



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, **June 23, 2016** at 7:00 pm at the Berkeley Township Municipal Utilities Authority at 42 Station Road, Bayville, NJ 08721. Presided by Chairman Hale-present, Mrs. Davis-present, Mr. Mullikin-present, Mr. Cammarato-absent, Mr. Askew-absent.

Also present: Mr. Budesza-Attorney, Mr. Chiaravallo-Engineer, Mr. Waldron-Accountant and Mrs. Nugent-Executive Director.

Motion to approve the meeting minutes and the following reports from the meeting on May 26, 2016: Mrs. Davis, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

- Executive Director's Report
- Engineer's Report
- Accountant's Report
- Attorney's Report

Treasurer's Report:

Mr. Mullikin stated Mr. Cammarato and Mr. Mullikin reviewed the payroll and operating expenses for (05/28/16-06/24/16). The payroll expenses were in the amount of \$33,274.93. The operating expenses were in the amount of \$58,078.86.

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

Executive Director's Report:

Release of performance bond for Ocean One/Eagles Nest/Elizabeth Ave (after acceptance of maintenance bond \$24,439.43):

Mrs. Nugent requested of the Board authorization to release the performance bond for the Ocean One project also known as Eagles Nest which consists of six single family homes located on Elizabeth Avenue. CME has reviewed the completed project and recommends the release of the performance bond. Mr. Budesza has prepared the resolution which allows the release of the performance bond upon acceptance of the 15% maintenance bond which may be in the form of a Letter of Credit.

Motion to authorize the release of the performance bond upon acceptance of the maintenance bond: Mrs. Davis, second, Mr. Mullikin. All in favor. Roll Call. Mrs. Davis-yes, Mr. Mullikin-yes, Mr. Hale-yes. Motion Carried.

Authorize execution of 2015 Audit Review and Group Affidavit:

Mrs. Nugent requested of the Board signatures from the Authority Commissioners for the 2015 Audit Group Affidavit. Mrs. Nugent stated the signatures on this affidavit certify the Commissioners have received and reviewed the 2015 Audit, specifically the general comments and recommendations section. Mrs. Nugent stated this resolution authorizes the execution of the attached affidavit.

Motion to authorize the execution of the 2015 Audit Review and Group Affidavit: Mrs. Davis, second, Mr. Mullikin. All in favor. Roll Call. Mrs. Davis-yes, Mr. Mullikin-yes, Mr. Hale-yes. Motion Carried.

Progress Report:

- Annual Increase for the Employee's Pension and Health Benefits Contribution – the annual increase for the employee's pension and health benefits contributions will be in July 2016
- Stafford Township Co-op – the State and Stafford Township approvals to participate in the co-op were received
- 2016 New Jersey State League of Municipalities (NJSLOM) – the dates for the NJSLOM are November 15 – 17, 2016

Engineer's Report:

Well #4 Project:

Mr. Chiaravallo stated the DEP completed the Water Allocation permits review for the Well #4 project and the approved permits may be out as early as next week (week of 06/27/16). Mr. Chiaravallo stated CME met with the Authority to investigate several options regarding security and surveillance cameras for the Well #4 building.

Phase VI Water Main Improvement Project:

Mr. Chiaravallo stated the NJDEP provided all the required documents for the issuance of the Authorization to Award the Phase VI Water Main Improvement project to P&A Construction. The pre-construction meeting is scheduled for June 30, 2016 with CME, the DEP and the Authority staff. Mr. Hale questioned when the project will start. Mr. Chiaravallo stated it is anticipated to begin through August or September 2016. Mrs. Nugent stated notification letters will be sent out to the residents after the pre-construction meeting is held.

Mr. Hale stated for the record that a member of the public, Council President Mr. Bacchione arrived to the meeting at 7:17 pm.

Accountant's Report:

Mr. Waldron stated in his report:

Cash Position Report for May:

Total All Cash Fund Balance:	\$4,299,762.23
Total Restricted Balances:	\$2,493,930.55
Total Fund Available for Disbursement:	\$1,805,831.68

Mr. Waldron stated he is working on the rate study with Mrs. Nugent. Mr. Waldron anticipated he may be able to provide a draft within the next week (week of June 27, 2016) to the Finance Committee for its review and a copy of the entire draft for the Board at the July 28, 2016 public meeting.

Mrs. Davis questioned if the trial balance reflects the audit adjustments and reversals. Mr. Waldron replied no, the audit adjustments are not posted yet.

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

Attorney's Report:

No Report.

Committee Reports:

Old Business:

No Report.

New Business:

Chairman Hale asked Mrs. Nugent to summarize to the Board the recently discovered fire protection billing error. Mrs. Nugent stated "The Authority Rate Schedule states fire protection will be charged at an annual flat rate based on the size of the service pipe into the building. Mrs. Nugent stated a billing error was discovered. The Edmunds billing system was set up incorrectly in 2002. Since that date instead of the accounts being billed an annual fee, the system had been billing the correct flat rate but on a quarterly basis. The billing system has been corrected for future billings. Collectively, the error amounts to a \$68,000 refund to those eight accounts. Mr. Mullikin asked if the Authority discovered the error and if the Authority had received any complaints regarding the error. Mrs. Nugent stated the Authority discovered the billing error while investigating how to add another customer to fire protection billing and none of the affected accounts had questioned the past billings. The Financial Committee recommends five of the eight accounts receive a credit to the account. This credit will be satisfied in less than two years. The remaining three will receive check reimbursements in July because the credit will take longer than two years to satisfy. Mr. Waldron stated his firm reviewed the matter and concurs with the recommendation of the Financial Committee.

Motion to approve the refunding of the fire protection for eight accounts: Mrs. Davis, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Mrs. Davis stated the Joint Insurance Fund (JIF) requires the Employee Manual to be updated every two years. The Executive Director has prepared the required revisions. The Personnel Committee will review those revisions and if acceptable may present at the July meeting.

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

Mr. Hale welcomed Mr. Bacchione on behalf of the Board Members. Mr. Bacchione questioned the possibility of a rate increase. Mr. Hale replied the Authority Auditors are currently doing a rate study and will have recommendations once the study is completed. Mr. Bacchione stated the water quality the Authority provides is very good.

Mr. Bacchione stated the Ken Leake Golf Outing is tomorrow (June 24, 2016) if any of the Board Members, neighbors or friends are interested in attending. The cost to play is \$10.00 and it starts at 1:00 pm.

Mr. Bacchione complimented the Board Members on the fine service the Authority provides to its rate payers. Mr. Mullikin stated the Authority has never raised its rates. Mrs. Nugent stated there was a decrease of \$5.00 in the rates once.

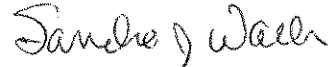
Mr. Bacchione thanked the Board Members for the opportunity to speak with them.

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

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

The meeting adjourned at 7:33 pm.

Respectfully Submitted,



Sandra J Walker
Office Clerk

The next meeting of the Berkeley Township Municipal Utilities Authority will be held on Thursday, July 28, 2016 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.