

Minutes of a PUBLIC MEETING of
The Brick Township Municipal Utilities Authority Held on
May 20, 2013 beginning at 7:00 p.m.

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

Comm. Cartine asked Commissioner Fozman to lead the group in the Pledge of Allegiance.

2. OPENING STATEMENT

Ms. Sylvester read the opening statement as follows: *"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 9, 2013 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

Present:

George Cevasco
James Fozman
Joseph M. Veni, PE
Patrick L. Bottazzi
John Ciocco
Edward McBride
Allan E. Cartine

Also Present

James F. Lacey, CPWM
Stephen T. Specht, PE
Joseph Maggio, PE
Frank Pannucci
Frank Planko
Christopher Dasti, Esq.
Marie Sylvester
Frank Holman
John Truhan, PE
Chris Dasti, Esq.

PRESENTATION OF RESOLUTIONS TO BE ADOPTED

37-13 Resolution of Appreciation of John M. Rouse

*Chairman Cartine advised, "We are going to depart from the usual agenda protocol. We have some resolutions that we want to read tonight. The first one will be, Mr. Rouse will you come forward. Now I am going to read this resolution first so that everyone can see it and then we will approve it. John, once again I think you know why you are here. We are proud of you and we are proud of what you have accomplished with our company and we want to recognize you for that. I believe as Chairman that anybody in our company that does something that should be applauded should be recognized so with this we have Resolution No. 37-13 **WHEREAS**, John M. Rouse is an employee of the Brick Township Municipal Utilities Authority (hereinafter referred to as the "Authority"); and **WHEREAS**, John M.*

Rouse has been selected to join the New Jersey State Police Task Force-I ("N.J.S.P. TF-1"), as the N.J.S.P. TF-1 is comprised of professionals and volunteers in the fields of emergency management, hazardous materials handling, emergency response, et cetera; and **WHEREAS**, the professionals and volunteers of the N.J.S.P. TF-1 are deployed during major emergencies, such as Super Storm Sandy, and are New Jersey's elite first responders; and **WHEREAS**, John M. Rouse is currently the Supervisor of the Authority's Emergency Response Team ("E.R.T."); and **WHEREAS**, John Rouse is also a member of the Berkeley Township Hazardous Material Team; and **WHEREAS**, John Rouse's participation in the N.J.S.P. TF-1 will offer many opportunities for training experience, which will directly benefit the Authority's E.R.T.; and **WHEREAS**, as a member of the N.J.S.P. TF-1, John Rouse is required to attend an initial forty (40) hour emergency response training course at the Naval Air Engineering Station at Lakehurst Naval Base; and **WHEREAS**, it is in the best interest of the Authority and the Authority's E.R.T. Team that John Rouse's work schedule with the Authority accommodate his necessary training to be a member of the N.J.S.P. TF-1. **NOW, THEREFORE, BE IT RESOLVED** by the Brick Township Municipal Utilities Authority that it fully supports John Rouse's membership in the N.J.S.P. TF-1. **CERTIFICATION** I certify that the foregoing Resolution was duly adopted by the Brick Township Municipal Utilities Authority at a meeting held on the 20th day of May, 2013, a quorum being present and voting in the majority. And this is signed by Patrick L. Bottazzi, Secretary. John once again I would like to present to you this plaque. I need to have a motion to pass this resolution so may I have a motion."

Motion to adopt this resolution by Comm. Veni. Seconded by Comm. Cevasco.

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

Followed by a Round of Applause.

Mr. Rouse thanked the Board.

38-13 Resolution of Appreciation of McDonald's Restaurant

Chairman Cartine advised, "We have five other resolutions and no one is here to accept them although everyone was invited. These are resolutions for people who fed us during the Sandy Storm one week that we were here 24/7. We had various local restaurants providing us with food as well as other emergency people and the Township as well as the MUA. The recipients are and I'm not going to read their resolutions, but we are going to have to vote on each and every one separately, Quaker Steak & Lube, McDonalds Restaurant, Jack & Mike's Brick House Bar & Grill, Buffalo Wild Wings and Via Roma Restaurant. The Plaques and the resolutions are all there and we will hand deliver these to the various restaurants. I know they appreciate being recognized. I left out Shop Rite of Brick. Basically I am going to call for an individual vote for each one of these resolutions beginning with Resolution 38-13 for McDonalds Restaurant."

Comm. Veni made a motion to adopt Resolution 38-13. Seconded by Comm. Fozman.

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None
AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine

NAYS: None
ABSTAIN: None

39-13 Resolution of Appreciation of Jack & Mike's Brick House Bar & Grill

Comm. Bottazzi made a motion to adopt Resolution 39-13. Seconded by Comm. Cevalasco

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

40-13 Resolution of Appreciation of Buffalo Wild Wings

Comm. Bottazzi made a motion to adopt Resolution 40-13. Seconded by Comm. Cevalasco.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

41-13 Resolution of Appreciation of Via Roma Pizza

Comm. Bottazzi made a motion to adopt Resolution 41-13. Seconded by Comm. Cevalasco.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

42-13 Resolution of Appreciation of Quaker Steak & Lube

Comm. Bottazzi made a motion to adopt Resolution 42-13. Seconded by Comm. Cevalasco

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

43-13 Resolution of Appreciation of Shop Rite of Brick Utilities

Comm. Veni made a motion to adopt Resolution 43-13. Seconded by Comm. Fozman.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

5. EXEMPT SESSION

(Personnel, Contracts & Potential Litigation Only)

Chairman Cartine advised, "At this time I am going to ask for a motion to go into exempt session."

