



## Berkeley Township MUNICIPAL UTILITIES AUTHORITY

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A Caucus Meeting of the Berkeley Township Municipal Utilities Authority was held on **Thursday, January 12, 2012** at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721. Presided by Chairman Sudia-present, Mr. Olsen-absent, Mr. Thiemer-present, Mr. Pizzi-present, Mr. Mullikin-present.

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

Motion to approve the minutes from the Regular Meeting of December 22, 2011: Mr. Pizzi, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the minutes from the Executive Session of December 22, 2012: Mr. Thiemer, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

### **Treasurer's Report:**

Mr. Pizzi stated that he and Mr. Thiemer reviewed the payroll and operating expenses for (12/24/11-01/13/12) two weeks. The payroll expenses were in the amount of \$30,715.58. The operating expenses were in the amount of \$20,718.14.

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

### **Executive Director's Report:**

#### **Phase IV:**

Mrs. Nugent stated that Central Regional School District has been on public water since September 2011, but the high school and the two auxiliary buildings still have not installed the meter and backflow preventers to date. CRSD has a bid out that is due back on January 20, 2012. Once CRSD opens the bid they will be awarding the date shortly after that.

#### **Rules & Regulations Review:**

Mrs. Nugent stated that the staff and the professionals were pleased to present to the Board the final revision of the Rules & Regulations. The Board members each received a draft copy of this at the last meeting (12/22/11). Some minor revisions were made to that

draft. Mrs. Nugent stated that if the Board approves this revision, then a formal request to adopt the revision of the Rules & Regulations can be presented at the next meeting (01/26/12).

Mr. Sudia questioned if the changes were minor. Mrs. Nugent confirmed that was correct and that they are still listed in red. The Regulations are ready to go to final and there will be a request for a formal adoption at the next meeting (01/26/12).

Berkeley Township Surveillance Antenna Installation/Station Road Tower:

Mrs. Nugent re-stated to the Board that the Township has requested to put surveillance antennas on the Station Road Tower. The Township received a \$500,000.00 grant to do the project. The Authority expressed concerns about the soft costs associated with the installation of the antennas on the tower, specifically TIC's construction inspection costs. The Township has confirmed to the Authority that the \$500,000.00 grant is already completely encumbered to their project for the surveillance system at Veteran's Park, Manitou Park, and other areas. The Township has further clarified that they have also allocated an additional \$69,000.00 towards the project. Therefore, it is the Township's position that they have no funds available to cover the Authority's soft costs from the project related to the antenna installation.

Mr. Sudia questioned what the Township would do if the antennas did not go on the Authority's tower. Mrs. Nugent stated that the Township did reference that there are several towers that are a possibility, but that ideally it would be better to install them on the Authority's towers because this would allow them a full range circuit of everything that they wish to cover. Mrs. Nugent stated that she was not sure what they would do if they were told no. If the town has three or four towers, maybe they could create a different circuit or go elsewhere. It is estimated it will be about \$10,000.00 for the engineering costs and legal fees that are associated with this project. The Board asked for a more definitive number, Mrs. Nugent stated that she is in the process of calculating the budget for that.

Mrs. Nugent stated she has initiated inquiries into possible grant funding opportunities. The town has received a grant for the major project and the Authority is investigating going to Homeland Securities or the USDA to see if they have any grant money for the Authority to add to its security system.

Mr. Sudia questioned Mrs. Nugent if she had found out what the different phases are in regard to this project. Mrs. Nugent replied that Phase I is the installation of antennas on to the four towers, cameras for the two parks and possibly others sites would have the cameras on them. Phase II, at this point, is a wish list for the Township. They will need to add at least two more antennas to the Authority's tower, which would make for a total of five. Mrs. Nugent stated that at the last meeting (12/22/11) it was referenced that the town was adding five antennas during Phase I. The correct number of required antennas for Station Road for Phase I is three. For Phase I and II there will be five small antennas on the Authority's tower. Phase II is based on the town getting additional funding, which

will enable the town to put additional antennas on the north and east side of the tower. Mrs. Nugent stated they are small antennas that will be bracketed to the catwalk and that no welding will be performed.

