

Minutes of a PUBLIC MEETING of
The Brick Township Municipal Utilities Authority Held on
September 26, 2011 beginning at 6:00 p.m.

1. SALUTE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. CHAIRMAN'S OPENING STATEMENT

Chairman Veni called the meeting to order and read the following statement: *"This meeting is being conducted pursuant to the Open Public Meetings Act, being Chapter 231 of the Laws of 1975. In accordance with the requirements of this law, a Meeting Notice was published on February 3, 2011 in the Asbury Park Press. Similar Notice was given to the Clerk of the Township of Brick and placed on the bulletin board maintained for this purpose by the Authority."*

3. ROLL CALL

Joseph Buttacavoli, DMD	Present
Allan E. Cartine	Present
John A. Catalano	Present
Patrick L. Bottazzi	Present
Edward J. McBride	Present
John Ciocco	Present
Joseph M. Veni, PE	Present

Staff & Consultants Present

James F. Lacey, CPWM, Executive Director
Frank Planko, CFO
Frank Pannucci, Jr., Director of Customer Accounts
Joseph Maggio, PE, Director of Water Quality
Steve Specht, PE, Director Engineering/Operations
Scott Bundy, Director of Central Services
Marie Sylvester, Executive Supervisor
Jerry J. Dasti, Esq., Authority General Counsel
John S. Truhan, PE, Authority Consulting Engineer
Jerry Conaty, Authority Auditor

4. Directors' Reports

a. **James F. Lacey, CPWM, Executive Director**

Director Lacey advised, "Through my report I think a lot of it is normal course of business, but I do want to bring everyone's attention to Item no. 2 which is the Send forever Email seminar. I know

Commissioner Cartine was instrumental in putting this together. It evolved around how we should email and any type of electronic communications becoming a problem in the workplace. We are going to have two seminars that are going to be set up and people are scheduled to go to it. Hopefully this will allow us to make sure that we do the right thing with respect to communications and still keep it a formal workplace. A see now some people take liberties and try to editorialize and it creates problems so if there is personnel or other items some of these things should not be put in email because it becomes forever so that is on its way. Since last meeting I think we had two big events. I hear some people wanted to pass a resolution to prevent Comm. Cartine from leaving the state because he left in December and we had a three foot snow storm and then when he was away again we had an earthquake and a hurricane. We were ready for it. I want the commissioners all to know that. For the record we sustained some damage, nothing of any great magnitude. We started preparing the Monday before the storm with sandbagging and power. Domenick Brando our Emergency Management Coordinator, we had the charts and we had crews around the clock to go through the weekend at either town hall to answer calls or to handle anything that came in here. We had some flooding, some tree limbs and things like that but for the most part we got through unscathed. There were some issues up at the Reservoir. It had been rumored that the Reservoir had leaked onto the Garden State Parkway and that was why it was closed. That was Sunday. I guess it came through the State Police. I was up there and Joe Maggio and we had the Brick Police and the Mayor stopped up there. But at no time was there ever an issue with that. I think we went on Reservoir Tuesday..."

Director Maggio jumped in, "In preparation for the storm to lower the levels to allow it to absorb any rainfall without any danger of overflowing. We never came even close to our normal water level."

Comm. Bottazzi asked, "That is standard procedure when we have a heavy rainfall. We drop the level below the rip rap, that is the big large rocks around it. And so what we did. We didn't jump to what rumors were saying. We just did what was our normal reaction and that is our responsibility to do."

Director Lacey continued, "And it worked out fine and we stayed on Reservoir through the storm. Also Saturday morning some time right before, actually we went to generator power so we didn't have to worry about during the middle of the storm trying to switch over if we lost power. We went on generator and we stayed on generator. From my conference room we had the monitors up. We knew where the crews were going, and we could dispatch crews. We had a real time camera on the elevation of the Reservoir which we watched to see what was going on up there, and at no time was there any problem. I want to assure the board of that. The other item that came to light. As you know we have dam inspection every two years that goes out to contract. Our work crews up there noticed that they saw some small divots. There was a concern that there might be some settling either from the little bit of an earthquake that we had or possibly from heavy rains. We have arranged to have a diver go in. We had the State come up to look at it and certainly our engineer who designed it. So we have done our due diligence on everything. They have more inspections to do and if there are any questions, certainly Steve is involved in that as well as Scott Bundy. That is pretty much it. I have some personnel and we have some guests tonight, Mr. Bruno and Acacia. We are going to do a bond refinance and it looks like we are going to save some real money for the rate payers"

Comm. Cartine stated, "I just want to react to a couple of things that the Director said. On the email seminars, just so you know I came back with that idea from Trenton because many agencies and divisions of government throughout the state of New Jersey are conducting these email seminars

because the end product of emails has been a lot of difficulties for some of these agencies out there. And even certain counties have utilized those seminars as well. On a lighter side I promise that all the chiefs here to be on alert to watch out for any catastrophic weather conditions when I was away. When I was in California at the time I thought I was getting away from New Jersey. But on California television whether it is the local or network stations, New Jersey and Governor Christie was on all the time. It's like I never left the state. That is one of the things you hear. You can't get away from New Jersey. We are all over the Country. They know all about us. I think that it's quite unusual to have people that you meet - strangers who come from other states and they are asking you about your state and the governor. He is very popular wherever you go throughout the country. I am meeting people in the last couple of weeks from Michigan, Louisiana and Florida and the first thing they want to know when they hear you are from New Jersey is what about Governor Christie. But we did make the headlines with the earthquake and the hurricane. They like us out there. We are good television."

