

**Minutes of a Meeting of
The Brick Township Municipal Utilities Authority held on
May 18, 2015**

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

2. OPENING STATEMENT

Following the salute to the flag, 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 7, 2015 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

Thomas C. Curtis
James Fozman
Allan E. Cartine
James C. Bayard
Gregory Flynn
George Cevalasco

Also Present

James F. Lacey, CPWM
Stephen T. Specht, PE
Frank Planko, CFO
Joseph Maggio, PE
Gary Vaccaro
Marie Sylvester
Nick Montenegro, Esq.
Chris Theodos
Chuck Fallon

Absent

Stacy Olsen

4. Adoption of Directors' Reports

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

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

5. APPROVAL OF MINUTES

April 27, 2015 Regular Mtg.
September 22, 2014 – Exempt

Comm. Bayard made a motion to adopt the meeting minutes. Seconded by Comm. Curtis

AYES: Comm. Bayard, Fozman*, Curtis, Cartine, Cevasco
NAYS: None
ABSTAIN: Comm. Fozman (on the portion that he was not here for and yes on the remainder.) Comm. Cartine (April 27, 2015)

* Comm. Fozman stated, "I just want to ask our attorney. I believe I came in late to a meeting and should I abstain?"

Counselor Montenegro stated, "You should vote to approve the minutes for the portion of the meeting that you were available."

6. CORRESPONDENCE

Chairman Cevasco advised there was no correspondence for discussion.

7. APPROVAL OF BILL RESOLUTION - Commissioner Bayard

Comm. Bayard read the Bill Resolution dated April 18, 2015 in the total amount of \$3,712,472.97 as follows:

Total Operating Vouchers:	\$	2,500,082.78
Total Payroll:		973,270.98
Total Capital Vouchers:		238,621.18
Escrow:		498.03
Total Bill Resolution	\$	3,712,472.97

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

AYES: Comm. Bayard, Fozman*, Curtis, Cartine, Cevasco
NAYS: None
ABSTAIN: Fozman – All Brick Twp. payments

8. TREASURER'S REPORT - Commissioner Cartine

Comm. Cartine read the Treasurer's Report balances for the month ending April 30, 2015 as follows:

Unrestricted Funds:

Total Revenue Funds:	\$	13,261,322.47
Total General Funds:		3,652,304.57
Total Unrestricted Funds:		16,913,627.04

Restricted Funds:

Rate Projection Maintenance Fund:		3,276,160.62
Working Capital Fund:		462,854.21

NJEIT Processing Fund:	2,512,370.16
Series 2014A Project Bonds:	1,522,099.28
Total Bond Funds:	12,139,897.34
Total Other Restricted Funds:	1,576,657.57
Total Restricted Funds	28,477,030.37
Total of All Fund Accounts:	45,390,657.41

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

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

9. DEVELOPER APPLICATIONS

9.1 Preliminary Applications - No Further Action Required - NONE

9.2 Other Applications

2136 Mr. Andre Skora, A.J. Skora, Inc., Timbered Slope – Preliminary & Final Major Subdivision, Cedar Avenue, Green Grove Road & Princess Avenue, Final, 6 Residential Units

Director Specht advised, "Under 9.2 Other Applications we have developer application 2136 Mr. Andre Skora of AJ Skora, Inc. for a development known as Timbered Slope. This is a final approval on a preliminary and final major subdivision on Princess Avenue for six residential units back on September 23, 2013 with regard to three streets. Green Grove Road will require a 140' 8" PVC sewer line extension. Cedar Avenue will require a 100' 8" PVC sewer line extension as well as a 165' 8" diameter water main extension and Princess Avenue will require a 35' 8" PVC sanitary sewer line extension. I would recommend final approval."

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

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

9.3 Release of Performance Bonds

2078 Ms. Debra Hufford-Nee, Permit Coordinator, Maser Consulting, Chik-Fil-A Restaurant, 520 Route 70

Director Specht advised, "We have three applications for release of performance bonds. Ms. Debra Hufford-Nee, Permit Coordinator, Maser Consulting Chik-Fil-a Restaurant at 520 Route 70 and I would recommend we waive the maintenance bond on this because it was only for a lateral extension. "

2135 Mr. David Joss, Federal Realty Investment Trust, Red Robin Restaurant,
1054 Cedar Bridge Avenue/Brick Plaza Shopping Center

Director Specht advised, "We also have Mr. David Joss, Federal Realty Investment Trust for the Red Robin Restaurant at 1054 Cedar Bridge Avenue in the Brick Plaza Shopping Center. I would also recommend waiver of the maintenance bonds since it was only laterals and services that were installed. "

2149 Ms. Cathy Bobowski, TCB Associates, LLC, Parallel Sanitary Sewer
Extension Harbor Road, 632 & 634 Harbor Road

Director Specht advised, "And the final performance bond application is 2149, Ms. Cathy Bobowski, TCB Associates, LLC, for a parallel sanitary sewer extension for Harbor Road, 632 and 634 Harbor Road. When we release that performance bond I would recommend at two year maintenance bond."

Comm. Cartine made a motion to approve Release of Performance Bonds. Seconded by Comm. Curtis

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

10. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES - NONE

11. CUSTOMER ACCOUNTS RECONCILIATIONS

Director Planko presented the Customer Accounts Reconciliations as follows:

One Time Credit

- a. Account 10772803, 644 Windsor Road, Kathleen Devine. A one-time credit is recommended in the amount of \$1,387.20 due to a toilet leak. Usage rose to 203,000 gallons while the average use is 11,000 gallons. All repairs have been made and verified and the meter is in proper working order.
- b. Account 17153605, 360 Van Zile Road, Orthodox Christian Church of Annunciation. A one-time credit is recommended in the amount of \$1,546.15 due to a toilet leak. The usage rose to 236,000 gallons while the average usage was 23,000 gallons. All repairs have been made and verified. The meter is in proper working order.
- c. Account 17224804-11, 135 Van Zile Road, Bricktown Associates. A one time credit is recommended in the amount of \$1,416.10 due to unexplained usage. The usage rose to 195,000 gallons while the average usage is zero gallons. The meter is in proper working order.