Mr. Sudia questioned if the Township is assuming that the Authority will cover the costs at that time. Mrs. Nugent stated she was not sure.

At the last meeting (12/22/11), the Board authorized the Authority to schedule a meeting (01/05/12) with the surveillance vendor because they offered options and suggestions to upgrade the Authority's surveillance system. At that meeting, the vendor suggested for the Station Road site, one camera angle should be added to the front of the building. This would cover the front door and a good portion of the parking lot. Two cameras would be added to the backyard. One camera would be from the view of the top of the tower looking down and the other camera angle would be from the back of the building looking out. The second suggestion the vendor offered would be regarding the Northern Boulevard Tower which currently does not have surveillance. This would be an angle from the top looking down towards the door and a second view of the camera from the outside of the fenced in area (parking lot area) viewing towards the tower. Mrs. Nugent stated that this would cover the front yard and the front door of the tower. All of this would be on a wireless connection which can be viewed and archived at the police station.

Mrs. Nugent stated the vendor is preparing a quote, and the Board will be updated as the information is provided to her.

Mr. Sudia questioned that if the Board should go forward with these plans, would it have to go out to bid also. Mrs. Nugent replied that it depends on what the quote comes in.

Mr. Mullikin stated that the drop box located in the front of the building will be viewed by the camera attached to the building. Mrs. Nugent stated that the drop box gets used often, but there is never cash in there. Mr. Mullikin stated that the box could be broken into as it is not known that there is no cash inside of it.

Mrs. Nugent stated that currently, there is a camera angle on the front door, but with the new system it will open up the scope of the view in the front by using the wider angle camera.

#### Progress Report:

Mrs. Nugent stated the Board has authorized the Authority to request additional water allocation. Currently, we are coordinating dates for the pre-application meeting with the DEP regarding this.

Mrs. Nugent stated that the fourth quarter billing has gone out as of December 29, 2011. The amount billed was \$377,325.66 for 3,232 customers which is appropriate for fourth quarter billings as compared to last year.

Mrs. Nugent stated that she had requested from the Financial Committee authorization for an \$80,000.00 wire out of the Authority's Ocean First Bank revenue account to TD Bank. A portion of these funds will go towards the Authority's February debt service payment and the remainder will be invested into a CD in the general fund.

Mrs. Nugent referred the Board to the attachment of her progress report and stated there is the list of upcoming elected official training seminars. The Authority is a member of the NJ Utility JIF and their subsidiary, MEL. The Authority is granted a credit towards the JIF premium based on the number of attendees at their seminar. Therefore it is to our benefit if some of the commissioners can attend.

Mr. Sudia questioned if the seminar falls on the same evening as the BTMUA meeting (01/26/12). Mrs. Nugent confirmed that was correct and stated that this is a more convenient night for the commissioners because it is in Beachwood. The meeting is on a Thursday, January 26, 2012 at 6:00 pm which conflicts with the BTMUA meeting at 7:00 pm. Mrs. Nugent stated that there is another seminar in Brick Town which is on February 8, 2012. There is an inquiry to the Board if it would consider allowing the 7:00 pm meeting to be delayed from the regular time of 7:00 pm to 7:20 pm. Ms. Conoshenti stated that this delay would have to be advertised in the newspaper. If this were an emergency, such as an illness, then it could be delayed. This delay is known in advance and therefore must be published.

Mr. Pizzi questioned when would be a good time to start the meeting. Mr. Mullikin stated the seminar should not take any longer than an hour. Mrs. Nugent agreed and stated 20 minutes would need to be added for transportation back to the Authority office.

Mr. Pizzi stated that the seminar he attended in Beachwood was about 1 ½ hours long and suggested starting the BTMUA meeting at 7:30 pm.

