

**GREEN BROOK FLOOD CONTROL COMMISSION
MEETING MINUTES**

LOCATION: Watchung

DATE: October 4, 2017

MEETING CONVENED: 7:30PM

NOTE: Adequate notice of this meeting was provided informing the public of the time and place according to the provisions of the Open Public Meetings Law (Chapter 231, P.L. 1975).

IN ATTENDANCE:

Richard O'Connor - Engineer, GBFCC
Bill Crosby . North Plainfield
Raymond S. Murray . GBFCC Chairman
Frank McArdle . North Plainfield
Alice Tempel . South Plainfield
John J. Sweeney . Middlesex Boro
Paul Woska . Middlesex

Ken Herrmann . Green Brook
Rob Zucker . Winning Strategies
Paul Leso . Union County
George Ververides-Middlesex Cty Planning
Robert Greco - USACE

MINUTES

The minutes from the June 7, 2017 meeting were approved. A copy of the approved minutes is available on the GBFCC website.

CORRESPONDENCE

Nothing of substance. The GBFCC maintains a correspondence file that is available for inspection as may be necessary and upon request.

TREASURER'S REPORT

Mr. Crosby reported the bills were reviewed and found to be in order. Bills were paid to Grotto Engineering, Winning Strategies, and Tina Totten, our Corresponding Secretary. Budget for next year is available for review. Basically, it is the same as last year with only a difference of about \$750, so it's essentially flat again this year. Motion was made for bills to be paid. Motion carried. Treasurer's report and budget is available on-line and available for inspection upon request.

Mr. Murray clarifies that the budget was introduced tonight and will be adopted at the December meeting. The December meeting was originally planned to be at Plainfield Library, but the library will not be available. The December meeting will be held at the North Plainfield Community Center.

Nominating Committee will consist of Mr. Sweeney, Mr. Crosby and Mr. Ververides. They will report back to us at December meeting.

ARMY CORPS OF ENGINEERS

Robert Greco, Project Manager, reported the following:

Met with North Atlantic Division (NAD) on Sept. 25 regarding cost change which is about to occur on this project. Currently set at approximately \$656 million, going up to \$1.1 billion, accounting for inflation. If we built project today it would cost \$821.7 million in today's dollars,

factoring for inflation. At approximately \$20 million per fiscal year would take us out to the year 2047 for the complete project, including the Upper Basin. Cost approximately \$1.1 billion. NAD had some comments, and we are addressing currently. Next step is to meet with headquarters USACE, the Cost Change Control Board, which is a group of people that review existing construction projects that have escalated in price for whatever reason. Next meeting with the Cost Change Control Board will be sometime in January 2018. They meet every four months. HQ is not completely aware of the cost change yet. Early November they will get the documentation.

Updated the economics on the project. I have provided the results. The 1997 GRR was \$656 million and a B/C ratio of 1.3. If we use the current discount rate of 2 7/8 %, the project comes in at B/C ratio of 1.2. Also look at the remaining benefits vs remaining costs. Bulk of benefits are in the Borough of Bound Brook. Because we completed the Borough of Bound Brook, now the remaining benefits/remaining costs ratio (RBRCR) is approximately 0.4.

Justification of Estimates sheets. The Army Corps of Engineers uses the Office of Management & Budget (OMB) discount rate which is 7%. That is used to evaluate projects throughout the country. At that 7%, the Green Brook Project B/C ratio is 0.8. Other factors taken into consideration as well. Results will be provided to NAD in the near future.

Bound Brook – Nothing to discuss.

Middlesex --

Segment B2 – Carbro Construction making good progress; placing production pile installation. Meeting at 25 Starlet Drive with resident to discuss shed relocation. Working closely with the residents in area.

Public meeting held on Wed., Sept 20th at 7:00 pm at Middlesex Borough Council Chambers with the residents of Starlet Drive and anyone else that wanted to attend from neighborhood. We brought everyone up to date on project status.

