

**Minutes of a Meeting of
The Brick Township Municipal Utilities Authority
June 23, 2014**

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

Following the Salute to the Flag, Chairman Cevasco asked Ms. Sylvester to read the opening statement.

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 12, 2014 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

Members Present

Stacy Olsen
James Fozman
Tom Curtis
Allan E. Cartine
James Bayard
Ed McBride
George Cevasco

Also Present

James F. Lacey, CPWM, Exec. Dir
Stephen T. Specht, PE, Dep ED/Dir Engr/Ops
Frank Planko, CFO
Joseph Maggio, PE, Dir. Water Quality
Gary Vaccaro, Dir. Compliance, Safety & GIS
Marie Sylvester, Exec. Supervisor
Ben Montenegro, Esq., Authority Counsel
Chris Theodos, PE, Consulting Engineer

Ms. Sylvester advised Chairman Cevasco that there is a quorum with which to conduct the meeting.

Chairman Cevasco stated, "I would like to welcome our newest Commissioner, Ms. Olsen. Welcome to the monthly meeting. Now we are going to go into exempt session."

4. EXEMPT SESSION
(Personnel, Contracts & Potential Litigation Only)

Chairman Cevasco called for a motion to go into exempt session for the purpose of discussing potential litigation and personnel matters and contracts.

Counselor Montenegro advised, "At this point in the meeting of the Brick Township Municipal Utilities Authority on June 23, 2014, for purposes of discussing contracts and litigation - Whereas Section 8 of the Open Public Meetings Act, New Jersey State Statute 10:14-12 permits the exclusion of the public from a meeting in certain circumstances, and whereas this public body is of the opinion that such circumstances exist. Now therefore be it resolved by the Brick Township Municipal Utilities Authority, in the County of Ocean, State of New Jersey as follows the the public shall be excluded from discussion of any actions upon the hereinafter specified subject matters, contract and litigation and it is anticipated at this time that the subject matters will be made public if and when confidentiality is no longer needed. Action may be taken. This resolution shall become effective immediately."

Comm. Cartine made a motion to go into exempt session. Seconded by Comm. Fozman.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

At this point in the meeting, 7:02 p.m. the group entered exempt session

On motion duly made and seconded the group returned to open session at 7:41 p.m.

5. Directors' Reports Review/ Adoption of Reports

Director Lacey advised, "Mr. Chairman as submitted. I know it is a rather lengthy report, but if there are any questions I will certainly answer them. Some of the things we talked about like Johnson Street are the first item. I will do some highlights. The laundry mat situation that Mr. Specht brought up to expend funds like for example number four which will be brought up later on the renewal of the Gas Boy System. Purchase a trailer for the road saw. We need the purchase of an electronic control drive butterfly valve for a sand filter. Again everything we do is very expensive. It is \$5,600.00. There is a cash management plan to talk about. Some shared services agreement with the Township that is on the agenda. We have a bunch of sewer credits that will be handled by Frank Planko. Raftelis was in here also with our rate design and what we are doing with respect to chewing up our rates. The board was very busy the last few weeks with a lot of their different committees – Personnel, Finance, Security, Hazmat and Water Quality. We had a little incident with chlorine that was handled very well as usual by our well trained crew. We talked about asset management, again, personnel and that is pretty much it."

Comm. Fozman made a motion to adopt the Executive Director's Report. Seconded by Comm. Bayard.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

7. APPROVAL OF MINUTES

May 19, 2014 – Regular Meeting

Comm. Cartine made a motion to adopt the Minutes. Seconded by Comm. Fozman.

AYES: Comm. Fozman, Curtis, Cartine, Bayard
NAYS: None
ABSTAIN: Comm. Cevalasco

8. CORRESPONDENCE - None

10. APPROVAL OF BILL RESOLUTION – *Comm. Bayard*

Comm. Curtis read the Bill Resolution dated June 23, 2014 in the total amount of \$2,105,310.83 as follows:

Total Operating Vouchers:	\$	398,968.35
Total Payroll:		1,439,440.69
Total Capital Vouchers:		252,786.29
Escrow:		- 0
Total Bill Resolution	\$	2,105,310.83

Comm. Bayard made a motion to approve the Bill Resolution. Seconded by Comm. Fozman

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYES: None
ABSTAIN: None

11. TREASURER'S REPORT – *Commissioner Cartine*

Comm. Cartine read the Treasurer's Report balances for the month ending May 31, 2014 as follows:

Unrestricted Funds:

Total Revenue Funds:	\$	8,286,565.60
Total General Funds:		2,624,193.08
Total Unrestricted Funds:		10,910,758.68

Restricted Funds:

Rate Projection Maintenance Fund:		3,276,160.62
Working Capital Fund:		462,854.21
NJEIT Processing Fund:		3,136,406.82
Total Bond Funds:		15,170,713.73
Total Other Restricted Funds:		1,671,880.47
Total Restricted Funds		28,077,878.34
Total of All Fund Accounts:		38,988,637.02

