



Berkeley Township MUNICIPAL UTILITIES AUTHORITY

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

A Regular Meeting of the Berkeley Township Municipal Utilities Authority was 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. Presided by Chairman Sudia-present, Mr. Olsen-present, Mr. Thiemer-present, Mr. Pizzi-absent, Mr. Mullikin-present.

Also present: Ms. Conoshenti-Attorney, Mr. Blair-Chief of Operations, and Mrs. Nugent-Executive Director.

Motion to approve the minutes from the Caucus Meeting on January 12, 2012: Mr. Thiemer, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Olsen abstained.

Treasurer's Report:

Mr. Thiemer stated that he and Mr. Sudia reviewed the payroll and operating expenses for (01/14/12-01/27/12) two weeks. The payroll expenses were in the amount of \$14,082.62. The operating expenses were in the amount of \$58,128.72.

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

Executive Director's Report:

Amend Employee Manual-Access to Employee Personnel Files Policy:

Mrs. Nugent reminded the Board that this amendment was tabled from a prior meeting because Mr. Mullikin questioned the last bullet item of the policy titled: "Request for Employment Verification and Reference". Research into this revealed that our employee manual did not reference the "Request for Employment Verification and Reference". Therefore, it is requested that the Board accept the motion to amend the Employee Manual with the "Access to Employee Personnel Files Policy". The next request to the Board will be that they further amend the manual to include the "Request for Employment Verification and Reference".

Mrs. Nugent requested of the Board authorization to amend the Employee Manual as recommended by the NJ Utilities Authority subsidiary, the NJ MEL. MEL has recommended to the Authority that it considers language adjustment to the section labeled "Access to Employee Personnel File".

Motion to Amend the Employee Manual-Access to Employee Personnel Files Policy: Mr. Mullikin, second, Mr. Olsen. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Olsen-yes, Mr. Mullikin-yes, Mr. Sudia-yes. Motion Carried.

Amend Employee Manual-Request for Employment Verification and Reference:

Mrs. Nugent requested of the Board authorization to amend the "Request for Employment Verification and Reference" as referenced in Schedule A attached to the resolution.

Motion to Amend the Employee Manual-Request for Verification and Reference Procedures: Mr. Olsen, second, Mr. Mullikin. All in favor. Roll Call. Mr. Olsen-yes, Mr. Thiemer-yes, Mr. Mullikin-yes, Mr. Sudia-yes. Motion Carried.

Adoption of 2012 Rules and Regulations:

Mrs. Nugent stated that at the last meeting (01/12/12) the Board approved the draft copy of the December 2011 Rules and Regulations. Mrs. Nugent requested of the Board the adoption of the same 2012 Rules and Regulations. Ms. Conoshenti stated that it is fine that the Rules and Regulations are dated December 2011.

Motion to Adopt the Revised Rules and Regulations: Mr. Mullikin, second, Mr. Olsen. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Olsen-yes, Mr. Mullikin-yes, Mr. Sudia-yes. Motion Carried.

Progress Report (Update):

Purchase of Copier:

Mrs. Nugent requested the Board's consideration for the purchase of a copier. The Authority has received four quotes on four different copiers. All provide the options that the Authority requires: printing, scanning, collating, stapling, and faxing. Mrs. Nugent confirmed that Xerox and Ricoh are state contracts opportunities. Mrs. Nugent referred the Board to the spread sheet provided to each member which lists the lease cost and is highlighted in yellow. Mrs. Nugent stated that she took into consideration a 60 month lease on all of the copiers. This includes the set-up, the service, maintenance for the 60 months and lessons on how to operate the copier in regard to scanning, e-mailing, and the fax. This is an upgrade from the current model that the Authority has now. The Ricoh has the lowest 60 month lease referenced amongst all four copiers.

Mrs. Nugent stated another option is to purchase the machine outright and those prices are highlighted in orange. Mrs. Nugent stated that she took the purchase price and factored in the service per month at the current rate quoted. These highlighted numbers also reflect the 60 month expense. The Copystar, which is the Authority's current vendor,

is the lowest over 60 months. The service charge is at the current rate quoted and it is unknown if that cost will be increased over time.

Xerox and Ricoh are Ocean County based service providers. None of these companies are from Bayville, but the service providers for Xerox and Ricoh are based in Ocean County. Both came with favorable municipal references.