Counselor Dasti advised, "The resolution is going to go into exempt session to talk about Personnel matters, contract matters and potential litigation and after the time for confidentiality no longer exists we will release the minutes to exempt session.

Motion by Comm. Bottazzi, Seconded by Comm. Cevalasco.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

Chairman Cartine asked that those people that do not need to be in the room to leave.

Counselor Dasti advised, "I am going to ask Mr. Planko to stay."

On motion duly made and seconded the group entered exempt session at 7:10 p.m.

On motion duly made and seconded the group returned to open session at 7:40 p.m.

Chairman Cartine stated, "Now before we get into the Directors Reports, every commissioner we all receive in our packets a copy of each of the directors' reports. I would assume that everybody read those reports so what I am doing here for the rest of my term we will only hear the directors reports when they have something extraordinary or want to add something to their reports. So instead of going down the reports and hearing the report, and then going back later on and voting on the same thing that we heard is all redundancy. We are going to eliminate that and so to begin with we have our director's reports and I am going to ask the commissioners have you all read your directors reports? Do any of the directors have any thing specifically to say and add or amplify on the reports that they submitted to the commissioners?"

6. Directors' Reports

a. James F. Lacey, CPWM, Executive Director

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

Director Specht advised, "I do have a number of items on the agenda. I just want to clarify one item is the task order No. 1 for T&M Associates. It is for \$15,350.00. They are doing the design work for our 8 pump stations that were flooded during Super Storm. It is broken into two parts. One is Task C for the evaluation of the existing ejector station shell. What we want to do there Mr. Chairman is we want to evaluate that shell so maybe we can use it to slip line the shell with a wet well in lieu of ripping everything out and putting a copper dam in, sheeting it and putting a new wet well with a valve chamber on it. So that is for \$3,900. We evaluate it this way. We could save substantially on the construction costs because it is a very expensive proposition if we have to excavate and the other task is some soil investigation work also at these two ejector stations that totals that \$15,350.00"

c. Frank Planko, Chief Financial Officer

d. Joseph Maggio, PE, Director of Water Quality

Director Maggio advised, "I have only one item in my report, the Ocean County Management of Hydrilla at Lake Shenandoah Park. Just wanted to let the Board know that Ocean County is starting their work on eradicating this invasive species plant. They are adding an aquatic herbicide that is approved for use in reservoirs and water supplies. We have done research on it and really have very little concerns about it from a water quality perspective, but out of an over abundance of caution we are now using Reservoir and will continue on Reservoir for at least approximately a week and will not be using the water for water supply, but even if we were using the River we really don't have any serious concerns about how they are going about eradicating these plants."

Comm. Bottazzi asked, "What are they doing to our River that we would have to worry about?"

Director Maggio replied, "We found an invasive species plant called Hydrilla and it is an incredibly fast growing plant which overtakes water bodies like in this case Lake Shenandoah. It outcompetes other plants and Ocean County because Lake Shenandoah is an Ocean Country Park. Ocean County has hired a contractor to add an herbicide to the lake that will kill the Hydrilla and we researched the chemical they are planning on using and it is approved for use in water supplies and reservoirs. There is no regulatory limit on the concentration of this chemical. So we initially don't have any real water quality concerns but just out of an abundance of caution we are not going to use the River for a period of time."

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

7. Commissioner Committee Reports

a. Construction, Buildings & Grounds Committee & Alternate
Water Source/Energy – Comm. Veni

Comm. Veni advised, "We have two applications. One is 2132 they are building an addition to the Wendy's Restaurant. It is a minor site plan and the location is Jack Martin Blvd. It is a preliminary and final. The minor site plan indicates that there is going to be a 610 square foot building addition to be proposed on the existing building. Such improvements are sidewalks and concrete curbing. There are no proposed changes to existing four inch diameter sewer lateral or the existing one and one half inches diameter water service which provides water and sewer service to the existing Wendy's restaurant. Are we going to do approval for each one individually? I will just go through it then. The next application is 2133, also a minor subdivision at 75 Woodland Drive. It is a preliminary. This subdivision that exists at 75 Woodland Drive Property, Block 298, Lot 1 is proposed to be subdivided to create two separate residential properties. The Subdivision indicates that the location of the existing four inch diameter sanitary sewer lateral and $\frac{3}{4}$ water service line which currently provided sewer and water service to the existing one story residential house fronting on Woodland Drive. The only change is that this new subdivision will be using a new $\frac{3}{4}$ inch water service line which will be shown and extended to the existing six inch diameter water main on Woodland Drive so that the new $\frac{3}{4}$ inch diameter water service line with water service curb box are located in front of the new subdivided property. That finishes up those two applications."

b. Finance Committee – Comm. Fozman

Comm. Fozman advised, “We had two meetings this month. On the five year capital plan we went back to the Directors and we only cut \$300,000. Our 13/14 year is requesting \$14 million. We are requesting that the directors go back. We are only going to try to approve \$7 million which should cover it. We shouldn’t even be able to spend all that in that year because with all the projects you will never finish them. So we are looking for \$5 million for 14/15. We are going to go back to the Directors and what we are really looking for is to itemize each one. All the directors pick out each one and itemize each thing and explain why they want to go for that particular project. The next is the Hess Demand Response Program. Due to our generators being old we will not be qualifying for that and we made about \$150 over three years with that program so we are not going to be participating in the program because of the generators. According to my calculations that \$7 million in 13/14 that should be enough to cover new generators so we can look towards that. I believe that will be enough to cover it. Pine View payment. Judge Grasso has ruled in favor of Pine View Estates. The Authority appealed the loss and the judgment. We have to pay out \$658,610.38 and this was from a project from the 1990’s and there is a 32 page report if anyone wants to see it. That is also included in that \$7 million dollars. It is earmarked that much money for it. We will settle that and I guess that will be the end of that. We probably wasted a lot of money since 1990 to now on attorneys.”

