



## **Berkeley Township MUNICIPAL UTILITIES AUTHORITY**

42 Station Road  
Bayville, NJ 08721  
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A Regular Meeting of the Berkeley Township Municipal Utilities Authority was held on **Thursday, March 22, 2012** at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721. Presided by Chairman Pizzi-present, Mr. Mullikin-present, Mr. Thiemer-present, Mrs. Davis-present, Mr. Sudia-present.

Also present: Mr. Koutsouris-Attorney and Mrs. Nugent-Executive Director.

Motion to approve the minutes from the Caucus Meeting on March 8, 2012: Mrs. Davis, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Sudia abstained.

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

Mrs. Davis stated that she and Mr. Thiemer reviewed the payroll and operating expenses for (03/10/12-03/23/12) two weeks. The payroll expenses were in the amount of \$13,728.85. The operating expenses were in the amount of \$66,244.65. The operating expenses include the Authority's bills along with the disbursement from the developers' checking accounts transferring from TD Bank to Ocean First Bank.

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

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

#### **Appointment Conflict Engineer for specific project: Maser for Foxmoor/GS Realty:**

Mrs. Nugent requested of the Board the appointment of Maser Consulting P.A. for the Conflict Engineer for a specific project. Maser Engineer was the Authority's Conflict Engineer in 2011. The 2012 Conflict Engineer is the Alaimo Group based out of South Jersey. Maser has been working with the Authority on the Foxmoor project located behind the Tallwoods Care Center. This project is very near completion. The pressure test has been completed and the punch list has been created. Mrs. Nugent stated that she has not yet been informed if the punch list items have been addressed, but they are very close to having the whole project completed. The asbuilt reviews still need to be supplied. The final resolutions and maintenance bonds need to be completed. There will also be an easement granted.

Mrs. Nugent stated that all of the involved parties agreed that staying with Maser and allowing them an interim extension to complete the project will be beneficial for all. Mrs. Nugent stated this has been discussed with the Engineering Committee and they have recommended the resolution. Mr. Koutsouris has prepared the resolution and has reviewed the contract which is attached to it.

Mrs. Nugent stated that there are specific items in the contract for the Board's reference. One is the limited time frame that is allowed for the interim extension through June 30, 2012. The fees that Maser will be receiving are the same fees that the named engineer receives. All the required documents to make this appointment have been reviewed.

Motion to approve the resolution to appoint Maser Consulting P.A. as interim Conflict Engineer for the specific project of Foxmoor: Mrs. Davis, second, Mr. Sudia. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Thiemer-yes, Mrs. Davis-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Execute the Alcohol and Drug Testing Services Agreement:

Mrs. Nugent requested of the Board the execution of the Alcohol and Drug Testing Services Agreement. The Authority currently has a vendor who provides this service. They come in on a quarterly basis and they "sample" eight of the Authority's full time employees. The drug and alcohol testing is done on any employee that has access to any of the Authority vehicles. This is a practice that started several years ago as a proactive measure. There were no concerns at the inception of this program regarding any of the Authority staff and there seems to be no concern now. This was initiated as a proactive good reflection of the Authority for the public.

Mrs. Nugent stated that the vendor comes in and generally picks two employees for the drug and alcohol testing. The results are reported to the Authority. The charge is \$132.00 per quarter for this service. The contract does allow for other opportunities. For example, if there is an accident the vendor will come out or do a sampling test if there are any concerns about a specific employee. Mrs. Nugent stated that the only service that has been used before is the sampling on the quarterly basis.

Mrs. Nugent stated that the contract has been reviewed by Mr. Koutsouris. The one concern Mr. Koutsouris referenced is on page eight which has been corrected. This correction states that the copies of the employee drug and alcohol testing results that the Authority receives will be addressed to Mrs. Nugent and Mr. Pizzi who will receive a copy each. If the Board allows this motion to move forward it will authorize the hiring of Valley Health Medical for their services.

Mr. Mullikin questioned if this is the same company that has worked for the Authority. Mrs. Nugent replied that this is the same company that has worked with the Authority for at least three years. This is also the same rates as last year that they are charging the Authority and that there is no increase from last year.