Mrs. Nugent requested the Board's consideration for the 60 month lease on the Ricoh. The 60 month lease allows you to spread out the spending over the course of five years. The cost of the asset is spread out over five years rather than a capital purchase in the first year. Mrs. Nugent reviewed this with Mr. Fallon and he also made the recommendation for the leasing opportunity. The Board can choose any one of the copiers listed, but my recommendation is the Ricoh. Ricoh is a valid name, is a comparable product, and is the least expensive.

Ms. Conoshenti stated that the Copystar is substantially slower. Mrs. Nugent agreed and stated that Xerox copies at 45 pages per minute, Ricoh is 40 pages per minute, and the Authority's current copier is at 35 pages per minute. Copystar, at 30 pages per minute, could be considered a lesser machine than the Xerox.

Mr. Mullikin stated that this particular Xerox machine is built in Korea, has a good record and is comparable. Mr. Mullikin stated that he inquired of the advantage of leasing rather than buying. Mr. Mullikin stated that he has a relative that works for Xerox and that the company's research states that because the technology changes so quickly, about every four or five years, the Authority would probably want to get a new machine anyway. Mr. Mullikin stated that going into a lease would probably make more sense and will prove to be a tax advantage for the Authority as opposed to a homeowner buying a machine like this.

Mr. Sudia questioned if this is for five years. Mrs. Nugent stated this is correct. The copier the Authority currently has was bought originally on a five year lease and is about 12 years old. Mrs. Nugent added that the lifespan for a copier is about ten years old. The intention is to keep the current copier as there is no market interest in it. The Authority will keep it in the back office and have it as a back up if the new one goes down.

Ms. Conoshenti stated that a five year life span is quite typical and as soon as a machine is purchased there is already a machine with newer technology already out there.

Mrs. Nugent stated that the Authority did not consider going for a copier that has all the latest technology, but chose one that would meet the needed requirements.

Mr. Thiemer stated another advantage to leasing is that the company still owns the machine and maintains it. Mrs. Nugent agreed and stated that if the Authority should go with the lease option it will include the maintenance and set up.

Mrs. Nugent stated another factor is that the first three copiers listed are market value buy outs at the end. None of them would quote a price at the end of five years because nobody knows what the price will be. Mrs. Nugent stated that the fourth copier has a \$1.00 buy out option.

Mrs. Nugent stated that she is requesting the Board's consideration authorizing her to execute the lease for the purchase of the Ricoh.

Ms. Conoshenti stated that if the Authority should decide on one of these machines the Board should consider a motion for leasing machine "x" and authorize the Executive Director to execute the lease documents in accordance with just this amount, with a certain machine, and at a certain price.

Mr. Mullikin questioned if both machines were brought in and evaluated. Mrs. Nugent replied no, they did not bring them physically on site, but they all provided the specifications.

Ms. Conoshenti stated that she never heard of the second machine, Kyocera, and that she never worked with one of those. Ms. Conoshenti added that she has had Xerox and Ricoh machines and that both of them worked very well.

Mrs. Nugent stated that she called the Ricoh's referrals which are Pine Beach and Pt. Pleasant Boro. They had high regards for the service and stated the service department always responded quickly when called.

Motion to authorize the Executive Director to lease the Ricoh MP4001 machine at the cost of \$169.37 per month for a 60 month lease to enter a lease agreement: Mr. Thiemer, second, Mr. Mullikin. All in favor. Roll Call. Mr. Olsen-yes, Mr. Thiemer-yes, Mr. Mullikin-yes, Mr. Sudia-yes. Motion Carried.

Ocean Gate Water Main Break:

Mrs. Nugent stated Ocean Gate had a water main break on Arverne Avenue and that their licensed operator was in Newark during that time. Their emergency contractor (Ocean Pipe Works) was called away and already involved in Jackson. The Ocean Gate Mayor called the Authority directly requesting assistance, manpower, and equipment. The Authority's crew was sent over to help with the water main break.

The project was completed that morning. None of the Authority's crew was injured and there was no damage to our equipment. Ocean Gate provided the Authority with a Certificate of Insurance and the Ocean Gate Mayor is very thankful that we were able to help them out.

