in an amount of \$43,082.66. A letter was sent to J.H. Reid regarding the claim, a copy of which was distributed to the Commissioners in April. J.H. Reid sent a letter to the Authority which stated that they had negotiated the claim with the vendor and were waiting for an acknowledgment letter. To date we have not received a copy of the acknowledgement letter.

Contract #105 – Cogeneration / Sludge Drying Facility

Negotiations pertaining to additional amounts and PCO's continue to be ongoing and will be discussed with the Board. Also discussed were the explosions which occurred in the facility on Monday, April 30, 2007 and again on May 10, 2007.

I recommend that we go into closed session to discuss the status of the Cogeneration Facility and the explosion mishaps.

Contract #105-C Construction Management Services on Cogen/Sludge Drying Facility

A letter dated April 18, 2007, was received from CCMS seeking additional monies on this contract. Copies of all correspondence were distributed to the Commissioners in April. This matter should be discussed and resolved prior to the Board meeting. The matter was discussed at the Engineering Committee Meeting and the Commissioners agreed to put a resolution on the agenda to amend CCMS's contract in the amount of \$416,163.00. Action is on the agenda under New Business.

Contract for Replacement Conveyors

I was authorized at the April meeting to negotiate with three vendors in order to obtain the best price to replace the belt conveyors in the dewatering facility. An explanation of my discussions

was given at the May Engineering Committee Meeting. Following discussion, it was recommended that we accept the proposal from JDV Equipment Corporation in the amount of \$103,050.00. We do not need to approve a Change Order for this purchase and related additional work as there are sufficient "Allowance" monies available on Contract #155 with E.E. Cruz.

Grant Money

An email was received May 10th from Murray, Montgomery & O'Donnell with regard to the Authority being placed on a list for possible Grant money in the amount of \$25 million dollars. A copy of the email was forwarded to the Commissioners for review.

Report of Consulting Engineer

The following report to the Authority Board summarizes our activities for the period of April 14, 2007 through May 11, 2007.

JCO Compliance

The JCO Compliance Report covering the first quarter of 2007 was finalized and submitted prior to the April 30, 2007 deadline.

Laboratory Renovation-Contract #145

The contract credit covering the settlement amount has been implemented and the contract is currently in the Maintenance Period. PS&S is awaiting direction from the NJDEP regarding any required loan related follow-up.

Administrative Appeals Re: Air Quality and NJPDES/TWA Permits

PS&S continues to coordinate activities with General Counsel and Special Counsel, Hall & Associates. PS&S's only activity was to review the NJDEP response to Interrogatories in the NJPDES/TWA case.

Trunk Sewer Rehabilitation - Contract #144

PS&S is currently reviewing submittals and responding to Contractor RFI's. Several key submittals, including the traffic control plan and bypass pumping plan lack approval.

PS&S drafted a notification of construction for the residents adjacent to the meter chamber; this includes Bedford Street. The notices were issued to the residents on April 9th and 10th and were also sent to the Township of Clark and City of Rahway. PS&S received numerous phone calls from residents, most of which did not live in the project area. A letter was also received from a resident on Bedford Street adjacent to the project site indicating their concerns. The letter was forwarded to the Authority and reviewed by Counsel. It was determined that no action was currently needed.

Several field meetings have been conducted with the contractor to discuss staging and traffic control for the park road. The contractor met separately with. Representatives of City of Rahway and Township of Clark have been contacted by PS&S to discuss noise issues and other requirements. A formal meeting with the Union County Parks Department and Union County Police was held to discuss the contractors bypass pumping and traffic control plans. Based on the meeting discussions the contractor will revise the traffic control plan and resubmit it next week.

Construction activity has proceeded with the following activities taking place: the temporary bridge has been installed.

Wastewater Management Planning

PS&S continues to provide assistance, as needed, related to the Wastewater Management Plan (WMP). The NJDEP recently sent a letter to PS&S notifying RVSA that the NJDEP intends to move forward with the adoption of the RVSA Wastewater Management Plan, with some "minor" modifications to the facilities table. The letter states, "Until RVSA has adopted the proposed WMP, the Department will no longer process any amendments or substantive revisions for the RVSA sewer service area..." PS&S is in the process of reviewing their proposed facilities table vs. the original RVSA proposal.