Mr. Mullikin asked if they tested employees on a set date. Mrs. Nugent stated no. Mr. Mullikin questioned if it occurs at random for every quarter. Mrs. Nugent replied yes and stated that they call her and inform her that they are coming the next day. Mrs. Nugent stated that it is done this way because they do not want to arrive at the office and find that the sampled employee is not available

Mrs. Davis questioned if they sample everybody. Mrs. Nugent stated yes it is for all of the employees have access to the Authority's vehicles. Therefore, they are all part of the lottery in which two names are picked for testing. Mrs. Nugent stated that they have never tested more than two employees at a time.

Mr. Mullikin stated that the way this is set up is that it could be the same person being tested three or four times per year. Mrs. Nugent confirmed this is correct and that a particular person has been picked several times in a row.

Mr. Sudia stated that there aren't that many employees to choose from. Mrs. Nugent agreed and stated that there are only the eight employees.

Mr. Mullikin stated that if every employee was being tested every quarter then that would be overkill and that it is much better if it is a random sample. Mr. Sudia agreed and stated that if everybody knows that they are being tested each quarter then it becomes pointless to do so.

Mrs. Davis stated that she was pleased to see in the contract that the company offers to do a post accident on site service. Mrs. Davis added that this is a wonderful option to have, if God forbid, something should happen.

Mrs. Nugent stated that the contract offers other services as needed.

Mr. Mullikin questioned if every employee signs this and realizes that this is a condition of employment with the Authority. Mrs. Nugent confirmed that is correct.

Motion to approve the execution of the Alcohol and Drug Testing Services Agreement: Mr. Thiemer, second, Mr. Mullikin. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Thiemer-yes, Mrs. Davis-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

#### Discussion of Town Request for \$88,547.00:

Mrs. Nugent referred to the copy of a resolution received from the Town for discussion purposes only. This is the third year that the Town has made a request to appropriate 5% of the Authority's annual operations costs. This year the total is \$88, 547.00. This is a budgeted line item for the Authority. It is within the legal right of the Township to request this money. In the past, the Authority has always cooperated upon receiving the resolution from the Town.

Mrs. Nugent stated that she would need authorization to pay for the appropriation. Mrs. Nugent stated that if the Board needs time to discuss this request it can be presented as a formal resolution for the next meeting (04/12/12). If the Board is comfortable with this appropriation then authorization may be given at tonight's meeting.

Mr. Mullikin questioned how much the Authority gave to the Township last year. Mrs. Nugent stated \$83,000.00 was given by the Authority in 2011 and \$81,000.00 in 2010. Mrs. Nugent stated the 2012 request is a bit more, but this has been anticipated and that the Authority has budgeted for it.

Mrs. Nugent informed the Board that the appropriation does not have to be paid until December 2012. It is anticipated that it can be paid in April 2012. This bill can be paid from the cash flow. The money would not need to be withdrawn from the Authority's general fund. The Authority can wait until the end of the month for there to be enough money in the operating fund to cover the check.

Mrs. Davis stated that as a former Councilwoman the only concern she has is that the Township is taking \$88,000.00 from the BTMUA to benefit everyone in Berkeley Township. The BTMUA does not service everyone in the Township. It is as if our rate payers are supplementing these funds for everybody in Berkeley Township.

Mr. Mullikin stated that this is disproportionate. Mrs. Davis added that the rate payers are subsidizing the other township residents. Mrs. Davis stated that she understood that all the residents are of one entity in a certain respect and that the Authority will help to keep the overall burden down for all of the township residents.

Mr. Mullikin stated that the Berkeley Township Sewerage Authority contributes a much higher amount, but that they represent the entire township. Mrs. Davis agreed and stated that they should. Mr. Mullikin stated that they contribute the same percentage as does the Authority.

Mrs. Nugent agreed and stated that the BTSA contributes 5% of its budget also.

Mr. Pizzi stated that the Authority bills the Township for the use of its fire hydrants. The entire township pays for these fire hydrants and not just the Authority's franchise area. Mr. Pizzi stated the same thing can be said in this regard also.

Mrs. Davis agreed and stated that it does break even. Mrs. Davis stated that she did a quick calculation and found that the Authority is paying less than 4% of its unrestricted debt assets.

Mrs. Nugent stated that it is perfectly legal for the Township to collect the 5% appropriations and that this is not unheard of for other MUA's to contribute to in this way.