The Authority does not have an inter-local agreement with Ocean Gate. This particular case was handled as a neighborly courtesy. If the Board requests or gives authorization to

this matter it can then be discussed with the new attorney to formalize something if this situation should ever occur again.

Mr. Sudia questioned if the Authority has any inter-local agreements with other towns. Mrs. Nugent replied that there is not and questioned Mr. Blair if we ever had to assist any other towns.

Mr. Blair stated there is a written arrangement with Aqua Water Company, but that it is mainly for water usage. Ms. Conoshenti stated there is an agreement with Aqua and Lacey, but that it is strictly for water only. Mr. Blair added that the Authority does not have an arrangement with the Berkeley Township Sewerage Authority even though services are exchanged between both agencies.

Ms. Conoshenti stated that she did not know of any official inter-local agreements between the Authority and any other surrounding water or sewerage authorities. It is typical to lend assistance to a neighboring town and it is no different for example, if the Pine Beach Fire Department were to help out the Berkeley Township Fire Department if help were requested. There is a cost associated with the water department or the sewer department, therefore an inter-local agreement between the neighboring towns should be considered.

Mrs. Nugent stated that the Ocean Gate Mayor informed her that their system is aging and that they are anticipating more activity of this nature. Ms. Conoshenti stated that the Ocean Gate water pipes are approximately 50 to 60 years old.

Mr. Blair stated that adding to the problem was that their machine operator was on vacation, along with their licensed operator being out of town, and their emergency contractor involved in Jackson during the water main break.

Mr. Mullikin questioned if Ocean Gate would lend assistance to the Authority if needed. Mr. Blair replied that they would, but that the Authority would probably call on the BTSA for help first. Ms. Conoshenti stated that the personnel and government body that is in Ocean Gate now would help the Authority if at all possible to do so.

Mr. Mullikin stated that with all of the small towns that are in the surrounding area there is a need to back up each other or there will be tremendous costs involved.

Mr. Sudia stated that it is a common courtesy for all of the surrounding towns to offer aid.

Mr. Mullikin stated that it would be a different issue if requests for assistance happened on a regular basis. Mrs. Nugent stated that when the Authority offers its aid to another town the Board will be notified and can decide then if it needs to be reevaluated.

Central Regional School District:

Mrs. Nugent stated CRSD went out to bid on the connection of the meter and backflow preventor for the high school and the two auxiliary buildings. CRSD received the bid for approximately \$24,000.00 from Shore Connections. This was the lowest bid received. They will be making a recommendation to award this to Shore Connections to the Central Regional School Board on February 9, 2012. Mrs. Nugent added that they are progressing forward with this project.

Mrs. Nugent referred the Board to a memo in their packets from Mr. McClelland and stated that this is information summarizing another opportunity to reapply for the 2012 financing through the NJEIT, which is the agency that the Authority used for its Phase IV financing.

Mrs. Nugent referred the Board to the second bullet of the memo and stated there is an opportunity for an interest free loan on 75% of allowable project costs for the 2013 finance packaging. If the Authority plans on a two million dollar project, 1.5 million dollars will be at 0% and the other \$500,000.00 will be at the current rate. When the Authority had its Phase IV project it was a 50/50 split. It was 0% interest and 4% interest which at that time was the current market rate.

Mrs. Nugent stated that the Board authorized an inquiry with the DEP regarding an increased water allocation. Part of this led the Authority to a consensus that it should meet with Lacey Township MUA to discuss a possible opportunity to buy bulk water from them. A meeting was set up with them, but unfortunately there was a conflict for CME on that particular meeting date. This meeting will be rescheduled. The Board will be updated when the date is re-scheduled.

Ocean County Energy Co-op:

Mrs. Nugent stated that the Authority is a member of the Ocean County Energy Co-op. Liberty Power is currently its power supplier and JCP&L is the distributor. The participation did save some money. Some months the savings were \$40.00, other months such as this month, we saved approximately \$100.00. Recently, the Authority has received notice from Ocean County that they would not be extending the contract. When they went out for bids this year they did not get favorable results. Therefore, they are opting to complete this contract which ends by the end of February. The Authority will revert back to JCP&L for all of its service.

Birdsall, the consultants for the co-op, recommended another local co-op which Mrs. Nugent stated she will look into and provide the Board with updates.

Pine Crest Developments:

Mrs. Nugent stated that Pine Crest Developments is a project off of Northern Blvd. They have recently installed a water main extension on Livingston Avenue to service four new houses that are being built.