b. Stephen T. Specht, PE, Director of Engineering/Operations

Director Specht advised, "I have a number of items on tonight's agenda. We can go over them briefly right now. The first item is a separate memo I sent to the Board. It is based on the bids received for the redevelopment for Well 11 on site here as well as the Parkway service territory Well No. 1A. I am recommending award at this time to Unitech Drilling for Well No. 1A at \$147,966.00. Also we have a change order for the Board to look at associated with our heating and ventilating improvements at our three major pump stations. One major item I also need the Board to approve is the reallocation of funds. Now that we have come to an agreement with Trinity Bible Church for the parking aspect at the Reservoir there is quite a bit of funding available that I would like to allocate to some of my projects and the rest would be up to the discretion of the Board as to where they want to put it. The projects I would like to allocate it to are the two well projects that I previously mentioned and the two water main upgrade projects that we are doing in association with the Township of Brick for \$120,000 for the Fort Street water main upgrade, and \$45,000 for the Glenwood Water main upgrade. The other item I have is the generator improvements evaluation at the Water Treatment plant. We previously received a quote from CH2 M Hill based on discussions I had with the board. I felt more comfortable going to get additional quotes from our approved consultants. I know I already approved it previously via an email poll but I would like to formalize that tonight if I could and send that RFP out. The last thing I want to do is put out an RFP to evaluate our water mains under our major rivers. Primarily the two Metedeconk River Crossings. We had a catastrophic break on that back in 2008 and it cost us about \$125,000 to repair it under an emergency contract. I want to look at those again and evaluate those mains. I want to evaluate the main that goes under the Cartegena Lagoon. I have one that goes under Beaver Dam Creek out in Midstreams. So I am looking to go out on an RFP on that."

c. Frank Planko, Chief Financial Officer

Director Planko advised, "I have a couple of items. First I included a copy of the budget calendar in my monthly report to all commissioners. It is that time of the year again to begin the budget cycle. I will be sending out the worksheets to all the department heads shortly. Nothing has really changed as far as the timing is concerned. I am probably shooting for initial drafts in November of the budget. I will go over that with the Rate Committee and the Finance Committee once we clear the dust on that. I will do a five year projection based on that budget. As usual I plan on doing my budget presentation during the December meeting. As Director Lacey already mentioned we have a bond refunding of \$15.2 million dollars. This has been going on for quite some time. We have been looking at this with Acacia Financial. Market conditions have finally turned quite favorable. Actually we did

quite better on this than either myself or Acacia had hoped. I sent a summary financial memo to the entire Board last Thursday or Friday highlighting all the financial issues that have to do with the refunding. We have Noreen White with us from Acacia as I'm sure a lot of the commissioners know and perhaps she wants to fill in some of the blanks regarding the memo that I sent out to the Board."

d. Joseph Maggio, PE, Director of Water Quality

Director Maggio advised, "We have one item on the agenda this evening and that is the Reservoir dive inspection that Director Lacey mentioned. This was recommended by our Reservoir consultant and the New Jersey DEP and it is a very good level of due diligence on our part to do that. In addition, during last month we did complete our triennial lead and copper sampling routine. This is a regulatory requirement that we do every three years and we successfully did complete that sampling program. Not to go into too much detail because I don't want to repeat what Director Lacey discussed before, but a great deal of effort was put into preparation for Hurricane Irene and during the entire storm the water production and quality was not impacted at all."

e. Scott Bundy, Director of Central Services

Director Bundy advised, "I have several items on the agenda. The first is Resolution No. 70-11 which is for the replacement purchase of a Laser Jet with a five year service contract in the amount of \$22,621.45. We decided to go with the firm in New Jersey. The second is 71-11 which is the purchase of fencing improvements under a state contract in the amount of \$43,110.00. This was discussed last month with all the board I believe in closed session and we discussed it again at the Construction Committee meeting a few weeks back. I have two other somewhat large purchases. Visitor Management Software and Hardware from East Tech in Wall, New Jersey for \$8898.88 if you want to talk about that more in close session we can. And the final purchase is our annual tire purchase from Edwards Tires in Farmingdale for \$7,200 and this is a three quote purchase. In addition we submitted a claim to the JIF for the July 29th lightning and wind storm. That is the lesser talked about storm in the past few months. Total claims submitted was for \$47,047.33. Everyone did a lot of work here cleaning up after that because it was a big mess. On the technical side from my department I just want to give Ben Gabriele credit because there were a lot of systems that went down and one guy running around fixing them was quite amazing so he did a really good job and I want to give him some credit for that. I have some other issues to discuss but I think they would be better suited of when we talk about the Reservoir Committee agenda."

f. Frank Pannucci, Jr., Director of Customer Accounts

Director Pannucci advised, "Outside of the six customer accounts reconciliations in Item 13 there is only one other item and that is Resolution 65-11 which is the acceptance of a bid from HD Supply Water works in the amount of \$43,895.00 for our metering equipment and appurtenances. The funds have been certified by Frank Planko, CFO."

