



**MINUTES
REGULAR MEETING
JULY 10, 2012**

1. The Chairman called the Meeting to order at 7:25 p.m.
2. The Chairman read the statement in compliance with C.231, PL 1975.
3. Roll Call: the following Commissioners were present: Dachnowicz, DaPuzzo, DePhillips, Gabbert, Kelaher, Plumley, Salazer and Chewcaskie. Commissioner Kasparian was absent.
4. Salute to the Flag. The salute to the Flag was led by the Chairman.
5. Chairman's remarks. The Chairman made Committee Assignments consisting of Commissioner DePhillips as Chairman of the Personnel and Insurance Committees based upon his experience. Commissioner Kasparian will take over as Chairman of the Operating Committee and Commissioner DaPuzzo will be a member of that Committee.

6. Approval of Minutes.

Regular Meeting – June 5, 2012 - Commissioner Kelaher made a motion to approve the minutes as presented, seconded by Commissioner Gabbert. All Commissioners present voted in favor of approving the minutes as presented.

7. Authorization to go into Closed Session to discuss pending and/or anticipated Litigation.

Purpose of the Closed Session was to discuss two issues. One was pending litigation with a former employee David Alvarez. Jeff Ziegelheim our Labor Counsel was present to discuss this case with the Commissioners. The other was the continuing litigation with the County Executive.

The Resolution to go into Closed Session was read in its entirety by Authority Counsel. Resolution was moved by Commissioner DaPuzzo, seconded by Commissioner Dachnowicz. All Commissioners present voted to go into Closed Session at 7:30 p.m.

Motion to go back into the Public Meeting was made by Commissioner Kelaher, seconded by Commissioner DaPuzzo. All Commissioners present voted to go back into the Public Meeting at 8:20 p.m.

The Chairman noted that the first matter of litigation discussed was the

David Alvarez case and the second matter that was discussed was the County Executive litigation.

With respect to the litigation concerning David Alvarez, we received a report from Labor Counsel Jeff Ziegelheim from the Bernstein firm. The firm was retained by the Authority by Resolution in February of this year which included a cap for services in the amount of \$10,000. Based upon the current status of the litigation with David Alvarez, the current report we received projects that through the end of this year we will need to increase their cap to adequately fund the litigation. It was suggested the amount be increased from \$10,000 to \$30,000. We do not have a meeting in August but we will have a formal Resolution on for the September meeting. In order for Mr. Ziegelheim to proceed, the Chairman entertained a motion in order to authorize Mr. Ziegelheim to take the appropriate action in order to defend the Authority regarding the Alvarez matter which is subject to formal resolution that his contract be amended for a cap of \$30,000 in lieu of the \$10,000 from the February contract.

The Motion was moved by Commissioner DaPuzzo, seconded by Commissioner Dachnowicz. All Commissioners present voted in favor of the motion.

8. Consideration for approval list of Resolutions attached dated July 10, 2012.

All Resolutions had been discussed during the work session.

Commissioner Dachnowicz moved Resolutions #46-2012, 48-2012 and 49-2012. Seconded by Commissioner Gabbert. All Commissioners present voted in favor of the Resolutions.

Commissioner DaPuzzo moved Resolution #47-2012 as amended, seconded by Commissioner DePhillips. All Commissioners present voted in favor of the Resolution.

Resolution #46-2012. Approval of Vouchers, Payroll Transfers, Payroll Tax Deposits and Pensions and Benefits Transfers for the month of June 2012 and Health and Dental Benefits for July 2012. Payroll Account \$238,778.05; Tax Deposit Account, \$90,535.34; PERS and Contributory Insurance \$26,776.41; Health Benefits Contribution Employer \$92,429.25; Health Benefits Contribution Employee \$1,351.29; Dental Benefits \$4,347.55; DCRP Employee Contribution \$22.92; DCRP Employer Contribution \$25.00; Operating Account \$329,332.38; 2010 WWT Project Account, \$289.65; 2012 WWT Project Account, \$171,101.04.


Resolution #47-2012 Cancellation of August Meetings. This Resolution authorizes the Executive Director and Administrative Assistant to pay contractual obligations of the Authority which become due and payable during the month of August as well as payments for professional services subject to the approval of the Authority Chairman. This Resolution was amended to include a review and approval of the bill list for the month of August by the Commissioners prior to Aug. 15, 2012.