Mr. Mullikin questioned how many of the commissioners have signed up for the Beachwood seminar. Mrs. Nugent stated that Mr. Mullikin is the only commissioner who has replied as of yet because everyone was concerned about the conflict.

Mr. Pizzi stated if the BTMUA meeting is going to be delayed, then he will be able to attend the Beachwood seminar.

Mr. Sudia stated that he will be able to attend the Beachwood seminar also if the BTMUA meeting is delayed.

Mrs. Nugent questioned the attorney if all of the commissioners can go to the Beachwood seminar. Ms Conoshenti replied that three commissioners make a quorum and as long as they are not discussing BTMUA business it is fine. Ms. Conoshenti stated the BTMUA meeting can be delayed but that a time must be decided on. The Board agreed on 7:30 for the time to start the BTMUA public meeting.

Mr. Pizzi questioned Mrs. Nugent if she will be making the arrangements for the commissioners to attend the MEL Beachwood seminar. Mrs. Nugent replied that she would.

Mr. Sudia questioned the billing for the Central Regional School District regarding its usage. Mrs. Nugent stated that the Authority is currently billing the Middle School because it is metered. The Middle School was back billed based on estimated water usage.

Mrs. Nugent stated that the High School has not been billed yet because the Authority's billing system cannot accept it until it has the meter numbers for it. When the High School does receive its meter then the Authority will do the same thing as was done for the Middle School. The usage will be estimated based on the historic information CRSD presented to the Authority and what is used in an actual metered month will be multiplied. Therefore, CRSD will be getting billed for the usage based on estimates. Mrs. Nugent stated that CRSD is fine with this and that they are very thankful the Board has allowed them to get on the potable water.

Mr. Pizzi stated that he and Mr. Mullikin also attended the meeting with the surveillance vendor. The vendor was helpful and given a tour of the Station Road Tower and the Northern Blvd Tower. Mr. Pizzi stated that they did recommend that the Authority could do some of the work themselves. If the camera is to be installed inside the compound of the Northern Blvd. Tower behind the entrance gate inside the fence, the vendor recommends that the Authority put its own structure, its own pole, and a four inch galvanized pipe that is 15 or 20 feet high. Mr. Pizzi stated that Mrs. Nugent had mentioned that the system is wireless, but the camera is not wireless. The transmission of the data is wireless, therefore we would still have to run a wire from that camera, through the pole, through the ground, and into the building. The vendors recommend that the Authority can dig the hole and install the wires and they will do the connection and do the installation of the camera. Mr. Pizzi added that this is recommended because it will help the Authority to save on the costs.

Mr. Sudia questioned if the cameras would have to be wired like the ones that are already here. Mr. Pizzi stated that they will have to be hard wired somewhere, but the transmission of the data is wireless and some type of power is needed to run the cameras.

Mr. Mullikin questioned if the Authority could continue using some of its existing cameras. Mrs. Nugent stated that the Station Road site currently has eight views with the current camera system. With the new system it would take a wider scope and that some of the cameras could be eliminated.

Mr. Sudia questioned if the price the vendors is working on now is strictly for the cameras and not for the installation. Mr. Pizzi stated that it is assumed that it will be for some of the installation, but it is not certain if it is for the cost of the cameras, installation if any, and any work that may have to be done. They will have to replace some of the CPU's in the back, coordinate that and the wiring within the building structure. Also,

they will be submitting maintenance agreements, whether that will be hourly or yearly. The vendors are supposed to give the Authority several options on that.

Mr. Sudia questioned if the Authority already has a maintenance plan for these cameras. Mrs. Nugent replied no, the Authority dropped it because it was too expensive for the maintenance that these cameras required. Mrs. Nugent added that if maintenance is required the vendor is paid hourly.

Mr. Mullikin stated that the staff would continue to be able to view the camera images live, but that the archived images will be kept at the police station which is better in case of fire at the Authority building.