Chris Dasti stated, “Thank you.”

Chairman Cartine, “Waste is a good accurate term.”

Chris Dasti added, “It’s a relative term.”

Comm. Fozman continued, “Developers escrow schedule. We are talking with Mr. Planko and Mr. Specht. We did knock some of that down about \$600,000 in there. If everything came out we’d get about \$260,000 out of that. Little by little every month going over it to see what inspections we can get so we can get more money for the MUA. And that is all I have.”

Chairman Cartine stated, “Thank you and what Comm. Fozman is asking all the directors is to sharpen your pencils.”

c. Rate Committee – Comm. Cevasco

Comm.Cevasco advised, “It looks like the strongest date at this point is the 18th of June.”

d. Reservoir Committee – Comm. Bottazzi

Comm. Bottazzi advised, “Everything is going fine at the Reservoir. They haven’t been busy because of the rain and the weather. We are waiting and I’d like to find out what we are doing with those two large parties that we approved last month? They are due in May? I am sure we have all the proper people and so forth.”

Director Lacey advised, “St. Paul’s just sent us a letter from their event and they thanked us for that.”

e. Watershed Committee – Chairman Cartine

Chairman Cartine stated, "Under Watershed just an interesting piece of information here. To date we have received from the DEP \$700,000. We should be receiving the balance of that money shortly which would come to \$1.4 million total grant. And that is in with the completion of the work that we have done and that would realize the extent of the original grant given to us a couple of years ago."

f. Hazmat & Security Committee – *Chairman Cartine*

Chairman Cartine advised, "Hazmat and Security, my report we have been meeting and we haven't had a hazmat situation so we had no meeting there. As far as Security is concerned we are looking at the Reservoir now and we are looking at ways that we can secure the reservoir against any attacks. As you know Homeland Security had declared reservoirs and water supplies as soft targets and we will be moving in that area to probably put cameras up on the site. They will be high definition cameras to gain us some additional security. That is in motion right now. We haven't done anything official. We are looking at it. We are doing some leg work as to basically where when and how we are going to be doing that. We haven't allocated any money for that as yet so the project is in its infancy. That is the end of commissioner's reports and we get onto approval of past minutes. Can I have a motion? You all have notes on this. Please abstain on those that you did not attend. Can I have a motion to approve the minutes?"

8. APPROVAL OF MINUTES

The minutes of the following meetings were distributed previously:

April 22, 2013 Regular Meeting
December 19, 2011 Portion of Exempt Session
February 27, 2012 Portion of Exempt Session
May 21, 2012 Portion of Exempt Session
June 25, 2012 Portion of Exempt Session
July 23, 2012 Portion of Exempt Session
September 24, 2012 Portion of Exempt Session
November 26, 2012 Portion of Exempt Session

Comm. Veni made a motion to approve the minutes. Seconded by Comm. Bottazzi

AYES: Commissioners, Cevasco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: Comm. Cevasco: December 19, 2011
Comm. Fozman on all except April 22, 2013
Comm. Bottazzi: February 7, 2012
Chairman Cartine: Dec. 19, 2012 & June 25, 2012

9. CORRESPONDENCE

Letter from Saint Paul's Church expressing thanks for the use of the Reservoir

Director Lacey advised, "We did have a letter from St. Paul's thanking staff and the commissioners for the use of the Reservoir for the sunrise service and they had approximately 90 people and of course they said the staff was courteous and helpful in every way in every step of the process."

10. APPROVAL OF BILL RESOLUTION

Comm. Bottazzi read the Bill Resolution Dated May 20, 2013 in the total amount of \$2,237,558.10 as follows:

Total Operating Vouchers:	\$	938,460.66
Total Payroll:		927,219.11
Total Capital Vouchers:		369,598.83
Escrow:		2,279.50
Total Bill Resolution	\$	2,237,558.10

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

AYES: Comm. Cevalco, Fozman, Bottazzi, Veni, Cartine
NAYS: None
ABSTAIN: None

11. TREASURER'S REPORT

Comm. Fozman read the Treasurer's Report balances for the month ending March 31, 2013 as follows:

Unrestricted Funds:

Total Revenue Funds:	\$	10,131,690.92
Total General Funds:		2,462,443.21
Total Unrestricted Funds:		12,594,134.13

Restricted Funds:

Rate Projection Maintenance Fund:	2,889,709.00
Future Capital Requirements Fund:	-0-
Working Capital Fund:	1,121,464.21
NJEIT Processing Fund:	3,488,461.82
Total Bond Funds:	12,500,413.08
Total Other Restricted Funds:	1,735,952.61
Total Restricted Funds	21,736,000.72
Total of All Fund Accounts:	34,330,134.85

Comm. Fozman made a motion to adopt the Treasurer's Report. Seconded by Comm. Cevalco

AYES: Comm. Cevalco, Fozman, Bottazzi, Veni, Cartine

NAYES: None
ABSTAIN: None

12. DEVELOPER APPLICATIONS - None

11.1 Preliminary Applications - No Further Action Required

2133 Ms. Dorothy DeFilippis & Mr. Ramon Ortega, Minor Subdivision – 75 Woodland Drive, Woodland Drive & Coast Drive, Preliminary, NFA, 2 Residential

Comm. Veni stated, “We basically already went through this so I’m looking to move Item No. 2133. Seconded by Comm. Cevalco.