Resolution #48-2012 Proposed Sanitary Sewer Extension, Borough of Allendale, 265 West Crescent Ave., Block 910, Lots 2, 17.01 & 17.02. This Resolution is for a proposed sewer connection/extension to serve three (3) new single family dwellings. The extension is located off Ivers Rd. off West Crescent Ave. adjacent to Calvary Lutheran Church. The extension requires the installation of approximately 294 linear feet of 8 inch PVC sewer, two manholes and appurtenances. When completed the project will contribute an average daily flow of 900 gallons per day (gpd) from which three (3) additional residential EDU's will become tributary to the Authority's system from the Bor. of Allendale.

Resolution #49-2012 Resolution to amend General Counsel's Professional Services Contract. The original resolution and professional services agreement with the firm of Sokol, Behot & Fiorenzo as General Counsel capped compensation at \$60,000 and that in the event it anticipates it will exceed that amount, further authorization from the Authority is required. The Sokol Firm has advised the Authority that due to the litigation and appeals following the County Executive's veto of the Authority's 2012 budget, counsel fees for such litigation will cause the overall compensation to exceed \$60,000. The Authority is amending the Original Resolution and Professional Services Agreement by providing that representation by the Sokol Firm in any and all litigation which the Commissioners authorize General Counsel to represent the Authority's interests shall be outside the compensation cap of \$60,000 but subject to the rates and all other terms and conditions of the Original Resolution and Professional Services Agreement.

9. **Reports of Committees**
 - A. **Finance Committee – Nothing to report.**
 - B. **Personnel Committee – Nothing to report.**
 - C. **Insurance Committee – Nothing to report.**
 - D. **Operating Committee – attached written report.**
 - E. **Buildings & Grounds – Nothing to report.**
10. **Report of Treasurer – We have \$10 million invested in short term investments of which approximately \$1.6 million at TD Bank receiving no interest in lieu of fees. \$2.6 million at Bank of New Jersey earning 1.25%, the balance at TD Bank at rates ranging from .07% to .11%.**
11. **Report of Counsel – A written report was distributed to the Commissioners (copy attached).**
12. **Report of Engineer – A written report was distributed to the Commissioners (copy attached).**

13. **Report of Executive Director – Nothing further to report.**
14. **Report of Superintendent – No further to report.**
15. **Old Business. No old business.**
16. **New Business. No new business.**
17. **Public comments (on subjects 8 through 17). No public comments.**
18. **Adjournment. Motion to adjourn was made by Commissioner DaPuzzo, seconded by Commissioner DePhillips. All Commissioners present voted to adjourn at 8:29 p.m.**


Madeline Thumudo
Madeline Thumudo, Secretary

Northwest Bergen County Utilities Authority
Operating Report June 2012

- 1) Plant Operations – Average plant flows for the month of June, so far, have averaged 9.2 mgd up slightly from May's average of 8.9 mgd. Flights in several of the primary tanks have broken and have required replacement. Plant operation continues to be satisfactory.

Waldwick Councilman Palladino requested copies of the plant log of odor complaints. Mr. Palladino was informed that in the past 18 months there were 18 total complaints:

- 12 from police driving by
- 6 from surrounding residents - (3 from Mrs. Malfetus of South Dow Ave. in May 2012)

Copies of the complaint forms were forwarded to the Councilman.

2) Franklin Lakes Interceptor

- a. We have been working toward an Agreement with the Borough of Franklin Lakes specific to this project for some time. A proposed Agreement was sent to the Borough's attorney on June 19, 2012.
- b. An attorney for the Franklin Lakes contractor, Underground Utilities Corporation (UUC), has contacted the Authority concerning change order pricing for the project. The letter is under review by our attorney (copy provided).
- c. Contractor has prepared Project Schedule. Completion date is 8/28/2013. The schedule is attached.
- d. Boswell Engineering has suggested certain changes to the system design. Specifically, the interceptor on Franklin Avenue would be reduced by some 355 feet, stopping short of the Pulis Ave. intersection. The anticipated savings would be \$46,000. The suggestion was made that on Susquehanna Avenue, the interceptor be extended to Pulis Avenue and south under the RR tracks to Tice Road. This would enable a number of properties to connect by gravity. The estimated cost for this change is \$146,000, including the \$100,000 to jack under the RR tracks.'

