



Berkeley Township MUNICIPAL UTILITIES AUTHORITY

42 Station Road
Bayville, NJ 08721
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A Caucus Meeting of the Berkeley Township Municipal Utilities Authority was held on **Thursday, September 27, 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-absent, Mr. Thiemer-present, Mrs. Davis-absent, Mr. Sudia-present.

Also present: Mr. Koutsouris-Attorney, Mr. Haines-Accountant, Mr. Chiaravallo-Engineer, Mr. Blair-Chief of Operations, and Mrs. Nugent-Executive Director.

Mr. Pizzi stated for the record that the August 23, 2012 and September 13, 2012 BTMUA meetings were cancelled and they have also been identified in the filing system as being cancelled.

Motion to approve the minutes from the Caucus Meeting on August 9, 2012: Mr. Thiemer, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Mr. Sudia abstained.

Treasurer's Report:

Mr. Thiemer stated that he and Mr. Mullikin reviewed the payroll and operating expenses for (08/11/12-09/28/12) seven weeks. The payroll expenses were in the amount of \$44,572.11. The operating expenses were in the amount of \$115,983.74.

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

Mr. Pizzi stated that for the record the agenda has been adjusted for the Accountant's report to be presented first.

Accountant's Report:

Mr. Haines stated in his report:

Cash Position Report for August 2012:

| | |
|--|----------------|
| Total All Cash Fund Balance: | \$3,900,748.77 |
| Total Restricted Balances: | \$2,479,300.12 |
| Total Fund Available for Disbursement: | \$1,421,448.65 |

Mr. Haines stated that he reviewed the Profit Loss Trial Balances with Mrs. Nugent and was satisfied with the information received.

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

Executive Director's Report:

Approval of Ramos' Preliminary, Tentative, & Final:

Mrs. Nugent requested of the Board approval for the Ramos family's preliminary, tentative, and final approval for connection to the Authority's water system. Mrs. Nugent stated that CME has reviewed the plans and recommends Authority approval.

Motion to approve the Ramos' Preliminary, Tentative, & Final: Mr. Thiemer, second, Mr. Sudia. All in favor. Roll Call. Mr. Thiemer-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Close three TD Bank Accounts:

Mrs. Nugent requested of the Board approval to close three TD Bank accounts. These accounts are the Developer's Escrow Master A/C # 00000000040054, Developer's Checking A/C # 02-1009589, and Operating A/C # 02-1009562. Mrs. Nugent stated that the TD Bank fee structure became too costly to keep accounts there. These accounts were transitioned over to Ocean First Bank. Mrs. Nugent stated that the trustee accounts will still continue to be held at TD Bank.

Motion to approve the closing of three TD Bank accounts: Mr. Sudia, second, Mr. Thiemer. All in favor. Roll Call. Mr. Thiemer-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Acceptance of Deed of Easement for the Foxmoor at Tallwoods/GS Realty Development:

Mrs. Nugent requested of the Board acceptance and approval for the deed of easement in the neighborhood of Foxmoor at Tallwoods, off Serpentine Drive. This is a 16 single family home development. The water mains are constructed and approved. Maser Consulting is the Authority's Conflict Engineer. Maser has reviewed this easement and recommends approval.

Mr. Pizzi questioned if this included the private road that is dead-ended. Mrs. Nugent replied no and stated that this road is separate and distinct. The private road ends where the public road begins which is inclusive of this project.

Motion to accept the Deed of Easement for the Foxmoor at Tallwoods/GS Realty Development: Mr. Thiemer, second, Mr. Pizzi. All in favor. Roll Call. Mr. Thiemer-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Certificate to the Review of Findings of the Local Finance Board:

Mrs. Nugent stated a copy of the report from the Local Finance Board ("LFB") was provided to each Board Member. The report consists of the findings regarding the Authority's request for a review of its debt refunding at a lower interest rate. The Local Finance Board reviewed the refunding plan and is in concurrence with allowing the Authority to move forward. The Local Finance Board is requesting all of the Authority's Board Members to read, review, and understand this report. The LFB is also requesting

the Authority to reply to this report. The resolution being presented is a reply to that request and has a Group Affidavit of Certification attached.