Envision these upcoming award dates for each of the construction increments in Middlesex:

C1-Contract 3 . Pipe crossings / culverts . FY18

C1-Contract 1 . Pump station and part of levee . FY18

C1-Contract 2 floodwall - FY18

C2 & H . Huge Area. Construction contract will not be awarded in FY18. Sometime in first quarter of FY19, probably November or December of 2018.

We have issued a design contract for C1-Contract 1, the pump station and levee. C1-Contract 2, the floodwall, will be an in-house design. Contract to Jacobs Engineering. Recently a design contract for C3 & C4 which are showing as two construction contracts; will probably combine into one. Those are for FY19. Moving forward to issue a separate design contract for the levee that is around the High School.

In FY19, plan to issue a survey and boring contract for the whole area along the Green Brook between Middlesex Borough and Green Brook Township. In order to get equipment on people's properties we need signed Rights of Entry (ROE). Although I don't have a count for number of ROE which we need, those are still a hurdle. Hopefully will have better results than what we had between the High School and Railroad.

Between the High School and railroad we had 200 ROE, which we issued starting in November 2015. Only received the last signed ROE summer of 2017. Hopefully we will have better

cooperation from property owners along C & D. Without those ROE, everything is impacted, and we cannot move forward on design.

Colonel Asbery bought this up. Once I get all the design schedules for C2 & H, we are going to identify when the real estate plan sheets will be prepared which will show the alignment of the levee and floodwall and what property needs to be acquired.

Once we have that, what I'd like to do, and I need to discuss this with Middlesex Borough, is hold a public meeting and also issue a press release on Middlesex Borough website, the Army Corps website and the GBFCC website to inform people we will be meeting one-on-one with people to discuss the appraisals. In order to achieve a schedule and keep progress going we need cooperation from residents.

Mr. Crosby: Excellent suggestion. Wish we had thought of it earlier. The initial letter that comes from Baltimore Real Estate about Rights of Entry has not been very well received. The initial letter is not tactfully worded, and it gets people worried.

Mr. Murray: What I would suggest, is that we work on the wording but also have the letter come in a Borough/Township envelope instead of coming the Corps.

Mr. Greco: Great idea. We really need to try a different approach because it has been very difficult getting these Rights of Entry.

Comment: I think it scares a lot of people because they just don't understand.

Mr. Greco: Need a different approach so we can come together to avoid more delays.

Segment B3 – CMS Construction is working behind the library and Middlesex Borough Municipal facility. They put the pump station foundation in. Making progress. Initiating placement of the floodwall. To start the levee with next two weeks.

Segment B4 – Floodwall alignment on the left bank of Bound Brook. Have a floodwall that is about 1400 linear feet. Very tight to some structures. May need to take out some two-car detached garages unfortunately. Have asked the real estate folks to initiate the acquisition of properties. About four complete structures that we need; would like to start purchasing.

Recently provided funding to Baltimore real estate district to start property acquisition. Some residents have been contacted. Coordinating with the diner owner on Route 28. That is the area where we want to start. As soon as we get all the schedules, for C2 & H & C1, our real estate folks will be in a position to schedule the appraisal work.

In order for a construction contract to be awarded, we need to have the real estate certification in hand. The people don't necessarily have to be paid at that point, but they have to agree to the price and sign a certification letter. Once the real estate is certified, I can open bids.

Also going to have a meeting by the end of the year with NJ DEP Land Use Regulatory Program. Coordinating with them on the construction sequencing. Want to build in such a way as to not induce flooding on any structure. Currently working on segment B4. About to acquire some property along the B4 alignment.

Segment C1 – E4 Sciences is complete with borings. On or about October 19 will be providing the draft geotechnical reports to the various designers which they need in order to move forward with design and specifications.