3) I&I Collection System Investigations

- a. Waldwick – Boswell Engineering has completed Phase I of the I&I investigations, specifically Data Collection and Meetings and has prepared an implementation plan consistent with the requests of the Borough Administration. The Plan features an investigation of unmetered areas in an attempt to identify excessive inflow.

One specific area consists of about unmetered 150 homes in Wyckoff. Commissioners had asked how the study results would result in savings to the Borough of Waldwick. After some investigation regarding the fee agreement between Waldwick and Wyckoff, it appeared that the Borough of Wyckoff was paying an annual fee per EDU based on the rate paid by Waldwick. On this basis, measured flow would not enter into the equation.

Waldwick suggests that the flow from these Wyckoff properties might be greater than the flow from the average property in Waldwick which would be cause to adjust the agreement. A meeting has been scheduled with Boswell Engineering to discuss this issue further.

- b. Allendale – Boswell Engineering has completed Phase I of the I&I investigations, specifically Data Collection and Meetings and has prepared an implementation plan consistent with the

requests of the Borough Administration. The Plan features an investigation of low lying areas subject to inflow from sump pumps, etc. The areas are identified in a proposal.

4) Sludge Incineration

- a) Niro incinerator operation has resulted in a “hot spot” on the steel shell of the vessel. This suggests the internal insulation has shifted and is no longer effective in keeping the steel cool. An injection of insulating material behind the shell has reduced the “hot spot”. The incinerator is scheduled for an inspection in November of this year to close the contract. At that time we will assess the need for additional repairs.
- b) Emission testing of the rebuilt Niro Incinerator was performed May 8-10, 2012. The results (consultant’s report) will be submitted to the NJDEP for review. This is the final step in the rebuilding contract.
- c) IDI Incinerator Evaluation – Chevond-Barry has conducted an engineering investigation and prepared preliminary recommendations concerning the rehabilitation of the IDI incinerator. The next step, following completion of the final onsite inspection, is to proceed with a repair cost estimate.

5) Authority Improvement Projects

- a) UV Treatment System – Equipment installation is complete. Startup, training and testing is in progress this week.
 - b) Additional Projects – Potential Authority upgrade projects include:
 - Site paving, slope stabilization and lighting improvements
 - Pump station emergency upgrade
 - c) Authority Meter Electric Supply – Meter 3 is without a permanent power supply and is being operated on portable battery packs. We are pursuing several alternatives to secure easements for electrical conduit to provide a permanent installation.
- 6) Strategic Plan – As a part of our Rate Stabilization program we have decided it is in our best interest to formalize a Strategic Plan for the future. The Authority has performed a number of studies during the past several years evaluating build-out opportunities to improve plant capacity. These plans should be consolidated into a single plan to help the Authority to make decisions in the future. A proposal was received from Thomas A. Banker to provide consulting assistance in the preparation of a Plan.
- 7) Trap Grease Pilot Test Program – NJ DEP has approved a 6 month test program. Manufacturer continues to experience delays.

8) Personnel

9) Miscellaneous

- a) County of Bergen OPRA Requests – The County of Bergen has filed four OPRA requests including:
 - Resolutions, agreements and documents pertaining to the authorization, creation, payment and management of all nonmonetary compensation, including but not limited to

health insurance, dental insurance and pension benefits to the Board of Commissioners of the Northwest Bergen County Utilities Authority.

- Resolutions, agreements and bills from Sokol related to defending the Authority from the County Executive's law suits.
- Copies of the retainer agreement between the Northwest Bergen County Utilities Authority and Huntington Bailey LLP in regards to their representation of the individual Commissioners (there was none).
- Agreements, documents, resolutions, vouchers, invoices, cancelled checks, authorizations, wire transfers and/or written policies in connection with the payment of incentives, stipends, bonuses, or any other additional payments or monetary equivalents made to NBCUA employees above the employee's base salary for the calendar years 2010, 2011 and 2012 (to date).

Authority has responded to all requests.

