

RESOLUTION AUTHORIZING MEETING MINUTES OF AUGUST 18, 2011**MOTIONED BY:** Raia**SECONDED BY:** Spaccavento

WHEREAS, the North Hudson Sewerage Authority (hereinafter "Authority") is a public body, duly formed under the Sewerage Authorities law, constituting Chapter 138 of the Laws of New Jersey of 1946, as amended (Chapter 14A of Title 40 of the New Jersey Statutes Annotated) and possesses the powers set forth therein; and

WHEREAS, a regular meeting of the Authority was held on August 18, 2011; and

WHEREAS, minutes of the meeting have been prepared by General Counsel and presented to the Authority members and staff for their review.

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby approves the minutes of the meeting of August 18, 2011 for the record.

DATED: SEPTEMBER 15, 2011**RECORD OF COMMISSIONERS' VOTE**

	YES	NO	ABSTAIN
Commissioner Marotta			x
Commissioner Raia	x		
Commissioner Roque	x		
Commissioner Schroeder	x		
Commissioner Soares	x		
Commissioner Spaccavento	x		
Commissioner Stack			x
Commissioner Zucconi	x		
Commissioner Wolff	x		

THIS IS TO CERTIFY THAT THIS RESOLUTION WAS DULY ADOPTED BY THE NORTH HUDSON BOARD OF COMMISSIONERS ON SEPTEMBER 15, 2011.


SECRETARY

NORTH HUDSON SEWERAGE AUTHORITY

MINUTES OF REGULAR MEETING

AUGUST 18, 2011

At approximately 6:30 p.m., Chairman Richard Wolff called the meeting to order. Counsel Leanza advised that this was a regular meeting of the Authority, and that pursuant to the Open Public Meetings Act, notice of the same had been sent to the Jersey Journal, Star Ledger, the Clerks of Hoboken, Union City, Weehawken and West New York and the Hudson County Clerk, with a copy thereof posted on the Authority's bulletin board. In addition to Chairman Wolff, Commissioners Spaccavento, Roque, Schroeder, Soares, Raia and Zucconi were also all in attendance at the meeting.

Upon motion by Commissioner Raia, seconded by Commissioner Spaccavento, Resolution 11-069 authorizing the minute meetings of July 21st, 2011 was unanimously adopted.

Chairman Wolff next asked for the Engineers' Reports.

AECOM.

Gabrielle Moore of AECOM reported that:

1. With respect to the FOG Biodiesel project, AECOM and the Authority will be meeting with Black Gold, a potential operator of the project to nail down the quantities necessary and available to make the project financially possible. AECOM will also be visiting a pilot plant next week to determine some of the operational aspects of the project.
2. With regard to the Purac facility structural repair, work has commenced on cell #1 and materials are being delivered for completion of the job.
3. With regard to the 2010 loan miscellaneous loan repair project, start up of the belt thickener and primary clarifier #2 controls is expected within the next month. With completion of the project expected by the end of September.
4. With respect to the Adams Street site improvement project, a geotechnical report has been prepared and will be shortly submitted to the Authority.
5. With regard to the 18th Street force main and CSO outfall project, the contractor, Cruz, continues to progress with construction and has begun excavating and installing sheeting for the microtunnel boring machine located in the Dykes Lumber easement. The project is progressing according to schedule.

CH2M Hill.

Mike Wilson of CH2M Hill reported that:

1. With respect to the wet weather pump station, work continues on cleaning out the outfall pipe and the contractor and its subcontractors are making good progress and should finish one pipeline in the next week and begin cleaning out the other. We are looking forward to an October completion of the outfalls and a start up of the station shortly thereafter as the pumps cannot be fully utilized until the outfalls are complete.
2. With respect to the West New York trickling filter project, the contractor is proceeding with the final change order work and the paperwork for close out will soon be completed as well.
3. With respect to the Adams Street ultraviolet disinfection system, although the project's substantial complete date was August 9th, delays due to completing the unforeseen UV building underground power feed work and resolution of turbulent channel flow conditions will extend the project completion date for a time period.

HATCH MOTT MACDONALD.

John Scheri of Hatch Mott MacDonald reported as follows:

1. With respect to the Adams Street wastewater treatment plant outfall rehabilitation, preparation of final plans and specifications has been completed and there are scheduled to be submitted to the New Jersey Environmental Infrastructure Trust Fund for authorization to advertise by August 17th.
2. With regard to the Jackson Street and Newark Street combined sewer rehabilitation and Hoboken combined wood sewer rehabilitation, contractors scheduled to begin excavation replacement of the collapsed sections of wood sewers along Grant Street on or about August 22nd under the change order approved last month. The contractor has also remobilized and restarted gunite work along Jackson Street.
3. With regard to the River Road wastewater treatment plant odor control improvements, the new equipment is operating as designed and the change order work related to installation of the new aerator and cleaning of the sludge holding tank has been scheduled for mid September as coordinated with OMI.
4. With regard to the West New York sewer rehabilitation project, Hatch Mott MacDonald has met with the new West New York officials to introduce them to the project. The contractor has completed open cut spot repairs specified in the contract and is scheduled to begin the lining work in mid August.
5. With respect to the 2010 Adams Street and River Road wastewater treatment plant improvements, the contractor has been submitting shop drawings and several progress meetings have been conducted. Painting work in the Purac building is expected to commence within the next two weeks.

OMI.