Cogeneration Funding

PS&S continues to track the status of the NJBPU Office of Clean Energy-Renewable Energy Advanced Power Program grant. PS&S received the grant award letter and forwarded the original to the Authority. A follow-up discussion was held with the NJBPU to find out the mechanism for reimbursement and it was indicated that the NJEDA will prepare an agreement that will define the procedures. The NJEDA has been working on the agreement language with the DAG's office and was non-committal on when the agreement would be issued. PS&S set up a meeting with the BPU and the NJEIT to discuss the reimbursement mechanics since all the project financing comes from the NJEIT and this needs to be coordinated since the contract and corresponding balance is nearing completion.

Cogeneration Facility- 4th Engine Design/Permitting

PS&S has been tracking this Title V air permit significant modification application on behalf of the RVSA since it was originally submitted to NJDEP Bureau of Operating Permits (BOP) on October 13, 2005. This Title V significant modification application has been approved (Significant Modification approval date: March 14, 2007). A meeting to discuss the air permit required monitoring/recordkeeping requirements was held on Friday March 2, 2007 with representatives of the Authority and CCMS. PS&S and the Authority are assessing requirements for an additional Title V Significant Modification application to modify certain permit monitoring and recordkeeping requirements and to address some potential variability in digester gas characteristics.

Digester Brick Replacement-Contract #157

PS&S has completed the design drawings and the specifications for the project. The insurance provisions of the “front end” were sent to General Counsel for review and PS&S has incorporated the resulting comments. PS&S met on-site with an alternate vendor of the fascia panels and will incorporate them into the specifications prior to bidding. PS&S received the specifications, details and cost data from the alternate vendor and are working on finalizing the specifications. The drawings have been finalized.

General Consulting

PS&S provided assistance related to the flow to the plant during the last major storm that occurred on April 15/16, 2007.

PS&S was requested to provide assistance related to heating in the Sludge Dewatering Facility. PS&S has developed the heating requirements for the truck loading area and are looking into the option of tying into the plant hot water loop.

User Charge and Flow Rights Reports

May reports covering April will be prepared and submitted when all the monitoring data has been received.

Report of Counsel

The following is a summary of all General Counsel Services that have been provided by this office to the Rahway Valley Sewerage Authority for the time period covering April 17, 2007 through May 14, 2007.

CSP Improvements & related issuesContract #155 & #156

Continued to follow up with CCMS regarding insurance coverage expirations. CCMS has provided an updated insurance certificate showing renewals of its general and excess liability insurance policies. All policies are now current.

Administrative Appeals Re: Air Quality Permit and Treatment Works Approval

We have been working with the Authority’s consultants and co-counsel on appealing conditions of the Air Quality Permit and Treatment Works Approval that have been issued for the CSP Project. With respect to the Air Quality Permit appeal, the permit modification, which the RVSA is in agreement with, was submitted by NJDEP to the EPA. The EPA has indicated that it has no issues regarding the permit modification, the permit has been issued by NJDEP as modified and the RVSA has withdrawn its appeal.

With respect to the Treatment Works Approval, the final issue on appeal has been consolidated

with the appeal that was filed regarding the Authority's NJPDES permit. (See discussion of NJPDES Permit Appeal- item #2 under "Miscellaneous").

Barnett Street Acquisitions

A surveying error has caused the pipe for the gravity relief sewer to be laid slightly off course and outside of the public right-of-way necessitating the acquisition of two (2) relatively small easements from two private property owners. With the assistance of the contractor, we are preparing the necessary documents for the acquisition of the easements. The contractor will reimburse the Authority for all legal costs incurred. We have communicated with the two affected property owners and they are cooperating in conveying to the Authority the required easements. We are in the process of finalizing the documentation relative to the acquisition of the remaining easement and this file will be closed-out in the near future.

Cogeneration Facility Contract #105

Reviewed and discussed with Interim Executive Director propriety of potential change orders submitted by contractor and performed legal research relative to same. Also reviewed and discussed with Interim Executive Director CCMS' request for an extension of its contract.

Additionally, we have been in discussions with the Woodbridge Township Planning Department relative to the possibility of obtaining a temporary certificate of occupancy for the cogeneration side of the facility while the dryer side is still being completed. These discussions are ongoing.

Caterpillar Engines Explosion Issue

Attended a meeting on May 14, 2007 with representatives of Caterpillar, Foley, J.H. Reid, PS&S, CCMS and RVSA staff at which time CAT indicated that they will do whatever is necessary to correct the problems associated with the explosions of Engines #1 and #3 and get the power generating side of the facility back up and running. Cat indicated that the work would be completed within 4-6 months. Cat has also agreed to reimburse the Authority for all associated costs. After the meeting counsel for all parties briefly met to discuss the drafting of the appropriate agreements detailing each party's responsibilities and providing for the reimbursement of costs. We are in the process of drafting those agreements.

