

RESOLUTION AUTHORIZING MEETING MINUTES OF JULY 17, 2014

MOTIONED BY: Velazquez

SECONDED BY: Assadourian

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 July 17, 2014; and

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

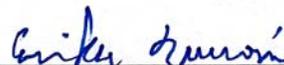
NOW, THEREFORE, BE IT RESOLVED that the Authority hereby approves the minutes of the meeting of July 17, 2014 for the record.

DATED: AUGUST 21, 2014

RECORD OF COMMISSIONERS' VOTE

	YES	NO	ABSTAIN	ABSENT
Commissioner Assadourian	x			
Commissioner Kappock	x			
Commissioner Marotta	x			
Commissioner Raia	x			
Commissioner Schroeder				x
Commissioner Soares			x	
Commissioner Velazquez	x			
Commissioner Wiley	x			
Commissioner Zucconi	x			

THIS IS TO CERTIFY THAT THIS RESOLUTION WAS DULY ADOPTED BY THE NORTH HUDSON BOARD OF COMMISSIONERS ON AUGUST 21, 2014.



SECRETARY

NORTH HUDSON SEWERAGE AUTHORITY

MINUTES OF REGULAR MEETING

JULY 17, 2014

At approximately 6:35 p.m., Chairman Frank Raia called the meeting to order. Counsel Covello 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 Raia, Commissioners Marotta, Schroeder, Velazquez, Wiley, Zucconi, Kappock and Assadourian were also in attendance at the start of the meeting. Commissioner Kappock arrived at 6:40 p.m.

Chairman Raia then called for the reports.

CH2M HILL.

Michael Wilson reported as follows:

Regarding the Adams Street WWTP Engineering Planning Study – PURAC System Rehabilitation, CH2M Hill continued to work on the schematic design of the PURAC Instrumentation and Controls Project. The Implementation and Control (I&C) Plan, Standard Operating Procedure and Process Diagrams for transition to the new I&C were submitted to the Authority for review. 60% design completion is expected for early August, and it should be complete in late September or early October.

With regard to the W1234 Outfall Design, CH2M HILL continued to coordinate with the Authority's attorney for information required for the easements.

Regarding the W1234 Solids/Floatable Facility Final Design, CH2M HILL is developing the design of the W1234 Solids/Floatables Facility in the Hudson River and continues to respond to questions from the NJDEP on the project. Work on the design of the pier extension is nearing completion for submission to the state. There is also a large permit from the Army Corps. involved in this project.

HATCH MOTT MACDONALD.

Anthony Gagliostro reported as follows:

Regarding the 5th Street Pump Station Rehabilitation project, the contractor has completed replacement of the three new pumps and they are in the process of closing out the project.

Regarding the Jackson Street and Newark Street Combined Sewer Rehabilitation Hoboken Combined Wood Sewer Rehabilitation, a preconstruction meeting is scheduled for the project on July 15, 2014.

Regarding the West New York leak detection program, Hatch Mott is coordinating with United Water to eliminate water main leaks that increase extraneous flows into the River Road Wastewater Treatment Plant. At their meeting with United Water on July 7, 2014, they were advised that United Water was now focusing its efforts on Union City.

There are two 2014 Capital Improvement Projects are the Park Avenue and 11th Street Siphon Rehabilitation project and Regulator Upgrades and Improvements. They received authorization to advertise on July 14, 2014. Bid openings for the projects are scheduled for September 5th and August 6th, respectively.

Hatch Mott MacDonald continues to support the Authority's efforts to recover from Hurricane Sandy. The sewer lines beneath Observer Highway that were filled with debris as the result of the storm are being cleaned by the contractor. Work began on July 16, 2014, and is expected to continue for 3 to 4 weeks. They are also working on the design of mitigation measures that will potentially protect the Adams Street Wastewater Treatment Plant from future storm events.

GREELEY & HANSEN.

Clifford Pomerantz reported as follows:

There are two electrical projects for which documents have been submitted for review. Site walk downs at Adams Street and River Road plants are complete.

