

NEWARK WATERSHED CONSERVATION AND DEVELOPMENT CORPORATION
 40 CLINTON STREET, FOURTH FLOOR
 NEWARK, NJ 07102

BOARD OF TRUSTEE REGULAR MEETING
 APRIL 18, 2011

MINUTES OF BOARD MEETING

OPENING OF MEETING

Called to order: 12:19 p.m.

INTRODUCTIONS/ROLL CALL

Name	Present/Y	Absent/N
The Hon. Cory A. Booker, Mayor, City of Newark		X
The Hon. Donald M. Payne, Councilman at Large	X	
Oscar James, II		X
William T. Merritt	X	
Rodney Johnson	X	
Vaughn L. McKoy, Esq.	X	
Linda Watkins-Brashear . Executive Director	X	
Elnardo J. Webster, II, Esq. . General Counsel	X	
Jodi M. Luciani, Esq.	X	
Were any members of the public present?		X

Review of the call for the meeting: This is a public meeting of the Board of Trustees of the Newark Watershed Conservation and Development Corporation. At the public meeting action will be taken on a variety of motions. In accordance with the requirements of the Sunshine Law this meeting was announced by advertisement in the Star Ledger.

Board Chair McKoy calls the meeting to order at approximately 12:19 pm.

Board Chair McKoy asked if all Board Members present received their packages and had an opportunity to review same, and the minutes from the March 21, 2011 regular meeting contained therein. Board Chair McKoy states the minutes accurately reflect the meeting and contain no material deficiencies or omissions. Board Chair McKoy requests said minutes be moved for approval.

ADMINISTRATIVE MATTERS

Motion to approve meeting minutes of March 21, 2011.

Board Chair McKoy requests a motion to approve the minutes.

Motion to approve minutes:

Moved by	<u>W. Merritt</u>	Second by	<u>D. Payne</u>		
Vote:		<u>Yes</u>	<u>No</u>	<u>Absent/ Not Present</u>	
The Hon. Cory A. Booker, Mayor				X	
The Hon. Donald M. Payne, Councilman at Large		X			
Vaughn L. McKoy		X			
Oscar James, II				X	
Rodney Johnson		X			
William T. Merritt		X			
Action taken	<u>Motion Passed</u>				

Prior to introducing the Systems Operator for a status update, Board Chair McKoy welcomes representatives from the State of New Jersey, Office of the State Comptroller. Karen McKeon and Robert P. Shane introduce themselves as Staff Attorneys for the State of New Jersey, Office of the State Comptroller.

Executive Summary

Status Update of Systems Operator

Board Chair McKoy introduces Andrew Pappachen, Systems Operator and Plant Manager at the Pequannock Water Treatment Plant. Executive Director, Linda Brashear explained that Mr. Pappachen has been invited to speak to the Board Members regarding the emergent needs at the Pequannock Water Treatment Plant, as well as the methodology to meet said needs. Additionally, she stated that Mr. Pappachen would discuss the steps vetted through the New Jersey Environmental Infrastructure Trust (~~NJEIT~~) and the recent Table Top exercise.

Mr. Pappachen explained that he, along with the Department of Water and Sewer, applied for a grant and NJEIT for the following emergent needs at the Pequannock Water Treatment Plant:

- Settling Tanks;
- Wastewater Handling;
- Homeland Security;
- Plant Upgrade with respect to chlorine; and
- Dredging Gas.

Board Member Payne inquired when Mr. Pappachen anticipates going before the Municipal Council for approval of the projects and how much money is being requested. Mr. Pappachen responded that it is anticipated that a resolution would be placed on the Municipal Council

agenda in June. Further, he stated that \$10.5 million has been approved by the NJEIT; \$1.5 million for one project and \$9 million for a second project. Finally, Mr. Pappachen informed the Board Members that there is an additional need to remove the sludge from the Newark Lagoon. General Counsel explained that the contractor, Aqua-Tex, who was awarded the contract contacted the Newark Watershed stating it was unable to perform under the contract. Therefore, correspondence was provided to Aqua-Tex requesting a withdrawal from the contract without penalty or payment from the Newark Watershed. Aqua-Tex agreed to withdraw and Mr. Pappachen stated that the sludging contract will be re-bid in the following months.

