

MINUTES OF THE REGULAR MEETING OF THE MIDDLESEX COUNTY UTILITIES AUTHORITY – THURSDAY– OCTOBER 27, 2016 – 4:00 P.M.

A Regular Meeting of the Middlesex County Utilities Authority was held at the Authority Board Room, Main Street Extension, Sayreville, New Jersey on Thursday, October 27, 2016.

Notices of the meeting were mailed to the three counties and the News Media - The Courier News, The Star Ledger and The Home News Tribune in compliance with the Open Public Meetings Law and New Jersey Statutes.

The meeting was called to order by Chairman Ted Light at 4:00 P.M.

Present were: Chairman Ted Light; Vice Chairman John Wiley; Commissioners: Jerome Convery, Antonio Cruz, Robert Diehl, Wayne Hamilton, Allan Jacobs, Joseph Juliano and Raymond Murray.

Absent were: Commissioners Linda Carter and James Zullo.

Also present were: Executive Director, Richard L. Fitamant; John Hoffman, Esq., Construction/General Counsel; Dan Tanzi, Wastewater Division Manager and Karen Sissick, Comptroller.

REGULAR MEETING

The meeting opened with the Pledge of Allegiance.

APPROVAL OF MINUTES

Motion for approval of the Minutes of the Regular Meeting of Thursday, September 22, 2016 was made by Commissioner Murray, seconded by Vice Chairman Wiley and carried.

PUBLIC PORTION ON RESOLUTIONS

Chairman Light asked if anyone wished to address the Board on any of the current Resolutions. There were no members that wished to address the Board.

RESOLUTIONS

Resolution No. A-10-16-1-R

Pretreatment Permit Action No. 24227

Resolution No. WW-10-16-2-R

Contract Bid Award – Contract 16-7-6(AC) – Removal and Transportation of Municipal Solid Waste 2017-2018 – M&S Waste Service, Inc. – Not to Exceed \$10,668.00

Resolution No. WW-10-16-3-R

Contract Bid Award – Contract 16-9-1(AC) – Maintenance of Heavy Equipment 2017-2018 – Foley Incorporated – Not to Exceed \$240,837.84

Resolution No. WW-10-16-4-R

Contract Bid Award – Contract 16-7-1(AC)(Rebid) – Supply and Delivery of Liquid Sodium Hypochlorite 15% 2017 – Kuehne Chemical Co., Inc. – Not to Exceed \$1,117,700.00

Mr. Fitamant reported that three (3) bids were received but only one vendor provided a responsive bid with pricing. This contract is a rebid due to the rejection of bids in September. The Authority is looking at an annual savings of \$517,400 compared to current cost and \$378,150 compared to the bids received in September.

Resolution No. WW-10-16-5-R

Contract Bid Award – Contract 16-9-3(LM) – Supply and Delivery of Meter Chamber Spare Parts, Flow Sensors and Appurtenance – Industrial Controls – Not to Exceed \$467,625.00

Resolution No. WW-10-16-6-R

Authorization to Extend Contract Term to December 31, 2017 – Contract 15-8-1(AC) – Removal and Transportation of ID #27 Waste 2016-2017 – Waste Management of New Jersey, Inc. – Not to Exceed \$195,025.00

Resolution No. WW-10-16-7-R

Authorization to Extend Contract Term to December 31, 2017 – Contract 15-8-2(AC) – Supply and Delivery of Lubrication Supplies 2016-2017 – David Weber Oil Co.- Not to Exceed \$200,714.25

Resolution No. SW/WW-10-16-8-R

Change Order No. 3 to Contract No. 13-8-1(AC) – Prequalified Security Guard Service 2015-2016 – DMS Systems, Inc. – Not to Exceed \$78,452.16

Mr. Fitamant reported that this resolution is for a Change Order to Security Guard Services through April, 2017. This extension is necessary due to the prequalification process to secure NJDCA approval requires additional time. Mr. Fitamant explained the prequalification process to the Board.

Resolution No. WW-10-16-9-R

Change Order No. 2 to Contract 14-9-4(CTP) – Thickener Tank Overflow Screening Facility – Allied Construction Group, Inc. – (\$77.37)CREDIT

Introduction of budget

Mr. Fitamant reported that a Finance Committee Meeting was held to discuss the 2017 Wastewater and Solid Waste Divisions budgets, rates and capital projects and recommends they be approved for introduction. Resolution Nos. 10 through 13 all pertain to the 2017 budget and rates. Final adoption of the budget is planned for November 22, 2016 at which time a Public Hearing will take place. A meeting with the Participants will be scheduled for Friday, November 18, 2016.

Below is an overview of the budget

WASTEWATER DIVISION

Mr. Fitamant stated that the 2017 Budget has no increase in the amount to be raised by the Participants remaining the same at \$84,082,000 in 2017.

Mr. Fitamant further reported the 2017 budget is \$156,716,000, representing an 8.8% reduction in the overall budget from last year. Mr. Fitamant spoke about different projects taking place and explained the projects that will be funded with proceeds are coming from the NJEIT and FEMA Grants. There is also a debt service reduction of \$3,883,000, or 14%.