- b) Waste Water Management Plan – Plan approved. T&M to report.
- c) Oakland Sewer Update – The Borough of Oakland has received information from the Highlands Council on the watershed mitigation requirements for sewerage to the NBCUA. The Borough is currently updating the sewer alternatives analysis report to include the watershed deficit mitigation issues, and is in the process of quantifying the mitigation values for deficit reduction. They anticipate finalizing the report to present to the Borough of Oakland by the second week in July. Thereafter, it will be submitted to the Highlands Council for their review and approval.
- d) Solar Energy Credits – Both the NJ Senate and the Assembly are considering bills that would increase the amount of solar energy to be generated by NJ utilities each year and adjust the Solar Alternative Compliance Payment for failure of a utility meet the target. This latter change would make it less attractive for the utilities to invest in new solar energy system. The expected result would be higher prices for SRECs (we presently have 173 credits).
- e) Professional Services – MELJIF Risk Manager to be discussed.

ID	Task Name	Duration	Start	Finish	Predecessors	Resource Name
1	Review to Proceed (600 Days)	1 day	Wed 2/28/12	Wed 2/28/12		
2	Pre-construction Conference	1 day	Wed 2/28/12	Wed 2/28/12		
3	Submit Review and Comment	30 days	Mon 3/19/12	Fri 7/20/12		
4	Pre-construction Video	1 day	Tue 4/10/12	Tue 4/10/12		
5	Test Pits	14 days	Wed 3/14/12	Tue 4/10/12		
6	Construction Layout 100+00 thru 121+00	1 day	Tue 5/14/12	Tue 5/14/12		
7	Manholes & Gravity Sewer 100+00 thru 121+00	28 days	Mon 6/18/12	Wed 7/25/12		
8	Force Main including Manholes 100+00 thru 121+00	28 days	Mon 6/18/12	Wed 7/25/12		
9	Temporary Pavement 100+00 thru 121+00	18 days	Mon 7/23/12	Wed 8/14/12		
10	Construction Layout 13+00 thru 72+00	3 days	Thu 8/16/12	Mon 8/13/12		
11	Manholes & Gravity Sewer 13+00 thru 72+00	8 days	Mon 8/20/12	Fri 9/28/12		
12	Force Main & Gravity Sewer 13+00 thru 72+00	28 days	Thu 7/26/12	Mon 9/24/12		
13	Temporary Pavement 53+87 thru 72+00	28 days	Thu 7/26/12	Mon 9/24/12		
14	Temporary Manholes 1, 2 & 3 including P&G Manholes	5 days	Thu 9/6/12	Wed 9/12/12		
15	Manholes & Gravity Sewer 13+00 thru 83+07	31 days	Thu 9/6/12	Thu 11/1/12		
16	Force Main 19+00 thru 53+00	38 days	Tue 9/11/12	Thu 11/1/12		
17	Temporary Pavement 13+00 thru 53+00	41 days	Thu 9/13/12	Thu 11/1/12		
18	Pump Station Wet Well, Valve & Man Chambers	48 days	Thu 9/27/12	Mon 12/31/12		
19	Pump Station Electrical & Controls	21 days	Wed 11/28/12	Fri 12/28/12		
20	Chemical Feed Odor Control	4 days	Thu 12/13/12	Tue 12/18/12		
21	Pump Station Start Up	2 days	Thu 11/15/12	Fri 11/16/12		
22	Construction Layout 121+00 thru 208+28	3 days	Mon 11/19/12	Wed 11/14/12		
23	Force Main including Manholes 121+00 thru 180+60	92 days	Mon 12/17/12	Tue 3/26/13		
24	Manholes & Gravity Sewer 180+60 thru 208+28	26 days	Wed 5/29/13	Tue 7/2/13		
25	Temporary Pavement 121+00 thru 208+28	120 days	Mon 12/17/12	Fri 7/19/13		
26	Low Pressure Gravity Sewer Testing	20 days	Wed 7/26/12	Thu 7/11/13		
27	Hydraulic Pressure Testing	16 days	Mon 7/30/12	Wed 8/14/13		
28	Demolition of Existing Treatment Plant	16 days	Wed 7/17/13	Tue 8/27/13		
29	Regulate Topsoil & Seed Area	5 days	Tue 8/14/13	Thu 8/29/13		
30	Final Mowing & Paving	10 days	Mon 8/12/13	Fri 8/23/13		
31	Final Clean Up	2 days	Fri 8/23/13	Mon 8/26/13		

