



**Berkeley Township**  
**MUNICIPAL UTILITIES AUTHORITY**

42 Station Road  
Bayville, NJ 08721  
(732) 237-0100  
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A Public Meeting of the Berkeley Township Municipal Utilities Authority was held on **Thursday, May 23, 2013** at 7:00 pm at the Berkeley Township Municipal Utilities Authority at 42 Station Road, Bayville, NJ 08721. Presided by Chairman Pizzi-present, Vice-Chairwoman Davis-absent, Mr. Mullikin-present, Mr. Hale-present, Mr. Sudia-present, Mr. Buscio-absent.

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

Motion to approve the minutes from the meeting on April 25, 2013: Mr. Hale, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Sudia abstained.

Motion to approve the minutes from the Executive Session from the meeting on April 25, 2013: Mr. Mullikin, second, Mr. Hale. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Sudia abstained.

Motion to approve the Executive Director's Report from the meeting on April 25, 2013: Mr. Hale, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Sudia abstained.

Motion to approve the Engineer's Report from the meeting on April 25, 2013: Mr. Mullikin, second, Mr. Hale. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Sudia abstained.

Motion to approve the Accountant's Report from the meeting on April 25, 2013: Mr. Sudia, second, Mr. Hale. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Sudia abstained.

Motion to approve the Attorney's Report from the meeting on April 25, 2013: Mr. Hale, second, Mr. Sudia. The motion was approved by voice vote. There were no "nay" votes. Motion Carried. Mr. Sudia abstained.

**Treasurer's Report:**

Mr. Hale stated he and Mr. Mullikin reviewed the payroll and operating expenses for (04/27/13-05/24/13) four weeks. The payroll expenses were in the amount of \$32,748.99. The operating expenses were in the amount of \$62,198.31.

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

**Executive Director's Report:**

Group Affidavit to 2012 Audit:

Mrs. Nugent requested of the Board authorization to adopt the 2012 Annual Audit Report. Mrs. Nugent stated this resolution includes an audit review certification. Your signature to the affidavit certifies that you have received the financial statements and specifically read the general comments and recommendations section. Mrs. Nugent stated this resolution will be sent to the State as part of the Authority's compliance package.

Motion to adopt the 2012 Annual Audit Report: Mr. Hale, second, Mr. Mullikin. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Hale-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Progress Report:

Hurricane Sandy:

Mrs. Nugent stated approximately 150 ratepayers have received the Sandy program credit.

Wire Transaction:

Mrs. Nugent stated the Finance Committee has authorized a \$100,000.00 wire transfer from Ocean First Revenue to the TD Bank Debt Service account.

LFB Financial Disclosure Form (FDF):

Mrs. Nugent reminded the Board members they are required to complete the FDF by May 31, 2013.

Cross-Connection:

Mrs. Nugent stated all of the expenses incurred due to the cross connection of a Princeton Ave. well were reimbursed to the Authority by the resident. Mr. Mullikin questioned the amount owed. Mrs. Nugent replied the amount was approximately \$743.00 which has been paid in full.

New Jersey Sustainable Joint Meeting (NJSEM):

Mrs. Nugent notified the Board the NJSEM awarded the electrical bid to Hudson Energy effective June, 2013.

### T-Mobile Cellular Antenna Tenant:

Mrs. Nugent stated the T-Mobile cellular antenna tenant's lease expires June, 2013. Mrs. Nugent stated she contacted the Authority Attorney and that it may require a re-bid. Mr. Koutsouris stated authorization will be needed to move forward with the bid package. Mrs. Nugent stated the tenant was with the Authority for 15 years meaning they completed three five year terms and would like to extend their lease. Mr. Koutsouris stated a motion is needed to authorize the Executive Director to seek tenants to occupy that space when the lease is up. Mr. Sudia questioned if this requires a bid for new tenants. Mr. Koutsouris stated this alternative will be looked at. Mrs. Nugent stated it was suggested the Authority should hold a public live auction to provide an opportunity for T-Mobile to counter any alternative parties' offer. T-Mobile already has equipment on the tower. Mr. Koutsouris stated once the lease agreement is concluded, theoretically space becomes available. Mr. Mullikin questioned if there is room for another tenant even if T-Mobile stays. Mrs. Nugent replied there is room on the Station Road Tower, but the Northern Blvd Tower is restricted because of the manway access. Mr. Koutsouris stated the major tenants are occupying space on the towers and that both are full. Mr. Koutsouris stated there is a potential to look at alternatives to monthly lease payments for occupying space. Mr. Koutsouris added other MUAs negotiated favorable front loaded leases. Mr. Koutsouris stated if an alternative proves to be favorable to the Authority it will be presented to the Commissioners for their approval or denial. Mr. Mullikin questioned if there could be an opportunity to review similar contracts. Mrs. Nugent stated Lacey Township received payments on a monthly basis and converted the lease to an upfront payment of over \$1,000,000.

