

**Addendum Number 1 to
Request for Bids for
Sale of Wastewater System
Issued by the Township of Long Hill
on May 3, 2017**

**Addendum Number 1 Issued
May 30, 2017**

Township of Long Hill, New Jersey
Request for Bids – Sale of Wastewater System
Addendum Number 1

Section 1: The attached Appendix 1 contains written questions to the RFB and requests for data received by the Township to date and the Township's responses to such questions/requests.

NOTE: An email invitation to view the Dropbox folder has been sent to each company that is registered with the Township. If you have not received an email invitation by the end of the day on May 30, 2017 and would like to access the documents referenced in the questions below, please send an email to mfeliciano@hawkins.com.

APPENDIX 1

VENDOR QUESTIONS/DATA REQUESTS AND TOWNSHIP RESPONSES

- Question 1: Last five (5) years of NJDEP compliance inspection audits / reports.
- Response: The compliance audits/reports are in the “Long Hill Township Addendum No. 1” folder in the Dropbox account.
- Question 2: Excel version of R&V valuation reports.
- Response: An Excel version of the R&V valuation is in the “Long Hill Township Addendum No. 1” folder in the Dropbox account.
- Question 3: Customer count breakdown by revenue type.
- Response: Total number of Customers for billing year 2017 = 2,797
A- Rate Based (connected to American water) - 2696
B- Rate Based (well water with meter) - 5
C- Flat Rate — Residential - 87
D- Flat Rate — Commercial — 9
- Question 4: List of any current, ongoing capital projects or non-routine maintenance; and any that may be undertaken before close.
- Response: New pipework pump # 2 in plant wet well;
New flow meter & chart recorder at New Vernon Pump Station;
New flow meter for clarifier #1 at treatment plant;
New grating in wet well at Heritage Road Pump Station;
New grating in wet well at Skyline Road Pump Station;
Install coping on digester tank at treatment plant;
Install 2 new pumps at Chimney Rock Pump Station;
Replace sand in all sand filter chambers at treatment plant.
- Question 5: 2016 Township Audit
- Response: The 2016 Audit is in progress and has not been completed yet. The Township will forward a copy of the 2016 audit to registered bidders once it is available.
- Question 6: Specify which vehicles the bidder will acquire; specifically, whether the two (2) shared vehicles (camera truck & jetter) are intended to come with the system.
- Response: The two shared vehicles are excluded from the sale.
- Question 7: Will the bid prices be read aloud on June 14 or will it simply be a submission of the bids to the Township Clerk?
- Response: The bid results will be read aloud at the Bid Opening on June 14, 2017.
- Question 8: The Bid documents specify that the 2017 rate increase of an estimated \$150K includes \$130K of one-time legal fees. Provide clarity on these legal fees and information on what rates will be effective for CY 2018 (i.e. which rates the winning bidder will adopt @ close). If the rates will be reduced for 2018, specifically comment on whether or not the \$20K delta be worked into the 2016 rate or if the bidders should assume the 2016 rates for 2018 and beyond.
- Response: The one-time legal fees are in connection with a dispute with a contractor. Bidders should assume that the rates to be adopted at Closing will be the 2016 rates plus \$20,000.

Question 9: Provide additional detail on the Township's COAH obligation and how the Township intends for the winning bidder to "reserve and set-aside" sewer capacity for this.

Response: The Township's negotiations with Fair Share Housing Center are ongoing, but it is anticipated that any settlement of the Township's Mt. Laurel obligation will involve rezoning to permit construction of approximately 485 new residential units (including affordable units). The distribution of bedrooms, has not been determined, but using 225 gallons per day, which is the NJDEP number for 2 bedroom units, the Township will have to reserve approximately 110,000 gallons flow per day in order to meet its COAH obligation. It could end up being a little higher.

Question 10: Does the Township have a process for billing customers with no, or limited winter usage b/c of a home vacancy (i.e. spend winter in warmer climates) or do the standard Fixed Charge and volumetric rates apply?

Response: All customer accounts are billed a \$75.00 flat fee in addition to their usage based fee or flat rate.

Example 1) a Usage Based customer has no usage in any of the winter months, but still gets a \$75.00 +\$0.00 bill for the account.

Example 2) a Residential Flat Rate customer with no water usage, but will get a bill for \$75.00 + \$440.00 = \$515.00 bill for the account.

Question 11: Identify any work listed in the R&V report that has already been completed.

Response: No work has been completed or started from the R&V report.

Question 12: Spreadsheet of emergency generator inventory with statistics.