5. Commissioner Committee Reports

a. Construction, Buildings & Grounds Committee

Comm. Buttacavoli advised, "The Construction Committee and Buildings and Grounds Committee met September 13th. We went over just about everything that was mentioned by Directors Specht, Maggio and Bundy. We had no developer applications at this meeting. The parking at the Reservoir was discussed as well as ASR Well No. 15 and the Emergency Generator upgrade. The lateral cleanouts at Bay Head Sewer, purchase of a corrosion inhibitor, purchase of a plotter and the annual tire purchase were all mentioned at that meeting so there is not much more I can give you that hasn't been discussed."

b. Finance Committee

Comm. Catalano stated, "On September 9th there was a Finance Committee Meeting. I couldn't get there but Comm. Buttacavoli was in attendance as was Mr. Planko and Mr. Lacey to basically talk about the bond refunding and our capital calendars. At this time Frank if there is anything you want to add please take over."

Director Planko advised, "We just talked a little more about how I intended to handle the calendar. Also at that time we didn't finalize pricing on the bonding so I was telling them what the next few steps would be. Since that time we finalized price and I was able to forward out that memo. Those were the basic topics we covered and I already explained them to the Board."

c. Rate Committee

Director Planko stated, "As far as the Rate Committee goes I anticipate scheduling a meeting for the Rate Committee in November after I finish the initial draft of the budget."

d. Reservoir Committee

Comm. Bottazzi stated, "We had a meeting with Directors Bundy, Specht, Maggio and we went over conditions of the Reservoir. We were updated pretty much with what the gentlemen told us at this meeting. Director Bundy told us that everything was going well with the new rules at the Reservoir. People are accepting them and there haven't been any problems."

e. Watershed Committee

Comm. Cartine stated, "Last week I had a meeting with Director Maggio and Rob Karl on the progress of our grants and our guardianship of the Metedeconk Watershed. We have now finished and developed the goals for the watershed. We have approval from DEP which is monitoring our progress and we expect to have a meeting in November or December, probably in two sessions to let the stakeholders know exactly what our goals are and what we would be doing to pursue the preservation of the watershed."

f. Alternate Water Source/Energy Committee

g. Hazmat Liaison/Committee

Comm. McBride stated, "We had nothing new other than the follow up on the frag tank purchase and the chlorine sensor."

h. Security Committee

Chairman Veni advised, "The Security Committee is discussed in exempt. And I also want to make note that item No. 20.2 update from Grant Writing Consultant is also going to be in the exempt session and at this time I will ask Counselor to take us into closed session."

6. EXEMPT SESSION

(Personnel, Contracts & Potential Litigation Only)

Counselor Dasti stated, "We need to consider adopting a motion to go into closed session to discuss potential litigation, contract and personnel matters. The results of which will be kept confidential until the need for confidentiality no longer exists."

Motion to go into closed session by Comm. Cartine. Seconded by Comm. Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni

NAYS: None

ABSTAIN: None

Chairman Veni stated, "I ask that the Board and Mr. Dasti, Marie and Director Lacey stay here. We will start out with some things and I will call you in as we need you."

The group entered exempt session at 6:20 p.m.

On motion duly made and seconded the group returned to open session at 7:10 p.m.

7. APPROVAL OF MINUTES

Comm. Buttacavoli made a motion to adopt the minutes of the following meetings. Seconded by Comm. Catalano

August 3, 2011 Special Meeting
August 22, 2011 Public Meeting
January 22, 2007 Exempt
September 17, 2007 Exempt
November 24, 2008 Exempt
January 26, 2009 Exempt
December 20, 2010 Exempt
April 25, 2011 Exempt
May 23, 2011 Exempt
June 27, 2011 Exempt
July 25, 2011 Exempt

August 3, 2011 Exempt

AYES: Comm. Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN Each commissioner abstained from those minutes that do not reflect they
Were present

8. CORRESPONDENCE - None

9. APPROVAL OF BILL RESOLUTION

Comm. Bottazzi read the Bill Resolution Dated September 26, 2011 in the total amount of \$1,742,354.21 as follows:

Total Operating Vouchers:	\$	459,428.86
Total Payroll:		1,061,776.28
Total Capital Vouchers:		219,595.07
Total Bill Resolution	\$	1,742,354.21

Comm. Bottazzi made a motion to approve the Bill Resolution. Seconded by Comm. Buttacavoli.

AYES: Comm. Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

10. TREASURER'S REPORT

Comm. Catalano read the Treasurer's Report balances for the month ending August 23, 2011 as follows:

Unrestricted Funds:

Total Revenue Funds:	\$10,065,138.05
Total General Funds:	253,248.62
Total Unrestricted Funds:	10,318,386.67

Restricted Funds:

Rate Projection Maintenance Fund:	3,591,000.00
Future Capital Requirements Fund:	2,227,068.72
Working Capital Fund:	1,621,464.21
NJEIT Processing Fund:	2,141,283.82
Total Bond Funds:	12,730,004.49
Total Other Restricted Funds:	1,795,492.75
Total Restricted Funds	24,106,313.99
Total of All Fund Accounts:	34,424,700.66

Comm. Cartine made a motion to accept the Treasurer's Report. Seconded by Comm. Catalano

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

11. DEVELOPER APPLICATIONS

11.1 Preliminary Applications - No Further Action Required - NONE

11.2 Other Applications - NONE

11.3 Release of Performance Bonds

2021 Mr. & Mrs. Robert Dahl, Community Drive – Minor Subdivision –
Community Drive & Lynnwood Avenue

Director Specht advised, "This is developer application 2021 for Mr. & Mrs. Robert Dahl on Community Drive, Minor subdivision, it is recommended that we release the performance bond. They have met all of the requirements of our rules and regulations and I recommend we allow them to go on a two year maintenance bond."