Comm. Cartine made a motion to approve the Treasurer's Report. Seconded by Comm. Curtis

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None

ABSTAIN: None

10. DEVELOPER APPLICATIONS

10.1 Preliminary Applications - No Further Action Required

2129 Dr. Bassem Demian, Doctor's Office – Expansion of Existing Bldg.,
Herbertsville Road & Seventeenth Avenue, Preliminary, NFA, Five
Commercial & Residential

Director Specht presented this application to the Board for approval and stated, "Basically what is happening is they are going to be installing three separate 593 square foot apartments adding a second floor to the existing buildings. Each of these apartments will get separate services with separate meters. This was discussed at the Construction Committee meeting and I would recommend approval."

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

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

10.2 Other Applications - NONE

10.3 Release of Performance Bonds - NONE

11. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES - NONE

12. CUSTOMER ACCOUNTS RECONCILIATIONS

Director Planko presented the following Customer Accounts Reconciliations to the Board for approval.

Sewer Credits

- a. Account 10804008-0 366 Church Rd, David Veldkamp. A sewer credit is recommended in the amount of \$2,159.25 due to a leak @ meter and broken frost plate. The quarter in question rose to 334,000 gallons while the average usage is 3,000 gallons. All repairs have been made and verified and the meter is in proper working order.
- b. Account 16952007-0 455 16th Ave, Michael Van Over. A sewer credit is recommended in the amount of \$ \$429.50 due to a broken pipe that flooded the house. The quarter in question rose to 78,000 gallons while the average usage is 4,000 gallons. All repairs have been made and verified and the meter is in proper working order.
- c. Account 2441202-0 268 Dutchman's Point Rd, Susan Fries. A sewer credit is recommended in the amount of \$1300.25 due to leaks that flooded the house. The quarter in question rose to 207,000 gallons while the average usage is 4,000 gallons. We have verified the repairs. The meter is NJ American.

- d. Account 2592207-0 228 Squan Beach Dr, Martha Farkouh. A sewer credit is recommended in the amount of \$ 826.00 due to broken pipes in crawl space. The quarter in question rose to 137,000 gallons while the average usage is 5,000 gallons. We have verified the repairs. The meter is NJ American.
- e. Account 2562600-0 321 Cutter Lane, Deborah Ingersoll. A sewer credit is recommended in the amount of \$ 957.25 due to broken pipes & flooding. The quarter in question rose to 158,000 gallons while the average usage is 11,000 gallons. We have verified the repairs. The meter is a NJ American meter.
- f. Account 7748803-0 33 Orange Rd, David Price. A sewer credit is recommended in the amount of \$ 439.00 due to a broken frost plate on the meter. The quarter in question rose to 82,000 gallons while the average is 14,000 gallons. We repaired the meter with a new frost plate.
- g. Account 2562804-0 335 Cutter Lane, Patricia Deangelis. A sewer credit is recommended in the amount of \$ 515.75 due to broken pipes in crawl space & flooding. The quarter in question rose to 90,000 gallons while the average usage is 1,000 gallons. We have verified the repairs. The meter is a NJ American meter.
- h. Account 5720817-0 32 Halsey Dr, Marie Castelbuono. A sewer credit is recommended in the amount of \$ 797.50 due to a broken pipe. The quarter in question rose to 132,000 gallons while the average usage is 2,000 gallons. We have verified the repairs and the meter is in proper working order.

One Time Water & Sewer Credits

- i. Account 9378400-0 582 Plaza Terrace, Kenneth Milko. A One Time water and sewer credit is recommended in the amount of \$1161.96 due to leaky toilets. The quarter in question rose to 248,000 gallons while the average usage is 65,000 gallons. We have verified the repairs and the meter is in working order.
- j. Account 10680802-0 355 Church Rd, Raymond Liss. A One Time Credit for unexplained High usage is recommended in the amount of \$1957.65. The quarter in question rose to 313,000 gallons while the average usage is 3,000 gallons. No leaks were found and the meter is in proper working order.
- k. Account 23018546-0 328 Sawmill Rd. Professional Mngmnt. A One Time Credit is recommended in the amount of \$ 429.42 due to a leaking toilet. The quarter in question rose to 88,000 gallons while the average usage is 20,000 gallons. We have verified the repair and the meter is in proper working order.

Comm. Fozman asked, "All these broken pipes in the crawlspace there is no date saying when they happened. Was that due to this past winter?"

Director Planko replied, "The frost plates would be but not the broken pipes."

Comm. Fozman asked, "And do we give a credit every time if the same person has another broken pipe in their crawlspace?"

Director Planko replied, "If they can prove it didn't go into the sewerage system. One time credit is when it is a leaky toilet, or unexplained usage we give a one-time credit for any customer. But if a customer can prove more than once that the water did not go into the sewer we give them that credit. Since we are not paying for it they are not paying for it."

