

SEPTEMBER 23, 2015

The Regular Meeting of the Hanover Sewerage Authority, County of Morris and State of New Jersey, was held on Wednesday, SEPTEMBER 23, 2015 at 8:34 in the evening, prevailing time, at the Municipal Building, 1000 Route 10, Whippany, New Jersey.

PRESENT: Chairman Schleifer; Members Byrne, Dittrick and Kuehner; John Ferramosca, Liaison, Michael C. Wynne, P.E., Executive Director; Christopher Falcon, Esq.; Silvio Esposito, Treasurer

ABSENT: Member Corona

STATEMENT OF PRESIDING OFFICER

Adequate notice of this meeting has been provided in accordance with the Open Public Meeting Act by posting written notice and agenda of the meeting on the Bulletin Board in the Municipal Building, 1000 Route 10, in the Township of Hanover, and by informing the following newspapers:

HANOVER EAGLE/REGIONAL WEEKLY NEWS
MORRIS COUNTY DAILY RECORD

(Signed) Chairman
Joseph Schleifer

The Executive Director, Michael Wynne, noted that the following correspondence was received:

AGENDA

COMMUNICATIONS

1. **MARAZITI FALCON, LLP**
 - a. 09/11/2015 Email re: Order dismissing RML's complaint
 - b. 09/11/2015 Email re: Woodmont
2. **HATCH MOTT MACDONALD**
 - a. 08/13/2015 Letter re: Contract 38 Application for Payment No. 18
 - b. 09/09/2015 Letter re: Contract 41 Rebid
 - c. 09/09/2015 Letter re: Whippany Road Developers LLC
 - d. 09/16/2015 Letter re: Contract 38 Application for Payment No. 19

- e. 09/17/2015 Letter re: Contract 2015-1 Application for Payment No. 1
- f. 09/17/2015 Letter re: Contract 2015-1 Application for Payment No. 1
- g. 09/17/2015 Letter re: Proposal Rehabilitation of Primary and Secondary Clarifiers – The Executive Director asked for a motion to approve the proposal. Chairman Schleifer made the motion, Member Kuehner seconded, there was unanimous roll call vote.
- h. 09/22/2015 Letter re: Contract 40 Application for Payment No. 1

3. NJDEP

- a. 08/19/2015 Letter re: TWA Approval Mack-Cali Business Campus
- b. 09/16/2015 Letter re: Contract 38 Payment Requisition No. 1 Approval

4. MBE MARK III ELECTRIC INC

- a. 08/26/2015 Letter re: Protest on Bids for Contract 41

RESOLUTIONS

Member Byrne offered the following resolution and moved its adoption

RESOLUTION NO. 49-15

BE IT RESOLVED by the Hanover Sewerage Authority in the Township of Hanover, County of Morris and State of New Jersey that the amounts listed in the following items be and they are hereby cancelled as follows:

- 1. A resolution authorizing the Treasurer to cancel various items:

OUTSTANDING CHECKS:

<u>ISSUE DATE</u>	<u>CHECK NO.</u>	<u>AMOUNT</u>
November 30, 2011	29133	\$ 84.49
August 30, 2013	30497	10.95
December 23, 2013	30659	1,600.00
April 23, 2014	31007	200.00
November 26, 2014	31516	100.00

Be it further resolved, that a certified copy of this Resolution be transmitted to the Hanover Sewerage Authority's Treasurer for this information and action.

2. This Resolution shall take effect as provided by law.

DATED: September 23, 2015

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

The Resolution was seconded by Member Kuehner and adopted by the following roll call vote:

AYES: Chairman Schleifer, Members Byrne, Dittrick, and Kuehner

Absent: Member Corona

Member Byrne offered the following resolution and moved its adoption

**RESOLUTION NO. 50-15 TO AWARD CONTRACT NO. 41
FIRE ALARM SYSTEM REPLACEMENT**

WHEREAS, the Hanover Sewerage Authority ("the Authority") publicly advertised for the receipt of bids, in accordance with N.J.S.A. 40A:11-1 et seq., for Contract No. 41 entitled "Fire Alarm System Replacement"; and