Response: The requested spreadsheet is in the "Long Hill Township Addendum No. 1" folder in the Dropbox account.

Question 13: Copies of any NJDEP air permits for the emergency generators or other operations.

Response: Copies of the air permits are in the "Long Hill Township Addendum No. 1" folder in the Dropbox account.

Question 14: Last five (5) years of NJDEP Discharge Monitoring Reports; including SQAR (sludge volume) reporting

Response: DMRs are in the "Long Hill Township Addendum No. 1" folder in the Dropbox account.

Question 15: Provide clarity on the requirement in Section 3.8 for "increasing the existing permitted capacity of the WWTP up to design capacity to accommodate future growth." It is our understanding that the WWTP is meeting its design capacity of 0.900 MGD, producing wastewater effluent that meets the water quality standards of the Township's NJDPES permit.

Response: To be provided in Addendum No. 2, which is anticipated to be issued on June 5, 2017.

Question 16: Provide information on the previously proposed / considered Surge / EQ Tank at the WWTP. Specifically, was a Flood Hazard Area permit, or any other permit ever submitted for or permitted?

Response: There was no permit submitted for the equalization tank.

Question 17: Provide any information available on the floodplain elevations and wetlands in the vicinity of the WWTP. Flood plain maps, if available.

Response: Public Works does not have any maps on flood plain elevations of the treatment plant. If Engineering has any maps, they will be provided in Addendum No. 2.

Question 18: Has the Township seen the anticipated sludge generation volumes decrease as estimates in the CAP, 11.0 Conclusions and Recommendations?

Response: Sludge volume has decreased by 10 to 20%.

Question 19: Was the dye testing (planned) on the bottom of page 7 of the CAP started/completed, and if so what was determined?

Response: Dye testing was not planned.

Question 20: Provide the most recent NJDEP Lab Inspection Report.

Response: The report is in the "Long Hill Township Addendum No. 1" folder in the Dropbox account.

Question 21: Copies of all fire permits for all facilities.

Response: The fire permits are in the "Long Hill Township Addendum No. 1" folder in the Dropbox account.

Question 22: Copy of NJDEP Sludge permit.

Response: The sludge permit is in the "Long Hill Township Addendum No. 1" folder in the Dropbox account.

Question 23: Please provide the basis for Remington & Vernick's estimate of 12,000 LF of gravity main and \$3.5 to 4.0M of costs to provide sewer to the non-sewered portions of the Township (addressed in Section 6.0 of the System Evaluation). What level of detail regarding elevations and points of interconnections with the existing system (and subsequently, the sub-catchment area's ability to handle the additional flow) were provided?

Response: With respect to the extension of the sanitary system to unserved areas, R&V looked at the estimated quantity of pipe to service the areas. They were not provided with survey information or information is not available to determine the viability of the sanitary system construction to those areas. R&V cannot comment if the areas can be serviced by gravity flow or if additional lift station(s) will be necessary. Their estimate was based upon a per linear foot cost to install gravity main.

Question 24: Please provide additional information on what seems to be sanitary sewer pipe not currently connected to the greater Township collection system in Fenview Road & Deer Path. Additionally, if available, please provide as-builts or drawings of these pipes.

Response: There is a sewer main line in the ground on Fenview Road and Deer Path when the development was built. There are no laterals connected to this main line. The main line from this development stops at the intersection of Meyersville Road.

Question 25: Is the shared service agreement with Berkeley Heights for jet cleaning excluded from the sale?

Response: Yes.

Question 26: Will easement/title issues be resolved before the contract is executed?

Response: The resolution of all title issues will be a condition of the sale and will not be the Buyer's responsibility.

Question 27: Budget Accounts Status / Transaction Audit Trail for 2014 to date.

Response: To be provided in Addendum No. 2, which is anticipated to be issued on June 5, 2017.

Question 28: Clarify the NJPDES permit limits on Zinc, Copper & Cyanide, frequency of monitoring and reporting and whether any of the limits for these constituents were ever "stayed" or amended by the DEP.

Response: Testing of zinc, copper, nickel and cyanide are quarterly. Amendment for these limits will be on the next permit. Limits are:

- Cyanide-sample measurement in RQL-loading max-136 concentration-avg-40 max-40 units-UG/L.
- Nickel-sample measurement in RQL-concentration-avg-10 max-10 units-UG/L.
- Zinc-sample measurement in RQL-concentration-avg-30 max-30 units-UG/L.
- Copper-sample measurement in RQL concentration-avg-10 max-10 units-UG/L.