



# **Berkeley Township**

## **MUNICIPAL UTILITIES AUTHORITY**

**42 Station Road  
Bayville, NJ 08721  
(732) 237-0100  
Fax (732) 237-0638**

A Public Meeting of the Berkeley Township Municipal Utilities Authority was held on Thursday, August 22, 2019 at 7:00 pm at the Berkeley Township Municipal Utilities Authority at 42 Station Road, Bayville, NJ 08721. Presided by Chairman Michael Hale-present, Karen Davis-present, Edward Cammarato-present, Samuel Cammarato-present, Jerome Bollettieri-present, Richard Elliott-absent, Lawrence Borio-present.

Also present: Robert Budesa-Attorney, Keith Chiaravallo-Engineer, Jerry Conaty-Accountant, Brian Blair-Chief of Operations and Michele Nugent-Executive Director.

After the salute to the flag, Mrs. LeFaucher read the Open Public Meeting Statement.

Motion to approve the Public Meeting Minutes, Executive Session Minutes and the following reports from the meeting on July 25, 2019: Karen Davis, second, Jerome Bollettieri. 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. Samuel Cammarato stated for the four week period from (07/27/19-08/23/19) the payroll expenses totaled \$40,882.79 and the operational expenses totaled \$51,022.57. Mr. Edward Cammarato and Mr. Samuel Cammarato reviewed the four weeks.

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

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

Roman Brothers/Riverbay Gardens Apartments release of performance bond, acceptance of maintenance bond and assumption of project:

Mrs. Nugent requested of the Board authorization for the release of a performance bond for Riverbay Gardens Apartments project (the Roman Brothers' apartment complex). The project is complete. The Authority Engineer reviewed the project and recommends approval of the release of the performance bond which is a reduced bond for a total of \$109,820.34. This resolution also allows for the acceptance of

the maintenance bond in the amount of \$54,910.17. The maintenance bond was not submitted yet because the bonding company wants the release in place. Upon receipt of the maintenance bond the Authority Attorney will review it. With acceptance of the maintenance bond the Authority will assume the project into its assets.

Motion for release of performance bond and acceptance of the Roman Brothers/Riverbay Gardens Apartment. project: Jerome Bollettieri (subject to the condition the Authority receives the maintenance bond), second, Samuel Cammarato. All in favor. Roll Call. Karen Davis-yes, Edward Cammarato-yes, Samuel Cammarato-yes, Jerome Bollettieri-yes, Michael Hale-yes. Motion Carried.

Progress Report:

Mrs. Nugent referred to the Progress Report and presented the highlights:

- Well #3 – AC Schultes lifted the well to film and perform an inspection on the column that goes into the ground. Good results were received from the inspection regarding the condition of the column. AC Schultes recommends replacing 270 feet of the stainless steel shaft which consists of 20 year old pipe. AC Schultes also recommends replacing the pump and refurbishing the motor. Mrs. Nugent stated the estimate for this project is \$49,500.00 which is above the bid threshold. Therefore, the Authority will investigate buying the pipe and pump directly from outside vendors and have AC Schultes do the installation. This may decrease our costs. Mrs. Nugent stated Wells #1, 2 and 4 are fully operational.
- Dental Insurance – There will be no increases to the premium for 2020.
- 2020 Budget – The 2020 budget is in preparation.

Mrs. Nugent stated Mr. Rinderer and his tenants, Mr. and Mrs. Kowalski, are present to address the Board with their request to connect to Aqua Water Company (Aqua) for the benefit of Berkeley Child Care.

Mr. Rinderer: We request to connect 549 Route 9 to the Aqua water system where Mrs. Kowalski's day care center is located. Mrs. Kowalski's business wants to expand and the state requirements for water have become stricter. To keep Mrs. Kowalski's business local we are requesting to connect to the Aqua water supply. We would be willing to pay the minimal quarterly charge to the Authority, even though we are not connected to the BTMUA public water system. We would sign a document stating we will connect to the BTMUA water system when the line is extended to this property.