Sewer Credit

- a. Account 3229603, 86 Sandy Point Drive, Phyllis Klepp. A sewer credit is recommended in the amount of \$1,892.26 for a leak at the dock. The usage rose to 242,000 gallons while the average usage is 16,000 gallons. All repairs have been made and verified and the meter is in proper working order.

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

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

12. CONTRACT CLOSE-OUTS - None

13. AUTHORIZATION TO EXPEND APPROVED FUNDS

- a. **NJDEP Laboratory Certification**
Amount: \$7,384.00
Vendor - NJ Dept. Treasury
Funding Source: Operating Account 705-1580

Director Maggio advised, "We are requesting authorization to expend approved funds for the Annual NJDEP Laboratory Certification fee. The amount is \$7,384.00 and the vendor is the NJ Department of Treasury and the Funding Source is Operating Account 705-1580. This is for the certification for operation of our state certified testing laboratory."

Comm. Cartine asked, "Just for my knowledge here how much do we pay annually to the DEP in fees? Does anyone have that number?"

Director Maggio replied, "Well this is the only laboratory related charge I think."

Director Specht advised "Between \$25 and \$50,000 a year."

Comm. Cartine continued, "I know we have a fee for this and a fee for that and all we do is pay the state fees, and we are trying to operate a business here. I think it is good for even the people out there to know how much we have to pay the DEP for those fees."

Director Planko stated, "If I might add Board members, for NJ License Permits, Certifications all those items that Gary mentioned we budget \$43,00 for 2015/2016."

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

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

b. Well 11 Pump Head Replacement

Amount: \$7,164.00

Vendor: AC Schultes

Funding Source: Capital Account No. 799009A

Director Maggio advised, "This is the well 11 Pump Head Replacement. The amount is \$7,164.00. The vendor is AC Schultes. The funding source is capital account No.799009A. The current pump head is vintage 1976 and has developed a crack so we need to replace it to bring the well back into operation."

Comm. Cartine asked, "How deep is that well?"

Director Maggio replied, "About 1900 feet. This is one of our deep wells."

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

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

NAYS: None

ABSTAIN: None

c. Caustic Pump Replacement

Amount: \$6,252.12

Vendor – USA Bluebook

Account: Capital Account No. 799008

Director Maggio advised, "This for our caustic pump replacement. The amount is \$6,252.12. The vendor is USA Bluebook. The capital account number 799008 and our existing caustic pumps are 17 years old and as regular maintenance we do disassemble them. The last assembly they did show some significant signs of wear. We like to get 20 years out of them, but we think we should move to replace it because caustic is a very important system to maintain pH in our finished water."

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

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

NAYS: None

ABSTAIN: None

d. Purchase of a Turf-Teq Multi Use Tractor with 13 Horsepower with Bed Groomer and Power Edger

Amount: \$5,625.00

Vendor: Richard Rentals

Funding Source: Project No. 915004

Director Specht advised, "This is the purchase of a Turf-Teq multi use tractor with 13 Horsepower power motor with a Bed Groomer and associated power edger from Richard's rentals for \$5,625.00. We received three quotes, the second bidder was Pride Landscape supply for \$5,990.00 and the third quote was from Jersey Power and Equipment for \$6,123.00 and there is \$6,500 budgeted under Project No. 915004 and I would recommend approval."

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

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

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

15. EXEMPT SESSION

(Personnel, Contracts & Potential Litigation Only)

16. ADOPTION OF PERSONNEL ACTIONS

Chairman Cevalasco called for a motion to adopt the personnel actions provided by Director Lacey.

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

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

17. OLD BUSINESS

17.1 Roofing Systems at the Administration Building, the Operations Building and the Maintenance Garage – Final Design Scope

Director Specht advised, this is for the roofing systems at the Admin building , Operations Building and Maintenance Garage. We need to determine the final design scope so we can go to our engineer Maser Consulting with how we want to rectify the roofs. An evaluation report was completed by Maser back in mid-April, followed up with an infra-red survey back in late April. They had three options that were recommended. Option No. 1 was to recover all the roofs, basically the existing EPDM rubber roofs we have on their now. They would put a one inch thick piece of insulation on the roof and then put another PVC coating on top of that and the estimated cost for that is \$121,000. Recover only the Administration Roof A which is the roof right over us which has shown some signed of deterioration. Only recover that for an estimated cost of \$40,000. And the third option as to replace all the roofs including the tapered insulation where you rip off everything and redo the insulation. Estimated cost on that was \$230,000. Based on discussions at the Construction Committee, as well as feedback from Maser the recommendation is to go with Option No. 1. Recover all the roofs so all the roofs, the Admin Building, the Maintenance Garage as well as the Operations building would all have a similar 20 year roof on them. So that is what I would recommend we do also. As soon as I get Board Approval on the option I will inform Maser to proceed with the design of it."

Comm. Cartine asked, "When was the last time these roofs were done?"

Director Specht replied, "These roofs are 18 years old."

Comm. Fozman stated, "The roof is guaranteed for 20 years."

Director Specht replied, "Yes the roof is guaranteed for 20 years. We can probably get another five years out of the roofs except for Roof A but it is recommended that we do them all at once."

Comm. Cartine asked, "Option one can you give me that number again?"

Director Specht replied, "Option NO. 1 is for all three roofs. It is \$4.75 per square foot. Estimated at \$121,000 and we have approximately \$150,000 in the budget. I just need some feedback from the Board and I will tell Maser once we get that feedback."

Comm. Bayard stated, "We went over it in Construction Meeting and we choose number 1 because we would have a starting point with all the roofs being done at the same time. To piece meal the buildings it costs a lot more in the long run. We don't really need to do complete rip offs so bang for the buck this is the best way to attack this we believe. At least we would have a starting point from ground zero on all our buildings. So that is why we recommended that."

Chairman Cevalasco stated, "So this is to approve Option 1."

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

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

Comm. Curtis asked, "Quick question for Director Specht under old Business, I looked through some of the bills, Sea Avenue Pump Station, I know we have a contract for that. Now do we get reimbursed on some of the stuff we do?"

Director Specht replied, "Yes with the County of Ocean. If there is a significant improvement that is required we get reimbursed. Like recently we had to change the main breaker coming into the building. We received prior approval through Gary and Keri's office to get prior approval from the County of Ocean and they will reimburse us for those costs for significant changes at the station."

Comm. Curtis asked, "But that is part of our contract to cover that regular maintenance. The generators and all that ..."