Counsel noted that he agrees with the Interim Executive Director, in that this matter should be further discussed in closed session.

Miscellaneous

NJPDES Permit Appeal

Met with NJDEP and have been able to resolve most of the outstanding issues and have made significant progress on the remaining issues. The case has now been consolidated with the TWA appeal and, therefore, all remaining issues from both appeals will be considered together.

We have recently received from NJDEP its outstanding answers to interrogatories. We are in the process of reviewing same and providing a response to NJDEP, however, it should be noted that as a preliminary matter many of NJDEP's responses are non-compliant with previous court orders and another motion for sanctions may be necessary.

Finally, NJDEP has proposed modifications to the Authority's wastewater management plan (WMP). In general, NJDEP is proposing to remove any reference to peak flows through the Authority's facility, an issue which is related to the current NJPDES appeal. NJDEP's action with respect to the proposed modifications to the Authority's WMP may lead to the necessity to file another appeal.

Miscellaneous Contracts

We have reviewed documentation and performed legal research with respect to the Authority's PCB tracking contract.

Garwood/Trunk Sewer Conflict

Reviewed documents received from the Interim Executive Director and performed legal research regarding a conflict with Garwood's DPW garage and the Authority's trunk sewer line. A title search has been ordered and we are in the process of preparing an agreement to be executed between the Authority and Garwood.

Intermunicipal Agreements

We have sent correspondence to all eleven (11) constituent municipalities requesting that they furnish us with copies of all agreements between municipalities regarding flow and flow rights. This is being done in conjunction with the analysis of the user charge system. We have received responses from some, but not all, municipalities.

Committee Reports

The Chairman asked if there were reports from any of the following Committees:

Engineering Committee (Clark Landale, Chairman)

Mr. Landale stated that an Engineering Committee Meeting was held May 10, 2007 at which time several items were discussed, items which require action are on the agenda under New Business.

Finance Committee (Charles Lombardo, Chairman)

Mr. Lombardo stated that a Finance Committee Meeting was held earlier this evening at which time the Bills and Claims were reviewed. The Bills and Claims will be acted on later in the meeting.

Personnel Committee (Thomas McHale, Chairman)

No report.

Sludge Management Committee (Frank Mazzearella, Chairman)

No report.

Insurance Review Committee (Allen Chin, Chairman)

Mr. Chin stated that an Insurance Review Committee Meeting was held earlier this evening at which time the solicitation of proposals for the Authority’s insurance coverage was discussed.

Legal Committee (Joan Papen, Chairwoman)

No report.

Public Relations Committee (Rosalie Berger, Chairwoman)

No report.

Nominating Committee (Robert Luban, Chairman)

Mr. Luban stated that Mr. McHale has submitted his resignation from the Board effective July 1, 2007. He noted that a special election for Vice Chairman will be held at the June meeting.

Open the floor to the Public for questions or comments

No one addressed the Board.

Unfinished Business

None.

New Business

The following Resolution #07-22 was offered by Mr. Lombardo, on motion of Mr. Lombardo, seconded by Mrs. Berger and unanimously approved.

BE IT RESOLVED that the officers of the Rahway Valley Sewerage Authority be and are hereby authorized to invest the following for the Operating Fund:

<u>Amount</u>	<u>Rate</u>	<u>Bank</u>
\$2,510,708.00	5.19%	JP Morgan Chase

The following Resolution #07-23 was offered by Mr. Landale, on motion of Mr. Landale, and seconded by Mr. Chin.

WHEREAS, the Rahway Valley Sewerage Authority previously approved Resolutions #03-89, #07-16 and related Agreements, Contract #105-C, for the purpose of engaging Consolidated Construction Management Services (CCMS), for Professional Services specifically to serve as the Construction Manager on Contract #105-Cogeneration/Sludge Drying Facility; and

WHEREAS, the Authority has determined that there is a need to amend this agreement; and

WHEREAS, CCMS submitted documentation reflecting the need for a contract extension and additional monies related to their work on Contract #105-C; and

WHEREAS, the additional amount to be authorized for this Contract is \$416,163.00; and

WHEREAS, the Secretary-Treasurer of the Authority, who is the Chief Financial Officer, hereby certifies that the necessary funds for said contract are available in the 2007 Annual Budget.

WHEREAS Professional Services have been determined to be exempt from public bidding under Title 40A.