Mr. Pizzi stated that if the Authority has to assume the soft costs for the town to do that part, they will need to run an extra wire from the utility box in the ground in the back yard, and run extra line up the tower for free so that we can, if we do go with the camera, hook the camera up. Therefore, the Authority has to purchase the camera, but that installation of the wire will be gratis of the company since they have to run the wires anyway. Mr. Pizzi stated that this is something to consider if the Authority assumes the soft costs because at least we will get a buy back at some point along the way.

Mrs. Nugent stated that if the Authority goes with this project as per the vendor's suggestions, the Authority will lose the current Comcast connection with the police department. It would become part of the wireless system with the Township which would save the Authority \$175.00 per month. The vendor also suggested that there is a direct connect telephone line from the Northern Tower to the Station Road Plant which costs \$35.00 per month and that would become part of the system.

Mr. Pizzi stated that if the Authority goes through with the installation it could save approximately \$200.00 per month by eliminating those land lines and going with the wireless which should help pay for some of the processing also.

### **Engineer's Report:**

#### **Central Regional School District:**

Mr. Chiaravallo stated the installation of the remaining meter and backflow preventer at the high school is pending the receipt of bids and approval by the CRSD. Installation of the new water meter at the Middle School and the water services to the Field House and Maintenance Building have been completed.

#### **Additional Allocation:**

Mr. Chiaravallo stated that CME will be coordinating a date to meet with the DEP and the BTMUA for a pre-application meeting to discuss additional water allocation for the possibility of a new well.

### Rules & Regulations:

Mr. Chiaravallo stated that revisions to the Rules & Regulations have been made and copies have been included for the Board members. Everything is still highlighted that has been changed since the original version. The report will be cleaned up and the red highlighting will be taken out.

### Station Road Tank – Berkeley Township Antennas:

Mr. Chiaravallo stated that CME had attended the initial meeting with the Berkeley Township Police Department and the contractor for the township for installing the antennas on the Station Road Tank.

Mr. Mullikin questioned Mr. Chiaravallo if anything was discussed at the meeting that could be problematic for the Authority regarding the project.

Mr. Chiaravallo replied that the vendors were originally going to run cables up the legs of the tank which is normally not approved. Everything in the cable trays up the legs has been covered. The vendors discussed running a conduit up along the overflow pipe and then running the cables up through there so that they would all be enclosed. Mr. Chiaravallo stated that he clarified with the vendor that there will be no welding to the tank. The vendor plans on mounting everything from the handrail that goes around the tank on the platform. The vendors stated the three antennas on the west side of the tank will create a loop with their communications so if any one of the antennas on any of the towers were to go out they would still have complete communications. It would just be a break in the loop where it would still back feed either way.

The vendors are still going to provide information as far as mounting brackets. Mrs. Nugent stated that the Authority still has not received any plans in regard to this. Mr. Chiaravallo agreed and stated that there is nothing in writing to look at right now.

Mr. McClelland stated that they need to check for conflicts with any of the other vendors. Mr. Chiaravallo stated that this had already been discussed with the vendors and they felt there will not be any conflicts with the other vendors because their antennas are on a different frequency than the cell phone antennas.

Mr. Chiaravallo stated there were discussions about the power available, where their control box will be located, and there was a lot of information exchanged with the vendor. CME is waiting for them to submit what they plan on doing.

Mr. Mullikin stated that there will be enhanced coverage of what is being viewed, especially Northern Blvd where there is no coverage. Mr. Mullikin stated that the Authority is not physically looking at the cellular equipment of the cellular tenants even though the equipment is expensive because it is the tenants' responsibility.

Mr. Pizzi questioned Mr. Chiaravallo if he has seen any of the drawings from the vendors as was requested.

Mr. Chiaravallo replied that he has not had any more communications with the vendors, nor has he seen anything from them regarding their plans. Mr. Chiaravallo stated they are still coordinating with the other towers to see if they are going to install all the other antennas.