Comm. Fozman asked, "And if there is any damage in the house they are calling their insurance company or any water damage and we are paying them and then their insurance company pays them for anything over their average? So they got paid from the insurance company and we reimburse them the money?"

Director Planko replied, "Well we reimburse them for anything over their average."

Comm. Fozman stated, "But how does that work? They get money from both the insurance company and from us? I am just curious."

Director Lacey added, "We have two different things here. There are sewer credits. They have to prove to us that the water didn't go into the sewer system. So while the water went through the meter, like for example New Jersey American, that is not our water and if it can be proven to us that the water didn't go into the sewer system and went into the ground it doesn't cost us anything. So we are giving a credit for something that didn't cost us anything. If it is our water meter and they can show that it didn't go into the sewer because it went into the crawl space we give them a sewer credit but they are still paying for most of the water. There is a formula."

Director Planko advised, "Right and how we determine that number is we look at their average use for two years, we take the actual use less the average use and estimate what did not go down the sewer. Because we are not paying that \$3.88 and we are not charging them for it."

Comm. Cartine added, "Just an observation. You have five of these sewer credits on the strip. We have a problem this year with frozen pipes along the barrier island because four of the five are on the island. I realize it is not our water, but we are giving sewer credits on these breaks and my question is was this an unusual amount of sewer breaks on the water front?"

Director Specht stated, "I would say it is an unusual event and it was a very cold winter."

Comm. Cartine stated, "Just an observation is all. I know all these addresses and they are on the barrier island except for Halsey Drive which is down Drum Point Road but that is probably on the water as well and my recollection of those people with their pipes is they are only two feet into the ground. You are not below the frost line some of them and I just wonder if we are going to have a whole rash of breaks because of that."

In regard to sewer credits Director Planko stated, "These types of credits since we are talking about them are handled a little bit differently. We look at the difference between the water that has been used and their average and we split the difference 50/50 giving them a credit for half of that water. We don't give them a full credit."

Comm. Fozman asked, "The leaky toilet in your house, I mean if you are not fixing it I don't see why we are giving credit back. Isn't that normal maintenance on a house? If they do it again they don't

get a credit?”

Director Planko replied, “It has always been a one time as a customer relations issue that the Board has always offered.”

Director Lacey added, “An example it would be like you have a senior citizen that can’t hear water in the middle of the night and the toilet is running and you have those issues. We tell them if it is a small amount don’t use your one time sewer credit because you only get one.”

Comm. Cartine made a motion to approve the Customer Accounts Reconciliations. Seconded by Comm. Fozman.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

13. CONTRACT CLOSE-OUTS - NONE

14. AUTHORIZATION TO EXPEND APPROVED FUNDS

a. Replacement of the Gas Boy Fuel Monitoring System

Vendor: Jones and Frank

Amount: \$13,447.00

Funding Source: Capital Project No. 914007 – Gas Boy System Fuel Recording

Director Specht advised, “Back at the April Board meeting, the Board authorized me to get three quotes for the replacement of our Gas Boy fuel monitoring system which will be compatible with our new asset management system. We did receive three quotes. Jones and Frank is the low vendor in the amount of \$13,447.00. The funding source is Capital Project No. 914007 Gas Boy System Fuel Recording and I would recommend approval.”

Comm. Curtis made a motion to approve this action. Seconded by Comm. Bayard.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

b. Purchase of a Trailer for the Road Saw

Vendor: Trico

Amount: \$6,850.00

Funding Source Capital Project No. 912004 – Equipment – Replace Grounds Master for \$5,606.00 and \$1,244.00 from Capital Project VAROIOUS – Transportation –

Director Specht advised, “Item B is for the purchase of a trailer for the road saw. We received three quotes and Trico Equipment was the low vendor for \$6,850.00. Funding sources are from two sources Capital Project No. 912004 – Equipment – Replace Grounds Master for \$5,606.00 and \$1,244.00 from Capital Project VAROIOUS – Transportation.”

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

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

c. Phosphoric Acid tank for installation in WTP pump gallery

Vendor: Coastal Technical

Cost: \$5,694.92

Funding Source: Account 799008

Comm. Maggio stated, "We are requesting authorization to expend approved funds for a phosphoric Acid tank for installation in the water treatment plant pump gallery. The vendor is Coastal Technical and the cost is \$5,694.92 and the funding source is account 799008. We recently installed a corrosion inhibitor system which included the addition of phosphoric acid. When applying for a permit for NJDEP as part of the review they required us to relocate the additional point which is after our disinfection process to prior to our disinfection process, which will require us to install the chemical storage tank in the basement of the treatment plant. We need to purchase a custom tank to literally fit down into the basement."