Non-Structural Flood Proofing: Having a conference call with E4 Sciences tomorrow to strategize. Right now, the schedule is to issue a non-structural design report by end of October for Piscataway structures. We need to bring those structures up to 100% plans and specs; as well as the ones in Green Brook.

Award for non-structural contracts in Piscataway for FY18 depending on schedule from E4 Sciences. Then it is also dependent on the individual homeowners because if they don't cooperate we won't be able to move forward. Some people just don't want their house elevated.

Upper Basin: Had a conference call today with North Atlantic Division on the Upper Basin. They had comments on the validation study and the Upper Basin GRR. You have the two Project Management Plans (PMP) and the costs, which identifies the schedule and costs. They want us to put together a strategy paper for headquarters USACE. It will act as a summary document highlighting milestone dates. Alec Peterson is working on it.

Meeting with the Cost Change Control Board in January 2018. One of the questions will most likely be "How can you reduce the costs of this project?" Within the Upper Basin GRR, we will be looking at revising the design based on the cooperation level of residents. Will look at the hydrologic and hydraulic effects downstream. Depending on what we build upstream, it will affect the flow rates downstream. Potential modifications to the project in this area, and may be able to reduce costs.

Mr. Murray: In the scheme of things, for a point of reference, the 2047 price tag of \$1.1 billion is only about \$45 million over the original. Realistically, we wouldn't run out of money until 2044.

Mr. Greco: That is correct, but the guidance we have is that once we identify that we are going to exceed the cap, we must notify HQ USACE and sit before the Change Control Board, identify possible cost reductions, etc.

Mr. Zucker: We have been asking for money. If we secured more money sooner, would we potentially avoid the cap issues? Can we rationalize some acceleration to avoid going through all these processes?

Mr. Crosby: One thing you could avoid is the 7% escalator which the OMB uses. That is a significant number.

Mr. Greco: We did some exercises to see if we can avoid busting the cap. I don't think we can because even if we get over \$120 million every fiscal year, we would still bust the cap.

Mr. Murray: We would still bust the cap, but the overall number would be better. We would bust the cap by less. However, even with more money, we wouldn't be able to get all the real estate in place unless another district was working along with Baltimore. Not realistic.

Mr. Crosby: Notwithstanding the State share and the three counties government share.

Mr. Greco: Absolutely correct. Can't recall exactly, but they can match in the area of \$40-\$50 million. Their 25% cost share would be about \$10 million. If we go above \$40 million then they have to reach out. We have a \$55 million contract. As soon as we identify the rest of the actual contracts for C2 & H, roughly about \$55 million, we are going to have to bring it up to John Moyle.

Mr. Murray: Perhaps with that contract you could do something where it's an award with options and when the additional funding becomes available you award that. ie. award the two pump stations and the levees are an option.

Mr. Greco: Yes. We can do that.

By the way, just want to let everyone know that NAD, HQ USACE, and Office of the Assistant Secretary of the Army for Civil Works (ASA-CW) is actually tracking the progress of this project. I have advised them that the biggest issues we have had is getting Rights of Entry and the real estate appraisal process. They are aware that we were stalled for two years for Segment B2.

Mr. Crosby: You mentioned earlier, the transit piping. What method did you decide to go with . boring method or cut & cover method? I can't imagine they would look favorably on a cut & cover method.

Mr. Greco: As part of their schedule, they are going to come up with a couple methods. Spoke with a gentleman from NJ Transit some four or five months ago. Told him we are proposing pipe jacking but the architect engineer, when he looked at the embankment, didn't think the four 10-foot diameter pipe would fit and we might have to go open cut. Open cut would be the least favorable alternative, but if that is the only alternative for you to proceed forward, then we would let you work on weekends and you would have to provide buses, as part of the cost of project, to transport people from one station to the other (Dunellen to Bound Brook). NJ Transit has been cooperative as compared to Conrail. My goal is to issue large construction contracts. That's why I'm pushing for the rights of entry, the borings and the design work.