Comm. Cartine made a motion to approve the release of the performance bond.
Seconded by Comm. Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

12. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES

a. Reallocation of Capital Funds from the Reservoir Parking Lot Expansion; Capital Project No. 708002

Director Specht stated, "I am looking for the reallocation of capital funds from the Reservoir Parking Lot Expansion, Capital Project No. 708002. On September 15th I sent a letter to Director Lacey requesting this reallocation for four projects. Right now currently there is approximately \$760,000 in the budgeted line item and based on the recent agreement that we have with Trinity Bible Church for the Parking improvements. It is recommended that the project be cancelled and the funds to be reallocated. The four projects I have designated right now are the Well No.11 redevelopment, capital project 71005. There is no funding for this project at this time. I am going to look to award that tonight for \$190,000. Well No. 1A was in capital project 71003. I had existing funding of \$100,000 in that project. I need an additional \$5,550 to cover the award amount of \$147,966.00. And again looking to award that project tonight. The Fort Street Water main upgrades capital project number to be determined. It is estimated that the cost for those upgrades would be about \$120,000. We have a shared service agreement with this one as well as Glenwood Avenue with the Township of Brick to make those improvements. They recently received bids on them and we are looking at those bids right now. With

regard to Glenwood Avenue, again no capital project number has been assigned yet, but I am looking for \$45,000 for those water main upgrades. So in total I am looking to shift \$410,000 to those four projects and the remainder of that funding approximately \$350,000 can be reallocated to other projects as recommended by the directors at the Board's discretion."

Comm. Buttacavoli made a motion to approve this action. Seconded by Comm. Cartine.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

13. CUSTOMER ACCOUNTS RECONCILIATIONS

Director Pannucci read the customer accounts reconciliations as follows:

- a. Account 10056401-0, 808 Victory Avenue, Don Korn. A sewer credit is recommended in the amount of \$1,293.75 due to a broken pipe in the crawl space. The quarter in question rose to 227,000 gallons where the average is 20,000 gallons. All repairs have been made and verified and the meter is in proper working order.
- b. Account 11754409-0, 239 Chambersbridge Road, Anthony Sciorilli. A sewer credit is recommended in the amount of \$530.24 due to a leak in the hose bib. The quarter in question rose to 172,000 gallons where the average is 40,000 gallons. All repairs have been made and verified and the meter is in proper working order.
- c. Account 5808005-0, 40 Paul Jones Drive, Joseph Santos. A sewer credit is recommended in the amount of \$402.54 due to a broken pipes leading to the dock. The quarter in question rose to 78,000 gallons where the average is 1,000 gallons. All repairs have been made and verified and the meter is in proper working order.
- d. Account 20638408-1, 570 California Avenue, Elaine Ely. A sewer credit is recommended in the amount of \$572.44 due to their plumber hooking up the auxiliary meter's line to the house line after new construction. This was discovered when our serviceman went out to investigate a high consumption reading and subsequently found the auxiliary line tied into the house line. The water did not enter to our system as they where not living there yet but where watering outside to maintain the looks of the home.
- e. Account 7799040-0, 9 Meadowbrook Road, Mary Ann Esposito. A sewer credit of \$410.16 Due to running hose bib that was found by our serviceman as he was reading the meters in that particular route. The quarter in question rose to 78,000 gallons where the average usage is 6,000 gallons. The home owner is a senior citizen and had no idea that the hose was running and for how long.
- f. Account 3413600-0, 49 Lagoon Drive East, Edmund Karam. A one-time water/sewer credit is recommended due to unexplained usage per our Schedule of Rates, Fees and Service Charges in the amount of \$705.28. The quarter in question rose to 136,000 gallons while the average is 20,000 gallons. Our serviceman found no visible leaks and the meter tested accurate.

Comm. Bottazzi made a motion to approve the customer accounts reconciliations. Seconded by Comm. Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: Comm. Cartine abstained on Item e.

14. CONTRACT CLOSE-OUTS - NONE

15. AUTHORIZATION TO EXPEND APPROVED FUNDS

- a. Purchase of Visitor Management System - Central Services Report**
Purchase of a Honeywell ProWatch campus security card system from Eastec, Inc. of Wall NJ, in the amount of \$8,890.88.
Project budgeted under Capital Project #908001.

Director Bundy advised, "The first item is for the purchase of a visitor management system. It is a HoneyWell ProWatch system being supplied by Eastec, Inc. of Wall, New Jersey in the amount of \$8,890.88. Mr. Chairman you had asked me to look and see if there were other vendors, but this is the only guy we can get it from. This is proprietary."

Comm. Catalano made a motion to approve this expenditure. Seconded by Comm. Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

- b. Annual Tire Purchase – Central Services Report**
Three quote purchase of fleet tires for various vehicles from Jersey Wholesale of Parlin, NJ, in the amount of \$7,002.00.
Purchase funded through Operating Account #8530

Director Bundy stated, "This is our annual tire purchase stock. It was a three quote purchase and the low quote went to Jersey Wholesale of Parlin, New Jersey in the amount of \$7,002.00 This is lower than the number I told the commissioners at the construction committee because we did actually have a flat tire in the interim and we had to buy some tires."

