

**Minutes of the Annual
REORGANIZATION MEETING
February 1, 2010**

SALUTE TO THE FLAG of THE UNITED STATES OF AMERICA

1. CHAIRMAN'S OPENING STATEMENT

Chairman Bottazzi called the meeting to order and read the following statement "This meeting is being conducted in accordance with the Open Public Meetings Act, being Chapter 231 of the Laws of 1975. Pursuant to the requirements of this law, notice of the meeting was published in the Asbury Park Press on December 29, 2009, and Brick Communicator on January 7, 2010. Similar notice was given by mail to the Clerk of the Township of Brick and placed on the bulletin board maintained for this purpose by the Authority."

2. ROLL CALL

Members Present

Joseph Buttacavoli, DMD
Allan E. Cartine
Joseph M. Veni, P.E.
Madeline Iannarone
John Ciocco
Edward J. McBride
Patrick L. Bottazzi

Members Absent

Allan E. Cartine

Counselor Dasti advised that in Comm. Cartine's absence, Comm. Ciocco is the alternate who will be voting.

3. NOMINATIONS AND ELECTION OF OFFICERS

3.1 Chairman

Chairman Bottazzi called for nominations for the position of Chairman.
Comm. Veni nominated Patrick Bottazzi for Chairman. Seconded by Comm. Iannarone.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

3.2 Vice-Chairman

Chairman Bottazzi called for nominations for the position of Vice Chairman.
Comm. Iannarone nominated Joseph M. Veni for Chairman. Seconded by Comm. Ciocco

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

3.3 Secretary

Chairman Bottazzi called for nominations for the position of Secretary.
Comm. Veni nominated Joseph Buttacavoli for the position of Secretary. Seconded by
Comm. Iannarone.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

3.4 Treasurer

Chairman Bottazzi nominated Allan E. Cartine for the position of Treasurer. Seconded by
Comm. Veni.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

3.5 Assistant Treasurer/Secretary

Chairman Bottazzi called for nominations for the position of Assistant
Secretary/Treasurer.

Comm. Veni made a motion to appoint Madeline Iannarone for the position of Assistant
Treasurer/Secretary. Seconded by Comm. Ciocco.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

Chairman Bottazzi stated, "Thank you very much and congratulations to everyone. I have some words here I'd like to say, but I'd basically like to report to the Mayor and the Council. Please bear with me for ten minutes while I say a few words."

Chairman Bottazzi stated, "Thank you for this opportunity once again. As always I am honored and proud to act in the position as Chairman of this organization. As in years past, the Authority continues to grow and improve upon its already strong foundation. 2009 was no different. In the past year the Authority has made milestones in all departments. 2009 was a banner year for the Department of Customer Accounts. Under the direction of Frank Pannucci, Director of Customer accounts for the first time in Authority history, online payments have been activated along with a new billing system. For six years the Authority carried \$100,000 in the budget, set aside by the then executive director who has since retired, for the purpose of studying a new billing system. Director Pannucci took that \$100,000, added \$15,000 to it and got the whole job done and initiated. Customer Accounts took the online payment directive a step further by partnering with Edmunds & Associates. Customers can now look up an account online and not only pay via credit/debit cards & e-checks, but can also review four quarters of billing and usage history to monitor their water usage. In addition, we re-evaluated the Meter Division at the retirement of one of our servicemen. We were able to rearrange the routes that were being read and the way service appointments were being handled. In doing so were able to reduce the work force through attrition by one employee. Customer Accounts also successfully integrated the approximately 1,900 accounts associated with Parkway Water Company into our normal routine successfully."

"In the area of Finance, which is under the guidance of Frank Planko, Chief Financial Officer, we initiated of a Cost of Service Study to determine the feasibility of our current rate structure. The study is being conducted by our Auditing firm, in conjunction with the Finance Division staff, anticipated to be completed in early 2010. Another quality financial audit has been completed without any noted recommendations from New Jersey State Auditors. The implementation of a new software package for inventory control and management, which is compatible with our existing financial systems."

"In our Engineering and Operations Division, under the guidance of Steve Specht, we are proud to report that in association with the United States Economic Recovery Program of 2009, procured over \$2 million in low interest financing (75% at zero interest and 25% at the market rate for a total interest amount of about 1%) from the New Jersey Environmental Infrastructure Financing Program for three wastewater projects including: the Parallel Sewer Main Crossing under the Garden State Parkway: the Heating, Ventilating and Odor Control Improvements at our three major wastewater pump stations, and Wet Well Grating Improvements for 11 smaller wastewater pump stations. (NOTE: A \$320,000 grant has also been received from the NJ Clean Water Funds to offset the cost of the Parallel Sewer Main Crossing under the Garden State Parkway project)."