Mr. Koutsouris suggested that there should be a cover letter included stating that the Executive Director received this report two days before tonight's (09/27/12) meeting. Mr. Koutsouris stated that the Local Finance Board's resolution adopted on 07/11/12 states that the Commissioners have 45 days to adopt this resolution. Mr. Koutsouris added that this is impossible because the Board has not met in time from when the Bond Counsel received it which was today.

Mr. Pizzi agreed and requested Mrs. Nugent to include the cover letter with it as it will be sent directly to the Local Finance Board.

Motion to approve the Affidavit to the Review of Findings of the Local Finance Board: Mr. Thiemer, second, Mr. Sudia. All in favor. Roll Call. Mr. Thiemer-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Progress Report:

Mrs. Nugent referred to items four (2013 Ford Explorer) and five (surveillance equipment for Berkeley Township Police Department) of her Progress Report and stated that both projects are completed. The 2013 Ford Explorer was received and the surveillance system is fully installed.

Mrs. Nugent stated that the refunding of debt is on hold due to the production of the Public Offering Statement.

Mrs. Nugent stated that the three transducers that were damaged were repaired at a cost of \$375.00 each. Mrs. Nugent stated that in prior years an outside vendor installed the transducers at a cost of \$600.00 a unit. The operational crew was able to install the transducers which saved the Authority this expense.

Mr. Sudia questioned if the transducers were damaged due to lightning. Mrs. Nugent stated that this is correct and that they all went at the same time.

Mr. Sudia questioned how often the transducers need to be replaced. Mr. Blair stated that it depends on how much condensation. Mr. Blair added that they are replaced at about every two years.

Mr. Sudia questioned if they needed to be replaced because of condensation. Mr. Blair stated that the damage was probably caused by being hit by lightning.

Mrs. Nugent stated that it had been considered to submit the expenses related to the transducers repair to the insurance company, but it was opted not to do this. There is a \$1,000.00 deductible and the expense was only slightly higher than that, therefore it was not feasible to submit it.

Mrs. Nugent stated that the ongoing issue of an odor problem at 175 Southern Blvd. may have been resolved. A water sample test from the kitchen faucet reported very good results. A smoke test that was performed indicated that the odor may be related to a plumbing issue. There is a broken seal in the upstairs bathroom which is suspected to be where the smell is originating from. The homeowner will be getting this repaired and will notify the Authority if the odor continues.

Mrs. Nugent stated that the New Jersey State League of Municipalities Conference is scheduled for November 13th – 15th 2012. Mrs. Nugent stated that arrangements will be made if any of the Board Members are interested in attending.

Mrs. Nugent stated that the third quarter 2012 meter reading and billing is complete. The amount billed was \$481,392.16 for 3,247 customers.

Mrs. Nugent stated that the operational crew is about to begin the semi-annual hydrant flushing. This is scheduled for October 1 through November 2, 2012. This was advertised and put on the public television system.

Mrs. Nugent stated that the Authority is starting preparation for its 2013 budget. Mrs. Nugent requested the Board Members to inform her of any specific projects or suggestions that they may have.

Mrs. Nugent stated that the Brick Township MUA has offered the Authority a tour of its facilities. Mrs. Nugent stated that if any of the Board Members are interested in attending it will be scheduled.

Mrs. Nugent stated that there were trespassers at the Authority's Station Road site. There were four teenagers that shut off the electrical service to the Authority's cellular tenants. This resulted in a loss of service to the cellular tenants as well as a 911 interruption. This was reported to the Berkeley Township Police Department and the surveillance images were provided to them. These images will be shown to the Township DARE officers to see if they can recognize any of the teenagers.

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

Engineer's Report:

Well No. 4:

Mr. Chiaravallo stated that CME has prepared the submittal for the DEP for the New Jersey Environmental Infrastructure Trust Funding. This is due on Monday (10/01/12). The title search for the property is complete. An environmental review will be performed for the property.