Comm. Buttacavoli made a motion to approve this expenditure. Seconded by Comm. Cartine.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

- c. **Reservoir Dive Inspection**, Vendor- Ecosystems Consulting Services, Cost \$6650.00, Account 709-8660, Dive Inspection as per requirements of NJDEP Dam Monitoring Plan.

Director Maggio advised, "We are requesting authorization to expend approved funds for a Reservoir Dive Inspection. The vendor is Ecosystem Consulting Services and the cost is \$6,650. This is budgeted for in account No. 709-8660. As we have discussed this dive inspection was recommended by both the New Jersey DEP and our Reservoir consultant to evaluate the water quality and also the potential impact of the hurricane and earthquake that we had."

Comm. Cartine made a motion to approve this expenditure. Seconded by Comm. Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

16. AUTHORIZATION TO SEND OUT BIDS, RFO'S & RFP'S

- a. Authorization to Issue a Request for Proposal (RFP) for the Water Main Evaluation for the Metedeconk River Crossings at Route 70, the Cartagena Drive Lagoon Crossing and the Beaver Dam Creek Crossing at Midstreams Road; Capital Project No.709001

Director Specht advised, "I am looking for authorization to issue a request for proposal for the water main evaluation for three major stream crossings, Metedeconk River Crossing at Route 70, Cartagena Drive Lagoon Crossing, and the Beaver Dam Creek Crossing at Midstreams Road. Capital project No. 709001. As some of you may remember in 2008 we had a failure of our 16 inch water main at the Metedeconk River, and we had to repair that under an emergency contract. It was a substantial cost of about \$125,000. Since that time we have been proactive on those two crossings at the River. We have installed isolation valves that would help us in the event that we had a leak in the future. At all our crossings we do quarterly leak detection evaluations to determine if any leaks have developed. At this time I would like to go ahead with an RFP with one of our consulting engineers to evaluate these mains and determine if there are any other improvements that need to be made at this time, as well as any other major capital expenditures that we may have in the future."

Comm. Catalano made a motion to approve this expenditure. Seconded by Comm. Cartine.

Comm. Bottazzi asked a question on the motion, "Cartegena Drive, you say there is a lagoon crossing with a water pipe?"

Director Specht replied, "Yes we have a six inch main under that lagoon and it connects Cartegena and runs right next to a house that drops down on the lagoon. There is definitely a six inch water main under that lagoon. It's only six inches but it needs to be evaluated."

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

17. ADOPTION OF REPORTS

Comm. Buttacavoli made a motion to adopt the Directors' Reports. Seconded by Comm. Catalano.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
Abstain: None

18. ADOPTION OF PERSONNEL ACTIONS

Comm. Catalano made a motion to adopt the personnel actions outlined in Director Lacey's Monthly Report. Seconded by Comm. Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

19. OLD BUSINESS

19.1 Emergency Generator Upgrades at Water Treatment Plant

Director Specht stated, "As I discussed earlier I would like to issue an RFP for the evaluation of our emergency generator upgrades at the Water Treatment Plant. We originally requested a quote from our ASR engineer CH2M Hill. At this time we feel more comfortable we received additional quotes. I requested an email vote previously from the Board and I am looking to memorialize that now to get the RFP out."

Chairman Veni advised, "We did take a straw poll earlier so I need a motion."

Comm. Catalano made a motion to approve this action. Seconded by Comm Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

19.2 ASR Well No., 15 – Exempt

20. NEW BUSINESS

20.1 Revenue Bonds Refunding Update

Director Planko stated, "This has to do with our 2011 Bond Refunding. I have been working almost a year now with Acacia who as usual did a great job for us. We have the final pricing as I mentioned it is \$15.2 million dollars. We have net present value saving of 4.87% which is quite high because the Local Finance Board only requires a 3% savings. We have Noreen White with us and maybe she wants to fill in the blanks with a few comments."

Ms. White stated, "We are very happy to report that when I was last here and you first approved the refunding we were just hovering around 3% present value savings. However, I have often said I'd rather be lucky than good and in this case you got the best of both worlds. Not only were we good, but we were also extremely lucky in terms of going to the market last week where we literally hit all new historical lows on the municipal bond indexes. So we ended up with 4.87% which translates, because as you know this is all about show me the money, \$55,000 a year, approximately a little bit more a little bit less in each of the years going forward. I would also like to say that your double A two bond rating was reaffirmed by Moody's. Very strong kudos was given to the management of the Authority in terms of maintaining the rating. I think that was an important aspect as well. Now what we have after the successful sale of the bonds I will say that Roosevelt and Cross who were the underwriter on the bonds did a superb job in having a very sharp pencil to get us these attractive rates in what was a very good market. Now what we will be doing is working with staff, with Frank very closely to move to close the bonds which will be on October 12th. That is when the money will move hands. So I just want to say this is a really good news report. We were patient. The market can move back and forth so that is why it is always good to have these approvals in place so when the market came back we jumped right on it and got it done. If there are any questions I would be happy to answer them."

Comm. Bottazzi stated, "What was the life of the bonds that you refinanced?"

Ms. White replied, "There were two series of Bonds. Bonds that were done in 1998 and bonds that were done in 2002. The 2002 bonds go out to 2032 ..."

Comm. Bottazzi asked, "So if there was a savings over 20 years, we are in the \$1.1 range on savings."

Ms. White stated, "If there are no further questions on the transaction and the market, if not I just want to on behalf of Acacia Financial Group thank you again for letting us serve you as financial advisor. This is really a great Authority to work with. I've been working with you for a long time, but even more so when we can bring you this kind of good news it is doubly appreciated. So thank you very much."