NOW, THEREFORE, BE IT RESOLVED by the Rahway Valley Sewerage Authority that the previously adopted Resolution and related Agreement with CCMS in an amount of \$1,761,300.61 be and are hereby amended to provide for the increased contract amount of \$416,163.00 resulting in an amended contract amount not to exceed \$2,177,463.61; and

BE IT FURTHER RESOLVED that the Chairman and Secretary are authorized to execute an amendment to the Professional Service Contract previously entered into; and

BE IT FURTHER RESOLVED that a "Notice of Award" be published in accordance with law.

Mr. Ventura stated that this amount is for a time extension. He noted that we are incurring these costs because certain individuals failed to perform in their duties. He added that we are now 6 months behind schedule and due to recent mishaps, we will be an additional six months behind schedule. Mr. Ventura asked if we are not done on time, will the NJDEP fine the Authority and if so, who will pay the penalty.

Mr. Chin responded that he felt some of Mr. Ventura's comments were misdirected. Mr. Chin added that a fourth engine was added after the contract was bid, resulting in many items being changed. He noted this was sort of a domino effect and caused most of the delay. Mr. Chin added that this change was not the contractors fault.

Mr. Venturo countered that if we pay the contractor an increase, we will have to pay an increased amount to CCMS, etc., as an entitlement. Mr. Venturo went on to say that he would like to see the resolution tabled because if we continue to approve all these change orders, we will end up spending more than \$30,000,000 on the Cogeneration Facility.

After further discussion, the Chairman requested a roll call vote.

AYES	NAYS	ABSTAIN	ABSENT
Clark	Roselle Park		Kenilworth
Cranford			
Garwood			
Mountainside			
Rahway			
Scotch Plains			
Springfield			
Westfield			
Woodbridge			

As the vote was 9 to 1, the resolution was approved.

Mr. Landale made a motion, seconded by Mr. Chin, approving the purchase of three screw conveyors for use in the Dewatering Facility from JDV Equipment Corporation of Fairfield, NJ, in the amount of \$103,050.00 for Contract #155-CSP Upgrade with E.E. Cruz Contractors; this purchase and related additional work are covered under "Allowance" monies available on Contract #155. The motion was unanimously approved.

Mr. Pelissier stated that he would like to make a motion to Suspend the Regular Order of Business in order to discuss a Public Private Partnership. The motion was seconded by Mr. Luban and unanimously approved.

Mr. Pelissier made a motion requesting that the Administration and Counsel put together a Request For Qualification (RFQ) and Proposal (RFP) for a Public Private Partnership Agreement for the Operation, Management and Maintenance of the Rahway Valley Sewerage Authority Cogeneration Facility. Mr. Mazzarella seconded the motion.

Mrs. Papen stated that she thought that we had put this to bed, at least until we had finished the plant and knew how much it was going to cost us to run it. Mrs. Papen stated that we met with all the municipalities and they expressed their opinions that we should wait. Mr. Pelissier asked if the meeting addressed just cogeneration or the whole plant. Mrs. Papen stated that we discussed possibly starting with cogeneration (cogen) and moving on to the whole plant. She added that the mayors felt it was too soon and weren't sure they liked the idea, especially at this time.

Mr. Luban stated he thought the forum addressed the whole plant. Mrs. Papen stated that we discussed just a portion and/or the whole plant. Mrs. Papen added that the Borough of Garwood followed up with a letter expressing their opinion that we should wait.

Mr. Pelissier added that he recently toured the facility and wasn't sure if the other commissioners had the time to do that. He noted that he has gone through a public private partnership before so he is familiar with it. He added that he is only recommending the partnership for the cogeneration facility portion of the plant. Mr. Pelissier noted that Mrs. Papen stated that "we don't know yet what it will cost to run" and he added that in his opinion, if we don't know how much it will cost to run, or if we have capable people to run it, how can we expect to operate it? Mr. Pelissier continued on to say that we can't even get it up and running.

Mr. Pelissier noted that to go through a procurement process, there have been laws adopted to streamline the process. Mr. Pelissier added that our attorney already did some work on investigating this matter and those monies will not be re-spent. Any of those costs may be reimbursed if and when we decide to enter into a partnership. The procurement process does not commit us to decide to do this or not do it. It just gives us the option, gives us companies to look at and what they will do for us. This plant will not go online for at least another six months, which provides us ample time to go out for RFQ's and subsequently RFP's. Also the law allows us to negotiate with only one vendor, should we choose to. He noted that for the RFP, the hardest part will be figuring out the energy costs associated with running the facility, since it's not up and running.

Mr. Luban stated that we could look at ourselves at the same time as we look at outside vendors.

Mrs. Papen said that we were going to train our own people and then if that didn't work, we would look to the outside. We already paid over \$50,000 on the privatization issue and added that she hates the thought of going through this whole thing all over again and spending extra money.