AT&T Antenna Modifications for Station Road Tank:

Mr. Chiaravallo stated that there was no activity regarding the AT&T antennas for Station Road and the Berkeley Township antennas.

Phase V Water Main Improvements Project:

Mr. Chiaravallo stated that the preparation for the Phase V water main improvement project continues. The Letter of Intent and the planning documents are prepared and will be sent to the DEP for funding review. Mr. Chiaravallo stated that he received an e-mail regarding the funding. It will basically be 75% at zero interest and 25% at the market rate interest rate. There is also mention of principal forgiveness for smaller sized service areas. Smaller size areas are fewer than 10,000 people. Principal forgiveness is grant money.

Mr. Sudia questioned which area that Phase V would cover. Mrs. Nugent referred to a map that Mr. Blair had created in preparation for Phase V. Mrs. Nugent stated that it would include the roads between Veterans Blvd. and Central Blvd. and between Princeton Avenue to Harding Avenue.

Mr. Chiaravallo referred to the map and stated that the pink lines highlighted represent approximately 10,000 ft of water mains. Mr. Chiaravallo added that there will be approximately 96 service connections for the existing houses.

Mr. Pizzi stated that the Board met in Committee to go over the projects and looked at the maps. Mr. Pizzi added that certain areas were identified that could use water mains and were broken down for this particular project. Mr. Pizzi stated that there are other projects that will be considered if there is extra money available.

Mr. Pizzi stated that the reason the project is limited to this size is because of the amount of allocation that the Authority has. Mr. Pizzi added that Mr. McClelland and Mr. Chiaravallo did the analysis and it came to approximately a bit over 300 homes that can be connected without incurring problems with supplying water. Mr. Pizzi stated that the Authority does not want to broach that 300 number in case a large developer makes application. Mr. Pizzi stated as an example, that there is a project making application now for Roman Homes which consists of 81 homes. The Authority has to ensure that it has at least 200 homes in reserve for a contractor to come in with a new project.

Mr. Sudia questioned if 300 is all that is available for allocation. Mr. Chiaravallo stated that this number is based on the firm capacity. Mr. Chiaravallo stated that if 100 units are added at one time and if the number is still 300, after those are on line, there will probably be room for another 250 units. Then it goes to the actual usage instead of the projected demand which is a factor. Therefore, if they are added in groups like that there will be more than the 300 number.

Quick Chek:

Mr. Chiaravallo stated that the Quick Chek project located at Central Blvd and Route 9 passed the final inspection. Mr. Chiaravallo stated that CME has prepared a recommendation for the release of the performance bond.

Chelsea Place:

Mr. Chiaravallo stated that CME has reviewed the proposed Chelsea Place project. Mr. Chiaravallo stated that it is still in draft. It was provided to the Authority for review and discussion.

Ramos Property:

Mr. Chiaravallo stated that CME has recommended the Preliminary, Tentative, and Final Approval of the Ramos project.

Mrs. Nugent briefed the Board on the proposed Chelsea Place project. The nine single family homes project off Grand Central Pkwy requires an extension of over 2,000 ft of water main to bring water to the development. The developer is requesting financial consideration or assistance with the off-site improvements. CME has reviewed the project and will provide additional information.

Mr. Chiaravallo stated that there are nine single family homes included in the project. The connection to the system is approximately 2,000 ft from where the existing water system stops located at Northern Blvd. The developer would be required to install the 2,000 ft of water main to reach the project area. Along that 2,000 ft section is approximately 22 existing homes that could be connected from the water main from Northern Blvd to the project site. There are another nine or ten empty lots with the possibility of future development. Mr. Chiaravallo added that within the project area there are also homes that will be connected because a loop will need to be made around the project site which is Chelsea Place and Grand Central Parkway. Those homes will be connected as required for the loop and there will be an additional 22 homes along Grand Central Parkway with the extension of the water main.

Mrs. Nugent questioned if it would be approximately 30 homes that would be connected. Mr. Chiaravallo stated there may be 35 connections.

Mr. Koutsouris suggested it be further discussed in Executive Session.