Project: LakesBusinessComm02681
 Date: Mon 9/1/12

Task: SPM

Progress: Milestones Summary Project Summary External Milestones Summary Tasks External Milestones Summary External Milestones

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SOKOL, BEHOT & FIORENZO

COUNSELLORS AT LAW
CONTINENTAL PLAZA
433 HACKENSACK AVENUE
HACKENSACK, NEW JERSEY 07601

P: 201-488-1300
F: 201-488-6541

www.sbflawfirm.com

LEON J. SOKOL (NJ, NY & FL BAR)
JOSEPH F. BEHOT, JR. (NJ & NY BAR)
JOSEPH B. FIORENZO (NJ & NY BAR)
JEFFREY A. ZENN (NJ & DC BAR)
MICHAEL P. FELTMAN
HERBERT B. BENNETT
NEIL YOSKIN (NJ & PA BAR)

229 NASSAU STREET
PRINCETON, NEW JERSEY 08542-4601
NEIL YOSKIN, PARTNER IN CHARGE
P: 609-279-0900
F: 609-497-2377

One Grand Central Place
60 East 42nd Street
Suite #2527
New York, New York 10165
P: 212-661-2523

jazenn@sbflawfirm.com

RECEIVED JUL - 9 2012

STEVEN SIEGEL (NJ & NY BAR)
SUSAN B. BURNS (NJ & NY BAR)
ANTHONY BEDWELL (NJ & CA BAR)
DAVID RUBENSTEIN (NJ, NY & FL BAR)
ANTHONY S. BOCCHI
MATTHEW J. COWAN (NJ, NY & FL BAR)

OF COUNSEL
SCOTT E. REKANT (NJ & PA BAR)

OF COUNSEL FOR MATTERS OF TAXATION
KULZER & DIPADOVA, P.A.

TO: Northwest Bergen County Utilities Authority Commissioners

FROM: Jeffrey A. Zenn

DATE: July 2, 2012

RE: Monthly Counsel Report

CC: Howard Hurwitz, Executive Director
Madeline Thumudo, Administrative Assistant/Board Secretary

The following is a summary of our firm's activities on behalf of the Authority for the previous month.

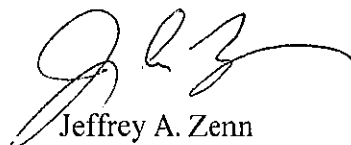
1. Receipt and review of County Executive's Motion to Dismiss the Authority's Amended Verified Complaint against County of Executive. Research and preparation of brief in response thereto. Research, preparation and drafting of the Authority's Motion for Summary Judgment against County Executive. Receipt and review of Reply Brief from County Counsel. Preparation of Authority's Reply Brief. Review, preparation and attendance at Judge Carver for oral argument on the County Executive's Motion to Dismiss and the Authority's Motion for Summary Judgment. Receipt and review of Judge Carver's Order and Opinion granting the Authority's Motion for Summary Judgment and denying the County Executive's Motion to Dismiss. Submit correspondence to the Court seeking an amended form of Order. Oral argument in front of Judge Carver with County Counsel in connection with the proposed form of Order.
2. Telephonic and written communication with Cleary Giacobbe regarding interlocutory appeal. Preparation of Statement of Facts, Procedural History and

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- Brief opposing County Executive's Motion for Leave to File Interlocutory Appeal.
3. Preparation of and filing of Answer to County Executive's Complaint filed against the Authority and individual Commissioners.
 4. Coordinate with Huntington Bailey on response to County Executive's Complaint against the Authority and various individual Commissioners.
 5. Review several County Counsel OPRA requests and coordinate response with Authority.
 6. Receipt and review of correspondence relating to the Underground Utilities contract in Franklin Lakes seeking additional compensation.
 7. Preparation of easement agreement for Ramsey pump station.
 8. Review and revise notice and agenda for regular meeting.
 9. Preparation of Resolutions to go into closed session and amend Professional Services Agreement.
 10. Telephonic and written communication with counsel for Freeholders regarding Amended Verified Complaint and request to dismiss.
 11. Telephonic and written communication with JIF and carrier regarding coverage for Authority and commissioners individually named in County Executive's lawsuit.
 12. Receipt and review of County Executive's veto letters.
 13. Attend the Work Session, Public and Operating Committee meetings.
 14. Correspondence and communication with the Chairman and Executive Director concerning all of the foregoing.