Mr. Hale stated at the last meeting (07/25/19) several items of information were requested about the water quality of the well. Mr. and Mrs. Kowalski indicated the well water conditions were borderline for quality. Mr. Hale questioned if the results of the water testing were received. Mrs. Nugent replied yes, Mr. and Mrs. Kowalski provided approximately one year's worth of test results along with the billing from Henderson Labs for performing the water testing. Mrs. Nugent added Mr. and Mrs. Kowalski provided the DEP requirements of what is required to maintain the water system.

Mr. Rinderer: Mrs. Kowalski is planning to expand her business. This will not be possible due to the situation with the well.

Mr. Hale questioned if Mr. and Mrs. Kowalski are in negotiations to provide Pre-K classes to the Township's public schools.

Mr. Kowalski: Yes, this is correct. The school representatives are coming out in September to do an evaluation.

Mr. Edward Cammarato questioned who is doing the evaluation.

Mrs. Kowalski: It is an official from the Department of Education.

Mr. Edward Cammarato questioned if this is on the State or County level.

Mrs. Kowalski: The State is going to assess the area and ensure there is enough space for one or two classrooms. We will get the projections for the following year. It will not happen now as September is right around the corner. Next year (2020) the goal is to occupy the available unit.

Mr. Hale stated he was under the impression that Mrs. Kowalski was under negotiations with the township.

Mrs. Kowalski: I am in negotiations with the Township, but I will not be able to get any projections until the State comes to evaluate my business.

Mr. Hale questioned if it will be one or two years until the business needs to connect to public water.

Mrs. Kowalski: The review process will be about one year, not two.

Mr. Hale questioned if this facility is in the process of getting certified to make it able to handle a larger business.

Mrs. Kowalski: This is correct.

Mr. Hale stated whenever a Municipal Utilities Authority allows a customer in its franchise area to connect to another water provider it is possible that Authority could lose its territory. Mr. Hale stated there was a deed restriction on the building regarding the quantity of water that may be pumped from the well. Mr. Hale asked Mr. Rinderer to clarify if there was the possibility to connect to the Authority's water supply.

Mr. Rinderer: No, because the Authority's water main was not near. This would have caused residents along the way to tear up their yards and streets for a two block radius to get water there.

Mrs. Nugent stated the closest point of connection to the BTMUA public water is Buckley Lane.

Mr. Rinderer: It would not pay to connect to the Authority's water from that distance. I would have to ask Mrs. Kowalski to move. It would be approximately eighty or ninety thousand dollars to connect.

Mr. Samuel Cammarato questioned how much it would have cost in 2009.

Mrs. Nugent stated Mr. Rinderer's engineer quoted approximately sixty or seventy thousand dollars in 2009.

Mr. Rinderer: I was fine with putting a well in because I did not realize there would be a need to connect to public water.

Mr. Hale agreed and stated now that the Kowalskis are in the facility the requirements have changed.

Mr. Rinderer: There was a day care in one unit originally when Mrs. Kowalski purchased it. When she expanded into the next building the water requirement became harder. More testing on the water was performed which proved we have been trying to maintain the quality.

Mr. Hale stated the Board is now in receipt of the documentation requested and it is on record that originally the building could have connected to the Authority's water system, but it was not economical. The Board will evaluate the data provided, but it could mean the Authority may possibly be giving away a portion of its territory.

Mr. Rinderer: We would not mind paying a small fee which will be a positive for the Authority. We would sign a document stating as soon as water becomes available we will connect to the Authority's water main as soon as possible.

Mr. Hale stated since this is not an immediate concern it gives us an opportunity to further review because the lease for the extra unit will be expiring by the end of the year (November 2019).

Mr. Kowalski: It is not only the time restriction that is concerning, but also the quality of the water presently. The bigger issue is children will be in our daycare and we will be expanding, but to control the water problem now is very costly.

