

**BERNARDS TOWNSHIP SEWERAGE AUTHORITY
MEETING MINUTES
SEPTEMBER 11, 2018**

CALL TO ORDER

The chairperson called the meeting to order at 6:30 PM. Those assembled saluted the flag and the chairperson read the open public meeting statement in accordance with the law.

ROLL CALL

Present: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Absent:

Also Present: Director Timko, Attorney John Visconi, Superintendent Raymond, Mott MacDonald Wohlleb, President Michael Flett from Flett Exchange, LLC

CLOSED SESSION – RESOLUTION #1865

Motion Pavlini, second Baldassare to temporarily adjourn to closed session at 6:31 PM.

All in favor; motion carried.

Motion Malay, second Baldassare to resume in open session at 6:36 PM.

All in favor; motion carried.

APPROVAL OF MINUTES

Motion by Pavlini, second Baldassare to approve the Regular Meeting Minutes of August 14, 2018.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Abstain:

All in favor; motion carried.

Motion by Baldassare, second Pavlini to approve the Closed Session Minutes of August 14, 2018.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Abstain:

All in favor; motion carried.

Motion by Baldassare, second Pavlini to approve the Special Meeting Minutes of August 28, 2018.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Abstain:

All in favor; motion carried.

CORRESPONDENCE

None

PUBLIC COMMENT

None

ACTION/DISCUSSION ITEMS

a. Discussion – New Solar Law – Michael Flett

In May 2018 New Jersey AB 3723 was passed which instituted major changes to the New Jersey solar incentive market revolving around SRECs.

AB 3723 major changes:

1. Closes the current SREC program to new applicants by June 2021
2. Mathematically attempts to close the SREC program while at the same time "pinning" high SREC prices for the next 10 - 15 years. This is done by timing the curtailment of supply of new solar while increasing demand.
3. Adds a 7% cost cap after 2021 that is complicated/impossible to model and relies on BPU action. It will most likely not kick in for years but it may depress future SREC prices. The cost cap favors the wind development portion of the RPS by protecting it from this cap. The solar cost portion will be most likely be ratcheted down through reduced solar compliance costs.

Price Risks for Sellers of SRECs:

AB 3723 prevented the New Jersey SREC market from a collapse which was inevitable by 2019-2021 due to the pace of solar development in New Jersey which was significantly more than what the legislation called for. In all SREC markets that experienced similar events – PA, MD, OH, SREC prices dropped to \$10 or less for years. It appears that New Jersey SREC prices will remain at the \$180 to \$250 range for 3 to 5 years. Starting at year 4 (2022) and going forward it is likely that SREC buyers will leverage the SACP, 7% cap and removal of competition from new solar and reduce costs. This may be achieved by abandoning the spot market for SRECs and moving into long term 3- 7 year contracts. At that time we expect reduced spot activity with most activity moving into term deals in the \$100 to \$160 range.

Conclusion:

Solar owners in New Jersey will benefit by the prevention of a collapse of SREC prices from the passage of AB 3723. Short-term, 1-3 year prices should remain in the \$185 to \$230 range. Longer term 4-6 year spot prices will most likely drop under \$150 but sellers will be able to lock into 3 – 4 year contracts between \$100 and \$160.

Recommendation:

Sellers should sell spot or long term SRECs in the next 3 years anytime the market is above \$200 and lock into multi-year contracts anytime the market is above \$200.

b. Discussion – New Law – Fees & Affordable Housing

Tabled until the October 9, 2018 meeting.

c. Resolution #1866-Introduction of 2019 Budget

Motion by Baldassare, second Pavlini to approve Resolution #1866.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Motion Carried

d. Resolution #1856 – CO #1 Raymond Electric – Caustic Tank - \$10,860.14

Motion by Malay, second Pavlini to approve Resolution #1856 in the amount of \$10,860.14.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Motion Carried

e. Resolution #1867- Budget Transfer – Monarch Circle PS - \$29,897.27

Motion by Pavlini, second Baldassare to approve Resolution #1867 in the amount of \$29,897.27.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Motion Carried

f. Resolution #1868 – CO #3 MM Monarch Circle Construction Phase - \$26,038.48

Motion by Malay, second Baldassare to approve Resolution #1868 in the amount of \$26,038.48.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Motion Carried

g. Resolution # 1869 – P2P 2018 Emergency Transfer Controls Inc.

Motion by Malay, second Pavlini to approve Resolution #1866.

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Motion Carried

BTSA ENGINEER'S REPORT

September 11, 2018 Meeting

DEVELOPER PROJECTS:

No Updates

AUTHORITY PROJECTS:

Monarch Circle / Crown Court Pump Station

We await completion of the punchlist items prepared by Mott MacDonald by the Contractor. We have no anticipated schedule for addressing the punchlist.

Harrison Brook STP-RAS/WAS Rehabilitation

The contractor is continuing installing the mechanical and overall improvements. We expect project completion as scheduled.

Harrison Brook STP-1M Belt Filter Press Building Demolition

Electrical items for completion remain to be completed. We anticipate completion in September and overall contract closeout in October.

Stonehouse Road Pump Station

Mediation was held on August 28, 2018 to resolve the outstanding claim that was submitted by DeMaio Electric.

Harrison Brook STP Chemical Use

A study and recommendation to BTSA for chemical use at the plant was completed by Mott MacDonald.

Harrison Brook STP Sludge Hauling

Mott MacDonald has been asked to assist the BTSA with Sludge Hauling specifications and contracting services to improve reliability, redundancy and mitigate increased disposal complications in landfilling.