Motion to authorize to pay the Township the surplus funds to be used in the 2012 BTMUA Budget: Mr. Mullikin, second, Mr. Sudia. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Thiemer-yes, Mrs. Davis-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Mrs. Nugent stated there have been discussions regarding the purchase of a 2013 Ford Explorer for the operational employees, specifically the Chief of Operations. Mr. Blair currently has a large, diesel pickup truck which would be better suited for local use by the operational crew for their work program. This 2013 truck referenced in the handout would be used as a driving vehicle. Mr. Blair would use it for his travels to conferences, classes, meetings, and locally around town. This will be more economic to use because of the gasoline as opposed to diesel. The Authority has budgeted for this truck from the 2012 capital budget approximately \$26,000.00.

Mrs. Nugent stated the Authority went and got three quotes. The first one just presented is a state contract quote which came in the lowest at \$23,245.00. The second quote came from a Manahawkin Ford dealership and the third was from a Brick Town dealership. The last two dealerships came in higher than the referenced state contract quote.

Mrs. Nugent stated that it is a beautiful vehicle but does not come equipped with all of the extras in order to keep the costs down. The truck has the basic niceties however, such as electric windows. The Authority did not go overboard on any features, and again, this is a state contracted vehicle.

The Authority is ready to move forward with this purchase if the Board approves.

Mr. Mullikin questioned if the Authority currently has any cars available to go to conferences, meetings, etcetera. Mr. Mullikin stated that the large trucks generally tend to use a lot of gas.

Mrs. Nugent replied that they had looked at their smaller vehicles such as the Ford "Edge". The Edge uses 26 miles per gallon local and 28 miles per gallon highway and that compared with the Ford Explorer which was surprising.

Mr. Mullikin questioned how many vehicles the Authority has right now. Mrs. Nugent replied the Authority has a total of five trucks consisting of her Jeep, three trucks in use by the operational crew, and one truck currently listed in Gov Deals. Therefore, this new truck would be the Authority's fifth vehicle.

Mr. Mullikin questioned if the Authority needs a four wheel drive truck.

Mr. Pizzi stated that in his discussions with Mr. Blair and Mrs. Nugent it was agreed that the Authority needs a truck with four wheel drive due to some of the sites that the operational employees go to. This is due to inspections or for the employees to be able to perform their duties during heavy snow in dire weather. When Mr. Blair needs to transport equipment a large truck is required to be able to do so as opposed to having a smaller vehicle that will not be able to fit any of the equipment or meters. The larger

truck would also be convenient when attending various events as it will be able to fit more people rather than taking several vehicles.

Mr. Sudia questioned how often we need to transport four people to different events and stated that a small pickup truck might be enough.

Mrs. Nugent stated that it would be no problem to go with a smaller pickup truck. She and Mr. Blair had looked at several vehicles. This particular truck seemed to be the best vehicle to go with and has been budgeted for. Mrs. Nugent stated that she and Mr. Blair can look at more vehicles if the Board prefers this.

Mr. Sudia stated that this is fine as long as it is a practical work truck that will serve the needs of the Authority.

Mr. Pizzi stated that several weeks ago they took the company vehicle to Trenton and that it was very cramped quarters for everybody. Mr. Pizzi added that with the allocation process it can be safely assumed that the Authority will have to visit Trenton at least several more times to state our case.

Mrs. Nugent stated that the Authority employees take excellent care of the vehicles and keeps them for a long period of time.

Mr. Thiemer stated that the state contracted truck is at a very good price. Mrs. Nugent agreed and stated that the other quotes are quite a bit higher. This state contracted truck is a 2013 Ford Explorer at \$23,245.00.

Mr. Thiemer stated that he reviews the pricing for trucks on the internet frequently and that the price for this 2013 Ford Explorer with four wheel drive for \$23,245.00 is outstanding.

Mrs. Nugent stated that the truck will be white and that the Authority's logo will needed to be painted on it to identify the truck as a BTMUA truck.

Mr. Sudia questioned if Mr. Blair will be able to carry everything that he needs with this truck. Mrs. Nugent stated that Mr. Blair checked the dimensions on the back of this truck to be sure that it would be able to fit the equipment and toolbox that is used.