AYES: Comm. Cevalco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

11.2 Other Applications

2132 Mr. Gasper Giordano, GC Wen Management Corporation, Building Addition - Wendy’s Restaurant Minor Site Plan, Jack Martin Blvd., Preliminary & Final, 1 Commercial Unit

Comm. Veni made a motion to approve this application. Seconded by Comm. Cevalco.

AYES: Comm. Cevalco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

11.3 Release of Performance Bonds - None

12. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES - NONE

13. CUSTOMER ACCOUNTS RECONCILIATIONS - NONE

14. CONTRACT CLOSE-OUTS - NONE

15. AUTHORIZATION TO EXPEND APPROVED FUNDS

- a. Authorization to Purchase the Piping, Pumps and Controls for Alaska Avenue Water Storage Tank**
Amount: Approximately \$20,000
Vendor: Various
Funding Source: Funding for this project is available under Capital Project No. 710021 – Water Booster Station Upgrades (currently \$7,000 available) and Capital Project No. 794005 – Water Distribution Upgrades (currently \$24,000 available).

Director Specht advised, “I would like to get authorization from the Board to purchase

the piping, pumps and controls for the Alaska Avenue Water Storage Tank to provide adequate control of the water quality within that tank. Approximately I would need about \$20,000 to perform this work to purchase the pump, the piping and the associated control. Most of the labor will be performed with our in house staff. Two projects with the funding are available under Capital Project No. 710021 Water Booster Station upgrades, and we currently have \$7,000 available in that project No. As well as Capital project No. 794005 Water Distribution Upgrades which currently has \$24,000 available under that project.”

Comm. Bottazzi asked, “Mr. Planko all this money is available?”

Director Planko replied affirmatively.

Comm. Bottazzi made a motion to approve this action. Seconded by Comm. Cevasco.

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

16. AUTHORIZATION TO SEND OUT BIDS, RFQ’S & RFP’S

a. Grant Writing Consultant

Director Lacey advised, “I am looking for authorization to send out and request return of RFQ’s for our Grantsman which we do not have at this time.”

Comm. Bottazzi made a motion to approve this action. Seconded by Comm. Veni.

Comm. Fozman asked, “Can I ask a question before we vote?”

Chairman Cartine explained, “Yes. We first move and second and then there is discussion.”

Comm. Fozman continued, “Mr. Lacey the grantsman that we had, how many did he write?”

Director Lacey replied, “None to my knowledge.”

Comm. Fozman continued, “We wrote them in all in house. All the grants. I believe Mr. Maggio got grants, Mr. Specht got grants and various departments got grants and there’s only so many grants out there for the MUA. So why is it necessary to do this?”

Director Lacey replied, “Just getting RFQ’s – you don’t have to award it.”

Chairman Cartine stated, “There is always a possibility that there is somebody out there or that we have missed something. It doesn’t hurt to look for money whether it is a 100% grant or a 50% grant. We have another set of eyes on it and that is the reason we do it and that is the reason Brick Township does it as well.”

Comm. Fozman asked, “How much did the last grantsman cost us per year without getting any grants do you recall?”

Director Lacey replied, "I think it was \$1,500 a month for 12 months."

Chairman Cartine advised Comm. Fozman, "Just so you know these particular requests that are going out is not going to pay a grantsman anything up front. They will be working based on an incentive based on the dollar amount that they get for us. They will receive a percentage of that grant."

Comm. Fozman asked, "And that is all going to be on the RFQ? And will that be emailed to all of us?"

Ms. Sylvester advised that the Grant Writing RFQ was attached to Director Lacey's Monthly Report.

Comm. Cevalasco asked, "If I heard you correctly you said that the grantsman may possibly get a percentage of the grant that they are successful in getting for us. Where would that money come from?"

Chairman Cartine stated, "It would come from the grant."

Comm. Cevalasco stated, "You can't do that if I am not mistaken. You can't pay a grantsman out of the grants. The grants are specific to specific projects and the grantsman is not part of the project."

Chairman Cartine stated, "Well if the grant came out of our money basically if we had a for instance a no brainer of \$1 million. You don't think it would be worth it for us to take it out of our own bank account and pay that grantman for that \$1 million grant?"

Comm. Cevalasco stated, "Oh I understand what you are saying, but this Authority's past history with grantsman..."

Chairman Cartine stated "That is history Mr. Cevalasco. It has nothing to do with the RFQ's that we are sending out right now. Which has nothing to do with the salary or even a fee that we are paying as we did in the past. This is something new. You are bringing up history. This has nothing to do with what we are doing now and you're really out of order on this because you are rehashing something that has happened over the past ten years here at the Authority with the Grantsman. Lets move on."

Comm. Fozman asked, "Could we ask the attorney's opinion if money could be paid out of the grant to pay a grantsman?"

Counselor Dasti explained, "It is not coming out of the grant as I understand it. You would give him five or whatever percent and it would come out of the MUA's fund. It would just be whatever grants he is able to get it is not coming out of the grant per say."

Comm. Fozman asked, "Is there a structure on this? Say he gets \$5 million dollars you are going to give him 5% of \$5 million?"