If you have any questions, please contact me.

Respectfully submitted,



Jeffrey A. Zenn

NBUA-G1202

June 25, 2012

Mr. Howard Hurwitz, Executive Director
Northwest Bergen County Utilities Authority
30 Wyckoff Avenue at Authority Drive
P.O. Box 255
Waldwick, New Jersey 07463

RECEIVED JUN 27 2012

Re: Monthly Report – June 2012

Dear Mr. Hurwitz:

The following is a brief summary of T&M's activities during the month of June.

Franklin Lakes Sewer Project – The contractor provided a revised construction schedule for the project. The contractor intends to start with pipe installation off Franklin Avenue heading toward Susquehanna Avenue, and has initiated sewer layout in that area. The schedule indicates the work was to commence the week of June 18, 2012 however Underground Utilities Corporation (UUC) advises that it experienced some delays in completion of an ongoing project and it now plans to commence clearing and pipe installation later this week or early next week.

During June, onsite meetings were held with representatives of the Franklin Crossing property and the Carwash property to discuss schedule, logistics, utility locations, etc. A meeting was also held with United Water regarding coordination with its proposed installation of approximately 350 LF of water main on Pulis Avenue between Bridle Way and Shadow Ridge Way. Some concerns arose at this meeting related to the existing water main location and impacts on force main. T&M is reviewing these issues.

As reported last month, the 60" water main near the railroad was found to be approximately 10 feet below grade. As a result, the sewer plans for Franklin Avenue were revised and a revised Change Order No. 1 has been forwarded to the contractor. Change Order No. 2, which covers the pump station relocation and related revisions, is also with the contractor and they are preparing revised costs for the lump sum pump station construction item. A letter has been received from the contractor's legal representatives regarding the changes proposed under Change Order No. 1 and requesting a meeting to discuss and negotiate fair compensation for the lowered sewer.

Survey forms have been forwarded to property owners fronting on the proposed sanitary sewer to request input from the property owner on location and depth of existing septic facilities and the property owner's desired lateral location.

Annual Report – T&M is coordinating with Authority staff on inspection of manholes on the Darlington interceptor to be inspected for the 2013 Annual Report.

Wastewater Management Plan Amendment – The NJDEP has approved the Wastewater Management Plan Amendment as of June 15, 2012 and approved copies have been distributed.

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Le: Mr. Howard Hurwitz, Chairman
Northwest Bergen County Utilities Authority

Re: Monthly Report – June 2012

Oakland Sewer Service – During the month of June, there was no action required of T&M regarding the Borough's efforts to investigate sewer service by NBCUA.

Ultraviolet Disinfection System Improvements – Trojan has completed revisions to the programming to integrate the new channel into the existing control panel. The operation of the two gates at channel 4 continues to be an issue when channel 1 is the primary channel and channel 4 is the backup channel. When the flow capacity of the channel 1 equipment is exceeded, a signal is sent to open the channel 4 gates. The intended response is for the gates to first open to 30% and then after a given period of time open to 100%. That response is not occurring. Cothery, Trojan, and Authority staff are scheduled to meet onsite on June 25, 2012 to install the new Trojan programming and to further investigate and resolve the gate communication issues.

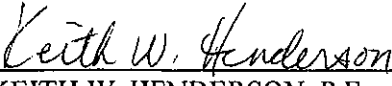
Grease Separation Facility Pilot Test – NJDEP has approved the Authority request to proceed with the pilot test of the proposed grease separation facility.

Site Improvements (Paving and Slope Stabilization) – T&M is coordinating a site visit during the week of July 2, 2012 with the Authority staff to review scope of work and commence design of the project.

Goffle Road Pump Station Upgrades – T&M has provided a construction estimate and engineering fee for upgrades to Goffle Road Pump Station. NBCUA has requested T&M instead proceed with design of automatic valve operators for the suction gate valves at the Darlington Pump Station.

If you have any questions or require additional information, please advise.

Very truly yours,



KEITH W. HENDERSON, P.E. *JJM*
SR. VICE PRESIDENT

KWH:JJM:scb

cc: Authority Commissioners
Robert Genetelli, Superintendent
Jeffrey Zenn, Esq.

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