Mr. Sudia questioned where the other towers are. Mrs. Nugent stated Central Regional High School and the United Water Company in South Toms River. Mr. Sudia mentioned that he was curious if antennas were going up on other water towers. Mrs. Nugent stated that she spoke with the police officer that is the liaison for the project and had also attended the meeting. The police officer stated that there is a meeting scheduled in regard to this and that he will provide her with an update on that. Mrs. Nugent stated that she will find out to see if they are open to it.

Mr. Sudia questioned that if the Tilton Road Tower is not on board with this project will that put an end to the whole project or will it still go on and they have to seek another place to put the antennas on. Mr. Mullikin stated there are other locations such as Beachwood that they can put them on, though Tilton Road is the ideal location. Mr. Sudia stated that even so, the vendors will need to find others that will be willing to absorb the soft costs. Mr. Pizzi stated that they might not be asking South Toms River to absorb any of the soft costs because they may not be as obliging as the Authority is.

**Accountant's Report:**

Mr. Fallon stated in his report:

**Cash Position Report for December 2011:**

Total All Cash Fund Balance:	\$3,782,698.98
Total Restricted Balances:	\$2,348,919.96
Total Funds Available for Disbursement:	\$1,433,779.02

Mr. Fallon referred the Board to the page in their packets titled "Connection Fee Calculations". This calculation is a statutory calculation and in accordance with the state statute you have to add principle that is paid on your bonds and loans, the interest that was paid, add in money that was paid out of pocket with your own money to build infrastructure. Then you subtract out any gifts, contributions, or subsidies. This report details this information the beginning of the Authority in 1998 on the first page, the second page is 1999 through 2004, and the last page is 2005 through 2010.

Mr. Fallon had the Board note that there was a contribution in 2008 and that was what the Authority received from the insurance company on Lenesy Estates. The Authority did that work so the number is about \$901,000.00 and credit is given for what was contributed.



Mr. Fallon referred the Board to the right hand column of the last page and stated under the "Total Capital Cost" which according to the state statute is \$11,718,541.00. The next line is the "Equivalent Domestic Customer Units" which as of December 31, 2010 was 3,454.5 units. This is different than the number of customers that the Authority has because some of the customers are calculated as more than one unit. Mr. Fallon stated an example of this is Tallwoods Care which has 154.5 units and the schools have more units. The capital costs divided by the equivalent domestic customer units is the connection fee maximum according to the state statute. Therefore, the Authority could actually charge \$3,392.00 for a single connection. Currently, the Authority charges \$1,100.00 for a 5/8 inch meter and slightly more for each meter. Mr. Fallon stated that if the Authority should decide to raise its connection fees it will have the current information available to do so.

Mr. Fallon stated that a lot of Authorities do this calculation every year and their connection fees are raised to the maximum as a course of business. Mr. Fallon suggested for this Authority it may be worth raising it to a more reasonable number, but it doesn't have to the maximum. This is something the Board may want to consider.

#### **Attorney's Report:**

##### **Rules & Regulations:**

Ms. Conoshenti stated as was discussed by both the Executive Director and Mr. Chiaravallo the last of the revisions to the Rules & Regulations have been completed.

##### **Crystal Lake Rehabilitation Center:**

Ms. Conoshenti stated that there was communication back and forth with CLRC because we thought they had not yet signed the payment plan arrangement. Ms. Conoshenti stated that it was discovered that they actually did sign the correct document. Mrs. Nugent stated a copy was found with both signatures on it and there is a signed copy in their file.

Mr. Sudia stated that CLRC now needs to move forward and connect to the water system. Ms. Conoshenti agreed and stated CLRC needs to finalize their plans and get the information over to the engineers to connect.

Mr. Mullikin questioned if there were any additional changes made to the Rules & Regulations. Mr. McClelland stated that Mr. Pizzi asked to have a large paragraph added regarding some limitations on what the amount of fire flow the Authority should be expected to provide. Ms. Conoshenti stated that the minor revisions that were done were before the last meeting and that the only revision was this regarding the fire flow that has been added since the meeting.