Director Specht replied, "That is correct. The generators maintenance we have a three year contracts with other vendors that come in to repair that stuff. We just basically do the routine maintenance out there."

Comm. Curtis asked, "But we pay that maintenance right?"

Director Specht replied, "No the County also pays that. If it is significant maintenance where we have to bring in an outside vendor then the County will pay for it."

Comm. Curtis stated, "We just had Giles & Ransome redoing the generator I believe it was in the last.."

Director Specht replied, "If there was some work done on the generator by Giles and Ransome it would have been additional cost to the County and they would reimburse us for that."

Comm. Curtis responded, "OK cause it doesn't say that anywhere that we are getting reimbursed for that money."

Director Specht replied, "Well we have those files and we can show you those contracts, but all the major improvements is billed to us and we get reimbursed."

Comm. Curtis replied, "OK I didn't know that until you say that. All I see is it going out and I don't see it coming back. That's all. Ok. Thank you."

18. NEW BUSINESS

18.1 Request to Utilize Reservoir

Director Specht presented the Requests to utilize the Reservoir as follows:

- a. Organization: The Reiki Learning Center
Description of Event: Healing with energy modalities such as Reiki meditation and gentle yoga stretches
Date: Saturday, June 20, 2015 from 8:00 a.m. to 1:00 p.m.
Special Needs: helping with transporting massage tables
No. of Participants: up to 10
Contact: Debra Costanza
Event Status: 1st time

Director Specht advised, "We have two special use permits before the Board tonight. They were discussed at the Reservoir Committee meeting last Thursday. The first one is the Reiki Learning Center and a description of the event is a healing with energy modality such as Reiki meditation and gentle yoga stretches. They are looking for a Saturday date of June 20th of 8:00 a.m. to 1:00 p.m. They do have a special need where they would require help transporting three to four massage tables. The number of participants anticipated is about ten and this is the first time they have requested a special use permit from the Authority. This is a unique one that we generally don't see. They are a local agency. They are right down the road on Route 88 and their mission is basically providing caregivers some sort of care. They would like to use the Reservoir on that day. Again it is the first they have asked to do this. We have had a couple of yoga classes up there and we have denied a couple of yoga classes up there also. I leave it up to you the Board, again they would require us to transport some massage tables up there. It is kind of unique. They are a 501C nonprofit however, they generally offer the first class for the caregivers for no charge, but then there is a charge after that if they want to continue with this Reiki way learning type mission. Again it is kind of unique for us."

Comm. Cartine stated, "Questions for you Steve. I am sorry I missed the meeting on Wednesday. But the special needs they want us to help them transport these massage tables? They want our labor to help them do that?"

Director Specht replied, "If we would yes. Would it be a problem for us - not really but it is something else is going on. It is generally we don't do that. When people have programs out there we do help when we can."

Comm. Flynn stated, "I was at that meeting and I discussed it with Steve and looked into it after. They are a business. Their business is educating people on Reiki massage. How they got the rating I am not quite sure. I went on line. They teach classes that is what they do. That is their primary function. Somehow or another they got some kind of thing where they give a service to somebody but it is only one element of their operation and I don't know if it a charitable. It is more of a business than it is a charity. Based on some of the rejections that he has done before I don't see it as fitting in with what we should be doing at the Reservoir."

Chairman Cevalco asked, "So your opinion would be to deny this application?"

Comm. Flynn replied, "Correct."

Comm. Cartine stated, "Yes and just to give some of the other commissioners who haven't been here, I have been a proponent of rejecting any organization that is a profitable one that makes money by doing classes on our premises. What they do is entice new members into their retail operation. I have always been opposed to people using our Reservoir for that reason. After all it is a public facility and we should not be using it for private enterprise or to endorse private enterprise. I don't believe we are endorsing it, but the fact is we are promoting it by allowing it to happen. The other factor here is helping to move massage tables? To Tom's comment there is an insurance problem there. I will not accept this particular resolution and I intend to vote no on it."

Chairman Cevalco asked, "Do the commissioners want to deny this first request because it is a business, not for profit?"

Comm. Flynn stated, "Its primary function is a business."

Chairman Cevalco stated, "I would like to have a motion to deny 18.1a."

Comm. Cartine made a motion to deny this application. Seconded by Comm. Bayard.

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

NAYS: None

ABSTAIN: None

- b. Organization: St. Vincent DePaul, St. Martha's
- Description of Event: Walk for the Poor
- Date: October 30, 2015
- No. of Participants: 35-40
- Contact: Kathleen Wintersteen
- Event status: Third time

Director Specht advised, "This one is a little cleaner Mr. Chairman. This is a third time for St. Vincent DePaul, actually it is St. Martha's church walk for the poor on October 30th anticipated 35 participants. I would recommend that we go ahead and approve this. Again this was also discussed at the

Committee meeting."

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

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

18.2 Lapels – Reduction in Initial Sewer Service Charge (ISSC) Request and Extended Payment Schedule

Director Planko stated, "This particular item is in reference to a letter from Lapels Dry Cleaning which I believe all the commissioners received a copy in their package. This relates to a change of tenant and a change of use way back in 2011 in Bay Harbor Shopping Plaza. It was converted from Treasure Chest to Lapels dry cleaners. At that time in early 2011 we sent a letter to the landlord that there would be usage review. Based on that we would make a determination if there was additional charges for initial service charges for sewerage. We tracked their average use and it came out to 306,000 gallons a year approximately which calculated to additional costs of \$8,706.75. A letter was sent at that time to the landlord indicating such. I spoke to the customers and Steve Specht and I met with the Customer, and he was very professional as a matter of fact. We explained to him the calculation how it is done and the philosophy behind it and so forth. This letter as you saw mentioned the commercial boiler and water loss to the atmosphere and not being returned to the collection system and so forth and we have had similar cases like this and he was asking for a discount based on the dissipation factor that didn't go into the collection system. That was one factor. The other factor that he asked for was a three year payment plan schedule with no interest. Steve and I talked to both the Finance Committee on this and the Construction Committee. The general consensus was what goes through the meter is what we should charge as we have done in the past. In discussions with the Finance Committee, we found it appropriate to offer a six month payment plan with no interest. Basically because we are not a financial institution we don't offer those long term plans. And I don't know if Steve has anything else he wants to add."