Comm. Bayard made a motion to approve this action. Seconded by Comm. Fozman.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

d. Purchase of Electronic Control Drive and Butterfly Valve for Sand Filter

Vendor: Harold Beck & Sons

Amount: \$5,670.00

Funding Source: Account 799-008 – Water Quality Report

Director Maggio advised, "The next item is the purchase of an electronic control drive for a butterfly valve for the sand filters. The vendor is Harold Beck & Sons, the amount is \$5,670.00 and the funding source is 799008. This is replacing a unit that failed and this is a key element in our automatic backwash process for our sand filters."

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

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

15. AUTHORIZATION TO SEND OUT BIDS, RFQ'S & RFP'S - NONE

16. ADOPTION OF PERSONNEL ACTIONS

Comm. Cartine made a motion to adopt the personnel actions. Seconded by Comm. Bayard.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

17. OLD BUSINESS

17.1 Raftelis Rate Design Study - Exempt
Discussed earlier in Exempt.

18. NEW BUSINESS

18.1 Requests to Utilize Reservoir

Director Specht presented the following Reservoir Special Use permit requests advised, "These were reviewed at our Reservoir Committee Meeting last week.

St. Vincent DePaul Society (Church of Epiphany), Friends of the Poor Walk,
Saturday, September 20, 2014, 9:00 a.m. to 12:00 p.m. Approximately 25-40 participants

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

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

Eileen's Yoga Chair/ Eileen Tremarco. Free Chair Yoga Classes. Wednesday evenings in July and August. Participation to vary on level of interest.

In regard to this request, Director Specht advised, "At the Reservoir Committee Meeting we took a look at this and I actually sent some information out to the full board today on that. In previous submittals, we allowed one yoga class, but it was for one day back on 6-21-11. It was a free yoga class to celebrate the summer solstice. Then on 6-12 the Board approved another yoga class that was to donate to the American Cancer Society, but that was rescinded about a week later. So it is up to the Board if they want to allow this one but in the past we have allowed one but it was only one day. This will be Wednesday evenings in July and August so it is eight to nine sessions that the women is requesting from us. We generally do not approve them but that is up to the Board."

Comm. Cartine stated, "This started I am going to say about two years ago. We were approached to approve a yoga class. After it was approved it was determined that what she does is she runs a business and she uses the Reservoir for the purpose of gaining new clientele for her own business. At that time I objected to the fact that apparently she is using the reservoir for commercial purposes and although she wasn't charging anybody she was recruiting for her business. I felt at the time and the Board agreed that we should not be opening up our Reservoir for those people who are going to financially benefit from the use of that Reservoir even though the revenue that they accrue doesn't directly come from the Reservoir use itself. But in essence if we open it up to that kind of an operation then we invite others to use the Reservoir as a way to bring business in for their own purposes and that is why the Board at that time rejected any further use of the reservoir by that particular person and for

those reasons. I don't support this application for their permit and I will leave it up to the Board basically to make that decision tonight. But again I think it is a bad precedent for us to get involved with someone who has a commercial business who will be using that Reservoir for those purposes."

Chairman Cevalco stated, "I have a problem with the multi-use of every whatever it was. I don't mind. One is not bad that is what we have approved in the past is a one-time deal, but once we get started using multiple nights and multiple days I have a problem with that but we will let the commissioners decide."

Comm. Bayard made a motion to not approve this Special Use Request. Seconded by Comm. Cartine.

AYES: None
NAYS: Comm. Fozman, Curtis, Cartine, Bayard, Cevalco
ABSTAIN: None

18.2 24 Johnson Street Request for Credit - Exempt

Chairman Cevalco asked for a motion to deny a credit to 24 Johnson Street.

Motion made by Comm. Fozman. Seconded by Comm. Curtis.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalco
NAYS: None
ABSTAIN: None

18.3 Developer Application No. 2039; Best Laundromat -- 2767 Hooper Avenue; Request to Reduce the Sewer Initial Service Charge - Exempt

Comm. Curtis made a motion to deny the request. Seconded by Comm. Cartine.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalco
NAYS: None
ABSTAIN: None

18.4 Replacement of the Transite (asbestos cement) Water Main Impacted by the Improvements to the Garden State Parkway Interchange No. 91

Chairman Cevalco asked, "If this is going to be in conjunction with what possibly we may get from the County so what we want to do is we want to approve Item 18.4. Do I have a motion?"

Comm. Bayard made a motion to approve this action.

Comm. Fozman asked, "Is this going out to bid or are we using our in-house engineer on this?"