Mr. Pizzi questioned if T-Mobile is aware that its lease is up. Mrs. Nugent replied they are aware and contacted the Authority expressing their interest in keeping their equipment on the tower. Mr. Koutsouris stated he believes all of the major carriers occupy space on the towers and their networks are compatible. Mrs. Nugent stated Metro PCS, Nextel, AT&T, Verizon, and T-Mobile are on the towers. Mr. Sudia questioned if the T-Mobile equipment would have to be removed if the lease wasn't renewed. Mrs. Nugent stated T-Mobile has a cash deposit with the Authority for purposes to remove the equipment if it was abandoned. T-Mobile wants to extend the lease and continue its affiliation with the Authority.

Motion for approval for the Executive Director to seek quotes and potentially place the matter for public bid: Mr. Hale, second, Mr. Mullikin. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Hale-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

### Drug & Alcohol Testing:

Mrs. Nugent stated the Authority conducts random drug and alcohol testing on all of its full time employees. This is a proactive policy. No issue prompted the policy. Mrs. Nugent stated the current vendor is no longer servicing the region. The Authority is currently receiving quotes from other alternate providers.

FEMA Response:

Mrs. Nugent stated the Authority received \$6,909.18 representing 75% of FEMA Application for the Category B expenses. Category B covers the immediate 14 day period after the storm regarding overtime, equipment used, and adds a percentage to reimburse benefits. Mrs. Nugent stated the Authority submitted the application for approximately \$9,000.00. This \$9,000.00 was calculated off of \$6,029.00 in direct out of pocket costs. The increase resulted because FEMA provides benefits and equipment increases to the direct out of pocket application amount. Therefore, the Authority received \$6,909.18 at FEMA's 75% reimbursement rate.

Mrs. Nugent stated confirmation for eligibility was received in response to the Authority's application for \$241,000.00 for Category F. Category F Application represents the permanent work such as utility mark outs, shut offs, turn on or off water service which the Authority has submitted. The utility employee's regular time (not overtime), the benefits match, the equipment used, also fall under Category F. This was for the end of Category B time, which is the two week period after and forward until February when the Authority stopped keeping track of the permanent work. Mrs. Nugent stated the Authority will receive 75% of that application (Category F) which includes replacement of the meters. Mrs. Nugent stated the Authority has put in a claim for over 800 meters exposed to the salt water. The Authority's share or match to this application will be \$55,000.00. This is the 75/25% split.

Mrs. Nugent requested of the Board approval for preparing the bid package for the purchase of the meters and for hiring an outside vendor to install the meters. Mrs. Nugent stated the approved FEMA application includes an estimate for an outside vendor to install the meters. Mr. Mullikin questioned if the new meters were received yet. Mrs. Nugent replied meters were recently purchased as a normal course of business, but to purchase 800 requires a bid. The approval received from FEMA allows for increases. If more meters are required or if the estimate for the installation comes in higher, FEMA will allow an increase to the project amounts. Mrs. Nugent stated the Authority will not get an upfront check. As expenses are incurred, the Authority will submit and FEMA will reimburse. Mr. Mullikin questioned if the meters will be reimbursed at the 75% rate. Mrs. Nugent confirmed that was correct. Mrs. Nugent stated the meters affected are between 15 through 20 years old. Generally, the life span of the meters is approximately 12 - 15 years. These meters would have eventually needed to be replaced anyway. Mrs. Nugent stated the new meters will be water proof which is now an industry standard. Mr. Mullikin noted that the new meters are a lot lighter. Mrs. Nugent stated a new directive restricts use of lead in a meter. Therefore, new units are basically plastic units. Part of the bid package states the old meters will be returned to the Authority for scrap metal. Mrs. Nugent added the Authority will request the meters to be returned instead of the vendor taking them.