CME is required to represent the Authority during the installation and pressure testing of the water mains. This job typically takes as little as two days, but this project lasted five days. All the parties involved agreed that the project took too long because of many problems with the installation and water pressure testing.

Mrs. Nugent stated that there were many conversations with the developer because he was not happy with the inspection billing. It was explained to the developer that the length of the project was not an error of the Authority, but to the contractor's installation. The developer has opted to dispute CME's \$3,000.00 inspection fee bills and they have filed an appeal with the Ocean County Construction Board of Appeals.

The Authority has not formally received notice yet, but was given a verbal request for a March 15th appearance. Mrs. Nugent stated that she will update the Board as this matter progresses.

Mrs. Nugent stated that she has requested authorization to move \$60,000.00 from our Ocean First Bank revenue account to the TD Bank general account. These funds will be invested into a CD.

Mrs. Nugent reminded the Board that the next BTMUA meeting of February 9, 2012 is a re-organization meeting.

Mrs. Nugent stated that there is old business to discuss at tonight's meeting and that there will be an Executive Session following.

Mr. Sudia questioned Mrs. Nugent if she is required to be at the Ocean County Board of Appeals hearing. Mrs. Nugent replied yes. This matter will be transferred to the Authority's new attorney for recommendation on how this should be handled. Mrs. Nugent stated if it goes before the Appeals Board the attorney, CME, and she will attend the hearing.

Mr. Sudia clarified that the bill from CME came to the Authority which was then billed to the developer. Ms. Conoshenti stated that CME does not bill the developer directly. Mrs. Nugent stated that the Authority requested escrow funds from Pine Crest to cover two days of work. When those funds were depleted the Authority then requested additional money from Pine Crest which has not been given; therefore CME has not been paid.

Mr. Mullikin questioned if they underestimated the amount of time it would take to complete the job. Mrs. Nugent stated that if the job took an appropriate amount of time there would have been no issue.

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

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

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

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

Committee Reports:

New Business:

No Report.

Old Business:

Mrs. Nugent stated that Mr. Olsen's appointment is nearing closure and that this is his last public meeting. Here is a summary of what has transpired in the ten years that Ed Olsen has served on the BTMUA Board.

Mr. Olsen was appointed in February, 2002.

He has served with nine commissioners during his tenure with the Authority.

The Board Members, which you have served with, held about 100 public meetings during which:

726 resolutions were passed, of which Ms. Conoshenti has prepared over 625.

There has been 32 miles of water main added to the system which is now about 58 miles of linear pipe, all supervised by CME.

Mr. Olsen, you and the Board Members that you have served, along with all the staff involved, has added almost 1,000 users to now service 3,233 homes and businesses.

Fallon & Larsen has presented 120 monthly cash reports and performed nine audits, all reflecting sound financial practices.

Over the past ten years, you and the Board members you worked with have hired six employees.

You have worked with two Chief of Operations and two Executive Directors.

The Board Members that you have served with have done all this over the last ten years with there NEVER being a rate increase.

From the staff and all the Board members, we would like to wish you lots of luck and good health to you and your family, prosperity. Mr. Olsen thanked Mrs. Nugent and all of the Board members for their good wishes.

Mr. Sudia presented the plaque to Mr. Olsen and read its inscription. In recognition of his ten years of dedicated service as Chairmen and Member of the BTMUA Board.

Mr. Olsen accepted the plaque.

Mr. Olsen thanked the staff, the Board members, and the professionals for their sentiments and that this has been a great time for him to serve. Mr. Olsen stated that he has learned a lot and has enjoyed meeting and working with so many great people. Thank you very much, he stated.

Mr. Sudia personally thanked Mr. Olsen for all the help and advice that he has rendered to him.

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

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

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

Executive Session:

Personnel Matters Discussed.

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

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

Motion to approve personnel matter, Employee #1, as discussed in Executive Session: Mr. Mullikin, second, Mr. Thiemer. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

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

Respectfully Submitted,

A handwritten signature in cursive script that reads "Sandra J. Walker". The signature is written in black ink and is positioned above the printed name.

Sandra J Walker

The next meeting of the Berkeley Township Municipal Utilities Authority will be held on Thursday, February 9, 2012 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.