



Berkeley Township MUNICIPAL UTILITIES AUTHORITY

42 Station Road
Bayville, NJ 08721
(732) 237-0100
Fax (732) 237-0638

A Caucus Meeting of the Berkeley Township Municipal Utilities Authority was held on **Thursday, December 8, 2011** at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721. Presided by Vice Chairman Olsen-present, Mr. Sudia-absent, Mr. Thiemer-present, Mr. Pizzi-present, Mr. Mullikin-absent.

Also present: Ms. Conoshenti-Attorney, Mr. McClelland-Engineer, Mr. Chiaravallo-Engineer, Mr. Fallon-Accountant, Mr. Blair-Chief of Operations, and Mrs. Nugent-Executive Director.

Motion to approve the minutes from the Caucus Meeting of November 10, 2011: Mr. Pizzi, second, Mr. Thiemer. The motion was approved by voice vote. There were no "nay" votes. Mr. Olsen abstained. Motion Carried.

Note for the record: The 11/17/11 meeting was cancelled due to lack of quorum.

Treasurer's Report:

Mr. Pizzi stated that he and Mr. Thiemer reviewed the payroll and operating expenses for (11/12/11-12/09/11) two weeks. The payroll expenses were in the amount of \$29,621.42. The operating expenses were in the amount of \$51,723.62.

Motion to approve the Treasurer's Report: Mr. Thiemer, second, Mr. Olsen. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Executive Director's Report:

Adoption of 2012 BTMUA Budget:

Mrs. Nugent requested of the Board the adoption of the 2012 Berkeley Township MUA's Budget. In October the budget was approved by the Board and was then sent to the state for their review and approval. Mrs. Nugent stated the Authority was notified today (12/08/11) that the state approved the budget.

Motion to Adopt the 2012 BTMUA Budget: Mr. Pizzi, second, Mr. Thiemer. All in favor. Roll Call. Mr. Thiemer-yes, Mr. Pizzi-yes, Mr. Olsen-yes. Motion Carried.

Central Regional School District:

Mrs. Nugent stated CRSD has received quotes for the installation of the meter and the backflow preventer for the high school and the two auxiliary buildings near it. The lowest quote received was for \$30,000.00 from Ocean Pipe Works (OPW). OPW also installed the meters for the middle school, concession stand, and the mechanics' building. The combined total price exceeds the bid threshold. Mrs. Nugent stated that CRSD is compelled to prepare a bid package for the high school installation. The bid will be advertised on December 22, 2011 and the award date is anticipated for January 20, 2012. Mrs. Nugent stated that this will delay the installation.

Heating Unit:

Mrs. Nugent stated that the Authority's heating for the building is now operational.

Wire Transaction:

Mrs. Nugent stated the financial committee authorized a \$95,000.00 wire transfer out of the Authority's Ocean First Revenue Account to TD Bank. Mrs. Nugent stated these funds will go towards the Authority's May debt service payment.

Rules & Regulations Review:

Mrs. Nugent stated that CME will present a draft to the commissioners at tonight's meeting (12/08/11).

Employee Manual/Risk Management:

Mrs. Nugent stated that there will be a review of the Employee Manual. The review is a requirement from the MEL/JIF. Mrs. Nugent stated that they send out recommendations annually and that she will meet with Ms. Conoshenti to review the recommendations and set them into the Employee Manual.

2012 BTMUA Budget:

Mrs. Nugent referred to her progress report and noted that the pending status of the state approval for the 2012 budget has been approved by the state just prior to tonight's meeting.

Mr. Olsen questioned if both schools for CRSD have been connected. Mrs. Nugent stated that the middle school, the concession stand, and the mechanics' building are fully metered and operational, and that the backflow preventers are fully installed. The high school side is not metered and the Authority will bill CRSD on usage based on estimates. Mrs. Nugent stated CRSD had presented to the Authority what they have historically metered and the Authority will bill accordingly.

Ms. Conoshenti stated the usage number that CRSD gave the Authority for their historic usage was probably estimated high rather than low. Mr. Chiaravallo agreed.

Mrs. Nugent stated that the Authority's concern is that the high school does not have a backflow preventer. Mrs. Nugent stated that the only other option is to shut off the water to the high school, but that in reality, this is not an option.

Ms. Conoshenti concurred with Mrs. Nugent and stated that it is the backflow preventor that is the main issue for the Authority.

Mr. Olsen agreed and questioned what recourse the Authority has. Mr. Olsen stated the concern is that the high school does not have a meter or backflow preventor and that there is the possibility of water contamination to the Authority's water system.

Ms. Conoshenti questioned if a backflow preventer could be put in someplace else temporarily. Mr. Chiaravallo stated that there is probably not enough room inside the building for the backflow preventer without having to do a lot of piping modifications. Mr. Chiaravallo stated that if CRSD had been able to do that they more than likely would have installed it there in the first place.

Mr. Chiaravallo stated that obviously the backflow preventer is very important to prevent any contamination coming back from the high school. Mr. Chiaravallo stated that the chances of anything coming back from the high school are very small. There could be a scenario in which a huge break in the system could create a siphon that might possibly throw something back in which is connected to a faucet inside the high school. The chance of this happening is nil.

Mr. Olsen agreed the chances of this happening are very small, but that the state recognizes it as a problem and therefore requires them to install a backflow preventer.

Ms. Conoshenti stated the award date for the bid is January 20, 2012 which fortunately will be soon. Ms. Conoshenti added that there really is no other alternative, unless a less expensive way could be found to install a backflow preventer to enable a temporary fix to the problem.