Mrs. Nugent referred to the Authority's \$55,000.00 match and stated the 2013 budget has a \$65,000.00 line item for filter and sand media replacement. Mrs. Nugent stated the Authority received good test results so there is no need to replace the filter sand media. Mrs. Nugent added the media testing vendor stated the media won't require replacement for another five years. Mrs. Nugent stated Holman & Frenia concur a line item transfer is allowed, if the Board provides authorization. Mr. Koutsouris stated a motion authorizing a transfer is required. The Budget will not need to go back to the State because it will not increase the overall capital budget. Mr.

Koutsouris added it is appropriate to memorialize the transfer allowing it to the new line item. Mr. Conaty stated the funds are in the capital budget, therefore the whole \$65,000.00 or a portion of it can be moved over. Mr. Conaty added the Authority may want to move the total amount in case the bids come back higher than the 25% split. Mr. Mullikin questioned the urgency of replacing the meters. Mr. Blair replied that the utility employees will be meter reading in a couple of weeks and currently 34 of the houses are disconnected from the water service. Mr. Blair stated these homeowners will need to replace their meters. Mr. Blair added when the homeowner disconnects they are required to bring the meter back to avoid paying for a replacement.

Mrs. Nugent stated FEMA provides 18 months for the Authority to complete the permanent work. If the project is not complete within 18 months FEMA will grant another 18 month extension. Mrs. Nugent stated the Authority should consider meter replacement in future budgets. The Authority should replace aging meters in phases. Therefore, the Authority won't incur the full load of replacing all of the meters at one time.

Mr. Sudia questioned if the new meters come equipped with the gears inside. Mr. Blair replied that the new meters are free flowing and do not make any noise. Mr. Koutsouris suggested Mr. Blair could provide a schedule with a listing of the homes that have the oldest meters. Mr. Pizzi requested Mr. Blair to get a maintenance plan in place and work with Mrs. Nugent to include those numbers in the budget so they can be motioned on. Mr. Blair agreed stating the oldest meters are being replaced right now and the Holly Park section will be next. Mr. Sudia questioned if the new meters are more accurate. Mr. Blair replied yes, the new meters adapt to low flow. The old meters would not have detected a slow drip. Mr. Mullikin questioned Mr. Blair if it is possible to schedule the utility employees to change out meters for routine matters. Mr. Blair stated there is no problem with changing meters, the issue is when the touch pads are gone from the houses and it is unknown where the wires are. This may require the resident to drill another hole in the house and attach the wire to the meter. Mr. Blair added the homeowners are responsible for this as the Authority will not be liable for any drilling into a residence. Mrs. Nugent stated the outside vendor will take care of everything regarding the installation. The vendor will set up the appointments, perform the installation, return the old meters to the Authority and provide our office with the updated meter numbers. Mr. Pizzi confirmed the outside vendor will install the meters, touch pads, and wiring. Mr. Mullikin questioned if there are meters buried under driveways. Mr. Blair replied no, the meters are inside the residences.

Motion for approval to go to bid for meter replacement based on projected FEMA funds: Mr. Sudia, second, Mr. Mullikin. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Hale-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Motion for approval to go to bid to hire an outside vendor for meter installations: Mr. Hale, second, Mr. Mullikin. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Hale-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Mr. Conaty stated a budget amendment to the 2013 Budget is required to transfer \$65,000.00 from the filter service media replacement in the capital budget to the meter purchase and replacement.

Motion for authorization for amendment to the 2013 Budget to transfer funds from the filter service media replacement in the capital budget to the meter purchase and replacement: Mr. Hale, second, Mr. Mullikin. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Hale-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Mrs. Nugent stated the Berkeley Township Elementary School (BTES) gave the Authority a photo souvenir along with a thank you note for the tour of the Authority's treatment plant and water tower last month (May). Mr. Hale complimented Mr. Blair on his very informative talk along with a tour of the Authority. Mr. Hale added Mr. Blair is a very good public relations man for the Authority.

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

#### **Well #4:**

Mr. Chiaravallo stated CME is preparing documents and responses to the State in regard to the Well #4 project. Mr. Chiaravallo stated CME is conferring with the NJDEP's hydro-geologist on the aquifer data related to the well design. A Letter of Interpretation (LOI) request form was prepared for submittal to the NJDEP regarding the proposed well site along Station Road.