Director Specht advised, "This is for the replacement of approximately 12,000 linear feet of transite water main that is being impacted by the construction of the new interchange over by Herborn

and Burnt Tavern Road. It is problematic. This transite pipe it is pushing 40 to 50 years old so it has almost exceeded its useful life. We probably might get a couple of years out of it, but due to the construction activity that will be on going on Lanes Mill and Burnt Tavern Herborn and Burssville Road it is probably a good idea that we move ahead with the replacement of this existing transite pipe with ductile Iron so we get another eighty years of life out of this main. The Turnpike Authority spent a lot of money on the interchange and it is probably recommended that we also replace our pipe. My preliminary estimate is between \$2 and \$2.5 million dollars to replace that main. Again it is a rough estimate. We put this information together pretty quick for the Board and hopefully it will come in substantially lower than that or in the \$2 million range. Burt again I have a meeting with the Director of Ocean County Engineering Department tomorrow at 9:00 a.m. to go over the scope of work. They are in the process of bidding their project. If they haven't bid it yet it is already out on the street, so we would have to do some negotiations with the County contractor that they selected. That would be one way of doing it or and that would probably be the easiest way to do it and potentially cheapest without mobilizing another contractor because there are other factors that are involved not just replacing the pipe but you have extensive traffic control with uniform police officers . There are a lot of other impacts other than just putting pipe in the ground so I would recommend we meet with them as soon as possible so we need to get approval from the Board to do that.”

Comm. Fozman asked, “The County they are paying for it or they are just going to...”

Director Lacey advised, “Local purchase. You are allowed to spend up to 20% of your contract. We are estimating that it will be about a \$40 million job which means that you can go as much as 20% over or \$8 million to go over for change orders. This job is a rather large job and there may be some areas where there is going to be reconstruction and other areas where it is just going to be overlay and since it is a conflict for me Steve will be going down there to talk to engineering to see if we can dovetail off of the contract once it is let to see that the reconstruction where they dig the road up and that pipe can be done by the contractor. Of course the County would pay for it and we would reimburse them and if it is lower price and do we want to continue it if they do an overlay on the outer reaches of some of these roads. Those are some of the things that need to be done. The problem with the County is we have to be careful not spending over 20% and just right here if it ends up at \$2 million dollars and we have an issue and then it's \$8 million and we've used \$2 million. So there is some issues there. I mean there are ways around that. It is not real clean and simple to do it that way.”

Director Specht advised, “In my five year capital plan I have designated requesting funding over the next four to five years of up to \$5 million for water main replacement. Actually next year in the fiscal year I don't have anything budgeted this year but next year in 15/16 I was requesting \$1 million for water main replacement in year 16/17 another \$2 million. We we are anticipating projects like this will probably be a good one to get behind us because I would hate to go out there two months after the road is paved and start popping holes in the asphalt to repair a leak.”

Chairman Cevalco stated, “Director Specht and I discussed this at length with the Executive Director and now is the time to start it.”

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

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalco
NAYS: None
ABSTAIN: None

19. RESOLUTIONS

61-14 Adoption of a Cash Management Plan

Director Planko advised, "This is for the adoption of our cash management plan. It is our normal process and it is also an audit requirement that we pass this yearly which I usually do in June. It summarizes a lot of information. It talks about investments and it talks about the transfer of funds and financial reporting issues. Also in my monthly report each month I report relative to the cash management plan. I did send a draft out to our new auditor to review and make sure he was satisfied with it. I reviewed it at the Finance Committee meeting so I am suggesting that we pass this resolution this evening. I also have to send a copy of the resolution to the Division of Local Government Services which I will do during the week."

Comm. Fozman made a motion to adopt Resolution No. 61-14. Seconded by Comm. Curtis.

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

62-14 A Resolution Declaring Certain Items owned by the BTMUA as Surplus and no longer needed

Director Planko advised, "62-14 is a resolution for declaration of certain items owned by the BTMUA as surplus and no longer needed. The Finance Department usually collects these items from various departments over an ongoing period of time whether they be automobiles, computer parts, miscellaneous equipment and so forth. This is actually the first declaration we are doing this year. I believe Marie supplied a listing of all the items that we are hoping to declare. What we do once this resolution is done and the Board declares these items, we usually put them out on govdeals.com for sale. It is a much easier way to get rid of the items at the same time make some misc. income."

Comm. Fozman stated, "If the Board would like the Township could look at any of this equipment and use it and we could maybe give it to the Township at a \$1, maybe public works can use some desks or this and that."

Director Planko stated, "I could send the declaration list to Joanne or whoever you want that is fine."

Comm. Fozman stated, "Yes maybe we can help them out because we have a lot of good stuff here."

Comm. Cartine stated, "It is just junk."

Comm. Curtis made a motion to adopt Resolution No. 62-14. Seconded by Comm. Fozman

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

Comm. Fozman stated, "I don't know you have a lot better equipment over here than they have there."

63-14 A Resolution Adopting an Employee Drug and Alcohol Testing Policy
for The Brick Township Municipal Utilities Authority

Director Vaccaro advised, "This is a resolution adopting an employee alcohol and drug testing policy. I provided the Board a copy of the policy following its review and approval of our directors and our labor counsel. Basically it is an update of our existing policy which only covers CDL driver's so this new policy would be expanded to cover all of our employees as well as clarify testing for reasonable suspicion and post-accident testing. So it is an update of our existing policy."