Director Lacey advised, "No it is on page 4 Commissioner. I can summarize for you. It is 5% on the first \$1 million and then anything over \$1 million they get 1% more. So if they got \$2 million say they would get 6%, one percent extra for the \$1 million so they get \$60,000 for a \$2 million grant. I think last year it was like \$1,500 a month and then the year before that it was a percentage too. It keeps

going back and it was pricey.”

Chairman Cartine stated, “Maybe you ought to look at the grantsman who works for the Township now and find out what he got you last year. The same grantsman that we used and the same grantsman you hired Mr. Fozman or rehired. Isn’t that correct?”

Comm. Fozman replied, “I believe so but he did grants for there. You got zero grants here.”

Comm. Bottazzi commented, “I need clarification Mr. Chairman onwe didn’t go out then. We are voting to go out. We don’t know who is going to apply and so forth. Are we making the rules? We are offering the 5%. We are not answering to someone that approached us and saying we’ll give you 5%. Someone here sat down and looked at history and looked at what other people are paying and what it’s costing the authority and so forth and came up with the 5% is that right? So what we are doing now is opening the door and saying who is ever in favor of wanting to they make application and this Board will choose if there is any takers. Has anyone gone out there and find there is that possibility that they are willing to go for 5%?”

Chairman Cartine replied, “We don’t know. This is a shot.”

Director Lacey added, “It is straight commissioner. There is no monthly fee.”

Comm. Bottazzi stated, “Because as in the past the records will show I have voted against who we used at one time because I could not see paying them a fee and not producing. I think that is probably what some of the people here are saying.”

Chairman Cartine stated, “And that is why we decided to do this. You are exactly right.”

AYES: Comm. Bottazzi, Veni, Cartine

NAYES: Comm. Cevalasco*, Fozman

ABSTAIN: None

*Comm. Cevalasco stated before his vote, “I think it is a waste of time no.”

17. ADOPTION OF REPORTS

Comm. Veni made a motion to adopt the Directors Reports. Seconded by Comm. Fozman.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine

NAYES: None

ABSTAIN: None

18. ADOPTION OF PERSONNEL ACTIONS

Comm. Veni made a motion to adopt the Personnel Actions. Seconded by Comm. Bottazzi.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine

NAYES: None

ABSTAIN: None

19. OLD BUSINESS

19.1 Pine View Estates Litigation Judgement

Counselor Chris Dasti stated, "As I think you are all aware the Appellate Division issued a decision about two weeks ago which affirmed Judge Grasso's order from about two years ago entering judgement in the amount of \$658,610.31. This is regarding the Pine View Estates matter. I think you have all probably seen a copy of the order for the opinion from the Appellate Division affirming Judge Grasso's order in all parts so we need a motion to pay this amount."

Director Planko added, "Just a quick comment to the Board on how I financially handled this. Back when the initial ruling came out by Judge Grasso in June 2011 I asked the auditors to set up a liability on the balance sheet for the Authority showing that we recognized it. At the same time I also encumbered funds in our working capital account for this amount which is what we are going to pay it from. So actually this portion is not going to be a part of our amended capital budget plan. That doesn't have to be considered there and can be paid from our working capital fund."

Comm. Veni made a motion to approve this amount. Seconded by Comm. Fozman.

AYES: Comm. Cevasco, Fozman, Veni, Cartine
NAYES: Comm. Bottazzi
ABSTAIN: None

Chairman Cartine stated to Comm. Bottazzi, "There's no sense in asking you why you voted No on that?"

Comm. Bottazzi stated, "You new people been around and I testified several times and spent a lot of hours in the chambers of Judger Grasso. We worked hard and I think what we had to say and what we were approving. I disagree with the Judge."

Chairman Cartine stated, "I understand you worked hard at it."

20. NEW BUSINESS

20.1 Requests to Utilize Reservoir

- a. Robyn Smith, Shore Christian Center
Walk-A-Thon to benefit trips to Honduras to provide medical care
Saturday, July 6, 2013 – 10:00 a.m. to 1:00 p.m.
Approximately 100 participants

Director Lacey advised, "The Shore Christian Center, Robyn Smith is requesting the use of the Reservoir for a walk-a-thon to benefit a trip to Honduras to provide medical care to Hondurans and they are looking to use it on July 6, 2013 from 10:00 am to 1:00 p.m. They are expecting approximately 100 participants. And this is a new group. We have never had them before."

Comm. Veni made a motion to approve this action. Seconded by Comm. Bottazzi

Comm. Ciocco asked, "It is on July 6th so do we anticipate any problem with crowding or parking or staffing because it is right after July 4th?"

Director Lacey advised, "We've got the whole church area. It is 100 people."

Comm. Bottazzi stated, "I seconded it because I do know of the staff. We have a well trained staff. They usually have control of how many people are there what goes on and if we have these things available to help different associations in our Township. I feel that we should do that as long as no one is making money off of it. We do have the proper employees to keep an eye on it so that is why I vote yes."

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine

NAYES: None

ABSTAIN: None

20.2 NJDEP Demand Response Determination

Director Planko advised, "NJDEP Demand Response Program, Commissioner Fozman briefly touched on that and our potential need to terminate our involvement in the program. Just to give a little background. We had resolution 23-13 this year that I asked the Board to pass which basically gave us permission for three years for about \$150,000 to have a demand response program which is basically if Hess told us to shut off and go on generator power we would do that. Gary Vaccaro our Compliance Officer checked further into this with the DEP based on a compliance alert and the DEP came back and said we are not allowed to participate in a demand response program even if it is within the parameters of our permit. They said because participation in the DRP we no longer meet the definition of an emergency generator and therefore we would have to go to a permit with a higher emissions standard. Gary's recommendation was that we pull out of the program which in effect impacts us a bit financially because we will lose that \$150,000 incentive over the next three years, but it looks like we have no other alternative. So if the Board desires I will send a letter to Hess terminating our agreement if that is the direction the Board wants to take."