Mr. Mullikin questioned which vehicles are assigned to the employees. Mrs. Nugent replied that generally Mr. Roth has the utility truck. None of the trucks go home with the employees at night unless if they are on call. Mrs. Nugent stated that Mr. Middleton and Mr. Kasper use the other truck which was bought two years ago. Mrs. Nugent stated that Mr. Blair's truck would move down the line and that each utility employee would have their own truck.

Mr. Mullikin questioned if all of the vehicles carry the municipal plates. Mrs. Nugent replied that they all have the municipal plates and are all covered under the JIF insurance.

Mrs. Davis stated that she agreed with Mr. Thiemer regarding the price of the truck and that the Authority should move forward with the purchase of this truck.

Mr. Pizzi stated this matter has been discussed for several years. This is a part of upkeep within our organization to ensure that the Authority's employees have the proper equipment that is needed.

Motion to purchase the 2013 Ford Explorer: Mrs. Davis, second, Mr. Thiemer. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Thiemer-yes, Mrs. Davis-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Mrs. Nugent referred the Board to a follow up letter in their packets from the DEP regarding the March 9, 2012 meeting. The letter summarizes and recaps the conversation from the meeting. She thought this would be beneficial to the commissioners who could not attend that day.

Mrs. Nugent stated that Pine Crest Developers is the developer who challenged CME's fees at the Ocean County Construction Board of Appeals hearing. CME had charged Pine Crest Developers approximately \$3,800.00. The findings from the hearing were in favor of Mr. Rehberger of Pine Crest Developer in the amount of \$900.00. They decreased the fees that CME was charging by \$900.00. Mrs. Nugent stated that this means that Mr. Rehberger is responsible for only \$2,900.00.

Mrs. Nugent stated that the Financial Disclosure Forms have to be at the Township Clerk's office. Mrs. Nugent stated that she could provide another copy of it if any of the Board members need one.

Mrs. Nugent stated that the 1995 Ford F250 that is currently listed on Gov Deals. This is day three of the seven day auction and this morning (03/22/12) the price is up to \$820.00. Mrs. Nugent stated that there are 12 different bidders interested in the truck.

Mr. Sudia questioned if the blue book value of the truck has been checked. Mrs. Nugent stated yes and that the value is approximately \$4,000.00, but that is for good condition. This truck comes with a snow plow, but the celluloid is not operating. The truck has a broken brake line. The truck did start today (03/22/12), but does not always start probably because of inactivity. Mrs. Nugent stated there are large amounts of rust as shown in the pictures on the Gov Deal web site. The bed of the truck had to be covered with a board because the bed has rust holes through it. The truck is really not in good condition and is an older well used vehicle.

Mr. Sudia questioned if there is a reserve amount set for the price of the truck. Mrs. Nugent replied that it was suggested to set the reserve price at what the Authority could get for the truck if it was scrapped. Mrs. Nugent stated she had asked the operational crew what that amount would be and was informed approximately \$750.00. This was the same amount that Gov Deals had given her. Therefore, the \$750.00 is the amount that is

set for the reserve. Mrs. Nugent stated that the Lacey Twp. MUA informed her that most of the activity is more towards the end of the auction. It was Lacey who had recommended Gov Deals to us.

Mr. Pizzi stated that in the past the Authority would get rid of its equipment and not receive anything for it. Mr. Pizzi stated that now the Authority can try and get something for its discarded equipment and as we move forward with this process we can learn more from it.

Mr. Mullikin inquired about the possibility of building a carport for the Authority's vehicles. There was discussion on this matter among the Board members. It was agreed that it will be looked further into for a 2013 capital project. Mrs. Nugent stated that she will investigate the cost for this project.

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

Mr. Pizzi stated there will be an Executive Session after tonight's meeting.

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

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

#### **Accountant's Report:**

Mrs. Nugent stated that the audit has been completed. The auditors will have a presentation at the next meeting of April (04/12/12) or meet with the Finance Committee.

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

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

##### **Professional Services Agreement with Valley Health Medical Group:**

Mr. Koutsouris stated he has prepared the authorization and approval of the professional service contract with Valley Health Medical for the drug and alcohol testing.

##### **Professional Services Agreement with Maser:**

Mr. Koutsouris stated he has prepared the authorization and approval of the professionals' service short term contract with Maser Consulting for the completion of the Foxmoor project at Tallwoods.