With respect to the table top exercise, which took place in the previous week, Mr. Pappachen explained that topics of discussion included the following:

- Police;
- Health and Safety;
- Fire; and
- University of Medical and Dental New Jersey.

Board Chair McKoy inquired whether there was a document or report on the exercise or a third party assessment of same. Mr. Pappachen responded in the affirmative, explaining that the State attended the exercise. Thereafter, Mr. Pappachen concluded his presentation with a brief explanation of his position and responsibilities as the Systems Operator, and thanked the Board of Trustees for their time.

Update on Water and Sewer Department

Ms. Brashear then introduced Joseph Beckmeyer, consultant to the Newark Watershed, who works directly with the Water and Sewer Department (the %Department+), for a status update on the department. Mr. Beckmeyer began his discussion by informing the Board Members that the Water and Sewer Department is making improvements, but there is a lot more to be done at a high cost. Among the improvements, he stated that there is more professionalism and accountability in the department. In addition, he addressed the following improvements:

- Backflow preventers;
- Geographic Information System (%GIS+);
- Table Top exercise; and
- Hatch, Mott McDonald's ten year plan.

Mr. Beckmeyer stated that the department has made improvements to the backflow preventers throughout the City of Newark in order to continue compliance with New Jersey Department of Environmental Protection regulations. He further indicated that, but for the will of the department and the Newark Watershed, the Table Top exercise would not have taken place. Mr. Beckmeyer also explained to the Board Members that in March of 2010, the City hired Hatch Mott McDonald to perform a ten year capital plan and ten year strategic plan for the City and the department. The plan was presented to the City administration and Municipal Council and addressed the following projects and needs:

- Administrative Consent Orders (%ACO+);
- Brick Sewer Relining Project; and
- Water Main Project, including fire protection.

Board Member Payne inquired whether the water main upgrades have occurred primarily in the South Ward and Mr. Beckmeyer responded that upgrades are being performed wherever there are 4-inch water mains. He further stated that he is aware of the current challenges in the South Ward to the temporary pavement issues surrounding the water main work. With respect to the Pequannock Water Treatment Plant, Mr. Beckmeyer indicated that many improvements have been made, primarily due to the integration of various employees and two departments to form one team.

Mr. Beckmeyer then addressed the recent Section 309 letter the department received from the Environmental Protection Agency (EPA). Elnardo J. Webster, II, General Counsel, had a brief discussion with the Board Members regarding the potential penalties and fines the City is facing from the EPA. Board Chair McKoy questioned where the Section 308 letter was delivered within the City departments. Mr. Webster indicated that Corporation Counsel received the letter. He further explained that an ad hoc group has recently formed to attempt to address EPA issues, including the narrow, or strict liability, approach being taken by the Department of Justice regarding enforcement and compliance. Mr. Webster explained that this is a regional issue and the State is beginning to get involved. Board Chair McKoy asked how this will affect the Newark Watershed. Mr. Beckmeyer responded that the Newark Watershed has very little exposure, but indicated that eventually it may become a monetary issue.

Thereafter, Mr. Beckmeyer addressed the Cedar Grove ACO, stating that all documents have been timely provided to the State. He explained, however, that there is still no agreement on a design resolution. Mr. Webster elaborated to the Board Members that Cedar Grove is a regionally issue, as the NJDEP is asking Newark to supply back up water to the entire region. However, he further indicated that the NJDEP is making this request without offering funding.

Mr. Beckmeyer continued his update with a discussion on the combined sewer overflow replacement project, as well as the fire hydrant replacement project. Board Member Payne asked whether, in light of winter, the department has included identification of hydrants in the bid specifications. Mr. Beckmeyer and Mr. Webster indicated that identification must be a coordinated effort with the City's fire department. Mr. Beckmeyer concluded by explaining the importance of keeping up with improvements to the water and sewer system, and the correlating need for rates to reflect the cost associated with same. A final discussion was held regarding the monetary issues the department currently faces, including debt service.