20.2 Update from Grant Writing Consultant

20.3 NJUA JIF - Exempt

21. RESOLUTIONS

- 64-11 A Resolution Authorizing Change Order No. 1 for an Increase in the Contract Amount of \$11,539.60 and an 81 Calendar Day No Cost Time Extension to WHL Enterprises, Inc./TA Bill Leary A/C & Heating for Contract No. 910006F – Heating, Ventilating and Wet Well Improvements at the Riverside Drive, Drum Point Road and Bay Harbor Boulevard Wastewater Pump Stations N.J. Environmental Infrastructure Financing Program Project No. S340448-07

Director Specht advised, "This is a resolution authorizing Change Order No. 1 for an Increase in the Contract Amount of \$11,539.60 and the 81 calendar day low cost time extension to WHL Enterprises Inc. /TA Bill Leary A/C & Heating for Contract No. 910006F – Heating, Ventilating and Wet Well Improvements at the Riverside Drive, Drum Point Road and Bay Harbor Boulevard Wastewater Pump Stations. This project is also financed by the New Jersey Environmental Infrastructure Financing Program Project No. S340448-07. What these improvements are is we replaced the roofing at each of these stations. The existing coping was not in good shape at these stations so we determined it was best to replace the coping and that is what this funding is for. With regard to the 81 calendar days it is to get the final air handling units delivered. They are not expected to be delivered until Mid-October. Our time extension will now take us out to December 1st and we will wrap up the project after that."

Comm. Catalano made a motion to approve Resolution No. 64-11. Seconded by Comm. Cartine.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

65-11 Acceptance of a BID from HD Supply Water Works for 2011 Sensus Metering Equipment and Appurtenances in the amount of \$43,895.00 - Funding Source: Capital Account 610006 and Operating Accounts 8080-70002, 8080-80002,

Director Pannucci advised, "This is acceptance of a bid from HD Supply Water Works for 2011 Sensus Metering Equipment and Appurtenances in the amount of \$43,895.00 out of capital account 61006 and Operating Accounts 8080-70002,8080-80002. Funds have been certified by Frank Planko, CFO."

Comm. Cartine made a motion to approve Resolution No. 65-11. Seconded by Comm. Catalano.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

66-11 A Resolution for Renewal of Membership in the New Jersey Utility Authorities Joint Insurance Fund

Director Lacey advised, "This would be a resolution essentially affirming that we will continue with the NJUA JIF."

Comm. Cartine made a motion to approve Resolution No. 66-11. Seconded by Comm. Catalano.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

67-11 A Resolution for the Award of Public Contract to Uni-Tech Drilling Co. Inc. in the Amount of \$147,966.00 for Contract No. 710003, Redevelopment of Parkway Service Territory (PST) Well No. 1A

Chairman Bottazzi advised that this has already been discussed by Director Specht and asked for a motion to approve it.

Comm. Buttacavoli made a motion to approve Resolution No. 67-11. Seconded by Comm. Bottazzi.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

68-11 A Resolution for the Award of Public Contract to A.C. Schultes, Inc. in the Amount of \$184,058.00 for Contract No. 711005, Redevelopment of Well No. 11

Comm. Bottazzi made a motion to approve Resolution No 68-11. Seconded by Comm. Bottazzi

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

69-11 A Resolution Authorizing a Conveyance for No Consideration to the Brick Township Housing Authority of Two Vehicles Which have Minimal Value and are No Longer of Benefit or Needed by the Brick Township Municipal Utilities Authority

Director Lacey advised, 'This resolution is to transfer two vehicles to the Housing Authority that we no longer need. One is a Lumina and the other is a van. The other one has high mileage of about 107,000. I have been in touch with the Director there. He has asked for them and I have gone through Mr. Bundy. These are two cars that we are going to dispose of so if they can get some use out of them. It is for no cost.'

Comm. Bottazzi made a motion to adopt Resolution No. 69-11. Seconded by Comm. Buttacavoli.

Comm. Buttacavoli stated, "We talked about this at the Finance Committee Meeting that we were going to be getting rid of these vehicles anyway. So it is not like they are vehicles that are in use now. If the Housing Authority can use them we are happy to give them to them.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

70-11 A Resolution Authorizing the Expenditure for the Purchase of One (1) HP Design Jet and Support Contract for an Amount Not to Exceed \$23,621.45

Director Bundy stated, "As discussed earlier this is a resolution authorizing the purchase of a Hewlett Packard Design Jet and a support contract for a price of \$23,621.45. This was not a public bid but because of the price we got three quotes and all of the requirements of the pay to play has been satisfied."

Comm. Cartine made a motion to adopted Resolution No. 70-11. Seconded by Comm. Catalano.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

71-11 A Resolution Authorizing the Expenditure for the Purchase and Installation of Various Fencing and Gate Improvements for an Amount Not to Exceed \$43,110.00

Director Bundy stated, "This is for the purchase and installation of various fencing and gate equipment improvements on the campus there. It is a state contract purchase in the amount of \$43,110.00."

Comm. Catalano made a motion to adopt Resolution No. 71-11. Seconded by Comm. Buttacavoli.