"Bidding and Award of additional Telecommunication co-location leases at the Morris Avenue and Mantoloking Road Water Storage Tanks for a total first year revenue of \$78,000. Currently the Authority's annual income from communications tower leaseings at our sites is \$268,000, and more leases in the coming year are pending. Over the past 17 years of my service to this organization, we have seen revenues of approximately \$896,000 from the leasing of space on our facilities for this purpose. We have also entered into a Shared Services Agreements with

the Borough of Bay Head for sanitary sewer main cleaning and closed circuit TV inspection as well as design and construction management services for the Lake Avenue Sewer Rehabilitation Project for a total of \$50,000. And all of this was done with No additional employees were hired to provide these services."

"With Regard to our Go Green Initiative: a. Completion of the Preliminary Project Analysis for the Wind Turbines at the Reservoir and the Water Treatment Plant participation in the Government Energy Program of which 75% or \$25,000 is funded through the New Jersey Board of Public Utilities. Going forward it will be one of my personal goals to continue to investigate the alternate energy sources such as wind turbines and solar technologies for both the Reservoir and our Campus here. I am looking forward to Councilman Thulen, Council Liaison to the MUA, and Commissioner Veni to work with staff to make this into a reality."

"The Water Quality Division, overseen by Joseph Maggio, has been very active as well with not only a focus on keeping the quality of our water at its utmost, but also taking an increased active role in the protection of the watershed. With the Award of the Metedeconk River Watershed Management Plan Grant from NJDEP in the amount of \$666,000 on June 22, 2009, for the preparation of a Metedeconk River Watershed Management and Restoration Plan. Recently the Authority hosted a Watershed Stakeholders meeting on January 13, 2010 at Metedeconk Yacht Club with over 75 attendees. At this meeting preliminary goals for the watershed planning process were designed. Commissioners Cartine and Iannarone have been played an important role in overseeing the progress of our watershed management efforts."

"In 2009 we also achieved improved chemical usage efficiency by actively managing source water selection at the William Miller Water Treatment Plant. It was found that by actively managing our source water (river, wells, Reservoir) selection we were able to control raw water quality to the treatment process resulting in a reduction in the quantity of treatment chemicals needed. This has resulted in a dramatic reduction in chemical usage. During the evaluation period of February to September 2009 it is estimated that our chemical usage efficiencies translated into savings of over \$66,000 when compared to the same period during 2008."

"Due to the current global concerns of terrorism, the Authority continues to be aware of our vulnerability as a potential target. As part of its Water Security Initiative, the Water Quality Department completed Phase I of the Distribution System Security Program by researching and purchasing equipment that evaluates and provides early warnings of contaminants in our source water and water distribution system. In an attempt to continue to raise revenue from the resources we already have on hand, The Water Quality Department State Certified Laboratory has been aggressively marketing its laboratory services to fellow water utilities. During 2009 several new customers were acquired including Passaic Valley Water Commission, New Brunswick Water, Middlesex Water, Gordon's Corner Water, and Seaside Park. During 2009, total laboratory billables exceeded \$28,000. With new customers contracted during the year the Water Quality Department Goal is to increase laboratory billables by 50% for 2010."

"Our Central Services Division, overseen by Scott Bundy, plays an important role in managing the safety and security of the Authority, as well as many other vital core functions also continued in 2009 to reach new goals. Our Emergency Management staff organized and participated in a major Emergency Management drill in which 170 area first responders took part. In keeping with our goal to work with the township in an attempt to share costs and

services, we installed infrastructure allowing the Township and the Authority to share GIS data live."

"The Central Services Division was also instrumental in delivering new upgrade to financial department accounting software on schedule, under budget, and not a penny over the contract amount."

"Also under the supervision of Scott Bundy is the responsibility of the Reservoir and we are always trying to approve most of the requests from individuals and organizations for functions at the Reservoir. To date we have hosted 11 walk-a-thons, 4 weddings, 2 Easter Sunday worshipping, and it was also used as a rest stop for a 25 mile bike tour. We here at the MUA hope that all good PR will also be a credit to the Mayor and Council."

"As you all can see, the staff has been busy here in many aspects of protecting water quality, keeping expenses to a minimum by improving our methods of operation and also by taking in work from other sources. In 2010 we will continue along this path. We the Board of Commissioners thank all the employees, directors and the Mayor and Council for having us here. And now we will go on with the agenda."

"Also we just got this in the mail today. This is our third year. It reads this is to certify that Brick Reservoir has been chosen by the Asbury Park Readers Choice awards as the best place to walk, jog or hike. That is something that all of you can be proud of. Moving on I will entertain motions to appoint our advisors."