WHEREAS, sealed bids were received and publicly opened in accordance with the duly published Notice to Bidders on August 26, 2015; and

WHEREAS, at the time of bid opening, the following bids and the amounts thereof were announced:

1. Meridian Property Services, Inc. (Hamilton, NJ) \$329,930.00;
2. Power With Prestige, Inc. (Newton, NJ) \$331,750.00;
3. T.C.B.H., LLC (Randolph, NJ) \$360,750.00;
4. MBE Mark III Electric, Inc. (Madison, NJ) \$370,273.00;
5. OMNI Instrumentation Services, Inc. (South Plainfield, NJ) \$549,000.00;

WHEREAS, on August 26, 2015, a bid protest letter from the apparent fourth lowest bidder, MBE Mark III Electric, Inc. was received alleging the following five defects as to the bid of the apparent lowest bidder, Meridian Property Services, Inc.: (1) lowest bidder “did not identify or self-nominate an Electrical Contractor to perform the work of this contract.”; (2) lowest bidder “did not identify or self-nominate the HVAC work of this contract (duct smoke detectors). In fact, indicated that HVAC was not applicable to this contract.”; (3) lowest bidder signed both Part 1 and Part 2 of the Equipment Ownership statement, giving contradictory information.”; (4) lowest bidder “did not provide a ‘Pay to Play’ statement.”; and (5) lowest bidder “did not include a Corporate Resolution authorizing this Bid, as required.”; and

WHEREAS, the bid of Meridian Property Services, Inc. was reviewed by the Authority’s consulting engineer, Hatch Mott MacDonald, and the Authority’s legal counsel, Maraziti Falcon, LLP; and

WHEREAS, based on the aforementioned review, the bid of Meridian Property Services, Inc. does not contain any material defects; and

WHEREAS, the review letter from Hatch Mott MacDonald, dated September 9, 2015 explains that “MBE’s statement that Meridian Property Services did not identify or self-nominate an electrical contractor is incorrect because the bid forms completed by Meridian indicate that the electrical work would be self-performed. Furthermore, it is our opinion that there is no HVAC work to be subcontracted for this project and the scope of work for this project does not require any specialized heavy equipment to complete the work.”; and

WHEREAS, contrary to the bid protest letter of MBE Mark III Electric, Inc., the bid of Meridian Property Services, Inc. includes a signed equipment certification for Part I, and

whereas Part II of the equipment certification, which only applies if equipment is not owned or controlled by the bidder, is not signed by the bidder; and

WHEREAS, contrary to the bid protest letter of MBE Mark III Electric, Inc., the bid documents do not require the submission of a “Pay to Play” form at the time of bid and MBE Mark III Electric, Inc. also did not submit a “Pay to Play” form with its bid, but rather a filing confirmation receipt from ELEC, which also was not required by the bid documents; and

WHEREAS, the bid from Meridian Property Services, Inc. was signed by the president of the company and the bid documents do not require a corporate resolution authorizing the bid if the bid submitted is from a corporation that is signed by the president and secretary, specifically, the instruction to bidders states, in relevant part: “When a corporation bids the president and secretary (or assistant secretary) must sign, except that other officers of the corporation may sign, provided a corporate resolution, certified by the corporate secretary (or assistant secretary) duly authorizing such other officers to sign, accompanies the bid.”; and

WHEREAS, Meridian Property Services, Inc. is the lowest responsible bidder in accordance with the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority in the County of Morris and the State of New Jersey on this 23rd day of September, 2015 as follows:

1. The Authority exercises its discretion to waive all minor defects, if any, with respect to the bid of Meridian Property Services, Inc. for “Fire Alarm System Replacement, Contract No. 41” received at the bid opening on August 26, 2015.
2. The Authority awards Fire Alarm System Replacement, Contract No. 41 to Meridian Property Services, Inc., having a business address of 3024 South Broad Street, Hamilton, New Jersey 08610, as the lowest responsible bidder, in the

amount not to exceed \$329,930.00 and the Chairman is authorized to execute said contract.