AYES: Commissioners Buttacavoli, Cartine, Catalano, Bottazzi, Veni
NAYS: None
ABSTAIN: None

22. PUBLIC DISCUSSION

At this point in the meeting, 735 p.m., Chairman Veni opened the meeting up to public discussion and read the following statement, "*In order to provide all necessary information to the Authority and to provide sufficient time for members of the public to speak, each member of the public will be limited to five minutes and should provide their name and address.*"

Chairman Veni advised, "Unfortunately tonight our clock is not working so we have the volunteerism of Director Bundy to do the timing. Are there any questions from the Audience?"

Ms. Briggs stated, "I hope that had a warranty. It's only a couple of months hanging there. How many vehicles are getting new tires for \$7,000.00?"

Director Bundy advised, "It's about a dozen, whether it's one or all four tires. It's all different kinds of vehicles including truck tires."

Director Planko stated, "I just want to mention relative to this question, a lot of these tires are inventory. For economics of scale we go out and buy a larger quantity and some of them are inventoried and some are used for the vehicles and then we expense them at the time they are utilized."

Chairman Veni asked Mrs. Briggs if that answered her question and she replied, "And how much was the clock?"

Director Lacey advised, "We will have to find out and get back to you."

John Sansevere, formerly of 137 Marilyn Drive stated, "What I want to discuss is not difficult but probably to attain the proper results will be beyond the scope of this agency. June 2 of this year I asked for a final reading of the two accounts at the house because I was closing on June 29th. I

was told that this is not done and the lawyers will take care of it. When I asked the receptionist how this is to happen she once again said to me "The lawyers will take care of it." I received the two bills for that quarter 2-2-11 to 9-7-11. Since I was in the house for less than thirty days I closed on the house on the 29th and the bill cycle started on the 6th, so that is a total of 23 days. During that time I did not use the sprinkler. I have two meters in the house. One for water and the other outside things and one for water and sewer, but I was billed for 35,000 on the water usage. This also occurred for the water and sewer portion for this bill. I will take responsibility and accountability for a portion of the water and sewer bill because I lived there for 23 days. Fortunately I got a very sharp lawyer, when all is said and done that is of your procedures I was forced to pay more than my fair share of the bill through the other lawyers because it would cost more than \$100 to sue you and go into litigation. So the only option I have is to come here and express my dissatisfaction with your procedures. You say you are service orientated. I was told by the lawyer and the realtor that I had to have the water meters checked out before I left. I called up to check the water meters out. Well I have been in Brick in that house since 1978, and every now and then I get a letter from you saying we want to check the water meters. Why don't you be truthful? You want to check to see if someone is tampering with the meters. When you say you want to come in and service them. Ok sure. Do I believe you? No. I don't have time to waste playing with meters, cheating on water. I would rather just take a check and pay for it. Maybe other people will, but that's not me. I don't expect you to change anything in your procedures. If anything all you'll do is say, I'm sorry, I'm sorry. Well I don't want your sorry's. Why don't you become service orientated and change a few procedures. What does it take for you to come out and read the meter? You got your money too from me because it was held in escrow by my lawyer and he sent the letter to their lawyer saying this is what my client is going to pay and this is what you have to pay."

Comm. Bottazzi stated, "Did you want a comment from us or you just want to blow your steam and walk out?"

Mr. Sansevere replied, "I'm not blowing my steam. I'm just giving you the facts."

Comm. Bottazzi rejoined, "Well you're doing it in a very gentlemanly way."

Mr. Sansevere stated, "Mr. Bottazzi just hang on for a second and then I'll let you have the floor. I'm going to be 64 in a week. I have seen the way things have worked in autonomous agencies for 45 years. I lived in Brick for a long period of time. It's a very good school system and that is why I stayed here. Both of my children went through Brick and got fantastic educations. It was time to move on, downsize. When I listen to what goes on it goes in one ear and out the other because it is a lot of bull crap. I'll let you have the floor sir."

Comm. Bottazzi stated, "Well I don't want you to go out like that. I mean you've been here for forty something years and we do wait for the attorney to call up when there is a closing set up and that we will then come out and read your meter. We do that at a drop of a hat without any delays. So someone didn't make a phone call to read your meter. If you heard earlier, and I'm sure you have, we do give out a refund if your water line broke, you said 35,000 gallons. Believe me there is no one on this staff or sitting up here that instructs our people to go out and inspect the meter because someone is cheating us. Those days are gone. If someone does it. There are so much legal problems. We've had people take their meters away and they have lost their license and home and everything else, its grand larceny when you're doing it. We don't have that many people. We do send out occasionally a notice to people who use more gallons then they normally do because there may be a break in their line and they do not get sent to see if someone is cheating. My neighbor across the street said you know the MUA

just called me up and said there is something going on with my meter and they want to check it out. What happened he had a broken line going into his house? It was repaired but the sand got into the meter where it spins and didn't show they were using any water but they were. We went out there and we fixed it. We took his average from that month and charged him accordingly and moved on. I think someone dropped the ball on your. Did one of our girls forget to come out and shut it off? We have crews that goes out all day, that is all they do is turn water on and shut it off. We have two crews sometimes that have to go out and mark out roads. How many mark outs do we do a year?"

Director Specht advised about 10,000.

Comm. Bottazzi replied, "10,000. We are here to accommodate our public and we are very proud of this organization that we have here. No one set out to take advantage of you. I would just want to not let you walk out and think that of us. I would like you to talk with Director Pannucci during the week and see if we can do something to work it out. I don't think any of our girls forgot to do that. Can you add to this and help me out here?"