Mr. Lombardo noted that at the onset of considering cogeneration, the commissioners considered a "turn key" operation.

Mr. Ventura stated that he feels all avenues should be explored so that no one can accuse you of denying someone else their opinions. He then asked if this should go to a committee for handling.

Mr. Pelissier stated that if the motion is approved, then we would select various members of a project team to start this process and a part of that project team could be the consulting engineer, the administration, the attorney, etc.

Mr. Ventura noted that we are going to turn over to the partnership, a completed plant. Mr. Pelissier stated that is correct. Mr. Ventura noted that then all they would need is operators – and asked where the savings is. Mr. Pelissier asked what happens if it breaks down, can RVSA operators figure out how to fix it? He stated that the purpose of having a managing team as your partner is they don't have to be here everyday, they can come in as consultants or just to repair

the problem. The Authority would have a fixed fee. Mr. Ventura asked how many people would be needed. Mr. Pelissier stated he did not know but added that Mr. Brinker probably does.

Mr. Ventura stated that generally the operators are trained to operate and may make adjustments during the operation; however, they would not make any repairs. Mr. Pelissier stated that this will be a brand new facility and our employees are not even trained to operate this facility.

Mr. Landale asked Mr. Brinker his opinion on the matter. Mr. Brinker stated that the operators are presently, and have been for the past several weeks, receiving training on the operation of this plant. Mr. Brinker added that this is a two process facility; one part to generate electricity to run the plant, and the second part to dry out the sludge. Prior to the explosions, the power generating side was leading in completion, and if it was ready on May 19th as initially planned, we would have had trained operators in there and ready to operate the facility along with a maintenance crew that is presently on staff and also being trained on the equipment. Since the explosion, we changed direction and are now gearing up to have the sludge drying facility up and operating. Komline Sanderson is scheduled to be on site. After 3-4 weeks of checking out the equipment, we will start processing sludge in ever increasing quantities. This means by the end of June, we will have an active sludge drying facility; we will start drying sludge and sending it off site. Mr. Brinker continued on to say that some things depend on whether we can get our C.O. for half of the facility, etc. Mr. Brinker added that based on the board's direction after the Mayors Forum, the RVSA staff is gearing up to operate this facility. If we start operating this facility at the end of June, I will move employees up to the facility and will then hire new people to replace these operators in their previous positions. Mr. Brinker asked what will happen to these employees if we go to a partnership? Will they lose their jobs? Mr. Pelissier stated that is short sighted, and added that no one will lose their jobs. These employees can become employees of the vendor, or they can be leased to the vendor and be employees of the Authority. The vendor will need employees, who better to use than those that we have here. The difference is when you need the technical advice, the vendor will have that expertise.

Mr. Chin asked if we have the Operator's Manual for the cogeneration facility. Mr. Brinker stated that we are waiting for it but do not have it yet. Mr. Chin added that we will have to track the time spent by Counsel, the Interim Executive Director and anyone else appointed to the project team in order to recoup these expenses. Mr. Chin noted that without the manual, we can't ask anyone for a proposal because we don't know how or what we need in order to prepare an RFP.

Mr. Pelissier disagreed with Mr. Chin in that in his opinion, he didn't know how we could be training our own people without the manual.

Mr. Luban suggested that we amend the motion to only obtain RFQ's at this time. That way we can see if there are any firms interested. Mr. Chin stated that he still thinks this is premature. Mr. Ventura requested that Mr. Pelissier withdraw his motion until such time that there is an agreement for the continuation of the completion of the construction on the cogeneration facility. Because right now we do not know what is going to happen.

Mr. Luban said he would support the RFQ but would not support soliciting an RFP.

Mr. Pelissier moved to amend the motion requesting that the Administration and Counsel put together a Request For Qualifications for a Public Private Partnership Agreement for the Operation, Management and Maintenance of the Rahway Valley Sewerage Authority Cogeneration Facility. The motion to amend was seconded by Mr. Mazzarella and unanimously approved.

Mr. Ventura stated that we should wait until there is some resolution with regard to the explosions. Mr. Ventura added that there is a possibility that this plant may never run the way it was intended. It may end up being the back up power to the plant and we may still purchase our electricity from the grid.

Mr. Pelissier said that would be a travesty. He added that we should see who is out there that may be interested in the partnership.

After further discussion, the Chairman requested a roll call vote on the motion as amended, to obtain Request For Qualifications only.

AYES	NAYS	ABSENT	ABSTAIN
Clark	Mountainside	Kenilworth	
Cranford	Scotch Plains		
Garwood	Westfield		
Rahway			
Roselle Park			
Springfield			
Woodbridge			

As the vote was 7 to 3, the amendment was approved.