Comm. Cevasco asked, "Do we have to repeal the resolution that we passed earlier?"

Counselor Dasti advised, "No you could vote tonight to cancel the agreement."

Director Planko advised, "Well we have met with Hess and they are working with us and they said after I talk to the Board if they need to terminate they will. They will work with us."

Director Lacey added, "This alert that Mr. Planko is referring to Hess said that they were not aware of it and all of their customers were also noticed and they are going to be very cooperative because they know we are involved in something we should not be."

Chairman Cartine asked, "Well are you asking us to take some action on this tonight?"

Director Planko replied, "Yes based on Gary's recommendation that we terminate this agreement with Hess."

Motion to move forward with this action by Comm. Fozman. Seconded by Comm. Cevasco.

AYES: Comm. Cevalco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

20.3 Garden State Parkway (GSP) Interchange 91 Improvements

Director Specht advised, "The County of Ocean in conjunction with the New Jersey Turnpike Authority is finalizing the improvements to interchange 91 for the Garden State Parkway. Part of those improvements requires that the Brick Utilities enter into a utility relocation agreement with the County for the relocation of any utilities that are within their right-of-way that cause a conflict. They have finalized the final utility relocation plans and are requiring signature by the authority. I have signed plans like this in the past and I am looking for the Board to get approval to sign these plans right now. This impacts their Federal Highway Financing on this project so it is important that we approve this tonight."

Chairman Cartine asked, "This doesn't cost us a penny though right?"

Director Specht advised, "Well we will be doing some work. We have some items we have to remove approximately 20 linear feet of 4 inch water main stub, removal of 550 feet of 12 inch water main, relocation of about 400 feet of fiber optic conduit and cable and minor relocation of air vents on a 42" raw water main."

Chairman Cartine asked, "What is the cost to us?"

Director Specht advised, "The cost to us will probably be in the estimate of about \$25,000."

Chairman Cartine stated, "I just don't understand why we have to foot that bill when it is their construction and they are requesting us to relocate these lines and we have to pay for it? Why aren't they paying for it?"

Director Specht replied, "Anything within the County right-of-way if it was in the highway right-of-way, GSP ROW the New Jersey Turnpike Authority would have to pay for it. But if it is within the County right-of-way, any utilities whether it is gas, electric, cable, telephone, water or sewer per the County requirements any utilities that conflict with their road improvement projects. Road improvements require them to make those adjustments."

Motion to move forward with this action by Comm. Veni. Seconded by Comm. Cevalco.

AYES: Comm. Cevalco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

20.4 Flood Insurance Renewal

Director Planko advised, "We have our flood renewal policy due on June 4th for about \$36,000. That is for six locations that we have and that is for Selective Insurance Company. I did send a copy of an overview memo to the Board on this. I will just give you a bit of a background on this. In summary there is a pending coverage eligibility issue with this and basically what that issue is for flood insurance that has to do with our pump stations whether it is 50% of the value of those pump stations is either

above the ground or below the ground. Director Specht is involved in what is called an engineering argument. He is doing the valuation on those pump stations but until we get those valuations and we find out truly where we stand with the insurance I spoke to both the Finance and Construction Committee and our recommendation is to process this renewal so we have no lapse in coverage until we find out where we stand relative to the insurance coverage.”

Chairman Cartine asked, “We must renew the policy obviously but can we negotiate something after the renewal or are we set in concrete so to speak with how the policy is underwritten. I mean suppose he comes up with something - can we negotiate with the carrier. If the engineering arguments come up with most of the value which is 50% is below ground the flood insurance is not eligible and we can go back and get a refund on our insurance which basically is over \$200,000.”

Comm. Veni asked, “Frank correct me if I am wrong but we have more pump stations and they are only allowing us to do these six, they are only insuring these six?”

Comm. Planko stated, “I believe it is only four pump stations. Out of six sites only four of them are pumps stations.”

Comm. Veni stated, “Ok but there are others that we have that they are not going to insure?”

Director Specht advised, “We are also insuring the water treatment facility here as well as Base One I believe, as well as four wastewater pump stations.”

Director Planko advised, “They are challenging the four pump stations based on that valuation.”

Director Specht added, “Because these four pump stations obviously got crushed by Super Storm Sandy and now they are hitting us with denial letters saying you are not covered, but we have been paying the premium for the last ten years. Of the other ten pump stations that were impacted, six of them we didn’t have any flood insurance on.”

Director Planko advised, “Basically what is going to happen here as it is determined by Director Specht that based on the Engineer’s arguments we were not eligible for the flood insurance and we are going to get that money back and then run it through JIF and FEMA for the payments.”

Motion to move forward with this action by Comm. Veni. Seconded by Comm. Fozman

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine

NAYES: None

ABSTAIN: None

21. RESOLUTIONS

44-13 Resolution for Award of Bid for Pipe and Appurtenances

Director Planko advised, “This is just our stand pipe and appurtenance bid. This year we had 92 items. We were successful to four vendors for 88 of those items. Four of the items we have to rebid. This has a potential value if we do all the items of approximately \$58,500.00 and this was viewed at the Construction Committee.”