Director Pannucci advised, "When we suggest escrow we don't hold anything. All we are doing is saying that we haven't been out there recently. We don't want and not to say that this gentleman did anything wrong, but we have a lot of sellers out there in town that are unscrupulous. They may have broken clean outs, broken curb boxes. The meter may be tampered with. The new buyer comes in and we go out for an inspection and then two years down the road because something happened and all of a sudden we are hitting the new owner with "hey by the way your curb box is broken and you have to fix it now." This is just us telling attorneys that we haven't been out there recently and we suggest something could be wrong. If you want to hold it that is up to you, but we'll let you know what we find when we go out."

Comm. Bottazzi stated, "What happens when an owner says I am closing on my property and turn my meter off?"

Director Pannucci replied, "Well we don't turn meters off at all. Period. We will go out and see if everything is correct. As far as the closing goes we don't do final reads per say, We'll tell you what it is, but we don't reallocate your bill. The buyer and the seller will say we're in there for one month or whatever and they figure out who owes who. That is not our Authority's provision. The attorneys for the buyers and sellers handle that depending on when they are actually closing."

Comm. Cartine stated, "I am a licensed realtor and I will tell you I have handled many closings and the attorneys take and adjudicate who pays what share of the water. You had an ace attorney as you said he should have made sure basically you paid your fair share and not one cent more. It is the attorney's job to do that. I do it all the time and when I am out there basically I have seen a lot attorneys fail on that one particular issue. In fact I have seen at closings where the attorney had to call down and get a reading because they forgot to do it. So what I am saying basically is the onus really rests on the attorney and with the cooperation of the realtor because they have to remind the attorneys this is what they have to do particularly if they don't do that many real estate closings. That is the explanation that I have because I have dealt with it over the years. Nobody should pay more than they owe. That should have been resolved at the closing table. The attorneys usually have the exact numbers – you used the water for 23 days in the quarter and they prorate that bill on what was used when you left and that is the attorney's job to do that."

Mr. Sansevere stated, "The house I purchased, the water company was there that day and read the meter and we closed on that after I closed on this house. That company came out that day and did it. I was told that you don't do it. And maybe you are right but I still feel like I got short handed."

Comm. Cartine asked, "Do you think we owe you money?"

Mr. Sansevere replied, "I think you owe me money but I'm not going to argue about it because it is useless."

Comm. Cartine stated, "Nothing is useless here. We just did six reconciliations where we are giving money and even though that the homeowner is at fault, because they might not have heard the toilet running and all of a sudden they use so many gallons of water and they swear they have done nothing wrong. We had a woman here who I had to abstain on because she lives in my development. We will give our customers the benefit of the doubt. We will refund any money on the sewer end. It is not like we are out there trying to beat you out of anything. The other thing that you mentioned I have to disagree with you on why we inspect water meters. Every couple of years, I live in a retirement community. It is like clockwork they come and inspect the meter. They make sure the seal is on and it hasn't been tampered with. That is our job basically to make sure that they are operating properly and to calibrate them so that you are not getting beat or any of our customers are going to pay more than they should. That is a regular maintenance that we perform throughout the town and it is an ongoing situation. We just go out there and we look at these things and examine them on a regular basis. It doesn't ever end. That is the reason we do it. I have to tell you. If we find tampering so be it, but that is not the reason we do it."

Mr. Sansevere replied, "Maybe it's just that I am very cynical at my age because I have heard and seen promises and things happen and I think what is this BS? I know a lot more than I want to say but this is the way I feel. Mr. Bottazzi said I been here 32 years. It's a great town. My kids grew up in this town. It has a great school system. A lot better than Toms River I'll tell you that, but when it comes to other things I just don't want to be involved any more because I don't want to listen to the garbage that comes out of people, whether it be here, or Trenton or across on Cedar Bridge Avenue. Councilman Thulen knows I can be a pain in the rear, but I felt it had to be brought to your attention because I felt and I really do believe that these people that bought the house. I had a buyer from hell and I really think that person shafted me on the water bill. But its over with but I felt that if you really want to do it right; you may think you are doing it right. I'm not going to contradict your procedures, but if you really wanted to do it right you figure out how to make things better. If it means we have to hire someone else, or rewrite something, we have to do something different, we have to change this or that it's worthwhile."

Chairman Veni stated, "I thank you for coming but I do wish that you would talk to Director Pannucci and see what you can work out. You might as well get something for your efforts."

Mr. Sansevere replied, "No as I said it's done."

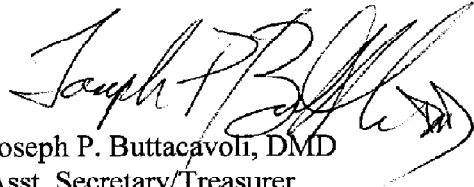
23. CHAIRMAN'S CLOSING STATEMENT

Chairman Veni read the following statement: "*The next meeting of the Authority will be a Public Meeting on Monday, October 24, 2011 at 6:00 p.m. All regular public meetings take place in the Main Conference Room of the Authority's Administration Building located at 1551 Highway 88 West.*"

24. ADJOURNMENT

There being no further business to discuss, and on motion duly made and seconded the meeting adjourned at 7:53 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joseph P. Buttacavoli". The signature is stylized and cursive, with a large initial "J" and "B".

Joseph P. Buttacavoli, DMD
Asst. Secretary/Treasurer