Mr. Hale stated with permission of the Board all this information will be given to the Engineering Committee who will then meet with the Authority's Engineer and Attorney about the legal application because a portion of the Authority's territory is being given away. Mr. Hale stated there should be a decision regarding this matter by the end of the month.

Mr. and Mrs. Kowalski thanked the Board for their time.

**Engineer's Report:**

Well #4 Project:

Phase II – Production Well

Mr. Chiaravallo stated CME is coordinating with the Contractor the few remaining punch list items for the Well# 4 project.

**Accountant's Report:**

Mr. Conaty read into record the June 2019 Cash Position Report:

Cash Position Report for July:

Total All Cash Fund Balance:	\$5,888,290.02
Total Restricted Balances:	\$2,805,732.67
Total Fund Available for Disbursement:	\$3,082,557.35

Mr. Conaty reviewed the 2018 Audit with the Board and stated Holman, Frenia & Allison provided an unmodified opinion. This is the best that can be given which states there are no modifications necessary to bring the financial books into full compliance with accounting standards. This represents a good standing for the Authority. Mr. Conaty stated there are no comments or recommendations noted. The financial statements were prepared in accordance with government audit standards.

Mr. Conaty stated there was a delay by the State to release information required for financial statement reporting. The report was released in mid July 2019 and the State revised the financial statement filing deadline to August 31, 2019. Mr. Conaty stated the audit results are still timely in terms of the statutory requirements for the filing.

Motion to accept and adopt the 2018 Audit and authorize the execution of the Group Affidavit: Jerome Bollettieri, second, Karen Davis. All in favor. Roll Call. Karen Davis-yes, Edward Cammarato-yes, Samuel Cammarato-yes, Jerome Bollettieri-yes, Michael Hale-yes. Motion Carried.

Mrs. Nugent requested the Commissioners' signatures for the affidavit. This is an affidavit to the receipt of the Audit and review of the findings and recommendations.

**Attorney's Report:**

No Report.

Mr. Hale stated for the record Mayor Carmen Amato has arrived and is reviewing the annual audit.

**Committee Reports:**

Old Business:

No Report.

New Business:

No Report.

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

Mr. Hale stated for the record there is one member of the general public in attendance. Mr. Hale welcomed Mr. Blackford.

Mr. Blackford: I reside at 132 Station Road, Bayville. I am seeking guidance for help regarding the water supply to my home. On Sunday, August 11, 2019, I noticed there was standing water in my yard. I have never had this issue in the five years that I have lived in Bayville. I called the emergency contact (BTMUA off-hours pager). They came to the house to investigate and stated it was possibly standing water. I found this to be unusual since it had not rained since the Wednesday prior (08/07/19). When I went outside on Monday (08/12/19) the area of standing water had spread. I realized it was an underground leak and had it evaluated. Rich Pereira of Emergency Septic Service came and dug up almost the entire front yard. Initially, the leak was believed to be under a tree in the front yard which had to be removed. The front yard was excavated. As we got closer to the street we were thinking it was a city problem, it turned out not to be a city problem. When the gas line was installed on Station Road in 2001 my water line was punctured. Instead of replacing the water line, they replaced a section of it using two couplings and attached the section together. The screw was never tightened on one of the couplings. It has been leaking for sixteen years since the house was built. I called New Jersey Natural Gas who put me in touch with Gray Supply Corporation, the company that installed the gas main. I explained the problem to Gray Supply, provided photographs, provided a detailed account of what happened and offered to put them in contact with my contractor who discovered the punctured line. My contractor stated

he was 99% sure the line was punctured by the gas company. The gas company contacted me and stated there is no way it could be determined how the line was damaged. It happened years ago and they have no record any damage ever happened to that portion of the pipe. I am at a loss. I have spent thousands of dollars to have this issue repaired. I did not have to report the leak. I could have left it alone. It was not affecting my house, just the yard. The water was leaking into the ground for 16-17 years and nobody has been paying for it. Who is at fault here? This is not a matter of a burst pipe, or of something broken, it is a matter of negligence. Someone did not tighten the four screws on a single coupling and it has been leaking since the property was built. This only came to my attention when I was out Sunday morning (08/11/19) and saw the leak in my front yard.