Mr. Pizzi stated that if the Authority is going to need additional resources it will be up to the person doing the build-out to make sure that there are funds for that.

Ms. Conoshenti stated that the fire Rules & Regulations actually have a number for fire flow of 3,500. Ms. Conoshenti stated that the paragraph that is highlighted in red eliminates the actual number and that the paragraph in red is the only thing that has been added since the last meeting.

Mr. McClelland stated that we don't want to state the 3,500 and bind the Authority to a number that its system may be able to handle but that we are not sure of and that there no point in committing to that. Mr. Pizzi was in agreement with this.

Mr. McClelland stated that he followed up on some of the language that was used for the recent developer question about capacity. The revision recognizes that the Authority just does not have all the water in the world which is appropriate.

Ms. Conoshenti stated that there will be an Executive Session at the next meeting (01/26/12).

Mr. Pizzi questioned if the Rules & Regulations need to be approved at this meeting. Mrs. Nugent stated that it will be adopted at the next meeting (01/26/12) which will require a formal approval tonight.

Motion to approve the Rules & Regulations as is re-written on the final draft: Mr. Pizzi, second, Mr. Thiemer. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

### Committee Reports:

#### New Business:

Mr. Pizzi stated that he is a new grandfather of a beautiful new baby girl as of December 30, 2011. Her name is Carson Pizzi and the family has proudly added her to their family tree.

Mr. Mullikin stated that he too has just become a grandfather for the third time on Christmas Eve and that they have welcomed a beautiful baby boy to the family.

#### Old Business:

No Report.

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

Mrs. Davis stated her name and address for the record: Karen Davis residing at 8 Natalie Drive in Bayville. Mrs. Davis stated that she is looking forward to working with the Board members.

Mrs. Davis questioned how long the Authority has been charging \$1,100.00 for its connection fees.

Mr. Fallon stated since the beginning of the Authority.

Mrs. Davis stated that the Authority has had a number of connections over the past few years and questioned if this has been difficult for the customers to come up with \$1,100.00 to connect.

Mr. Fallon stated that a lot of the customers are on deferred connections. They are paying the connection fee over a period of time.

Mrs. Davis questioned what the time frame was for this option.

Mrs. Nugent replied that it is a five year payment plan. The customers have the initial down payment and then every year sequentially after that for four years.

Mrs. Davis questioned if the customers also incur the cost of connecting from the street.

Ms. Conoshenti stated that as in most situations, some pay that fee happily knowing that this Authority is probably less than a lot of the surrounding Authorities and others would complain if it were \$100.00 instead of \$1,100.00.

Mrs. Davis stated that this is a cost that is imposed on a homeowner which they have no control of when that happens.

Mr. Mullikin stated that at the beginning of this Authority, as per the ordinance, residents were forced to connect even if they had their own wells. Some people were happy to have a dependable water supply, but for a lot of others it was a burden. Some of the residents have come to the BTMUA meetings during that period of time. It is a different time now and anybody that is building a home knows that they will be connecting to the water system.

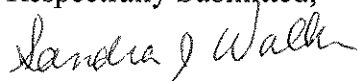
Mrs. Nugent stated that recently the Authority had a Phase IV which has been completed two years ago. There were a lot of families in Bayville that it was a hardship for and it was a struggle for them to do it. Mrs. Nugent added that they were required to connect and they understood that the process was something they had an obligation to do. The Authority gave them as much leniency as it possibly could as far as extensions, if they needed it. Ultimately, all of the affected residents have connected except possibly two or three. Those two or three that have not connected have gone to court and have been granted more extensions or bench warrants have been issued.

Mr. Sudia stated that the residents did not expect it or could control it and unfortunately did not know when the required connections were coming.

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

Motion to adjourn: Mr. Mullikin, 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, January 26, 2012 at 7:30 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.