



Berkeley Township
MUNICIPAL UTILITIES AUTHORITY

42 Station Road
Bayville, NJ 08721
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A Public Meeting of the Berkeley Township Municipal Utilities Authority was held on **Wednesday, January 29, 2014** 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-present, Mr. Mullikin-present, Mr. Hale-present, Mr. Sudia-absent, Mr. Buscio-present.

Mr. Pizzi stated for the record Mr. Buscio will be sitting in as an acting Commissioner with all the associated rights due to Mr. Sudia's absence.

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

Motion to approve the minutes from the Public Meeting on December 19, 2013: Mrs. Davis, second, Mr. Hale. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Executive Director's Report from the meeting on December 19, 2013: Mr. Buscio, second, Mr. Hale. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Engineer's Report from the meeting on December 19, 2013: Mr. Hale, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Accountant's Report from the meeting on December 19, 2013: Mr. Buscio, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Attorney's Report from the meeting on December 19, 2013: Mr. Hale, second, Mr. Buscio. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Treasurer's Report:

Mr. Hale stated he and Mr. Mullikin reviewed the payroll and operating expenses for (12/21/13-01/31/14) six weeks. The payroll expenses were in the amount of \$48,397.25. The operating expenses were in the amount of \$82,972.12.

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

Executive Director's Report:

Release HD Supply Bid Bond (water meters):

Mrs. Nugent requested of the Board authorization to release the bid bond submitted by HD Supply for the purchase of water meters. Mrs. Nugent stated the contract for the water meter purchase was fully executed and the bid bond is ready to be released.

Motion for authorization to release the HD Supply Bid Bond: Mr. Hale-yes, second, Mr. Mullikin. All in favor. Roll Call. Mrs. Davis-yes, Mr. Mullikin-yes, Mr. Hale-yes, Mr. Buscio-yes, Mr. Pizzi-yes. Motion Carried.

Release T-Mobile Bid Bond (Station Road cellular antenna lease space):

Mrs. Nugent requested of the Board authorization to release the bid bond submitted by T-Mobile which had gone to bid for the lease of cellular antenna space on the Station Road Tower. Mrs. Nugent added the lease was fully executed and the bid bond is ready to be released.

Motion for authorization to release the T-Mobile Bid Bond: Mr. Buscio, second, Mr. Hale. All in favor. Roll Call. Mrs. Davis-yes, Mr. Mullikin-yes, Mr. Hale-yes, Mr. Buscio-yes, Mr. Pizzi-yes. Motion Carried.

Waiver of Central Regional School District (CRSD) Maintenance Bond Requirement:

Mr. Buscio abstained from the discussion due to conflict of interest.

Mrs. Nugent stated CRSD installed water main and connected to the Authority's potable water system in August, 2011. Mrs. Nugent stated the Authority Engineers have reviewed the project and all of the punch list items have been fully addressed. Mrs. Nugent stated CRSD had the contract and performance bond in its name. Since that time ownership of the water main has been turned over to the Authority. CRSD asked if the Authority would consider waiving the maintenance bond requirement. Mrs. Nugent stated it was discussed with the Authority's professionals and they are in agreement if the Board consents to waive the maintenance bond requirement. The Authority typically requires the maintenance bonds to be held for two years. The school has been using the system longer than two years with no complaints or problems with the system.

Motion to approve the waiver of the CRSD maintenance bond requirement: Mr. Hale, second, Mr. Mullikin. All in favor. Roll Call. Mrs. Davis-yes, Mr. Mullikin-yes, Mr. Hale-yes, Mr. Buscio-abstained, Mr. Pizzi-yes. Motion Carried.

Bid Opening – Phase V project:

Mrs. Nugent stated the Authority had its bid opening for the Phase V water main installation project today (01/29/14). Mrs. Nugent stated the bid opening went very well. The Authority had

11 responses. P&A Construction of Colonia, NJ came in the lowest at \$1,194,451.60. Mrs. Nugent stated P&A is a responsible contractor and completed a project for the Authority in 2008. Mr. Christopher Connors (representative for the Authority's law firm) stated the bid package submitted by P&A Construction was a responsive packet. Mrs. Nugent requested of the Board authorization to award the Phase V bid to P&A Construction.

Motion to award the Phase V project to P&A Construction: Mr. Mullikin, second, Mr. Buscio. All in favor. Roll Call. Mrs. Davis-yes, Mr. Mullikin-yes, Mr. Hale-yes, Mr. Buscio-yes, Mr. Pizzi-yes. Motion Carried.

Mr. Pizzi requested notification of the award be given to the Mayor, the Administrator, and the CFO of Berkeley Township.

Let it be stated for the record Mr. Koutsouris arrived at the meeting at 7:10 pm.

Progress Report:

Mrs. Nugent referred to her progress report and highlighted the following items.