3. The Executive Director and staff are authorized and directed to execute any other necessary documentation and to take all other actions necessary or desirable to effectuate the terms and conditions of this Resolution.
4. With the exception of the bid security for the lowest three bidders, the Executive Director is authorized to release the bid security submitted by the other bidders for Contract No. 41. Within three days, Sundays and holidays excepted, after the awarding and full execution of Contract No. 41 and the approval of the required bonds for Meridian Property Services, Inc., the bid security of the remaining unsuccessful bidders shall be returned to them.
5. A copy of this Resolution shall be kept on file at the offices of the Authority.
6. This Resolution shall take effect immediately.

DATED: September 23, 2015

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

The Resolution was seconded by Member Kuehner and adopted by the following roll call vote:

AYES: Chairman Schleifer, Members Byrne, Dittrick, and Kuehner

Absent: Member Corona

Member Byrne offered the following resolution and moved its adoption

RESOLUTION NO. 51-15

WHEREAS, the Hanover Sewerage Authority (hereinafter “the Authority”) is a member of the New Jersey Utility Authorities Joint Insurance Fund; and

WHEREAS, said renewed membership terminates as of December 31, 2015 unless earlier renewed by agreement between the Authority and the Fund; and

WHEREAS, the Authority desires to renew said membership;

NOW THEREFORE, be it resolved as follows:

1. The Hanover Sewerage Authority agrees to renew its membership in the New Jersey Utility Authorities Joint Insurance Fund and to be subject to the Bylaws, Rules and Regulations, coverage and operating procedures thereof as presently existing or as modified from time to time by lawful act of the Fund.
2. The Governing Body shall and hereby are authorized to execute the agreement to renew membership annexed hereto and made a part hereof and to deliver same to the New Jersey Utility Authorities Joint Insurance Fund evidencing the Authority's intention to renew its membership.

DATE: September 23, 2015

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

The Resolution was seconded by Member Kuehner and adopted by the following roll call vote:

AYES: Chairman Schleifer, Members Byrne, Dittrick, and Kuehner

Absent: Member Corona

Member Byrne offered the following resolution and moved its adoption

RESOLUTION NO. 52-15
A RESOLUTION INTRODUCING THE BUDGET OF THE HANOVER SEWERAGE

AUTHORITY FOR THE YEAR ENDED NOVEMBER 30, 2016

WHEREAS, the Annual Budget and Capital Budget of the Hanover Sewerage Authority for the fiscal year period beginning December 1, 2015 and ending November 30, 2016 has been presented before the Members of the Hanover Sewerage Authority at its meeting of September 23, 2015; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$6,797,515.00. Total Appropriations of \$7,297,515.00 and Total Unreserved Retained Earnings utilized of \$500,000.00; and

WHEREAS, the Capital Budget as introduced reflects Total Appropriations of \$8,760,000.00. and Total Unreserved Retained Earnings utilized of \$ - 0 -; and

WHEREAS, in preparing the Annual Budget and Capital Budget, the Service Rates and Fees as established by Resolution of the Authority have been reviewed to ensure the revenues to be received are of sufficient amount to meet anticipated expenditures and all covenants as stipulated in the Authorities outstanding debt obligations, capital lease arrangements, service agreements and other pledged agreements.

NOW, THEREFORE, BE IT RESOLVED that the Annual Budget is hereby approved as follows:

REVENUES

Anticipated Revenues	<u>\$6,797,515.00</u>
TOTAL REVENUES	\$6,797,515.00

UNRESERVED RETAINED EARNINGS

Unreserved Retained Earnings	<u>\$500,000.00</u>
TOTAL UNRESERVED RETAINED EARNINGS	\$500,000.00

APPROPRIATIONS

Operating	\$854,315.00
Cost of Providing Services	4,373,200.00
Debt Service and Other Reserves	<u>2,070,000.00</u>
TOTAL APPROPRIATIONS	\$7,297,515.00

BE IT FURTHER RESOLVED, that the Capital Budget is hereby approved in the amount of \$8,760,000.00; and

BE IT FURTHER RESOLVED, that the revenues as reflected in the Annual Budget and Capital Budget are of sufficient amount to meet anticipated appropriations and all covenants as stipulated in the Authority's outstanding debt obligations, capital lease arrangements, service agreements and other pledged agreements; and

BE IT FURTHER RESOLVED that at a meeting to be held on November 24, 2015 at 8:30 p.m. at the Treatment Plant, 40 Troy Road, Whippany, the budget will be considered and adopted or held over for future consideration.