Camp Watershed

Ms. Brashear next introduced Valerie James, Director of Camp Watershed, to discuss Camp Watershed and the efforts being made by the Newark Watershed to improve the camp on limited funding. Mr. Brashear explained that, in this year's contract between the City and the Newark Watershed, the Municipal Council approved and awarded the additional responsibility of Camp Watershed. The camp had been under the auspice of the City for approximately 40 years, but due to budget constraints, the City could not take on the responsibility this year. Ms. Brashear stated that the Newark Watershed is working with Valerie James to amend the program to include, for example, healthy food. Ms. James has been the Director of Camp Watershed for 28 years and Ms. Brashear praised her for her ongoing efforts to improve the experience each summer for the children. Board Chair McKoy inquired into the amount of children that attend the camp each summer. Ms. James responded that there are approximately 1200 children that attend four 2-week sessions. Additionally, the camp offers ten trips in the fall, a ski trip in the winter and overnight camping. She explained that the children who attend are all City of Newark residents and attend at no cost. Board Chair McKoy asked

Ms. James to discuss staffing and she responded that all staff are interviewed for patience, work ethic and ability to work with children. Ms. Brashear added that some staff members come from the City's summer youth program. She also explained that Newark is the only City of its kind that has an accredited camp. Further, Ms. Brashear stated that the Newark Watershed has started upgrades and enhancements to the camp facilities, including new roofing and healthier meal plans. Moreover, Ms. Brashear indicated that Ms. James has seven consistent programs throughout the day, and is working on incorporating different programs, such as traveling scientists, yoga, anti-bullying programs and a program from the Audobon society.

Board Chair McKoy stated, on behalf of the Board of Trustees, that they are happy the Newark Watershed found a way to continue this program, while at the same time, keeping costs down. Board Member Payne expressed how pleased the City is with Ms. Brashear for taking over and facilitating a positive environment for children at a cost savings. Ms. James concluded by inviting the Board Members to come to camp and participate this summer.

Quarterly Report

Ms. Brashear introduced Walter Frye to present the quarterly financial report to the Board of Trustees. Mr. Frye explained that the operating budget for the year 2011 is \$5.7 million, of which \$2.7 million are allotted to pay municipal taxes. He indicated that although the contract and budget was passed late into the year, the Newark Watershed received its first quarter payment from the City of \$1.2 million. Mr. Frye stated that three hundred thousand of that payment was kept to be utilized toward payroll benefits and utilities. Board Chair McKoy stated that the Newark Watershed has no history of vendor issues in terms of making timely payments.

With respect to the audit for the year ending December 31, 2010, Mr. Frye stated that the Newark Watershed met with Lawrence Belcher on Tuesday. It is anticipated that the audit will be prepared no later than the following Monday.

Chemical Bids

Ms. Brashear explained that David Smith, the qualified purchasing agent for the Newark Watershed, received bid results for chemicals that resulted in one hundred thousand in savings, which shall be recouped this year. She stated that award of the chemical bid will be made at the following monthly meeting. Board chair McKoy inquired into the length of the contract and Mr. Webster responded that the law does not permit a contract term longer than one year.

New Business

Focusing Brochure and Golf Outing

Ms. Brashear informed the Board Members that she recently received the focusing brochure and included same in the packet for the Board to review. She stated that fish and water received praise in this month's brochure. In addition, Ms. Brashear informed the Board of Trustees that the Newark Watershed will host a golf outing this year at Forest Hills golf course. All proceeds will be used to fund Camp Watershed. Board Chair McKoy asked what the Newark Watershed's goal was in terms of funds and Ms. Brashear responded approximately eighty thousand dollars.

New Candidates

Board Chair McKoy addressed the need for new Boar Members and inquired into the status of that vetting process. Mr. Webster stated that a couple of candidates have been discussed within the administration and that the Board of Trustees will continue to be apprised of any progress.

NEXT MEETING:

Date / Time: May 16, 2011

MEETING ADJOURNED

Motion to adjourn the meeting.

Moved by W. Merritt Second by D. Payne

Vote:	<u>Yes</u>	<u>No/</u>	<u>Absent/ Not Present</u>
The Hon. Cory A. Booker, Mayor			X
The Hon. Donald M. Payne, Councilman at Large	X		
Oscar James, II			X
William T. Merritt	X		
Rodney Johnson	X		
Vaughn L. McKoy, Esq.	X		

Action taken Meeting adjourned

Adjourned at approximately 1:22 p.m.