Gary Fournier of OMI reported that in the previous month, the West New York plant had attained removal percentages of 81% of BOD and 86% of TSS with concentration amounts of 39

mg/l of CBOD and 26 mg/l of TSS. Although interim limits had been obtained under the Administrative Consent Order, OMI is pleased that the permit limits had almost been attained notwithstanding that the new trickling filter is still in the start up phase. There were no odor complaints the previous month from the West New York plant.

With respect to the Hoboken plant, removal percentages of 90% and 91% of BOD and TSS respectively had been attained with effluent concentrations of 14 mg/l and 12 mg/l of BOD and TSS. Again, all well within permit limits.

Commissioner Soares noted that the response of the Authority and OMI to the most recent flooding was outstanding. He also reported that Hoboken Councilman Mello had received complaints that the Authority was not cleaning out its pipes as thoroughly and timely as it should which was the cause of some of the flooding.

Executive Director Pocci reminded the Commissioners that all of the Authority's facilities are routinely maintained and that frequency and quality of the pipe cleaning is not the issue but rain at high tide periods is the cause of flooding.

Upon motion by Commissioner Raia, seconded by Commissioner Spaccavento, Resolution 11-070 authorizing the payment of bills was unanimously adopted.

Upon motion by Commissioner Raia, seconded by Commissioner Schroeder, Resolution 11-071 authorizing work to Cliffside Paving in the amount of approximately \$29,000.00 was unanimously adopted.

Upon motion by Commissioner Raia, seconded by Commissioner Roque, Resolution 11-072 amending the connection or tapping fee to an amount of \$5,722.00 per service unit was unanimously adopted. Counsel Leanza reported that immediately prior to this meeting, the scheduled rate hearing has been conducted according to the Sewerage Authorities Law and that aside from Authority experts, there were no public questions or participation. He also noted that the hearing was held in strict compliance with the Sewerage Authorities Law and that the \$5,722.00 per service unit charge was recommended by the Authority experts as in compliance with the requirements of the Sewerage Authority's Law.

Upon motion by Commissioner Raia, seconded by Commissioner Schroeder, Resolution 11-073 authorizing contract modification #2 for the Adams Street Ultraviolet System Replacement and as approved by the Facilities Review Board was unanimously adopted.

Upon motion by Commissioner Raia, seconded by Commissioner Spaccavento, Resolution 11-074 amending the scope of a contract for the H1 screening and wet weather pump station services was unanimously adopted to allow for the additional work required of CH2M Hill in an amount \$205,756.00 as previously approved by the Facilities Review Board.

Upon motion by Commissioner Raia, seconded by Commissioner Schroeder, Resolution 11-075 authorizing contract modification #2 for the 2010 Adams Street wastewater treatment plant miscellaneous repairs in the amount of approximately \$79,730.19 and as previously approved by the Facilities Review Board was unanimously adopted.

Upon motion by Commissioner Raia, seconded by Commissioner Spaccavento, Resolution 11-076 directing work to Hatch Mott MacDonald for engineering services during construction for the Adams Street wastewater treatment plant outfall rehabilitation project in the amount of \$171,000.00 and as previously reviewed by the Facilities Review Board was unanimously adopted.

Upon motion by Commissioner Raia, seconded by Commissioner Schroeder, Resolution 11-077 adopting a Section 125 premium only plan for Authority employees with regard to medical benefit coverage was unanimously adopted. It was discussed among the Commissioners that the purpose of this Resolution was to allow the Authority employees to pay their contributions for the health plan with pre-tax rather than post-tax monies.

Upon motion by Commissioner Schroeder, seconded by Commissioner Raia, the Commissioners unanimously resolved to enter closed session to discuss two matters involving anticipated litigation with regard to: (1) collections and (2) property acquisitions, and one matter regarding potential contract negotiations for refinancing some or all of the Authority's debt. The litigation matters are ongoing and disclosure of the Authority's litigation strategy would be deleterious to its legal position.

Details regarding the proposed agreements for refinancing, etc. would compromise the Authority's bargaining position with both potential underwriters buyers as well as the market.

In compliance with the Open Public Meetings Act, these matters will be made public when disclosure will not adversely affect the position of the Authority.

Upon motion by Commissioner Raia, seconded by Commissioner Schroeder, it was unanimously resolved to enter public session.

At approximately 7:25 p.m., upon motion by Commissioner Raia, seconded by Commissioner Spaccavento, it was unanimously resolved to adjourn the meeting.

MINUTES OF CLOSED SESSION

AUGUST 18, 2011

With respect to the Authority's collection of outstanding sewerage service fees, Counsel Leanza advised the Authority of the status of the Hoboken University Medical Center bankruptcy, the Authority's strategy therein, relying upon the Sewerage Authority's Law to go after the property owner, the Hoboken Municipal Hospital Authority, as the primary obligor on the sewerage debts. Discussion was also made by Executive Director Pocci regarding his negotiation with several other creditors with the hope of avoiding litigation.

With regard to the refinancing of the Authority's debt, the Commissioners discussed the potential benefits of the same and set an internal number for a maximum rate they would pay to potential debt holders. The special financial advisor was then directed to continue his solicitation of best offers for various qualified entities without revealing the Authority's ceiling for interest rates.

Finally, discussion was conducted regarding the ongoing negotiation with Hartz Mountain over a sewer easement required for W1234, the potential cost and cost savings to Authority regarding the same and the negotiation strategy with Hartz Mountain.