Mr. Lombardo stated that he received an email with regard to the Commissioners attending computer classes. He added that he is in favor of anyone who wishes to take classes.

Mr. Lombardo stated that the Bylaws Committee was abolished and asked that if the Chairman and Vice Chairman were both absent, who would run the meeting; how would this be addressed? Mrs. Grimes responded that there wasn't a "Bylaws" committee, however, this issue is addressed in both Demeter's and Roberts Rules of Order; and also noted that it had happened in the past and the Commissioners appoint an "acting chair" to run the meeting at the meeting. Mr. Luban concurred with Mrs. Grimes comments.

Bills and Claims

Mr. Lombardo made a motion, seconded by Mr. Murphy, that the following bills and claims previously audited by the Finance Committee be ordered paid. The motion was unanimously

approved.

BUILDING & EQUIPMENT FUND

CHECK #	DATE	VENDOR	LINE/ACCT#	AMOUNT
2214	05/17/07	ARGENT ASSOCIATES LLC	140.2	382.50
2215	05/17/07	CONSOLIDATED CONSTRUCTION MGT.	140.2/7	373,490.35
2216	05/17/07	EE CRUZ COMPANY INC.	140.7	2,805,982.97
2217	05/17/07	J.H. REID, GENERAL CONTRACTOR		69,840.07

Total Building & Equipment Fund Checks: 4

Total Void Checks: 0

Total Amount Void: \$0.00

Total Amount Paid: \$3,249,695.89

CONSTRUCTION FUND

CHECK #	DATE	VENDOR	LINE/ACCT#	AMOUNT
1157	05/17/07	MARVEC CONSTRUCTION CORP.	140.4	520,229.47
1158	05/17/07	PAULUS, SOKOLOWSKI & SARTOR, LLC	140.4	10,000.00

Total Construction Fund Checks: 2

Total Void Checks: 0

Total Amount Void: \$0.00

Total Amount Paid: \$530,229.47

OPERATING FUND

CHECK #	DATE	VENDOR	LINE/ACCT#	AMOUNT
33322	04/27/07	CANON FINANCIAL SERVICES, INC.	16	1,299.72
33323	04/27/07	CITRIX SYSTEMS, INC.	27	800.00
33324	04/27/07	CITY OF RAHWAY, UNITED WATER RES.	33	7,215.41
33325	04/27/07	COGENT COMMUNICATIONS, INC.	27	674.00
33326	04/27/07	COMPUSA	27	78.00
33327	04/27/07	DELTA DENTAL PLAN OF NJ	03	5,872.77
33328	04/27/07	ELIZABETHTOWN GAS	22	9,486.68
33329	04/27/07	FEDEX	48	42.74
33330	04/27/07	NJ MANUFACTURERS INSURANCE CO.	17	14,555.00
33331	04/27/07	POLAND SPRING WATER COMPANY	46	124.33
33332	04/27/07	ROBERT POLTZ	27	19.98
33333	04/27/07	PSE&G COMPANY	19	24,342.67
33334	04/27/07	RAHWAY VALLEY SEWERAGE AUTHORITY	01/02/04	283,391.80
33335	04/27/07	CITY OF RAHWAY	37	50.00
33336	04/27/07	STANDARD INSURANCE COMPANY	03	2,335.25
33337	04/27/07	VERIZON	11/30	928.49
33338	04/27/07	VERIZON WIRELESS	11	387.51
33339	04/27/07	VISION SERVICE PLAN	03	1,213.94
33340	05/03/07	ELIZABETHTOWN GAS	22	1,967.02
33341	05/03/07	WOODRUFF ENERGY	22	4,940.71
33342	05/08/07	RESOURCE SOFTWARE INT'L	27	657.00
33343	05/08/07	STAPLES CREDIT PLAN	13	179.95
33344	05/10/07	CONTINENTAL CARS, L.L.C.	35	2,569.50