Mrs. Nugent questioned when the gas line was installed.

Mr. Blackford: I was told the gas line was installed in 2001. I am requesting assistance from the Authority to contact the gas company directly to find out who did the installation and how this matter can be resolved.

Mr. Edward Cammarato stated the infrastructure was clearly damaged between 16 and 19 years ago.

Mr. Blackford: The concern here is an unknown amount of water was pumped into the ground for the last 18 years. The water is before my meter and is going straight into the ground. The water line is buried five feet deep.

Mr. Edward Cammarato questioned if it is in the right of way.

Mr. Blackford: The break is approximately two feet from the curb into my property. The break occurred right after where the curb stop is located underneath the gas line.

Mr. Hale questioned when it was dug up and the leak was uncovered was it very large?

Mr. Blackford: It was a steady stream of water coming out of the coupling that was not tightened. There is no way to quantify how much water was lost because the water is running all the time from the leak.

Mr. Hale stated it is surprising this was not discovered before, although this past summer had a lot of rain which may have contributed to the problem.

Mr. Edward Cammarato stated the hydrostatic pressure of the water would bring the water to the surface.

Mr. Blackford: The water leak was five feet deep. In order for the water to come up from five feet and it had to have been leaking for a significant amount of time.

Mrs. Nugent stated the Authority will investigate this matter further for a resolution to the problem.

Mrs. Davis stated she understands Mr. Blackford wants the responsible party to pay for the negligent work and questioned Mr. Blackford if he contacted his homeowner's insurance regarding the leak.

Mr. Blackford: My policy states this will not be covered. The deductible on my homeowner's insurance policy is \$2,500.00 and is approximately what I have spent so far trying to resolve this problem. I will have additional costs because I need to replace the lawn, replace the tree and replace two concrete slabs.

Mr. Borio asked when the house was constructed. Mr. Blackford replied the house was probably built in 2001.

Mr. Samuel Cammarato questioned what type of repairs were tried to fix the problem.

Mr. Blackford: Rich Pereira of Emergency Septic Service had to excavate my entire front yard and dig down five feet. They started under the tree logically thinking a root may have hit a line. They took the tree out, dug and found no leak and then had to trace it back to the curb. As they got closer to the curb, they had to pull the sidewalk up. It was discovered underneath the gas main. They were there for several hours and had to use a back hoe. It was a very labor intensive project for them. He is quite confident the gas company punctured the line. When I contacted Gray Supply they stated they have no record of it. The Authority's operational employee that responded (08/11/19) stated there was a good possibility the water line was there already and that it was not yet pressurized because the house was just built. They could have hit an empty line and just replaced that section.

Mayor Amato asked Mr. Blackford to memorialize the matter and to provide that statement and pictures to the Authority and to his office. Mr. Hale stated the Authority will do everything it can to cooperate with you. We will get all the information possible to provide proper guidance with this problem.

Mr. Blackford thanked the Board for their time.

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

**Executive Session:**

Motion to open: Jerome Bollettieri, second, Karen Davis. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Topics discussed:

Employee Evaluations

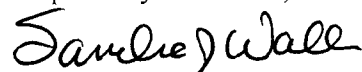
Motion to close: Edward Cammarato, second, Jerome Bollettieri. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to re-open public portion: Jerome Bollettieri, second, Samuel Cammarato. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to adjourn: Karen, second, Jerome Bollettieri. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

The meeting adjourned at 8:40 pm.

Respectfully Submitted,

  
Sandra J Walker  
Office Clerk

The next meeting of the Berkeley Township Municipal Utilities Authority will be held on Thursday, September 26, 2019 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.