Director Specht replied, "No you did cover it well. We earlier this year denied Best Laundromat which is across the street from the Outback on the same issues and we do have that letter backing it up. I would recommend that we also deny this one."

Chairman Cevalasco stated, "So if I understand it correctly he will pay in full and he has six months."

Director Planko replied, "Yes he will pay in full. We will not discount for dissipation and we will offer him a six month payment plan with no interest."

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

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

18.3 Ramtown-Howell Fire Co. No. 2 – Waiver Request for the Application, Review and Inspection Fees

Director Specht advised, "This is a waiver request from the Ramtown Howell Fire Co. No. 2 for the application review and inspection fees. They're going to install a new 2" water service themselves. They will not use our forces to do that. We do have a resolution on hand, 53-03 that allows the Board to waive for agencies the review, application and inspection fees. This only requires a waiver of the inspection fees. This only requires a waiver of the inspection fees because a review and application fee was not required. They will have to post a \$5,000 cash performance bond however, which they have done already to perform his work since they will be obviously impacting our water main. If there is a problem we need to cover ourselves on that. So Again I would recommend that we waive the inspection fees on this project."

Comm. Cartine asked, "We will be doing inspections though?"

Director Specht replied, "When they are tapping the main we will be out there. We will see them install the service up to the curb stop and that is where our jurisdiction ends and the plumbing sub code official takes over."

Director Lacey stated, "They will be paying the connection fee. We do not waive connection fees. "

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

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

18.4 Employee Development Committee – Adoption of Incentive Summary

Comm. Flynn stated, "I guess everyone got the memo that was sent out to which we got minimal response. Basically it is set up and ready to go. We have gotten input from the directors and the different areas which is the sheet that you have. I think the primary question is in terms of funding. I spoke to Frank and we spoke at then Committee meeting and we have determined that there is a sufficient amount of money within what is existing for educational programs. Frank explained that to me already. The other question was that what is it what are we approving? Do we need to approve anything? For example in the hourly rates the increases are based on the various licensing. Do we need to increase that in the budget going forward or is that there? What does the Board need to approve or do they need to approve anything more than what we have in place?"

Director Planko stated, "Well I can address that depending on when the Board wants to make a decision. Let's say for instance they make a decision partially into this year. We do have some money in the budget that we keep for potential items just like this. So if it was done partially during the year we would have it covered in the budget. And whatever the adjustment is we would surely budget that as precise as we could in the forthcoming budget under payroll. Again this incentive program is in the payroll budget, whereas the education and training is operating budget which we talked about."

Comm. Flynn sated, "Well we are six months into it already so it is not like we are going to be looking for a full budgeted amount so there should be some there but we certainly should address going forward both the funding of the different programs, the licensing and what increased costs come across with each one of those. I don't know if you anticipated that yet. Is that a norm for you to anticipate payroll increases?"

Director Planko replied, "Yes we do keep things in the budget for unanticipated items like this. We anticipate promotions or bonuses and things like that so we do keep some money in the budget that would be able to cover this when and if the Board decided to put into effect this fiscal year."

Comm. Flynn stated, "Well then I guess what we need to do is come up with some plan on what we are projecting as these elevations that we are going to get that would be above and beyond what you have already got in there. Does that make sense?"

Director Planko replied, "I think just looking at the basic calculations and looking at that sheet I don't foresee any problem covering it in the existing budget."

Comm. Flynn replied, "Ok so that covers it then. We don't need an approval other than let's go with the program that we have come up with and get the input as to who we are going to push in the directions that we are going to do and the Union is aware of it and they are in agreement with it."

Comm. Cartine asked, "I have a question. I looked at it earlier last week when I got the package, but I don't quite understand the graphics here so if someone can explain it to me in the second column current contract salary incentives – what are those numbers?"

Director Specht advised, "That is a one-time bonus."

Comm. Cartine stated, "Ok it is not clear. I mean you have in the second column a chart that gives me dollars and cents and the first column I don't see any dollar signs so I wasn't sure but that is a one-time bonus incentive and then the second column we are increasing the C1 wastewater collection license. They are getting a \$150 bonus plus an increase of \$2.50 an hour is that correct?"

Director Vaccaro replied, "No they are getting the \$2.50 an hour, the current contract calls for \$150 one-time bonus. We are recommending \$2.50 an hour increase."

Comm. Cartine stated, "OK so these are contract numbers so basically working off that contract number we are going to give them a \$2.50/hour increase."

Comm. Flynn stated, "It is a double incentive. They get a bonus and then they get additional money, even if someone has that license they still get something for getting the license. We don't want them getting the license and then walking away. We need to generate an incentive to stay here with that license."

Director Planko stated, "I just saw this today and in my discussions with the Auditor we would suggest to the Board that we have Nick Montenegro draw up a resolution to pass this for next month."

Chairman Cevasco stated, "Ok we have some other issues to work out so that will be fine."

19. RESOLUTIONS

44-15 Resolution for a Task Order with Maser Consulting P.A. for ASR Well No 15A for Ground Water Modeling and a Ground Water Protection Plan Update for \$39,900.00; Capital Project No. 708003 – ASR Well No. 15A

Director Specht advised, "This is for a Task Order with Maser Consulting P.A. for ASR Well No 15A for Ground Water Modeling and a Ground Water Protection Plan Update for \$39,900.00; Capital Project No. 708003 – ASR Well No. 15A. Back in 2011 during the approval process of Well 15A the DEP generated a letter that required additional permitting requirements and this entails this groundwater modeling as well as the groundwater protection plan update. I would recommend approval of this task order with Maser as our engineer of record."