OMI.

Don Conger of OMI reported that the Adams Street facility removal percentages of 87% and 88% of CBOD and TSS had been attained with effluent concentrations of 15 mg/L and 11 mg/L respectively. Average daily flow was 13.66 mg/d, daily average BOD loading was 14,924 lbs/day, and 455,000 gallons of sludge was hauled.

With respect to the River Road facility achieved removal percentages of 91% and 89% respectively of BOD and TSS with effluent concentration amounts of 16 mg/L and 18 mg/L respectively. Average daily flow was 8.96 mg/d, daily average BOD loading was 14,572 lbs/day, and 375,000 gallons of sludge was hauled. There was one exception to the NJDEP permit parameters to be reported for June 2014. The monthly geometric mean average for Fecal Coliform was 209 CFU, above the permit allowable 200 CFU. The maximum 7-day geometric mean average value was 239 CFU, with a limit of 400 CFU.

Regarding the collections system report, all pump stations are operating properly with the exception of 11th Street and 18th Street, where 2 of 3 pumps were online and operating properly at each location. Seal failures were identified in one pump. The Boulevard Pump Station was running on 2 of 3 pumps with one pump out for repairs.

The maintenance report was provided for review.

Regarding the Sandy Recovery Report, the Boiler Replacement Project is complete, and some final change orders are on the agenda for tonight's meeting. As to the PURAC Recycle Pump Repair Project, Rapid Pump has repaired recycle pump numbers 1 and 6. The pumps have been successfully reinstalled and tested. They are back in service. Pumps 3 and 5 have been removed and are being repaired.

Chairman Raia then called for a discussion of the items on the Consent Agenda. Executive Director Richard Wolff explained each Resolution as follows:

Resolution 14-076 is to approve the minutes of the June 19, 2014 meeting. All members present at this meeting were also present at the June 19th meeting.

Resolution 14-077 Authorizing the Payment of Bills. Operating expenses total \$9,708,448.36, capital fund expenses total \$293,935.32, emergency expenses total \$34,048.65 and connection review expenditures total \$2,814.80 for the month.

Resolution 14-078 Directing Work to Cliffside Paving represents payment for work performed on 20 sites under the miscellaneous repair contract totaling \$74,500 with 3 projects in Hoboken, 12 projects in Union City, one project in Weehawken and 4 projects in West New York.

Resolution 14-079 Authorizing Fiscal Year Ended January 31, 2014 Audit Corrective Action Plan and Resolution 14-080 Accepting the Audit Report For the Fiscal Year Ending January 31, 2014 were both removed from the agenda to allow the commissioners sufficient time to review them. They will be placed on the August agenda for approval. Executive Director Wolff recommended a review of the audit findings. There were some corrective actions that needed to be addressed that have been: one was monthly reconciliations, another was related to implementation of controls, another was related to bad debt. The auditors require that we have more reserves for bad debt. Our plan for handling the bad debt is that in instances where we cannot take a customer to tax sale, we will take them to court.

Resolution 14-081 Authorizing the Disposal of Surplus Property, authorizes the sale of surplus property through a state contract. This sale is run by OMI and includes old furniture and equipment that is listed in the schedule attached to the resolution. This Resolution was approved by the Facilities Review Board.

Resolution 14-082 for Contract Modification 2014-04 to OMI Sandy Recovery Projects. This is change order number 2 and affects seven projects which total \$91,268.19. These projects

are FEMA reimbursed. This Resolution was approved by the Facilities Review Board.

Resolution 14-083 for Contract Modification 2014-05 to OMI River Road Secondary Clarifier No. 1 Leak Repair Project C.O. 01. in West New York. This Resolution affects three projects and totals \$1,520.47. This Resolution was approved by the Facilities Review Board.

Resolution 14-084 Authorizing Contract Modification 2014-06 to OMI Adams Street Clarifier Dewatering Automatic Frequency Drives. This change order closes out the contract for a total of \$43,573.50. Although this was a FEMA project, this portion of the contract is not FEMA reimbursable. This Resolution was approved by the Facilities Review Board.