Wire Transaction:

Mrs. Nugent stated authorization was given for a \$100,000.00 wire transfer from Ocean First Bank Revenue to the TD Bank Debt Service in January 2014.

Fourth Quarter 2013 Billing:

Mrs. Nugent stated the fourth quarter 2013 billing was completed on December 26, 2013. The amount billed was \$382,510.36 for 3,181 customers. Mrs. Nugent stated compared to the fourth quarter 2012 billing this represents 66 less customers and a 2% increase in user fees. Comparing the total 2013 user fees of \$1,640,000.00 versus the total 2012 user fees of \$1,698,000.00 there was a \$58,000.00 decrease which represents a 3.5% decrease. Mrs. Nugent stated weather and the approximately 66 less connections from the Sandy affected homes are contributing factors for the decrease.

2014 Elected/Appointed Officials Liability Seminars:

Mrs. Nugent stated enclosed on the Progress Report is a list of elected/official training seminars sponsored by the Joint Insurance Fund (JIF). Mrs. Nugent stated a credit to the Authority's premium will be offered for attendance by any of the Commissioners. Mrs. Nugent stated she would register any Commissioners interested in attending and send out reminder notices.

Mrs. Nugent stated Mr. Sudia could not attend tonight's meeting (01/29/14) due to a conflict of schedule. Mrs. Nugent stated Mr. Sudia asked her to express his thanks and good wishes to everyone. Mrs. Nugent stated Mr. Sudia enjoyed his tenure at the Authority and working with all the associated Members.

Mr. Pizzi stated on behalf of the Board he wished Mr. Sudia well in all of his endeavors.

Mr. Mullikin questioned what was holding DEP approval for the Well #4 project. Mr. Chiaravallo replied the permit to construct is still under review for the Well #4 project.

Engineer's Report:

Phase V Water Main Improvement Project:

Mr. Chiaravallo stated there were 11 bids for the Phase V project. Mr. Chiaravallo stated CME will prepare the package for the NJDEP authorization which will allow the Authority to move forward with its funding.

Well #4 Project:

Mr. Chiaravallo stated CME is waiting on the permit to construct from the DEP. CME has submitted the revised plans and permit application to the NJDEP for its review of the Well #4 construction.

Crystal Lake Rehabilitation Center (CLRC) Water Service:

Mr. Chiaravallo stated CME has received preliminary plans for CLRC's connection to the Authority's water system. CME has reviewed those plans and provided comments to them. Mr. Chiaravallo added CME is still waiting for a response back from CLRC.

AT&T Emergency Generators for the Northern Blvd and Station Road Tank:

Mr. Chiaravallo stated AT&T presented plans to install emergency generators at the Northern Blvd and Station Road Towers. Mr. Chiaravallo stated CME reviewed the information and prepared comments. Mr. Chiaravallo stated the emergency generators are natural gas units.

Annual Engineer's Report:

Mr. Chiaravallo stated the Annual Engineer's Report provides a general description of the Station Road Treatment Plant and distribution system. Mr. Chiaravallo stated some of the updates include the status of the Phase V, the Well # 4 project, and the amount of pipe in the ground. Mr. Chiaravallo added it will be updated again after the Phase V project is completed.

Mrs. Davis questioned if the AT&T emergency generators are to be used by AT&T to power their antennas in case of a power failure. Mr. Chiaravallo stated yes. After Hurricane Sandy, a lot of the carriers installed generators to prevent loss of service. Mr. Chiaravallo added AT&T intends to install one for each tank which will power only the AT&T antennas. Mrs. Davis clarified it would not be used for anything associated with the Authority. Mr. Chiaravallo confirmed that was correct. Mrs. Davis questioned if the Authority is charging AT&T for land space for each generator. Mrs. Nugent replied per the lease agreement land space is allotted. Mrs. Nugent stated Mr. Chiaravallo is aware of this and will report if the land equipment is located

within the sited property. Mrs. Nugent added if the equipment is outside the sited property the Authority will refer the matter to its Attorney for further review. Mr. Mullikin questioned if AT&T is the only company that added generators. Mrs. Nugent stated Verizon already has a generator on site at the Station Road Tower. Mrs. Nugent stated she has heard informally from the technicians that more activity is occurring regarding this.

Mrs. Nugent stated this Annual Review to the Trustee and the Engineer's Certification are requirements of the Authority's bond. Mrs. Nugent added this information will be sent over to TD bank.

Accountant's Report:

Mr. Conaty stated in his report:

Cash Position Report for December:

Total All Cash Fund Balance:	\$3,597,514.66
Total Restricted Balances:	\$2,501,866.96
Total Fund Available for Disbursement:	\$1,095,647.70

Mr. Conaty stated he reviewed the Budget to Actual report for the Authority through the end of December 2013. The annual revenues were a little below budget. Mr. Conaty stated the Authority made up for the loss with a lot of favorable variances on the expenditure side in the amount close to \$120,000.00. Mr. Conaty summed it up by stating the Authority is approximately \$7,000.00 under the budget for revenues, but almost \$120,000.00 on the expense side. Therefore, the Authority will be able to make up for this small shortfall in revenues.