Comm. Bayard made a motion to adopt Resolution No. 44-15. Seconded by Comm. Fozman

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

45-15 Resolution for Change Order No. 1 for an Increase in the Contract Amount of \$18,540.49 with the County of Ocean – Replacement of the Transite Water Main Associated with the Garden State Parkway Interchange No. 91; Contract No. 601002 – Water Main/Sewer Main Modifications – Road Improvements –

Director Specht advised, "This is a Resolution for Change Order No. 1 for an Increase in the Contract Amount of \$18,540.49 with the County of Ocean – Replacement of the Transite Water Main Associated with the Garden State Parkway Interchange No. 91. Funding is available under Project No. 601002 – Early last year we entered into a shared services agreement with the County to replace the transite water main on Burnt Tavern, Burrsville and Lanes Mill Road. There is some work that is required on the new ramp 91 NB3E which is the North bound ramp that cuts by the parking lot on the east side of the parkway. It is an elevated curve. We have three structures that are in that curve and we are recommending that we utilize the County's contractor Green Construction to raise those three structures. One is a an air release manhole that has a concrete slab on top and that will require a track hoe to move it and we do not have that equipment. The other one is a sanitary sewer manhole that would need the cone lifted and raised and we also need a large piece of equipment for that. The final structure is a fiber optic manhole that needs adjustments also. By doing this and authorizing the County to utilize their contractor they would be responsible for the final setting and grades on that ramp which we would have no responsibility for. They will set the manholes and I would recommend approval on that."

Comm. Fozman made a motion to adopt Resolution No. 45-15. Seconded by Comm. Bayard

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

46-15 A Resolution Authorizing Task Order Change No. 1 for an Increase in the Agreement with CME Associates in the amount of \$8,700.00 for Additional Professional Engineering Consulting Services for the Design, Bidding, Award, Construction Administration/Management and Inspection for the Water Main Replacement on Knoll Crest Avenue Capital Project No. 713001

Director Specht advised, "This is a Resolution Authorizing Task Order Change No. 1 for an Increase in the Agreement with CME Associates in the amount of \$8,700.00 for Additional Professional Engineering Consulting Services for the Design, Bidding, Award, Construction Administration/ Management and Inspection for the Water Main Replacement on Knoll Crest Avenue Capital Project No. 713001. A few months ago the Board authorized us to also include Neptune Circle and Lake Point Drive. That water main has also shown deterioration and since it is directly adjacent to Knoll Crest authorized CME to provide with Design. There are no costs associated with the design. The only cost of this is \$8,700 is for additional inspection and construction administration that is required for the Neptune and Lake Point Road extension so I would recommend approval."

Comm. Curtis made a motion to adopt Resolution No. 46-15. Seconded by Comm. Fozman

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

NAYS: None

ABSTAIN: None

47-15 Resolution Authorizing the Rejection of All Bids and Authorizing the Re-Bid for the Fleet and Equipment Storage Building

Director Specht revised, "This is a resolution authorizing the rejection of all bids and authorizing the rebid for the fleet and equipment storage building. Back on April 28th we received ten bids. They range from a low of \$849,358.00 all the way up to \$1.1 million approximately. The second low bidder was \$850,000 and change and the third bidder was \$858,000 and change. We have approximately \$600,000 in the budget. Based on budgetary restraints I would recommend a rejection of the bids. We are going to look at a potential redesign. We are going to perform a number of services in house primarily the mechanical and electrical since we do have licensed electricians and journeymen, as well as a licensed plumber to perform that work. I would recommend that we reject and rebid. We are also looking at State Contract for just the building itself. So we would be responsible for some fence relocation, some site clearing and the mechanical work which we can do in-house to get that number down."

Comm. Cartine asked, "Steve what is that breakdown in the bids that you got what is that breakdown per square foot? Director Specht advised well it is an 8,000 square foot building so it is about \$125,000 a square foot. It is pretty expensive. Again we did have a detailed breakdown of the line items building costs and the concrete associated with the building was in line with what the engineer estimated. However, when we got into the mechanical, additional concrete work, aprons and curbing as well as some additional site work it really jumped up so the engineer's estimate was much lower than what we anticipated that is why I only had \$600,000 in the budget. The engineer's estimate was \$546,000 so again it is recommended that we reject all the bids and take a harder look at this."

Chairman Cevasco responded, "I agree. How big is the building?"

Director Lacey replied, "80 x 100"

Chairman Cevasco asked, "And we are looking at a steel building?"

Director Specht replied, "This is a pre-engineered steel building that is correct."

Chairman Cevalco asked, "Because we are storing equipment is there any thought to a pole barn?"

Director Specht replied, "We looked at the pole barn initially when we did the original evaluation and the cost for the pole barn was approximately based on the engineer's estimate maybe \$75,000 less than the steel building. Based on the longevity of the steel building and the equipment that we put in it, it is recommended and the board approved the steel building from a longevity standpoint."

Comm. Bayard asked, "Did they ever give us anything in writing when we asked about the guarantee and warranty of the particulars?"

Director Specht replied, "Yes we got that in writing. It is 20 years."

Comm. Fozman made a motion to adopt Resolution No. 47-15. Seconded by Comm. Bayard

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

48-15 A Resolution Awarding the Cowe ntract for Purchase of a 2015 Chevrolet Colorado 4WD Extended Cab with 6' Box from Mall Chevrolet for \$24,375.00

Director Specht advised, "My last resolution is for the purchase of a 2015 Chevy Colorado 4 wheel drive extended cab pick-up with a 6' box under state contract from Mall Chevrolet. We do have funding for this project totaling about \$23,000. I will need to shift a little bit of funding in from our other various transportation items to get it up to the State contract price at \$24,375. This vehicle is for the watershed, pick-up truck. Back in October the Board authorized the purchase of this vehicle and we would like to move ahead with this.

Comm. Bayard asked, "Because it is a four wheel drive did we bid for having a plow put on that truck?"

Director Specht replied, "We did not bid it with a plow but we can certainly look into putting a plow attachment on later on if we need to. We have done that with some of our small pickups that we retro fitted ourselves."

Comm. Fozman made a motion to adopt Resolution No. 48-15. Seconded by Comm. Bayard

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

Comm. Fozman asked, "I have one question back to Steve on that rejection of the bid, when you go out to rebid can we do an alternate so they can bid mechanical and plumbing separate from the other bid so we can see what it comes out to be? Like you said we want to do it in house mechanical and plumbing can they do an alternate on the same bid?"

Director Specht replied, "We can do that. We have done it in the past where you have an alternate item and you base the award possible on that alternate item. We can look into that."

Comm. Fozman stated, "We can also have an alternate item and you base the award possibly on that alternate item. We can look into that."

Comm. Fozman asked, "We can also reject that alternate item and go with the ...I am just."

Comm. Flynn added, "And site work also."

Director Specht confirmed, "Yes, site work also. I can have these as alternate items."

Comm. Fozman stated, "Because if we are thinking of doing it ourselves let's see what they are going to come in with. You never know."