OPERATOR'S REPORT September 2018 Meeting August 2018 Report

FLOWS

| | | |
|--------------|------------|---------|
| Total Flow | 60,787,000 | Gallons |
| Average Flow | 1,961,000 | Gallons |
| Maximum Flow | 3,267,000 | Gallons |
| Minimum Flow | 1,339,000 | Gallons |

OPERATION

| <u>Suspended Solids</u> | <u>Dry Weight</u> | | <u>NJDEP Limit</u> |
|------------------------------|-------------------|------|--------------------|
| Influent | 956 | Kg | |
| Effluent | 23 | Kg | 280 Kg/Day |
| Net | 933 | Kg | 85% |
| Suspended Solids in Effluent | 3.0 | Mg/l | 30 Mg/l |

| <u>CBOD</u> | <u>Dry Weight</u> | | <u>NJDEP Limit</u> |
|------------------|-------------------|------|--------------------|
| Influent | 599 | Kg | |
| Effluent | 22 | Kg | 75.7 Kg/Day |
| Net | 577 | Kg | 85% |
| CBOD in Effluent | 3.0 | Mg/l | 8 Mg/l |

| <u>Phosphorus</u> | <u>Dry Weight</u> | | <u>NJDEP Limit</u> |
|------------------------|-------------------|------|--------------------|
| Influent | 16.0 | Kg | |
| Effluent | 1.40 | Kg | |
| Phosphorus in Effluent | 0.20 | Mg/l | 0.76 Mg/l |

Remarks

Hypochlorite Used: 1,243 Gals. Sulfur Dioxide Used: 741 Lbs. Alum Used: 6,100 Gals.

Caustic Used: 362 Gals. Total Precipitation 7.57 Inches.

Comments

- Routine work and samples completed.
- Ran gens at pump stations and plant.
- Checked drives, tanks, gens and vehicles.
- Checked all syphons, checked Barons and checked Jamestown Rd.
- Changed carbon E. Oak, Juniper way, Fieldstone and MVR.
- Exercised valves at pump stations.
- Exercised sluice gates and valves at plant.
- Fallon elect. installed electric and lighting in pole barn.
- Vanguard serviced all solar inverters due to shut down issues and staff has been trained to reset all inverters.
- Vanguard installed a power monitor in inverter #6 to trouble shoot inverter shut down issue.
- Dropped off 8 frames and lids to Byron Dr.
- SE Rose picked up 5 frames and lids for Lexington Rd.
- Cleaned wet wells, flushed fieldstone force main.
- Foley serviced all gens., landscape all stations.

TV inspection:

Goltra Dr, Radel Pl, King George Rd, Harrison Brook Dr,

Jetted:

Storm sewer on King George Rd for DPW where hose got stuck and had to be severed, Pierce Eagle repaired the hose and gave us a new leader section, ,

Manhole inspections:

None

Customer Service:

Attempted to locate shut off valve for #16 Lord Sterling Rd. (unsuccessful) .

SAFETY

See attached report submitted by Brian Thornton Safety Coordinator.

PROJECTS

Old Press Bldg. Demo.: Electric panel installed and concrete poured. Nancy from MM issued a letter to the contractor encouraging him to finish the project ASAP. She told him to forward any electrical questions to their design team.

Caustic Chemical System Upgrade: Building passed Electrical and building inspection. The Contractor is working on punch list. Old equipment needs to be removed.

RAS/WAS: Demolition and RAS bypass to O2D #2 began on 8/1/18. #1 and #2 FST isolation valves installed. RAS pumps #1 & #2 along with all related piping has been removed. Construction of new pump header continues. Contractor hopes to be working on new pumps next week.

Madisonville force main phase II: Awaiting contractor mobilization. Meeting held with contractor, Verizon security and Suburban on 8/30/18 to go over logistics.

E. Oak St. force main rehab: Flow data submitted to Suburban consulting.

Monarch Circle: Contractor and MM working on UST compliance. Soil remediation complete on 8/28/18. Contractor issued punch list.

Plant Paving: Contractor completed punch list items.

Cyber Security: Contractor installed new equipment at plant and integrated into SCADA system. Still needs to set up test sites at stations. Contractor plans to have everything up and running by September 7th.

August 2018 Monthly Safety Report

- Monthly safety inspections were completed.
- Conducted weekly storm drain inspections.
- Completed all monthly checks on fire extinguishers, lights, emergency lighting, exit signs, emergency showers and eye wash stations.
- Attended and completed ladder safety training.
- Lost time no accidents 181days (Plus August 31 days).

12. Resolution #1870 – Approval of Bill List Dated: September 11, 2018 - \$300,649.04

Motion by Malay, second Baldassare to approve Resolution #1870 Bill List Dated September 11, 2018 - **\$300,649.04**

ROLL CALL

Aye: Baldassare, Carpenter, Gaziano, Malay, Pavlini

Nay:

Motion Carried

13. Member/Staff Comments

- Timko stated voltage spikes are coming in from the grid, which is causing the tripping problem in the solar field. They are working on a solution.
- Madisonville force main job has started and the force main is not where it was shown on the drawings so there will be a change order coming for that.
- To get off the Verizon communication lines we're setting up tests in 2 PS, most of the equipment is in but not on yet. Should be set up and running in 2 weeks.
- Pavlini asked about upgrade. System upgrade for cyber security was done at administrative building. Next step is special routers are put in each station to transmit directly to a cell tower and back to plant without going over communication lines. Once successful they will be put in all PS and cancel all our contracts on regular Verizon lines.

14. ADJOURNMENT

Motion by Gaziano, second Pavlini, to adjourn at 7:06 pm.

All in favor; motion carried.

Respectfully submitted,
Susan Long