Mr. Crosby: Rob, you are an optimist. With all due respect, the track record on acquiring the rights of entry and real estate has not been good over the past several years.

Mr. Murray: With that in mind, after the last meeting, the new real estate specialist, Stan, came to Central Jersey. He went out and knocked on doors. He got some of the documents he needed, and others summarily told him to get off my property, but he made the effort. It helps to identify where some problems are going to be.

Discussion continued about the process, the struggles with rights of entries and what happens when we don't get the right of entry and we must move towards condemnation. It was noted that the last time we had to move towards condemnation, it was a two-year delay. All agree that the earlier any potential problems are identified, the better the chance at remedying it.

Mr. Murray: Asks if there happens to be a resident that owns a 200-foot-wide piece of property, and he doesn't give Right of Entry, can we move the boring location a couple hundred feet to a neighboring property?

Mr. Greco: Yes, we have done that. We can adjust accordingly. Just really want to try to get ahead of the real estate issue to avoid delays.

Mr. Murray: Two things you didn't talk about. First, on Sept 21st, we hosted North Jersey mayors from along the Peckman River, which is a tributary to the Passaic River. They did a tour of facilities and we sat with them in the Corps offices in Middlesex. Gave them some insight into what they are getting into. Second, on Sept. 8th we had Colonel Asbery, our new colonel, and tour the project from start to finish, including all segments. Saw completed construction in Bound Brook, saw construction in progress in Middlesex Borough and all the way up to the Sky Top retention basin in Berkley Heights. It was an all-day tour. Can you talk more about those visits?

Mr. Greco: We had the Mayors from Little Falls and Woodland Park. Have a feasibility study scheduled for the Peckman River which is off Route 46. There's a Kohls, a diner, a Chrysler dealership, a Barnes & Noble. It's a few miles before the Willowbrook Mall to the east; near Montclair State. The Peckman River is a very flashy river, floods extremely fast. People have been in Kohls shopping and have had their cars flooded. We are proposing, mostly floodwalls, a few of the properties are similar to Segment B4 with homes right by the river. Suggested they come look at Green Brook, which is being used as a model project, because it has features which are similar. The levees and floodwalls are their locally preferred plan. The NED plan has proposed raising structures. They said they didn't want a non-structural plan; they want levee and floodwalls. You are going to get into a series of issues because your houses are so tight to the river. They were very impressed with our project. Very helpful to see it.

On Sept 8th, took Colonel Asbery on a tour of the project. He is a landscape architect, so he was quite impressed with all the renovations.

Overall, the project is getting good positive feedback from folks.

Mr. Murray: With respect to the Colonel, one of the things that came out of the initial meeting, in an effort to push along real estate issues, when we have a big milestone coming out, we should consider a press release or some sort of media blitz. In his experience, when you are working on military facilities, you are not dealing with locals so aren't dealing with rights of entry and real estate issues. This was all new to him. The suggestion came out of it, let's advertise our milestones so that when they get that letter, it isn't just tossed aside. We should announce that we will need to get into your backyard or your neighbor's backyard in order to get these projects done. Also, emphasis that the FEMA insurance rates went down after some of these projects get completed. That should to convince people.

QUESTIONS / COMMENTS FROM THE COUNTIES

Union County

None.

Somerset County

None.

Middlesex County

George Ververides reported that they are very pleased with relationship with Somerset County in maintaining the levee and pump station. Working out very well.

GBFCC ENGINEER

None.

WINNING STRATEGIES

Rob Zucker reported the following:

Looking at this as the appropriations process is underway. House of Representatives passed their 12 appropriations bills in an effort to get all their work done for FY19. Not to suggest that the Senate is on the same pace, or that the two are lined up. The way that two are lined up is the House Energy & Water Appropriations Bill and the Senate Bill that has been developed in committee, have the same \$20 million mark for our project. Previous history would suggest, that we could expect to wind up with that \$20 million; but we still have to see it through and continue our advocacy. It is a reasonable scenario to expect. I am optimistic.