Director Specht stated, "Yes we can do that. We have done that on some of the well projects we have done so we can certainly do that on this."

49-15 A Resolution to Procure the Services of Maser Consulting P.A. to Facilitate the NJDEP Required Permitting of a Chemical Feed System as Recommended by the Evaluation of the Authority's Corrosion Control Efforts at the William Miller Water Treatment Plant

Director Maggio advised, "Resolution No. 49-15 is for the award of a fair and open agreement with Maser Consulting, PA in the amount of \$17,300 for professional engineering consulting services to facilitate the NJDEP required permitting of a chemical feed system as recommended by the evaluation of the Authority's corrosion control efforts at the William Miller Water Treatment Plant. This is capital project number 799008. One of the recommendations that came out of our corrosion evaluation is that you may want to add another chemical treatment process to enhance our current corrosion control and we do want to start the ball rolling with NJDEP to get that permitting process underway."

Comm. Fozman made a motion to adopt Resolution No. 49-15. Seconded by Comm. Curtis

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

NAYS: None

ABSTAIN: None

50-15 A Resolution Authorizing Task Order No. 1 for an Increase in the Contract Amount of \$8,385 to CME Associates for Professional Services for the Conceptual Design Plan for Generator System, Sodium Hypochlorite Disinfection, and Centralized Chemical Storage at the William Miller Water Treatment Plant

Director Maggio advised, "This is a resolution authorizing task order number 1 for an Increase in the Contract Amount of \$8,385.00 to CME Associates for Professional Services for the Conceptual Design Plan for Generator System, Sodium Hypochlorite Disinfection, and Centralized Chemical Storage at the William Miller Water Treatment Plant. We have received the draft report for this project and determined that we want to add a task to evaluate the relocation of our existing disinfection system to the generator building to give us another option to evaluation."

Chairman Cevasco asked, "And that will go in as part of this?"

Director Maggio replied, "That compliments and is coordinated with the report that we just reviewed."

Comm. Curtis made a motion to adopt Resolution No. 50-15. Seconded by Comm. Bayard

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

51-15 Resolution appointing Keri-Lynn DiMatteo as Alternate Fund Commissioner to the New Jersey Utilities Authority Joint Insurance Fund

Director Maggio advised, "This is resolution 51-15 appointing Keri Lynn DiMatteo as alternate fund commissioner to the New Jersey Utilities Authority Joint Insurance Fund. Keri is well deserving of this position, and in the past year since my department was assigned insurance responsibility Keri plays an integral role in coordinating the insurance requirements and provides excellent assistance to me and is very knowledgeable in all insurance matters. As alternate commissioner this will allow Keri to attend meetings in my absence and I recommend we approve Keri as the new fund commissioner."

Comm. Curtis made a motion to adopt Resolution No. 51-15. Seconded by Comm. Fozman

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

52-15 A Resolution for the Purchase and Installation of the PAX Active Mixer for the Virginia Drive Standpipe in the Amount of \$35,850.00

Chairman Cevasco advised we are going to hold this resolution until the June meeting and asked for a motion to table 52-15.

Comm. Cartine made a motion to table resolution 52-15. Seconded by Comm. Bayard.

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

53-15 A Resolution for Network Security Improvements and Provisions for the VueWorks Asset Management Program in the Amount of \$44,948.63

Director Maggio advised, "Resolution 53-15 is a resolution awarding a contract for Network Security Improvements and Provisions for the VueWorks Asset Management Program in the Amount of \$44,948.63. This is basically we are going to be configuring our network to provide secure access for both our SCADA system and our remote internet access for the Vueworks Asset Management Program."

Comm. Bayard made a motion to adopt Resolution No. 53-15. Seconded by Comm. Fozman

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

NAYS: None

ABSTAIN: None

20. 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.

Chairman Cevasco stated, "We have Mr. Mummolo here tonight." Council President Mummolo who advised he was here to observe this evening."

Ms. Therese Daidone, 178 Cartagena Drive, Brick stated, "I was affected by Sandy and my house needs to be taken down and I am requesting a waiver for water and sewer fees since there are no services being rendered. I have no pipes, the house needs to be taken down. I am being charged for services. I am paying water in temporary housing where I am at now. I am waiting on the State and the Federal government. I am in negotiations with FEMA as we speak. I am waiting on the REM Grant. I am not rebuilding yet. Everything is on hold because I am waiting for our government to do what they need to do to get back to me. So it is not like I am stalling and again I don't understand why I am being charged for these services. I also understand that I can cut and cap and this is an option given to me however there shouldn't be any options where there is money involved because there are no services being rendered. If I cut and cap it is going to cost me more and even if it is a dollar I shouldn't be charged if the house is uninhabitable and needs to come down. I can't live there and I'm not utilizing anything. Again all the pipes are broken. I don't have a toilet. I have nothing. It is a shell of a house so why am I being charged for my services? There is another gentleman here that he doesn't even have a house. He has land and he is being charged for water and sewer and this is what we are dealing with because of Sandy. It's not like we don't want to go ahead and rebuild, that we don't want to pay our bills but I think it is ridiculous that we are being charged again if we are not dealing with anything relating to water and sewer. And I don't buy that there is any maintenance of lines. We have been struggling enough and we are trying to keep our head above water and you have all reaped the benefits because we are going to be paying water and sewer for the rest of our lives, but while we are trying to get back on our feet it is just unfathomable to me that we have to pay these charges."

Director Lacey stated, "I did send you a letter and you and I also had conversations and I think you have had conversations with other people. We have two options and I will say them again just so sometimes when I write I think that people don't understand maybe what I am saying because it is a little complicated. You have two options, you can pay the minimum every quarter even though you don't use a drop of water because you are connected to the system which you are now. And there are costs. We have debt service that does not go away on our end which you are responsible for some of it just as all rate payers. We do not have shareholders and we are a not for profit. You have an obligation if you want to be hooked up to the system to help carry the debt service here. That is the first thing. The second thing is there are fire hydrants in town which we maintain in case your premises catch on fire. Whether you are going to occupy it, or replace it, or raze it or rehab it or not. There is that service for protection because we maintain it. There are some real costs to us and I believe it is about... "

Ms. Daidone stated, "Let me just say this."