Comm. Veni made a motion to adopt Resolution No. 44-13. . Seconded by Comm. Cevalasco.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

45-13 Resolution Approving a Fixed Assets Appraisal & Review by
Industrial Appraisal Company

Director Planko advised, "Resolution 45-13 is for Fixed Assets Appraisal with Industrial Appraisal. Again I prepared a summary memo to the Board to give them a little background on this because this goes back quite a ways. What happened was way back in 1999 a couple of years after I started I reached out to Industrial Appraisal to do a fixed assets appraisal here at the Authority. The reason I did that way back then was because the Authority had a long term standing audit recommendation that the Authority get a fixed assets database. I reached out to Industrial Appraisal way back in 1999. They tagged all our assets and they compiled a fixed assets data base for us. We finally resolved that audit issue. Since that time Industrial Appraisal has been preparing for us what they call an insurable value report which we use in conjunction with JIF to prepare insurance quotes. After 14 years Industrial Appraisal came to me and justifiably so and said we would like to come in and take a second look at the assets and what additions need to be made. This is based on the fact that it should be done on site for effective property control. I think it is a good idea that we bring them in here. I went out to cost this out and it will cost us \$17,610.00. Knowing this was coming out, I budgeted this in our amended operating budget and I am making the recommendation to the Board that we move forward with this on site review of our fixed assets, both for insurance purposes and effective property control."

Comm. Cevalasco made a motion to adopt Resolution No. 45-13. Seconded by Comm. Fozman

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

46-13 A Resolution Authorizing Change Order No. 1 for an Increase in the Contract
Amount of \$49,488.00 to D & D Trenchless Solutions, Inc. for Emergency
Contract No. 712003 – Partial Replacement of 8" diameter Water Main for Tilton
Road

Director Specht advised, "This is for Change Order No. 1 or an increase in the Contract in the amount of \$49,488.00 to D&D Trenchless Solutions, Inc. For Emergency Contract No. 712003 for partial replacement of the 8" diameter water main for Tilton Road. What this section involves is the replacement of approximately 200 linear feet of 8" ductile iron water main with C900 PVC Water Main on the right-of-way between St. Lawrence Blvd. and Knollcrest Avenue. The Township has awarded a contract to Highway Safety Systems to install a bicycle trail from the calming circle on St. Lawrence Blvd. all the way down to Seaward Harbor through this one section where our water main is located. They will be installing an elevated Boardwalk which will impact the replacement of this water main in the future. So it is important that we move ahead at this time with the replacement of that 230 feet. We have done an analysis on the water main on Knollcrest and determined that some areas are in moderate conditions and some areas are in poor condition. As a matter of fact we had another water main break

last week on Knollcrest. We have budgeted in this fiscal year for the replacement of the water main on Knollcrest for approximately \$800,000. So that gets you up to speed on Knollcrest but again I am looking just to move ahead with the relocation of 230 feet of main so we can at least get out of the way of the Township's work and they intend to start their work at the end of June so I am looking for approval from the Board on this."

Comm. Fozman made a motion to adopt Resolution No. 46-13. . Seconded by Comm. Cevalasco.

AYES: Comm. Cevalasco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

47-13 A Resolution Authorizing Change Order No. 1 for a Decrease in the Contract Amount of \$37,565.52 to Sodon's Electric, Inc. for the Power Cable Replacement to the Raw Water Pump Station

Director Specht advised, "A change order No. 1 for a decrease in the contact amount of \$37,565.52 to Soden's Electric, Inc. for the power cable replacement to the raw water pump station. The cable that was originally specified will not fit within the 3" conduit that it is buried in a duct bank. We are now looking to replace that submersible cable that was specified with a direct bury cable and we will get a credit to the job for this work in the amount of \$37,565.52."

Comm. Bottazzi asked, "You say the cable doesn't fit in the casting?"

Director Specht, "The cable that we specified, the submersible cable, what it is there is three power cables and one ground cable all meshed together and then that is wrapped with another insulation around it and it won't fit through the 3" cable."

Comm. Bottazzi asked, "Well who is responsible for that?"

Director Specht replied, "The design was done in house Mr. Chairman. Upon further review we determined that the cable fill will be 58% fill and the national electric code only allows 40% for a three inch cable so now we are looking to get a credit back for the job. So who is responsible for that? I signed the plans Mr. Chairman. Again though we are looking for a credit on the job. It will bring us down from \$207,000 and take \$37,000 out of that."

Comm. Veni added, "Steve do you want to explain to him that we are going to a \$37,000 credit for that particular cable but you are selecting another cable. What would be the increase for that cable?"

Director Specht advised, "\$37,000 credit includes the other cable. I think there was a little more labor to pull the four strands of cable separately than to pull the one submersible cable by itself that was like \$8,000 extra for that. Then there was a credit for the material itself which was \$40 something thousand dollars. So the next change to the contract is a decrease of \$37 thousand and change which will take the contract down from \$217,000 to \$180,000."

Chairman Cartine stated, "So you actually made a mistake in our favor."

Director Specht advised, "I would have preferred the submersible cable but we are getting a direct bury cable which is an upgrade to the existing cable that was in there anyway. So we are not getting the gold. We are getting the silver and we're not putting in the bronze."

Chairman Cartine stated, "I stand corrected. You just over anticipated the need for the cable."

Director Specht added, "And thank G-d the cable wasn't purchased. At least we don't have to go through that."