Mr. Fitamant spoke about the change in sampling equipment used for Participant Billing in 2016 and stated that the authority is receiving appropriate data from these new samplers. Two Participants continue to exhibit loadings greater than estimated and the Authority continues to monitor their data. One Participant requested a reduction in their loadings just prior to the Board meeting. As a result, the final rate schedule provided to the Commissioners is slightly different from the Rate Schedule reviewed at the Finance Committee meeting.

SOLID WASTE DIVISION

Mr. Fitamant reported that the wasteflow to the Landfill is projected to decrease from 530,000 tons in 2016 year, to 520,000 in 2017. The overall decrease in the Solid Waste Division Budget is 5.3%, from \$42,347,500 in 2016 to \$40,087,000 in 2017. The main reason for the reduction is attributable to the operating expenses, particularly with the reduction in soils that are purchased by the MCUA and also capital cost reductions. The landfill gas engine will be operating and generating electricity to power the site. This will also provide a savings to the Authority.

Mr. Fitamant reported on the continuation of the disposal contracts for municipalities and haulers. The proposed 2017 tipping fees are as follows; The Tier 1 Contract Rate is \$64.75/ton, Tier 2 Contract Rate is \$67.75/ton, Gate Rate is \$71.25/ton, bulky waste and C&D rate is \$81/ton, with a \$2.00/ton discount for the first 1,500 tons and the Special Handling rate is \$100/ton.

Mr. Fitamant reported that the Middlesex County Solid Waste Management Service Fee for waste generated in the County and disposed out of the County is increasing from \$9.94/ton to \$9.97/ton.

Resolution No. WW-10-16-10-R

Approval of the Preliminary 2017 Wastewater Division Budget

Resolution No. WW-10-16-11-R

Approval of the Preliminary 2017 Schedule of Rates and Charges for Wastewater System Use or Service

Resolution No. SW-10-16-12-R

Approval of the Preliminary 2017 Solid Waste Division Budget, Rate Schedule and Service Charges

Resolution No. SW-10-16-13-R

Approval of the Preliminary 2017 Solid Waste Management Service Fee

Resolution No. SW-10-16-14-R

Contract Award – Contract No. 16-7SW – Furnish and Deliver Landfill Side Cover Material at the Middlesex County Landfill – Bayshore Recycling Corp. – (\$3.41/ton)CREDIT

Mr. Fitamant reported that this resolution is for a contract for side cover at the Landfill. The Authority received a price from Bayshore Recycling Corp that will pay the Authority \$3.41/ton. The second bidders bid involved a payment by the MCUA of \$9.38/ton.

Resolution No. SW-10-16-15-R

Contract Award – Contract No. 16-8SW – Heavy Equipment Rental and Operation at the Middlesex County Landfill – Barbella Construction Services, LLC. – Not to Exceed \$193,700.00

Mr. Fitamant reported that two (2) bids were received with the low bid from Barbella Construction Services. This contract is to provide the Authority with Heavy Equipment Rental and an operator when needed to assist with landfill operational activities. Mr. Fitamant further stated that this contract has been very useful over the years.

Resolution No. SW-10-16-16-R

Resolution Authorizing Competitive Contracting to Procure Weigh Scale Software at the Middlesex County Landfill

Mr. Fitamant stated that this resolution is to authorize competitive contracting to procure weigh scale software at the Middlesex County Landfill.

Chairman Light questioned the cost of this new software.

Mr. Clark responded stating that it should not be more than \$150,000.

The above resolutions were presented and moved for adoption by Commissioner Hamilton. The motion was seconded by Vice Chairman Wiley and the following members voted Aye:

Chairman Light; Vice Chairman Wiley; Commissioners: Convery, Cruz, Diehl, Hamilton, Jacobs, Juliano and Murray.

Nays: None

(See Appendix Nos. 1-16)

A copy of the Wastewater Division and Solid Waste Division Bill Lists were distributed to the Commissioners.

NEW BUSINESS

Mr. Hoffman reported to the board that the bid protest filed by PKF for a permanent injunction against awarding the contract to Remsco regarding the Sayreville Pump Station Project has been denied by Judge Francis so the MCUA can now proceed with this project.

Commissioner Jacobs questioned where the Authority stands with receiving sludge from Spectraserv on November 1, 2016.

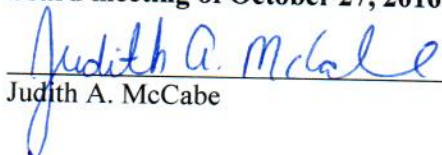
Mr. Fitamant responded stating that the equipment is ready. MCUA staff has been communicating with Spectraserv and everything is in place to commence with the first delivery from Spectraserv.

Commissioner Murray questioned if the sludge meets MCUA's standards.

Mr. Fitamant responded stating affirmatively that all data and documentation received shows the sludge is clean or meeting MCUA standards for acceptance.

There being no further business, Chairman Light called for a motion to adjourn. Motion was made by Commissioner Hamilton at 4:45 p.m., seconded by Commissioner Murray and carried.

I hereby certify that these minutes are a true and accurate summary of that which transpired at the MCUA board meeting of October 27, 2016 at which I was present.


Judith A. McCabe