Director Lacey continued, "Let me just finish because there is only two options. I don't want to argue with you. I am just trying to explain to you."

Ms. Daidone replied, "You don't have to explain to me. I'm a highly intelligent woman. I have had conversations ok. I told you I lost my home. You didn't even make a comment about that during the first conversation. You are giving Option A and Option B – pay in this column or pay in this column. I lost my home. I bought it a year before Sandy. I am paying water. I have to live in Holiday City."

Director Lacey replied, "You got a two year moratorium"

Ms. Daidone replied, "Well that is very kind of you. Again, you are giving me pay in column A or pay in column B. I don't even have a toilet. I am not utilizing anything. You can spin it any way you want about debt, let me finish. There is no service being rendered. You can go on about fire hydrants. You can go on about whatever you wish. You are not living it. We are living it. You are charging me for water and sewer and you're telling me let me explain it to you Ms. Daidone, in case you don't get it. I get it fully. You are trying to maintain a budget. I am trying to rebuild my life and my home and you are trying for something that is nonexistent. You are not providing any services for me to be paying that kind of money. It is only a smidget to you. I'm trying to pay a mortgage, rent, water where I live. The house has to come down. There are no services being rendered. So you can sit there all day and talk about fire hydrants, but you are not maintaining anything. Not on my lot. And I will get back in and I will pay my bills, but if you can sit there and actually believe that this is right. It is not."

Director Lacey stated, "The other option that you have is to cut and cap and you don't have to pay anything and then from the time that you cut and cap to the time that you reconnect if there is an increase you would only pay that increase from the time that you cut and capped."

Ms. Daidone stated, "But once that is cut and capped which has to be done anyway if the house is taken down, so now I have to pay \$500 and something or \$800 and something on top of that plus a higher rate. So you are saying just pay the \$300 and call it a day."

Director Lacey advises, "No we are giving you choices. You can make your choice as to what is best for your family .

Ms. Daidone stated, "And for me those are not choices. I am telling you I don't have a home to live in but yet I have to pay..."

Director Lacey stated, "Those are the choices."

Ms. Daidone replied, "That is not a choice."

Comm. Fozman stated, "But when you submitted your bills to the REM your contractor figured in your cut and cap and everything into that bill. You are not going to pay for it out of your own pocket because you're going to get reimbursed for it by REM for when you get the loan. That is included in your bill."

Ms. Daidone stated, "REM only gives me \$150. I'm getting bills from contractors 200 square foot, they want \$500,000 to build a new home plus another \$100,000 to put it on pilings."

Comm. Fozman replied, "But what I am saying is that bill for the cut and cap has already been submitted to REM by your contractor. Do you understand what I am saying? They have to put that in there because they know have to cut and cap that to raise your house. That should already be in the contract."

Ms. Daidone stated, "It doesn't matter if it is in the contract. \$150,000 doesn't get me an entire new house. I don't care what the contractor puts in. That doesn't help me. I didn't submit anything from the contractor yet."

Comm. Fozman asked, "How are you getting a REM Grant if you didn't submit anything?"

Ms. Daidone replied, "I am getting the REM because I am still having them increase the total development costs so I can have an unmet need. How can I build a 2,300 square foot house for \$150,000? How can I then put it on pilings with a new foundation system? Actually two foundation systems because it is going to be put on concrete and timber. So I am paying for two foundation systems plus I am paying for a new home that I bought a year before Sandy. I have a mortgage and I have to come up with this. The REM is only \$150,000. It is not \$300,000 so a contractor can put that in but what does that do for me? I'm still only getting \$150,000. Nothing is getting paid for. So you are saying do this or do that, pay..."

Comm. Fozman replied, "If you cut and cap you will not have the monthly bill anymore. You will save \$83 every three months."

Ms. Daidone stated, "Then you get us on the reconnection fee. What are you reconnecting?"

Comm. Fozman added, "It only costs you if it goes up, if it doesn't go up there is no cost to you."

Ms. Daidone stated, "But you are still saying that I have to pay \$500 in change or \$800 and something plus."

Director Lacey stated, "That was an example. If the connection fee went up from the time that you cut and capped from the time that you reconnected whatever the difference is between that period of time when you are building your house. If there was an increase you would only pay that and usually when you go on for a longer period of time and we don't like to advise people on this because it is a financial decision that the people have to make who own the home. If you are going to go on for a protracted amount of time you are better off cutting and capping, but that would be your decision."

Ms. Daidone stated, "I don't know how long it is going to take. I don't know if it is going to take another year, two years. So then you are going to just give me a flat fee so I can reconnect. So if it's 3 years down the road you are going to say if I had a three quarter inch pipe it is going to cost me \$500 in change."

Director Lacey stated, "That was an example. If you went three years from now and you cut and capped let's say the connection fee was \$10,000 when you cut and capped. You have already paid that to be hooked up to our water. Three years from now maybe the connection fee will be \$11,000 and you pay \$1000, the difference between the \$10,000 and the \$11,000 which may be cheaper for you than paying the \$83 quarterly if you are going to go on for many years."

Comm. Fozman stated, "That is only if the connection fee goes up. If it doesn't go up there is nothing additional to pay."

Ms. Daidone stated, "Ok, so let's say February 2017 because that is how I feel right now. If I don't pay this yearly charge what would I have to pay to you to get my water and sewer back?"

Director Planko stated, "We wouldn't know until that point in time to see if there is a change in initial service charge. There might not be any change."

Ms. Daidone asked, "What would the minimum amount be?"

Director Planko advised, "Zero. If there is no change in initial service charge from when you cut and cap and when you reconnect you would have no additional service charge."

Ms. Daidone stated, "OK so at the rate I am going if I don't build a new home until February 2017 you are telling me that cutting and capping you are telling me that I would have to pay this \$500 and something?"

Director Lacey stated, "No you are going to pay the difference and we don't have any idea what that is going to be."

Director Planko added, "And at the same time you are going to be saving \$83 per quarter because you are inactive on the quarterly fee. Once you cut and cap you are severed from the system. You would save \$83 per quarter or \$320 per year, so five years down the road you will have yourself saved in customer charges probably more than enough to pay the initial service charge differential if there is any."

Ms. Daidone stated, "But as far as I am concerned I am disconnected from the system now if I am not getting any services."