DATED: September 23, 2015

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

The Resolution was seconded by Member Kuehner and adopted by the following roll call vote:

AYES: Chairman Schleifer, Members Byrne, Dittrick, and Kuehner

Absent: Member Corona

Member Byrne offered the following resolution and moved its adoption

RESOLUTION NO. 53-15

WHEREAS, the Hanover Sewerage Authority (hereinafter “the Authority”) is authorized by the Sewerage Authorities Law (N.J.S.A. 40A:14-7 (11) to make and enforce rules and regulations for the management and regulation of its business and affairs and or the use, maintenance and operation of the sewerage system and any other of its properties, and to amend the same; and

WHEREAS, the Authority adopted the “Regulations and Specifications and Rate Schedule of the Hanover Sewerage Authority” (hereinafter “the Regulations”) on November 30, 1960 and amended the same from time to time including a comprehensive revision dated January 1, 2004; and

WHEREAS, the Authority has reviewed the current Rate Schedule and desires to implement changes in the following areas for the 2016 fiscal year:

- 1) Adjust the user charges.
- 2) Adjust the connection fee

NOW, THEREFORE, BE IT RESOLVED by the Hanover Sewerage Authority as follows effective December 1, 2015:

- 1) Appendix I, Charge Systems and Fees, is proposed to be amended as follows:
 - a) Paragraph 9, Fee Schedule
 - c) Connection Charges
 - i Basic Connection Charge \$6,000.00
 - ii Average Sewerage Flow 185 gpd

e) User Charges –

Facilities Charge per ccf	\$2.48
Volume Charge per ccf	\$4.32

- 3) The balance of Appendix I shall remain unchanged.
- 4) A copy of this Resolution shall be published in accordance with N.J.S.A. 40:14A-8 and a hearing held thereon on October 28, 2015 at 8:30 p.m. at the Municipal Building, 1000 Route 10, Whippany, New Jersey.
- 5) If any provision of this Resolution or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, such validity shall not affect other provisions of the Resolution and to this end the provisions of this Resolution are declared to be severable.
- 6) This Resolution shall take effect as provided by law.

DATED: September 23, 2015

HANOVER SEWERAGE AUTHORITY
COUNTY OF MORRIS
STATE OF NEW JERSEY

The Resolution was seconded by Member Kuehner and adopted by the following roll call vote:

AYES: Chairman Schleifer, Members Byrne, Dittrick, and Kuehner

Absent: Member Corona

Chairman Schleifer moved the following reports be accepted and filed as received; Member Kuehner seconded; there was unanimous approval. Absent: Member Corona

REPORTS

Plant Operations Report – dated August 5 – September 16, 2015
Hatch Mott MacDonald Report – dated September 18, 2015
Collection System Status Report – dated August 5 – September 16, 2015
Treasurers Report – Distributed with Budget Package
Superintendents Report Nos. 745 – dated July, 2015 and 746 – dated August 2015
IPP Report – dated August 4 – September 15, 2015

Chairman Schleifer moved the following bills list be accepted and filed as received; Member Kuehner seconded; there was unanimous approval. Absent: Member Corona

AUGUST 2015

<u>REVENUE FUND 114</u>	\$ 0.00
<u>REVENUE FUND 115</u>	\$369,467.06
<u>REVENUE FUND 201</u>	\$ 0.00
<u>PLANT EXPANSION FUND 301</u>	\$ 0.00
<u>PLAN REVIEW FUND 401</u>	\$ 7,076.51
<u>PAYROLL</u>	\$205,502.21

September bills will be confirmed in October.

OTHER BUSINESS

OPEN TO PUBLIC

ADJOURNMENT

Respectfully submitted,

Michael C. Wynne, P.E.
Executive Director