Comm. Cevasco made a motion to adopt Resolution No. 47-13. Seconded by Comm. Fozman

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

48-13 A Resolution Authorizing Task Order No. 1 Between the Brick Township Municipal Utilities Authority and T&M Associates for an Increase in the Contract Amount by \$15,350.00 for Contract No. 812003 – Rehabilitation of Eight (8) Wastewater Pumping Stations

Director Specht advised, "As I discussed previously Mr. Chairman this is for Task Order No. 1 with T&M Associates for \$15,350.00 for Contract No. 812003 for Rehabilitation of 8" wastewater pump stations. It is for additional investigation into the shell of the two ejector stations as well as additional soil investigation at these two sights."

Comm. Veni made a motion to adopt Resolution No. 48-13. Seconded by Comm. Bottazzi

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine
NAYES: None
ABSTAIN: None

49-13 A Resolution for the Award of a Public Contract to Municipal Maintenance Company, Inc. in the Amount of \$302,900.00 for the Alternate Bid for the Replacement of Flocculator Equipment in Sedimentation Basins Nos. 1 and 2; Capital Project No. 799008A

Director Specht advised, "This is for the award of a contract to Municipal Maintenance Company Inc. in the Amount of \$302,900.00 for the Alternate Bid for the Replacement of Flocculator Equipment in Sedimentation Basins Nos. 1 and 2; Capital Project No. 799008A. We received five bids and Municipal Maintenance was the low one the base bid as well as the alternate bid. The alternate bid included new drives, motors and drives as well as VFD's. The existing equipment is approximately 40 years old and has exceeded its useful life and it's warranted that we move ahead with the alternate bid to include the drives. In fact I believe Mr. Maggio spent about \$1,500 recently to fix some drives out there so it is time to replace those drives. And there is funding available for this project in our capital account.

Comm. Bottazzi made a motion to adopt Resolution No. 49-13. . Seconded by Comm. Fozman

AYES: Comm. Cevasco, Fozman, Bottazzi, Veni, Cartine

NAYES: None
ABSTAIN: None

Comm. Cevasco stated, "Before we go onto the public session I would like to make a motion to send a RICE Notice to our Emergency Management Coordinator, Mr. Brando." Seconded by Comm. Fozman.

AYES: Comm. Cevasco, Fozman, Bottazzi,
NAYES: Comm. Veni, Cartine
ABSTAIN: None

Comm. Fozman asked, "Would the MUA consider a pool with the Grantsman? Because it is all paid by commission, instead of having one person. It's just an idea that came up I'm just thinking..."

Chairman Cartine advised, "We haven't done anything. All we are doing is going out for an RFQ. Whatever we do we can decide afterwards how we want to do it."

Comm. Fozman stated, "If you have a pool then you have several people working for you because they're all working on commission. Whoever comes up with it will get their share of the money."

Chairman Cartine stated, "It is an idea and we can discuss it after we send out these bids and find out what we have."

22. PUBLIC DISCUSSION

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.

Mr. Brian DeLuca stated, "A few council meetings ago, Councilman Fozman made some comments about a zero percent interest this year over at the MUA to the taxpayers or people that use your water. The way he explained it that night, and he is going to sum it up real quick. You can look at the minutes from the meeting, but it seemed like he was taking the credit for that. Is that true that he is on the Finance Committee now and he was the one that made it possible for the water users in this town?"

Chairman Cartine replied, "Well he as a Commissioner may think he is taking responsibility, but if he had read the minutes of that meeting and read Mr. Planko's opening remarks you would have a different determination but you know .. I don't know what to call him Commissioner Fozman or Councilman Fozman whatever, he is once again in conflict tonight on his vote and once again he takes credit for something that he really hasn't done or had nothing to do with but if he wants to go ahead and tell those things to the people out there at the Township Council meeting it is quite all right with me. He is a commissioner and he is part of this body and this body has decided not to increase the rates. For him to take credit on this is kind of dubious. If he was going to take credit for it then he should have announced all five commissioner and two alternate commissioners should have the credit for it as well. I don't think you have to brag about something like that. I haven't bragged about it and I won't brag about it, but some people seem to need to do that in public."

Comm. Bottazzi stated, "Mr. Chairman I would also like to mention that we took a very brave step forward in doing that because I see a lot of empty houses in Brick Township and we may have a shortfall in people buying our water and not be able to meet out expenses. There may be a time when someone may want to stick their chest out and say I voted on that so we have to sit back and hope these homes get built and start using water. We are in a situation right now where we may not meet our expenses with the income that may be developing here."

Comm. Fozman asked, "Mr. Chairman may I add something here?"

Chairman Cartine replied, "No. Continue on. This is the public portion."

Comm. DeLuca continued, "Like I said Mr. Chairman, you can look at the minutes from the meeting and get the exact words that he used."

Chairman Cartine stated, "Yes I know and it is a matter of record. Ok so just let that lie. Lie is a pun. It's a quarter to 9. It's late. I'm going to move for adjournment."

Motion to adjourn by Comm. Veni. Seconded by Comm. Bottazzi.

All in Favor

23. COMMENTS FROM COMMISSIONERS, PROFESSIONALS & STAFF

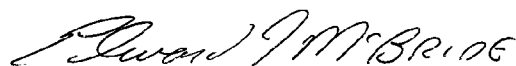
24. CLOSING STATEMENT

The next Public Meeting of the Authority will occur on Monday, June 24, 2013. All regular public meetings take place in the Main Conference Room of the Authority's Administration Building located at 1551 Highway 88 West.

25. ADJOURNMENT

On motion duly made and seconded the meeting adjourned at 8:45 p.m.

Respectfully submitted,



Edward J. McBride
Acting Secretary

PLB/mas