There are things that still need to be resolved as big picture items for Congress. Don't know if it will be resolved by December or roll into January, but again, good reason to think the number will remain at \$20 million.

With the site visit by Colonel Asbery, there is discussion noting the flooding and the emergency supplemental appropriation packages that the Corps is receiving money for in Houston, TX, Florida, US Virgin Islands and Puerto Rico. They have already passed one package, and just this evening another \$29 billion package seems to be on its way. I'm not suggesting to anyone in this room, let alone the GBFCC, that there will be other money in there for other projects except in those flood effected states nevertheless, Ray & I have talked about doing another visit to Washington to be proactive. Just to sound folks out in case some of the decision makers we are hearing from might find otherwise that in the hopes that more dollars are appropriated than can be immediately accessed, in case that allows us to gain a potential chance of accelerating any aspects of this projects.

Although the cap was talked about by the Corps, I would echo that I received outreach from Congressman Frelinghuysen's office, that was prompted by someone from the district that speaks regularly with that office, noting the cap issue and noting that come next year if Congress keeps to the pattern which they over the past four years, it will be the next Water Resources Development Act authorization legislation. It will likely be in that legislation, once we have that number in hand, required to either reauthorize or get a higher number in that legislation. Even as over the last several years we have typically only advocated and dealt with the annual appropriations process, we probably have to get involved with the reauthorization process as well.

Mr. Murray: The conversation that Rob & I had was basically, if there becomes an opportunity, it certainly would be money well spent to prevent the disaster, rather than recovery first and then try to make those repairs so it doesn't happen again. To the extent that there may be funding available, through any of these later bills for resiliency, we would like to chime in that we are getting big picture . big segment projects lined up and if money become available we would gratefully stand in line and benefit from those appropriations. In the same way the Segment B1 was shovel-ready for stimulus money, we would be well prepared for any additional money that the Corps could shake our way towards moving this forward before 2047.

Mr. Greco: By issuing the design contracts now, that would put us in the next year or two, in a situation where we could ask for more, provided we have the real estate.

Mr. Crosby: We talked about that before, in anticipation that there is going to be some major commitment on infrastructure financing. The kind of money that is being spent in Louisiana, Florida, Texas, Virgin Islands, Puerto Rico, I don't know where they are going to find the available cash to do the big scale infrastructure.

Mr. Zucker: I would just say that we have tracked that too. Our project does not fit into the principle. We are now eight months into this Administration, and that we don't have more than principles, is disappointing for anyone that has been waiting for what would be the product of that. I would tell you that, although \$1 trillion has been kicked around, the reality of that is more like \$200 billion that unlocks or leverages \$1 billion in economic activity. In this particular case, I just don't know that a project like ours is what they are talking about because they discuss where public-private partnerships and looking at revenue streams that could somehow pay back over time an early upfront investment. We don't have that same economic structure in this particular project. Good for us to explore all of these things but also be sober-minded about where they may lead. Let's ask & find out.

Mr. Crosby: It would be nice to get a piece or it; even if it is a small piece. If he is prepared to spend the kind of money that he thinks he can spend, then we should be prepared to do it.

Mr. Zucker: Absolutely.

Mr. Murray: Noting that the 2047 number is based on \$20 million a year, but if you kick it up to \$30 - \$40 million a year, we may still be over budget, but we will be protecting people that much sooner.

Mr. Zucker: Worth noting, although not the essential thing, this latest package which was just released today, gives \$15 billion to the flood insurance program so it has the ability to continue to pay claims. That would be important for any local constituents here if we were to experience events.

A motion was made and approved to adjourn.

MEETING ADJOURNED: 8:25 PM

Upcoming 2017 GBFCC meeting dates:

December 6 – North Plainfield Community Center