Comm. Cartine stated, "I looked at it and I was trying to discern the difference between our existing policy and rewritten policy and I had talked to the Chairman about this and I wasn't too clear on the drug testing. Drug testing I understand we have always done with CDL drivers. But it talked about other employees. How do you manage that? How do you plan to test let's say other employees and what about the expense on drug testing would it be done randomly? How would it be done?"

Director Vaccaro advised, "First of all one of the things was in about 2010 there was verbal direction to change when we started doing post-accident testing for everyone. However, it wasn't really clear what the criteria was so when I took this on I thought we needed a clear definition of when it is done. Basically for CDL employees you have testing for reasonable suspicion, random testing and post-accident testing. All employees are going to have reasonable suspicion which Supervisors will be trained on and post-accident testing. The only ones who get random testing which follows the regulation is for CDL Drivers. So the clarification is that CDL Drivers nothing has changed for them. They are still going to get random testing, still have reasonable suspicion and they still have post-accident testing. I just want to clarify for all employees where they are going to get post-accident testing under certain conditions G-d Forbid a fatality, a ticket is issued, people have to go to the Emergency Room, a vehicle has to get towed and reasonable suspicion where supervisors being trained on if I suspect someone may be under the influence we will send them for reasonable suspicion test."

Comm. Cartine asked, "All employees? How do you define all employees?" Everyone, all clerical, everyone in the building for reasonable suspicion?"

Director Vaccaro replied affirmatively and stated, "And so if I suspect or someone suspects I'm under the influence I would be covered under that as well."

Comm. Cartine asked, "And this will be new? This was not done under the old system?"

Director Vaccaro stated, "Reasonable suspicion was discussed for CDL Drivers, post-accident testing was being done for all employees but it was very vague and not specific as to when you would have a test done after an accident. So that is what it is basically doing clarifying everything and also eliminate our liabilities because it wasn't in there before and an employee could refuse a drug test and the new policy states that you must have this done after an accident."

Chairman Cevasco stated, "It reduces a verbal policy to words basically."

Comm. Cartine made a motion to adopt Resolution No. 63-14. Seconded by Comm. Fozman

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

64-14 Professional Engineering Consulting Services with Adams, Rehmann & Heggan Associates, Inc. in the Not-To-Exceed Amount of \$34,835.00 for the Fleet and Equipment Storage Building

Director Specht advised, "The Board previously authorized me to put together a request for engineering proposal for the design and construction of a fleet equipment and storage building. On May 6th we received proposals from our engineers, Maser, PS&S, French & Parrello and Adams, Rehmann & Heggan Associates. CME did not submit a bid. Based on the evaluation performed by my staff who has reviewed it in house by myself and Mr. Lacey it is recommended that we move ahead with the award of the contract in a not to exceed amount of \$34,835.00 to Adams, Rehmann & Heggan Associates, Inc."

Comm. Cartine asked, "Once again, we are going to put up a building and this engineering firm is going to tell us what kind of a building to put up? I mean you put up a building... we are spending \$34,000 just to tell us how to put up a building?"

Director Specht replied, "We are recommending a pre-engineered building. What they will do is be doing the design, construction administration, support. They will be here during the bidding. It takes us all the way through construction. It is 80 x 100, 8,000 square feet. They will size the heating and ventilation for the building and the lighting for the building as well as any electric that is required. It is recommended that we use our consultant to do that."

Comm. Cartine asked, "Where is it going to be put?"

Director Specht replied, "It is going to be placed approximately in the back in the vicinity of the garage. If you are looking at the garage, to the right of it and that will be to store most of our big equipment our Jet Vaca trucks, our TV & Grout truck. A lot of the equipment that we need to have in side because it takes a big beating to leave it outside."

Comm. Cartine stated, "It is really a garage. It is not a storage building."

Director Specht replied, "Well it is a storage building, a garage, but we are not going to do any maintenance work in this building. It is strictly to house equipment. It is a heated building maintained at 55 degrees some ventilation in the summer just to basically keep the stuff out of the way. Especially the two vac trucks and the grout and TV Truck. They have water tanks on them so every winter after every shift we have to back them into the garage right now and this will free up some space in our garage."

Comm. Cartine stated, "I have no problem with the fact that we need a garage. I have a problem with the fact that we need an engineer to tell us how to build it. That we couldn't do that in house."

Director Specht replied, "We need structural evaluation. We have to do soil borings. It is all in their evaluation. It is pretty detailed. They have to obviously design the footing and the slab to support this heavy equipment that will be in there. I would recommend we go with an outside firm on this one."

Plus the HVAC.”

Comm. Fozman stated, “Why don’t we do it to save some money?”