4. APPOINTMENT OF ADVISORS

4.1 Resolution No. 11-10 - Appointment of General Legal Counsel

Comm. Iannarone made a motion to appoint the firm of Dasti, Murphy, McGuckin, Ulaky, Cherkos & Connors for the position of General Legal Counsel. Seconded by Comm. Veni.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.2 Resolution No. 12-10 - Appointment of Alternate Legal Counsel

Comm. Veni made a motion to appoint the firms of RC Shea & Associates, and Coronato, Brady & Kunz for the position of Alternate Legal Counsels. Seconded by Comm. Buttacavoli.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.3 Resolution No. 13-10 - Appointment of Bond Counsel

Comm. Veni made a motion to appoint the firm of Gluck Walrath LLC for the position of Bond Counsel. Seconded by Comm. Buttacavoli.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.4 Resolution No. 14-10 - Appointment of Consulting Engineer

Comm. Ciocco nominated the firm of John S. Truhan Consulting Engineers for the position of Consulting Engineer. Seconded by Comm. Buttacavoli.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.5 Resolution No. 15-10 - Appointment of Alternate Engineers

Comm. Buttacavoli nominated the firms of CMX, CH2MHILL, Alaimo Associates, and Sydney A Bowne & Sons for the position of Alternate Engineers.

Comm. Ciocco nominated the firms of Remington, Vernick & Vena, O'Brien & Gere, Owen, Little & Associates and CDM for the position of Alternate Engineers.

Comm. Veni nominated the firms of Birdsall Services Group, T&M Associates for the position of Alternate Engineers.

Comm. Iannarone seconded all of the nominations.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.6 Resolution No. 16-10 - Appointment of Auditor

Comm. Iannarone nominated the firm of Holman and Frenia for the position of Auditor. Seconded by Comm. Veni.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.7 Resolution No. 17-10 - Appointment of Financial Advisor

Comm. Ciocco nominated the firm of Acacia Financial for the position of Financial Advisor. Seconded by Comm. Buttacavoli.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.8 Resolution No. 18-10 - Appointment of Labor Counsel

Comm. Iannarone nominated the firm of Citta, Holzapfel & Zabarsky for the position of Labor Counsel. Seconded by Comm. Veni.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.9 Resolution No. 19-10 - Appointment of Risk Management Consultant

Comm. Buttacavoli nominated the firm of Federal Hill Risk Management/Majestic Group for the position of Risk Management Consultant. Seconded by Comm. Veni.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.10 Resolution No. 20-10 -Designation of Official Newspapers

Chairman Bottazzi made a motion to continue with the Asbury Park Press and Brick Communicator as the Authority's designated official newspapers. Seconded by Comm. Iannarone.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.11 Resolution No. 21-10- Establishment of Regular Meeting Dates

Comm. Buttacavoli made a motion to establish the regular meetings dates of the Authority as indicated on the Resolution. Seconded by Comm. Iannarone.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

4.12 Resolution No. 22-10 Establishing charges for copies, etc.

Comm. Buttacavoli made a motion to adopt Resolution No. 22-10, establishing charges for copies, etc. Seconded by Comm. Iannarone.

ROLL CALL

AYES: Comm. Buttacavoli, Ciocco, Veni, Iannarone, Bottazzi
NAYS: None
ABSTAIN: None

5. OTHER BUSINESS

6. PUBLIC COMMENT

At this time Chairman Bottazzi opened the meeting for public comment.

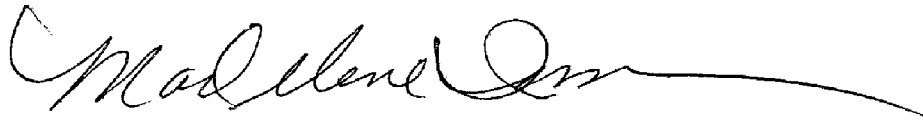
Mayor Acropolis stated, "Mr. Chairman I just wanted to thank the Authority for the great report that you just gave to us, and maybe the Council President might want you to come and give that before the Council. I thought it was very detailed. Obviously, we appreciate the great work that the Authority is doing. The way that you are looking for revenue and I believe this is the best run Authority in the State of New Jersey. I know that the people up here and the employees that do the day to day operations. This is not an Authority that does part of the utility business; they do all of the utility business. We appreciate it and we are trying to follow suit as well at the municipality when it comes to extra revenue. Again, I appreciate your efforts and I'm sure the council members do as well."

Chairman Bottazzi stated, "I do want to point out that we have the Director of Community Affairs, Steven Scaturro with us, Councilman DeLuca, Councilman Sangiovanni and *our* Councilman Dominick Brando, and Business Administrator Juan Belu. Mayor and Councilmembers you have expressed, privately and so forth that you are very much impressed with our staff, our directors, our supervisors and all the employees. We are very dedicated people. You can see the smiles on their faces that they are happy they are with our commissioners and so forth, look at Helen over there smiling. All of you thank you very much for coming. I thought it would be a good idea that you see your commissioners in action, and Mayor and Council here. Take two more minutes and say hello to the people who are running our town, and you are running our MUA. Again I thank you. If there are no other comments I will ask for a motion to adjourn."

Comm. Veni made a motion to adjourn, seconded by Comm. Iannarone. All in favor.

On motion duly made and seconded, the meeting adjourned at 9:55 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Madeline Iannarone", with a long horizontal flourish extending to the right.

Madeline Iannarone,
Asst. Secretary/Treasurer.