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

Attorney's Report:

Berkeley Township School Board Property Acquisition:

Mr. Koutsouris stated the two lots that the Authority is seeking to acquire are actually a lot and a portion of a lot. The first lot is referred to as the proposed well site. The engineers will perform an environmental study on this lot. Once this is accomplished a description of the lot will be included in an ordinance prepared for the Township's consideration as to what the Authority will be purchasing.

Mr. Koutsouris stated that the second lot is what the Authority wishes to acquire from the Board of Education. The title search revealed a restriction imposed by the Township in 1990 which limits the use of the property to educational purposes only. Mr. Koutsouris stated that there is a reverter clause in the deed. This means that if the property is not used for educational purposes it will revert back to the Township. This will occur even if the Authority intends to cut off a portion of the lot to make it a new lot.

Mr. Koutsouris stated that to resolve this issue, an ordinance will need to be adopted by the Township to remove the restriction. Mr. Koutsouris added that he does not think that the Township will be averse to doing this because the land is vacant and not able to be used for anything. Mr. Koutsouris stated that this will benefit the taxpayers of Berkeley Township because the land will be going to government use.

Mr. Koutsouris stated that this may delay the acquisition. Mrs. Nugent stated that she has provided an update to Mrs. Venter of the Berkeley Township School Board.

Mr. Koutsouris stated that the Rules and Regulation proposals have been sent to Mr. McClelland and Mr. Chiaravallo for review. They have drafted a proposed resolution adopting the amendment.

Mr. Koutsouris stated that the litigation with GS Realty is ongoing.

Mr. Koutsouris stated that he has not received any information from the attorney for the Southern Shore performance bond issue in regard to The Grand (Berkeley Estates).

Mr. Pizzi questioned what the process would be in regard to the cost for the Berkeley Township School Board property with the Township and the School Board. Mr. Koutsouris replied that the School Board actually would not have anything to do with it. Mr. Koutsouris stated that the School Board accepted the condition that was imposed by the Township because they prepared the deed with the condition on it. The condition was imposed on the School Board. The School Board can accept the removal of the imposition from the Township.

Mr. Koutsouris stated that the Authority may want to request the Township to remove the condition only from that portion of the lot that is going to be acquired. Mr. Koutsouris stated that the metes and bounds description from the survey can be used to describe exactly where we want the restriction removed from.

Mr. Chiaravallo stated that the survey was performed, but is not complete.

Mr. Koutsouris suggested he prepare the ordinance for the Township since the Authority is requesting it. Mr. Koutsouris stated that the cost would be minimal for all the parties involved. The concern will be that an ordinance will take some time. Mr. Koutsouris stated that this would involve two township meetings to have that condition removed which would be about one month. Mr. Koutsouris stated that once the Township receives the ordinance and removes the condition the Authority will be able to proceed with the application. Mr. Koutsouris added that the Planning Board will grant the subdivision.

Mr. Pizzi stated that he felt it would be fruitful for the Authority to continue with the process of acquiring the property. Mr. Pizzi requested that a cover letter be sent to the Mayor's office to explain the Authority's situation in regarding the acquisition of the property. Mrs. Nugent confirmed that it would be taken care of.

Mr. Koutsouris stated that he could prepare the ordinance and attach the cover letter explaining the Authority's position on the property. Mr. Koutsouris added that doing so may get it on the next agenda and shorten the time in acquiring the property.

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

Committee Report:

Old Business:

No Report.

New Business:

No Report.

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

Executive Session:

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

Chelsea Place:

The Board Members discussed what would be involved in extending the water main from Northern Blvd to the Chelsea Place development. Mrs. Nugent stated that the developer asked if the Board could provide some sort of assistance for the off-site improvements. The Board authorized Mrs. Nugent to schedule a meeting with the Chelsea Place representatives and the professionals.

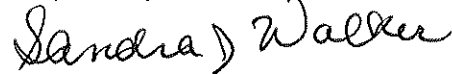
Motion to close the Executive Session: Mr. Sudia, second, Mr. Thiemer. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

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

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

Motion to adjourn: Mr. Thiemer, second, Mr. Sudia. 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, October 11, 2012 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.