Comm. Curtis made a motion to adopt Resolution No. 64-14. Seconded by Comm. Fozman

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco

NAYS: None

ABSTAIN: None

65-14 A Resolution Authorizing the Execution of a Revised Employment Agreement with James F. Lacey, CPWM, Executive Director

Chairman Cevalasco stated, “Resolution No. 65-14 through 69-14 are the contracts for our directors and what it does is make the contracts uniform. In looking at the contracts Mr. Lacey’s contract had a typo and what it did is made the raises uniform. The language in the contract itself uniform because some of them had language in it that others didn’t have and there was increases that were arbitrarily decreased several years ago. The increases for three of the contracts are retroactive only until January 1, 2014 because there was a raise in 2013 even though it wasn’t the same as what the other contracts got. Basically what it does is it makes the executive director with the exception of the typo change and all the rest of the directors’ contracts’ uniform. The language is uniform instead of having little differences so we will take them one at time.”

Comm. Fozman made a motion to adopt Resolution No. 65-14. Seconded by Comm. Curtis

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco

NAYS: None

ABSTAIN: None

Director Lacey stated, “Thank you.”

66-14 A Resolution Authorizing the Execution of a Revised Employment Agreement with Stephen T. Specht, PE, Director, Engineering/Operations

Comm. Curtis made a motion to adopt Resolution No. 66-14. Seconded by Comm. Fozman

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco

NAYS: None

ABSTAIN: None

Director Specht stated, “Thank you also.”

67-14 A Resolution Authorizing the Execution of a Revised Employment Agreement with Joseph Maggio, PE, Director of Water Quality

Comm. Fozman made a motion to adopt Resolution No. 67-14. Seconded by Comm. Curtis

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco

NAYS: None
ABSTAIN: None

Director Maggio stated, "Thank you."

68-14 A Resolution Authorizing the Execution of a Revised Employment Agreement with Gary F. Vaccaro, Director Compliance, Safety & GIS

Comm. Fozman made a motion to adopt Resolution No. 68-14. Seconded by Comm. Bayard

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalco
NAYS: None
ABSTAIN: None

69-14 A Resolution Authorizing the Execution of a Revised Employment Agreement with Frank Planko, Chief Financial Officer

Comm. Curtis made a motion to adopt Resolution No. 69-14. Seconded by Comm. Fozman

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalco
NAYS: None
ABSTAIN: None

Director Planko stated, "Thank you."

70-14 A Resolution Authorizing a Shared Services Agreement with the Township of Brick for Power Purchase Agreement (PPA)

Counselor Montenegro stated, "This is a resolution authorizing a shared services agreement between the Authority and the Township of Brick for a solar power purchase agreement. The resolution was provided to you today in your package but there would be two minor revisions as we have discussed in closed session. The first would be the addition of a whereas paragraph - whereas as Matrixnewworld prepared a non-discounted versus baseline solar project cash flow for the Authority. Attached to the resolution as Exhibit A estimating baseline costs of \$649,910.00 during the first ten years set by solar project savings of \$3,602,122.00 by the 30th project year and lastly the last whereas paragraph would be modified to reflect that whereas as the Authority and the Township have negotiated the terms of a shared services agreement "the form to be revised and finalized per the discussions in closed session by the parties for the shared purchase of renewable energy produced by the photovoltaic system and the shared purchase of electric energy through the third party supply contracts. The other remainder of the resolution is as has been presented."

Comm. Curtis made a motion to adopt Resolution No. 70-14. Seconded by Comm. Bayard

AYES: Comm. Curtis, Bayard, Cevalco
NAYS: None
ABSTAIN: Comm. Fozman, Cartine

71-14 A Resolution Authorizing Change Order No. 2 Natural Gas Powered Generator Replacement Phase I with Brick Town Electrical Contractors LLC in the amount of \$3,625.00

Director Specht advised, "This was added after I put my monthly report together, but I did send out an addendum to my report. This is for change order number two for the Natural Gas Powered Generator Replacement Phase I Project with Brick Town Electrical Contractors LLC in the amount of \$3,625.00. What this does is we are authorizing our contractor to raise the generator at our Riviera Drive Pump Station which is located I guess near the former Marina Grill, now the River Rock. It was not impacted by Super Storm Sandy but it was close so we want to raise it an additional 23 inches to avoid any impact in the future if we do get a storm similar to Super Storm Sandy. Again for three structural steel to raise the generator up 23 additional inches."

Comm. Cartine made a motion to adopt Resolution No. 71-14. Seconded by Comm. Bayard

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

72-14 A Resolution Authorizing the Execution of Access Agreement with Howell Township (Watershed)

Director Maggio advised, "Last month the Board authorized a project to do some water quality improvements on the storm water basin the Township of Howell on Moses Milch Drive. Our attorney is currently drafting up an access agreement with the Township of Howell to allow us to access the basin and do the work and this resolution will authorize the finalization of that access agreement."