Mr. Olsen questioned why CRSD did not include the meter installation and backflow preventer in the original plan. Mrs. Nugent replied that CRSD did not realize the problem until they were literally putting the main in the ground. The CRSD plan was a work in progress as the installation of the main was going on. She confirmed that the meter and backflow preventer were not included in the plans.

Ms. Conoshenti stated that part of the problem is the way CRSD separated it out and had OPW do the other work on a quote in order to save the costs of getting the bid package. In this scenario, it looks like it was separated out only to avoid the bid package.

Mrs. Nugent stated CRSD separated it out because they knew the high school was going to be an issue and they wanted to get the other buildings connected as soon as they could. Mrs. Nugent added that this was CRSD's way of progressing the project.

Engineer's Report:

Central Regional School District:

Mr. Chiaravallo reiterated that the new meter and the backflow preventer at the high school have not yet been installed and that the bid will go back out in December.

Additional Allocation:

Mr. Chiaravallo stated that CME has contacted the DEP to schedule a date for the pre-application meeting to discuss additional allocation for the possibility for a new well. Mr. Chiaravallo stated it will be discussed what additional information that the DEP requires and what options that the Authority may have for a new well.

Rules & Regulations:

Mr. Chiaravallo distributed copies of the revised Rules & Regulations for the Board's review and comments. Mr. Chiaravallo stated that anything CME is proposing to delete has been turned to red and crossed out and that anything that is being proposed to be added is in red text. Mr. Chiaravallo stated nothing has been deleted from the text yet, so you can see what the existing Rules & Regulations say and what is proposed to be modified. All of the exhibits are attached to the back.

Mr. Pizzi stated that there was a discussion at a prior meeting regarding if the Authority would be defined as a company that is a potable water distributor and not a fire prevention company. Mr. Pizzi questioned if this issue will be addressed in the Rules and Regulations.

Mr. Chiaravallo replied that there is a statement in the Rules and Regulations regarding the ISO and the NFPA (National Fire Protection Agency) recommending that a 3,500 gallon per minute should be the maximum fire flow that should be expected for the Authority to provide.

Ms. Conoshenti stated that the statute implies that the Authority is to provide water. It does not specifically state potable water or fire flow. Therefore, with the inclusion of the ISO recommendation the Rules & Regulations now state the BTMUA capacity to provide fire flow.

Mr. Pizzi stated that he is fine with the wording. I just want to make sure the Rules and Regulations stated the minimum/maximum amounts for fire flow available.

Mr. Chiaravallo stated that the NFPA recommends that the 3,500 gallons per minute is the highest that should be expected.

Mr. Olsen questioned if the Authority could provide the 3,500 gallons per minute fire coverage. Mr. Chiaravallo replied yes, based on the calculations that CME has done the Authority is able to provide fire flow protection for the high school. Mr. Chiaravallo added that this all depends on the location of the fire and the conditions that goes with it, but that it is a substantial flow the Authority can provide.

Mrs. Nugent asked the Board if they could notify her by the next meeting (12/22/11) if they have any additional comments or suggestions regarding the Rules & Regulations so that the revisions can be finalized at one of the January 2012 meetings.

Accountant's Report:

Mr. Fallon stated in his report:

Cash Position Report for October 2011:

Total All Cash Fund Balance:	\$4,177,242.79
Total Restricted Balances:	\$2,405,068.89
Total Fund Available for Disbursement:	\$1,772,173.90

Cash Position Report for November 2011:

Total All Cash Fund Balance:	\$3,808,744.09
Total Restricted Balances:	\$2,351,949.46
Total Fund Available for Disbursement:	\$1,456,794.63

Mrs. Nugent had the Board note in the November 2011 report that the TD Bank revenue account is at a zero balance. Mrs. Nugent stated that at the next meeting (12/22/11) she will request of the Board to formally close that account. A resolution will be sent to TD Bank notifying them that the Authority is finished with this account and it is no longer needed anymore.

Attorney's Report:

Crystal Lake Rehabilitation Center:

Ms. Conoshenti stated she has contacted CLRC's attorney and he indicated CLRC is prepared to immediately execute the payment plan arrangement which is one of the items that the Authority has been requesting for them to do. Ms. Conoshenti stated that last week (week of 11/28/11) she had sent CLRC's attorney an additional copy of the agreement so that he had a "clean" copy of the agreement and is waiting for the signed agreement from CLRC's corporate entity. Ms. Conoshenti stated that CLRC has paid all

of their payments, but has not yet signed their agreement or have submitted any additional plans.

Committee Reports:

New Business:

Mr. Olsen questioned if there was a leak at the CRSD complex. Mrs. Nugent confirmed that a leak had occurred at the Central Regional Middle School in one of the bathrooms on the second floor. Mrs. Nugent stated that she was notified there was a problem with one of the flushing mechanisms and that the leak was estimated at 5,000 gallons. Mrs. Nugent stated the concern was that the leak was at the meter, but that it had been confirmed that the leak was from an upstairs bathroom.

Old Business:

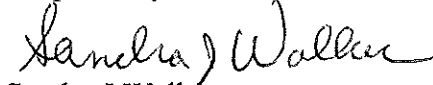
No Report.

Motion to open the public portion: Mr. Pizzi, second, Mr. Thiemer. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to close the public portion: Mr. Thiemer, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to adjourn: Mr. Pizzi, second, Mr. Thiemer. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Respectfully Submitted,



Sandra J Walker

The next meeting of the Berkeley Township Municipal Utilities Authority will be held on Thursday, December 22, 2011 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.