33345	05/10/07	HOME DEPOT CREDIT SERVICES	32	280.39
33346	05/10/07	PURCHASE POWER	48	1,218.99
33347	05/17/07	A&M INDUSTRIAL SUPPLY COMPANY	38	768.00
33348	05/17/07	A TOUCH OF ITALY	49	128.00
33349	05/17/07	ADP, INC.	03	165.32
33350	05/17/07	ADP, INC.	16	1,328.77
33351	05/17/07	AIRGAS SAFETY, INC.	31	1,581.14
33352	05/17/07	ALL AMERICAN SEWER SERVICE INC.	32	1,560.00
33353	05/17/07	ALLIED FILTER COMPANY	32	947.40
33354	05/17/07	AMERICAN INDUSTRIAL SUPPLY CORP.	32	989.12
33355	05/17/07	AMERICAN WEAR	32	1,125.00
33356	05/17/07	APPLIED ANALYTICS, INC.	32	2,260.00
33357	05/17/07	ARCH WIRELESS	11	11.19
33358	05/17/07	ASSOCIATED AUTO PARTS	35	343.30
33359	05/17/07	BOWCO LABORATORIES, INC.	32	63.00
33360	05/17/07	BUSINESS TELECOM PRODUCTS, INC.	32	588.00
33361	05/17/07	CAMP, DRESSER & MCKEE, INC.	06	3,542.73
33362	05/17/07	CDW GOVERNMENT, INC.	27	2,437.08
33363	05/17/07	CENTRAL BOILER REPAIR CO., INC.	32	565.00
33364	05/17/07	CHARLES F. CONNOLLY DIST. CO.	32	955.00
33365	05/17/07	CITY OF RAHWAY, UNITED WATER RES.	33	7,439.69
33366	05/17/07	COGENT COMMUNICATIONS, INC.	27	674.00
33367	05/17/07	COMPUSA	27	206.14
33368	05/17/07	CONNELL FOLEY LLP	09	440.00
33369	05/17/07	CSL SERVICES, INC.	30	17,881.88
33370	05/17/07	CUNY & GUERBER, INC.	32	1,293.00
33371	05/17/07	D2L ASSOCIATES, INC.	42	2,240.00
33372	05/17/07	DELL MARKETING L.P.	27	230.52
33373	05/17/07	DUNFORD REFRIGERATION, HEATING	43	380.00
33374	05/17/07	DURAWEAR GLOVE & SAFETY CO.	31	2,881.11
33375	05/17/07	ELIZABETHTOWN GAS	22	7,755.51
33376	05/17/07	EMSL ANALYTICAL INC.	40	35.00
33377	05/17/07	ENVIRONMENTAL COMPLIANCE	41	5,461.25
33378	05/17/07	ENVIRONMENTAL RESOURCE ASSOC.	40	549.95
33379	05/17/07	FISHER SCIENTIFIC	40	2,493.16
33380	05/17/07	FLUID DYNAMICS INC.	38	174.71
33381	05/17/07	GARDNER DENVER NASH	32	2,119.20
33382	05/17/07	ANTHONY GENCARELLI	15	393.26
33383	05/17/07	W.W. GRAINGER, INC.	32	1,217.65
33384	05/17/07	GARY W. GRAY TRUCKING, INC.	25/26	89,330.67
33385	05/17/07	GRIZZLY INDUSTRIAL, INC.	32	191.45
33386	05/17/07	HACH COMPANY	40	1,490.68
33387	05/17/07	HI-BRETT PURATEX	32	639.00
33388	05/17/07	HEWLETT-PACKARD PUBLIC SECTOR	27	2,875.84
33389	05/17/07	INDEPENDENT OVERHEAD DOOR CO., INC.	32	280.00
33390	05/17/07	JERSEY ELEVATOR COMPANY INC.	32	174.00
33391	05/17/07	JT LYNNE REPRESENTATIVES INC.	38	317.19
33392	05/17/07	LAB SAFETY SUPPLY, INC.	43	253.48
33393	05/17/07	SCOTT W. MACKIN	31	150.00
33394	05/17/07	MAFFEY'S SECURITY GROUP	32	1,901.55
33395	05/17/07	JEAN MANIGOLD	15	197.98