Resolution 14-085 directs work to En-Tech Corporation under the Combined Sewer Rehabilitation and Reconstruction Contract Observer Highway FEMA Project Directive to Install Manholes. This Resolution was approved by the Facilities Review Board.

Resolution 14-086 directs work to Hatch Mott Macdonald For Engineering Services to Support FEMA Disaster Assistance. This is a contract for FEMA management that increases the budget to \$185,000. This Resolution was approved by the Facilities Review Board.

Resolution 14-087 Directing Work to Hatch Mott Macdonald For Electrical Engineering for Design Services for Variable Frequency Drives Replacement at the Port Imperial Pumping Stations No.1 and No 3. and ventilation system for a total of \$17,500. This is one of the improvements we contemplated from the outset. This Resolution was approved by the Facilities Review Board.

Resolution 14-088 Directing Work to Hatch Mott Macdonald and CH2M HILL to prepare a power point presentation for the September 8, 2014 meeting with New Jersey Department of Environmental Protection (NJDEP) to discuss the requirements of the new NJPDES permits for the Authority's facilities. The total expenditure is \$6,000 for this work which was approved by the Facilities Review Board.

Chairman Raia then called for consideration of the Consent Agenda. Upon a motion by Commissioner Marotta, seconded by Commissioner Velazquez, Consent Agenda Resolutions 14-076, 14-077, 14-078, 14-081, 14-082, 14-083, 14-084, 14-085, 14-086, 14-087 and 14-088 were adopted with a vote of 8 in favor, 0 opposed.

The Chairman called for new business, and there being none, called for public comment. Hilda Briceno addressed the commissioners with the assistance of Belissa Vega as translator. She stated that she is the owner of 321 49th Street, in Union City. She only has one meter on property, but more than one apartment. She wonders why her facilities charge \$13 per unit. Director Wolff explained that the facilities charge is levied by dwelling unit, not by water meter. She argued that that the owners should not have to bear that cost. Director Wolff stated that he believes in Union City a landlord has the ability to pass the costs to the tenants. She replied that even though the tenant is responsible, it still falls back to the owner. Commissioner Velazquez said this happened to someone else that he is aware of. He suggested that she take the person to court to collect the

money from them. Ms. Briceno began to ask additional questions about her account. Director Wolff stated that since she had specific questions about her account, it may be easier for her to come to the office so that the account records can be available to the staff to review with her.

Commissioner Velazquez then stated that there is a problem with the Authority billing interest to users. Specifically, he stated that the Union City Housing Authority was required to pay a judgment to the Authority that included a large amount of interest. This was going to hurt the tenants and detract from services offered by the Housing Authority. Director Wolff replied that if the Authority does not charge interest, there is no incentive to pay the bill, particularly in the instance with a public entity that we cannot take to tax sale. In this instance, the Housing Authority stopped paying the bills on its accounts. There needs to be a disincentive to stop paying the bills. In the case of the water company, the Board of Public Utilities does not allow United Water to collect interest. Director Wolff stated that as a result, United Water has problems with habitual delinquent accounts. The non-payment of sewer bills affects our rate. We had to reserve \$2.4 million for bad debt last year, and as you'll see when you review the audit report, the auditors want us to reserve more this year. There needs to be a disincentive from not paying. Interest charges is the disincentive.

Commissioner Velazquez states that the tenants at the Housing Authority properties may not really understand what happened here. Mayor Stack is particularly concerned about the judgment and how it may impact these residents. Director Wolff stated that he would never recommend giving up interest charges that we are directed by statute to collect. Director Wolff stated that he would be happy to meet with the Mayor directly to discuss his concerns.

Seeing no additional public comment, upon a motion by Commissioner Velazquez, seconded by Commissioner Wiley, the meeting was adjourned at 7:15 p.m. with a vote of 8 in favor 0 opposed.