#### **Phase V Water Main Improvements Project:**

Mr. Chiaravallo stated CME is conferring with the State regarding its request for additional information regarding the applications, plans, and specifications that were submitted. Mr. Chiaravallo referred to the Station Road Paving Project and stated Mr. Contreras from Remington & Vernick informed him the base maps are being prepared for Station Road. The base maps will probably be completed in early June 2013. A copy of the plans will be sent to CME for mark up of any location of the casings, sizes, and crossings. Construction should begin in August or September 2013. Mr. Blair questioned if the Authority's piping will be in by then. Mr. Chiaravallo stated Mr. Contreras informed him CME should have the information by June.

#### **Crystal Lake Rehabilitation Center (CLRC):**

Mr. Chiaravallo stated CME submitted a report regarding CLRC summarizing the walk through of the facility.

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

Mr. Chiaravallo stated copies were provided to the Authority for distribution as the applications came in.

#### **Central Regional School District (CRSD):**

Mr. Chiaravallo stated Mr. Contreras from Remington and Vernick will provide the CRSD asbuilts. Mr. Mullikin questioned if the Authority has taken ownership of the pipes there. Mr.

Pizzi replied not yet. Mrs. Nugent stated CRSD's attorney hasn't returned the agreement to the Authority yet.

**Accountant's Report:**

Mr. Conaty stated in his report:

**Cash Position Report for April:**

Total All Cash Fund Balance:	\$4,034,792.83
Total Restricted Balances:	\$2,518,131.23
Total Fund Available for Disbursement:	\$1,516,661.60

Mr. Conaty stated he reviewed budget to actual with Mrs. Nugent and everything looked good.

Mr. Conaty stated he and Mr. Holman have reviewed the Community Disaster Loan Program and it doesn't look like the Authority qualifies for it. Mr. Conaty stated there must be a 5% loss in revenues in order to qualify for the program. The Authority has a loss of approximately 2% of its total operating revenue. The Governor has issued a new local finance board notice which may qualify the Authority to receive grants from the State. Mr. Conaty explained the program. Governmental agencies that have lost revenue or will experience a loss in revenue, but do not meet the 5% qualification, will be eligible for funds that will be made available. Mr. Conaty added his office will research it to see if the Authority can qualify. Mr. Pizzi requested Mr. Conaty to keep the Executive Director informed of any updates in regard to this matter.

**Attorney's Report:**

**Central Regional School District CRSD):**

Mr. Koutsouris stated the attorney for CRSD informed him the agreement that was provided to CRSD was forwarded the school board for review and execution some time ago. Mr. Koutsouris' office has not received signed documents yet. Mr. Koutsouris added this does not impact the Authority in a negative way. The Authority has an easement to access the property to perform any repairs if necessary without the liabilities of approved ownership of the infrastructure. The Authority wants possession of the infrastructure. Mr. Koutsouris added his intention will be for the Authority to acquire the infrastructure, but there will be no negative impact on the Authority if it doesn't take possession.

**Acquisition of Township Property:**

Mr. Koutsouris stated the Authority is trying to finalize acquiring the Township property. Mr. Koutsouris stated the Township stated the deed was already conveyed to the Authority, but the deed was never received. The Township still owns the property.

Acquisition of School Property:

Mr. Koutsouris stated he is still waiting on approval from the Commissioner of Education.

Cross Connection of Princeton Ave Well:

Mr. Koutsouris stated the Authority has completed everything in regard to the cross connection of the Princeton Ave well and the matter is now with the Township.

The Grand (Berkeley Estates):

Mr. Koutsouris stated the Authority received a check in the amount of \$60,000.00 from American Southern Company which holds the performance bond for Diamond Developers. The Authority had released a performance bond and signed over any rights it would have to litigation to the bond company. The Authority has the capital reserve to complete the project while the Township is pending litigation. Mrs. Nugent stated the \$60,000.00 has been placed in an escrow account until the Township completes its work.

**Committee Reports:**

Old Business:

No Report.

New Business:

No Report.

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

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

**Executive Session:**

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

Annual Review for Two Employees

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



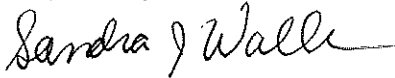
Personnel Matters Discussed:

Motion to execute Employee #1 contract: Mr. Mullikin, second, Mr. Hale. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Hale-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

Motion for annual review of Employee #2: Mr. Sudia, second, Mr. Hale. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Hale-yes, Mr. Sudia-yes, Mr. Pizzi-yes. Motion Carried.

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

Respectfully Submitted,



Sandra J Walker  
Office Clerk

The next meeting of the Berkeley Township Municipal Utilities Authority will be held on Thursday, June 27, 2013 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.