33396	05/17/07	MAX L. BROWN HARDWARE CO., INC.	32	805.00
33397	05/17/07	MCMASTER-CARR SUPPLY CO.	32	2,535.14
33398	05/17/07	MECHANICAL SERVICE CORP.	32	566.00
33399	05/17/07	METALS USA PLATES & SHAPES	32	1,388.13
33400	05/17/07	MILLER ENERGY INC.	32	276.72
33401	05/17/07	MINGOLO PRECISION PRODUCTS INC.	32	89.46
33402	05/17/07	MOTION INDUSTRIES, INC.	38	443.33
33403	05/17/07	MURRAY, MONTGOMERY & O'DONNELL	09	10,000.00
33404	05/17/07	NATIONAL SEMINARS GROUP	31	399.00
33405	05/17/07	NATIONAL FUEL OIL, INC.	24	1,356.81
33406	05/17/07	NJ BUSINESS & INDUSTRY ASSOCIATION	52	525.00
33407	05/17/07	NJ MANUFACTURERS INSURANCE CO.	17	14,555.00
33408	05/17/07	NJ MOTOR VEHICLE COMMISSION	35	151.00
33409	05/17/07	NJ MOTOR VEHICLE COMMISSION	35	71.50
33410	05/17/07	NJ STATE LEAGUE OF MUNICIPALITIES	31	120.00
33411	05/17/07	NJ WATER ENVIRONMENT ASSOC.	31	665.00
33412	05/17/07	NEW JERSEY AIR PRODUCTS, INC.	32	4,750.00
33413	05/17/07	NUTLEY HEATING & COOLING	32	102.20
33414	05/17/07	O'JOHNNIES, INC.	12/31	566.48
33415	05/17/07	ONE CALL SYSTEMS, INC.	32	59.78
33416	05/17/07	P-M INDUSTRIAL SUPPLY, INC.	32	148.30
33417	05/17/07	PAULUS, SOKOLOWSKI & SARTOR LLC	05/06	12,983.97
33418	05/17/07	POLYDYNE INC.	23	35,512.00
33419	05/17/07	PRECISION ELECTRIC MOTOR WORKS	32	617.40
33420	05/17/07	PSE&G COMPANY	19/42	415.49
33421	05/17/07	QC LABORATORIES	41	2,583.00
33422	05/17/07	RAHWAY VALLEY SEWERAGE AUTHORITY	01/02	166,509.54
33423	05/17/07	RAHWAY ELECTRIC SUPPLY COMPANY	32/38	1,267.91
33424	05/17/07	RELIABLE ELECTRIC MOTOR REPAIR	32	586.80
33425	05/17/07	RELIANT ENERGY SOLUTIONS	19	75,723.96
33426	05/17/07	FRANCISCO RIVERA, JR.	31	150.00
33427	05/17/07	PETTY CASH	14	169.14
33428	05/17/07	SAFETY-KLEEN CORP.	32	213.72
33429	05/17/07	SHALLCROSS BOLT & SPECIALTIES	32	30.00
33430	05/17/07	SMITH TRACTOR & EQUIPMENT INC.	34/35	754.35
33431	05/17/07	STAPLES BUSINESS ADVANTAGE	13	332.78
33432	05/17/07	STAR LEDGER	12	126.00
33433	05/17/07	SUPLEE, CLOONEY & COMPANY	10	20,650.00
33434	05/17/07	THOMAS SCIENTIFIC	40	76.26
33435	05/17/07	TRS CONTAINERS	32	1,965.00
33436	05/17/07	TURTLE & HUGHES INC.	38	1,473.90
33437	05/17/07	UNITED PARCEL SERVICE	48	68.00
33438	05/17/07	UNIVAR USA INC.	29	25,583.50
33439	05/17/07	SIEMENS WATER TECH./US FILTER	40	858.00
33440	05/17/07	VERIZON	11/30	1,115.82
33441	05/17/07	921-WELCO-CGI GAS TECH LLC	32/40	329.24
33442	05/17/07	WIPE-TEX INTERNATIONAL	32	847.50
33443	05/17/07	WOODRUFF ENERGY	22	2,340.11
33444	05/17/07	YOUR TOPS, INC.	32	1,785.00

Total Operating Fund Checks: 123
 Total Void Checks: 0
 Total Amount Void: \$0.00
 Total Amount Paid: \$930,300.01

Total All Checks: 129
 Total Void Checks: 0
 Total Amount Void: \$0.00
 Total Amount Paid: \$4,710,225.37

OPERATING FUND	7-01	\$ 930,300.01
BUILDING & EQUIP FUND	7-02	3,249,695.89
CONSTRUCTION FUND	7-04	<u>530,229.47</u>
TOTAL ALL FUNDS		\$4,710,225.37

Closed Session

Mr. Chin made a motion, seconded by Mr. Lombardo, to close the meeting at this time, 8:40 p.m. to discuss pending and/or anticipated legal matters specifically related to Contract #105, based on Attorney Client privilege. The motion was unanimously approved.

Mr. Landale left during closed session, at 8:55 p.m. Mr. Luban and Mr. Mazzarella also left during closed session, at 9:05 p.m.

Mr. Lombardo made a motion to return to the regular order of business at 9:07 p.m. The motion was seconded by Mrs. Papen and unanimously approved.

Adjournment

As there was no further business, on motion of Mrs. Papen, seconded by Mr. Chin, the meeting adjourned at 9:08 p.m. The motion was unanimously approved.

Robert J. Materna, Secretary-Treasurer

JG/jg

Attachments

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