Attorney's Report:

Land Acquisition from Berkeley Township Board of Education (BTOE):

Mr. Dasti stated his office just recently received a response from the counsel for the BTOE (Mr. Sahradnik). Mr. Sahradnik's office recently became aware of the name of the person that needs to be contacted at the Department of Education to approve the acquisition.

Crystal Lake Rehabilitation Center (CLRC):

Mr. Koutsouris stated the Authority filed a complaint against CLRC in the Berkeley Township Municipal Court due to CLRC's failure to connect to the water system. The return date for court is February 19, 2014. Since filing the complaint, CLRC has made efforts to coordinate with the Authority's Engineer toward developing a satisfactory plan for connecting to the water system. Mr. Dasti stated CLRC's attorney has requested an adjournment to the matter so that efforts can focus on creating a workable plan for connection. Mr. Koutsouris stated the problem is CLRC's inability to reconcile the interconnection between the potable water system and the fire suppression available at CLRC. CLRC submitted plans with no clear indications of how this issue would be addressed. Mr. Koutsouris stated the situation has not changed since the initial

request for connection. Mr. Koutsouris stated adjourning the matter again will allow CLRC to focus on the comments rather than having to come back to court to face possible criminal charges. Mr. Koutsouris added the court made it very clear it will not entertain any more adjournments with this matter. Mr. Koutsouris stated he agrees the plans CLRC submitted are further progressed than the plans previously submitted, but the primary issue remains outstanding. Mr. Koutsouris stated he is unsure of how to address the interconnection of two systems and Mr. Corodemus (CLRC's attorney) is also unsure. If their engineers can prove real progress is being made, perhaps a joint one-time adjournment of this matter could be requested. Mr. Koutsouris stated Mr. Corodemus informed him if it is the Authority's intention is to get the attention of CLRC it has been accomplished. Mr. Koutsouris stated he made it very clear to Mr. Corodemus he would not make any particular recommendations to the Authority Board on how to proceed with this matter. Mr. Koutsouris summed it up stating he is not going to recommend dismissal of the complaint for it to be filed again later. The time is now for CLRC to progress this issue.

Mr. Chiaravallo stated CLRC hired a different engineer. Mr. Chiaravallo stated CME requested fire flow demands for the building which still have not been received. In the past, CME was reluctant to state fire flow could be provided until it is known what the fire flow demand is. Mr. Chiaravallo added without this information CME cannot confirm the fire flow demand is available. The Authority's standards and the Rules and Regulations states there are two separate connections for fire flow and potable water service. Mr. Chiaravallo stated CLRC still shows a single connection. With this single connection the Authority would be providing fire flow for the building's sprinkler system. Mr. Chiaravallo stated CLRC's plans show capping the wells and being totally dependent on the Authority for fire flow protection and potable water service with a single connection. A discussion of fire flow requirements ensued amongst the Board Members and Professionals.

Committee Reports:

Old Business:

Mrs. Davis stated there is one matter from the Legal Committee which needs to be addressed in Executive Session.

Mrs. Davis stated Mr. Blair and Mrs. Nugent investigated purchasing a 16"x20" shed to be installed in the back yard of the Station Road Plant. Several different sheds were looked at and it was agreed to purchase the 16"x20" shed from Applegate's which is a local vendor. Mrs. Davis stated the shed will be constructed on site and will cost \$6,315.00. Mrs. Davis added \$10,000.00 was allotted for in the budget. Mrs. Nugent stated the construction of the shed will be completed in early February.

New Business:

Mr. Pizzi stated due to Mr. Sudia's end of term there are positions open on two different committees that are open which are "Buildings and Grounds" and "Personnel". Mr. Pizzi stated there may be outstanding personnel issues that need to be addressed. Therefore, by executive

order these two positions need to be filled before the February 27, 2014 Re-Organization Meeting. Mr. Pizzi stated Mr. Mullikin is appointed to the Personnel position and Mrs. Davis is appointed to the Buildings and Grounds position.

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

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

Executive Session:

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

Topic Discussed:

Personnel Benefits Policy

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

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

Motion to approve providing post-employment health benefits: Mrs. Davis, second, Mr. Buscio. All in favor. Roll Call. Mrs. Davis-yes, Mr. Mullikin-yes, Mr. Hale-yes, Mr. Buscio-yes, Mr. Pizzi-yes. Motion Carried.

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

The meeting adjourned at 8:26 pm.

Respectfully Submitted,



Sandra J Walker
Office Clerk

The next meeting of the Berkeley Township Municipal Utilities Authority will be held on February 27, 2014 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.