CME – Pine Crest Developers – Ocean County Construction Board of Appeals:

Mr. Koutsouris stated the matter of CME and Pine Crest Developers is relevant because of suggestions given by the Ocean County Construction Board of Appeals. Mr. Koutsouris stated that it should be noted that the Ocean County Construction Board of Appeals strongly feels that CME is due money for work performed. However, there are certain billing rates that may not have been expected of an applicant when a professional is sending out, as an example, a site observer who will bill at a certain price at a lower number per hour. However, to accommodate an applicant they may send somebody out who is available that day because the applicant sets up the pressure test and that person may be billing at a higher rate.

The Ocean County Construction Board of Appeals' suggestion was that the Authority cut down the bill because Pine Crest may not have been notified of certain rates and the timing to the applicant. The rates should be made more transparent. Pine Crest had an expectation of what the rates would be as they have dealt with the Authority before. The Board of Appeals did their best to give the benefit of doubt to Pine Crest Developers. Mr. Koutsouris stated that that he, the Executive Director, and CME will explore options as to how best to address this issue in the future. Mr. Koutsouris added that these options will be presented to the Board at a later meeting.

Mrs. Davis questioned who will be responsible for the uncovered amount for CME. Mr. Pizzi stated that this will be discussed with the Finance Committee. Mrs. Nugent added that it could be discussed at tonight's Executive Session.

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

**Committee Reports:**

Old Business:

Mr. Mullikin stated that the meeting with the DEP went very well and questioned if the Board members had received a copy of the letter that they had sent to the Authority. Mrs. Nugent assured him that all of the members have a copy of the letter in their packets. Mr. Mullikin stated that it appears that the DEP is looking at the Authority's request for water allocation in a very positive light.

Mr. Mullikin stated that the Authority started the process of water allocation at a very good time. Due to the slow economy they are not backed up with work that would normally be in better times. Presenting our requests during this period of time to the DEP will progress this faster than if we had waited a year or two.

Mrs. Nugent stated that she provided Mr. Koutsouris a copy of that letter to provide him with background information as this will be a new project.

Mr. Pizzi referred to the DEP meeting and stated that one of the items that the DEP members inquired of was a build out study from the MUA. As a matter of process last year, CME was asked to provide guidance to the Authority in regard to this. CME provided a build out study that showed what the Authority's allocations are, how many homes that are anticipated to be connected in the future, and the different projects. Mr. McClelland informed the DEP that the build out analysis is available and will be sent to them as soon as possible. Mr. Pizzi stated that this is something that will not hold us back for months, but only for a week or so. Mr. Pizzi added that the DEP was impressed that the Authority already had that information.

Mrs. Nugent stated that she has not received a copy yet and they have not replied to the DEP yet.

Mr. Mullikin stated that the reason the build out was done last year (2011) was in anticipation that the Authority would go to the DEP for this request and that it would be information that they required. Mr. Mullikin stated that it was good that we also had the dialogue with Lacey Twp. It is good to be pro-active in this regard. The DEP looks upon this favorably.

Mr. Pizzi stated at the last meeting the Board had approved lunch for the Authority staff because Mr. Blair and the operational crew had received the Annual Safety Award from the JIF. Last week (03/14/12) the Authority had a corned beef and cabbage lunch. Mr. Pizzi stated that he and Mr. Mullikin attended and had their fair share! Mr. Pizzi stated that it was much appreciated.

#### New Business:

No Report.

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

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

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

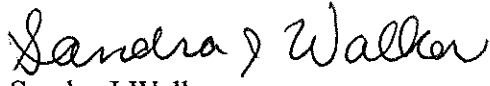
Adopt a motion to give direction to the Executive Director to negotiate with CME in regard to the Pine Crest Developer's / Ocean County Construction Board of Appeals (OCCBA) matter. The Board direction is as follows: After receipt of the revised CME invoices showing the full reduction of \$900.00 per the OCCBA findings, the Executive Director can negotiate on the Board's behalf with CME. The Executive Director can offer

to settle the discrepancy up to \$450.00. This amount reflects the BTMUA sharing the responsibility with CME to the findings of the OCCBA.

Motion to for the Executive Director to negotiate with CME regarding the Pine Crest Developer / OCCBA findings: Mr. Thiemer, second, Mr. Sudia. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to adjourn: Mr. Sudia, second, Mrs. Davis. 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, April 12, 2012 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.