Chairman Cevalasco asked, "Will this resolution cover some of the other areas up in Howell that we may possibly be working on?"

Director Maggio replied, "I don't know how generic the agreement will be for all projects it is still in the process of being drafted by our attorney."

Comm. Fozman made a motion to adopt Resolution No. 72-14. Seconded by Comm. Curtis

AYES: Comm. Fozman, Curtis, Cartine, Bayard, Cevalasco
NAYS: None
ABSTAIN: None

20. PUBLIC DISCUSSION

At this point in the meeting, Chairman Cevalasco opened up the meeting for public comment.

Ms. Melanie Briggs stated, "I would like to say it is a pleasure coming back to the meetings at the MUA but it isn't. To have the public sitting out in the lobby for an hour and a half I feel is disrespectful to the public. I don't care if it is one person or fifty people. Whatever you had to discuss in closed session for that hour and a half you should have held a special meeting or waited until the end of the meeting. You open the meeting and five minutes later you went into closed session. That is not

consumer friendly. I have made this request many times and if I have to I will keep making it. I don't know why you have to put it at the beginning of the meeting. Is there a reason? "

Chairman Cevasco stated, "The parties that were here for closed session were on a tight schedule as far as getting back, one was from out of state."

Ms. Briggs asked, "Then why wasn't that a special meeting? Why do you have to wait until the Commissioner Meeting?"

Chairman Cevasco stated, "Because all the commissioners have set this night aside. We have schedules that are fairly busy."

Ms. Briggs stated, "And so does the public have a busy schedule. An hour and a half? Fifteen twenty minutes."

Chairman Cevasco stated, "We will take it under advisement."

Ms. Briggs replied, "Thank you."

Chairman Cevasco advised, "You're welcome."

Comm. Cartine stated, "I just want to add something to what Mrs. Briggs said, sometimes Mrs. Briggs we have to go into closed session at the very beginning of the meeting because we must act on what was discussed in closed session that same evening. So it is sometimes inherent in our agenda that we get that knocked out right away so that when we come back into live session we can vote on that particular item that we had discussed. Sometimes time is of the essence."

Mrs. Briggs replied, "And I understand that but I think it should be planned a little better so it isn't an hour and half."

There being no other comments from the public the Chairman closed this portion of the meeting.

21. COMMENTS FROM COMMISSIONERS, PROFESSIONALS & STAFF

Director Specht had no additional comments except to thank the Board for all the approvals tonight.

Director Maggio had nothing further to report.

Director Vaccaro had nothing further to report.

Chris Theodos stated, "We have completed review of the Township's tax maps and provided our recommendation to Director Vaccaro and his staff."

Director Planko had nothing further to report.

Comm. Olsen stated, "Thank you for welcoming me. I look forward to working with you."

Comm. Cartine stated, "I just want to explain my abstention on Resolution 70-14 Shared Services Agreement. I want to see the breakdown of municipal breakdown that line item that we had for ours. That is the only reason. I want to see how that share was going to be split and I wanted to see the real numbers. It is not that I am opposed to the shared services agreement, it is that I don't believe I have all the facts in front of me to make an intelligent decision at this time. It is a project that is a long time coming and it is going to happen, but I wanted to see the rest of the figures."

Chairman Cevasco stated, "It is 29%. It is on one of the sheets you have."

Comm. Cartine stated, "It is not on any of the sheets that I have."

Counselor Montenegro had nothing further to report.

Ms. Sylvester had nothing to report.

Director Lacey had nothing further to report.

Comm. McBride had nothing further to report.

Comm. Bayard had nothing further to report.

Comm. Fozman stated, "The watershed project over in Howell. That is a grant so it is not costing the MUA any money? It is all grant money. Am I correct on that Mr. Maggio?"

Director Maggio advised, "That is fully funded by the grants that we have received over the last several years in the total of \$1.4 million. There will be additional monies for additional projects this was just the very first one."

Comm. Fozman stated, "I just want to bring that up so that everyone understands."

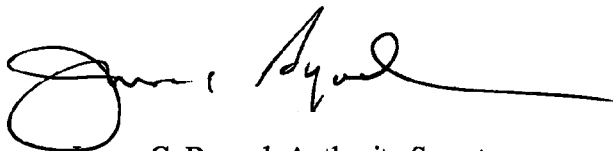
22. CLOSING STATEMENT

Ms. Sylvester read the closing statement as follows, "*The next Regular Public Meeting will occur on Monday, July 28, 2014. All regular public meetings begin at 7:00 p.m. in the Main Conference Room of the Authority's Administration Building located at 1551 Highway 88 West.*"

23. ADJOURNMENT

On motion duly made and seconded the meeting adjourned at 9:37 p.m.

Respectfully submitted,



James C. Bayard, Authority Secretary