Director Lacey responded, "But you are not because you have not cut and capped so you are connected to the s system and that is why you are paying the minimum."

Comm. Bayard stated, "And you are not going to be able to get a demolition permit unless it is cut and capped."

Director Planko advised, "If you are rebuilding the house or raising the house you will need to cut and cap anyway. So the sooner you cut and cap the more money it is going to save you."

Comm. Curtis stated, "All your utilities require cut and cap from the utilities in order to get a demolition permit for your house."

Ms. Daidone stated, "But I am being told from a plumber that I can't cut and cap right now because it is all the way under the driveway."

Comm. Curtis asked, "The shut off is in the driveway. Well you are going to have to cut your driveway to do the disconnect. Are you going to save your driveway?"

Ms. Daidone stated, "I don't know. I don't know."

Comm. Curtis stated, "Well they can saw cut the driveway and dig down to the sewer and water and cut and cap it. They do a square hole, dig it, cut it cap it and you're done. You are going to need this done whether you are going to rebuild your house, tear your house down or raise it. This is going to have to be done anyway. All your utilities will have to be disconnected totally, gas, water, and sewer, electric before you can get a permit."

Ms. Daidone stated, "They are. They are disconnected now. They have been disconnected since Sandy."

Comm. Curtis stated, "You have to have a letter from your utility to go to the Township to get a permit to tear your house down. You have to walk in with a letter from every utility in order to get a demolition permit for your house. I'm surprised the contractor hasn't told you that yet."

Ms. Daidone stated, "Well I know that I have to cut and cap I just don't understand why I am paying..."

Comm. Curtis stated, "Well you are not disconnected electric. If your electric meter is still on the house you are paying a monthly minimum. If your gas meter is on the house you are paying the minimum."

Ms. Daidone replied, "It's not. The house is gone. It's gutted there is no service. I am not getting any fees charged from anyone except for water and sewer."

Director Planko stated, "The only reason is that you are still considered active until you cut and cap, which you are going to have to do anyway. Once you cut and cap those fixed charges are going to stop."

Ms. Daidone stated, "I am not arguing the cutting and capping, I am arguing the service fee."

Director Lacey stated, "That would go away if you cut and capped which you need to do anyway."

Ms. Daidone stated, "That I get but it is still I'm getting charged at the end to reconnect."

Director Lacey advised, "Maybe. If it doesn't go up in a couple of years when you rebuild the house the connection fee may go up and it probably will and if it does you will have to pay the difference."

Ms. Daidone stated, "OK so if it doesn't go up in February 2017 what would I owe you to reconnect?"

Director Lacey replied, "Nothing to reconnect but there would be a charge from your plumber to reconnet it but you won't have to pay us anything for connection."

Ms. Daidone asked, "OK so where did the figures come from that were in the letter."

Director Lacey replied, "I was giving you an example. If a 3/4 inch went up so much and 1 inch went up \$800 you would only pay the \$800. That is the difference from what the connection was when you had it cut and capped and the potential for going up either 500 or 800 depending on what size service you have. I understand that you are educated, but I understand this is very difficult to understand and I'm doing the best I can in the meeting."

Ms. Daidone stated, "I am just so upset because there is nothing there."

Director Lacey stated, "I know you are and we understand that and that is why we are trying to help you. We are trying to help you. We are not trying to be unreasonable. We know you have a problem I will be more than happy to sit with people and I'll spend the whole day trying to explain this to you. We know what you are going through. We understand it and I can tell by talking to you mam that you don't totally understand what we are saying."

Ms. Daidone replied, "Well I understand the cut and cap."

Director Lacey replied, "You have to cut and cap even if you are going to raise your house, you are going to have to do it anyway. We do not like to give people advice because we don't know if it is going to go up. We have an independent auditor change the connection fee. We don't do that. And for us to tell you that it is not going to go up. I can't tell you that because then you're going to be back saying 'Jeez I should have paid the \$83 because the connection went up \$5,000.' It is a decision that you have to make as a family. It is your own personal finances. I can give you the options. I can try to explain to you what might happen. I can tell you historically what has happened. How much we have increased, but I can't make this choice for you. And if you don't understand it and you want to come in I will sit and we will discuss it until you do understand it."

Ms. Daidone stated, "Well I know I have to cut and cap, but why pay so much to do it now when the contractor has to demo the house and all and it will be done at that time. I just don't understand."

Comm. Flynn stated, "You have to have a cut and cap letter to even apply for the permit. You should be getting all those letters right now because when that contractor comes to demo the house he is going to say where are the letters of capping from the electric company, the gas company, all of them. He is going to ask you to do that. He is not going to do that."

Ms. Daidone stated, "See no one has ever explained that. All I know is I don't have any meters. Everyone pulled all the meters so I don't have meters and I'm not getting any bills."

Comm. Flynn stated, "You can call electric company, gas company and you ask them for a letter showing that it has been disconnected."

Comm. Curtis stated, "You should have them already if it is disconnected."

Director Lacey stated, "Mam when we say cup and cap, and I don't mean to be elementary here, but what we mean is the pipe gets cut with a saw and we put a cap on it so no sand can get in there."

Ms. Daidone asked, "Does anyone have a tissue? I understand now. I just don't understand the charges because I felt like I haven't been getting anything."

Director Lacey advised, "Well if it is cut and capped then you don't get the \$83 per quarter charge."

Director Planko stated, "If the confusion is coming in on the \$575 was a specific number based on those who cut and capped prior to November 1st when we changed our rates and will reconnect after November 1st the \$575. We don't know if there will be an increase so if you cut and cap now you will be inactive and you would not get the \$83.13 bill and the money you are saving would apply years down the road if there is any change in initial service charge if any. We can't tell you now, maybe there will be none or maybe it will be minimal. Your circumstances right now the \$575 doesn't apply. If you cut and cap today the rate that applies is the change in the initial service charge when you reconnect at some point in the future. And you will be saving \$320 a year on the fixed customer charge because you are considered inactive."

Ms. Daidone replied, "Alright I just didn't know where that \$500 and the \$800 came in."

Director Planko stated, "Every time we have a rate change that is when this whole situation goes into effect. We change our rates November 1st. So if anyone cut and capped prior to November 1st after November 1st when they reconnect they are paying the \$575. If you cut and cap now it will only be the difference in initial service charge at the time you reconnect."

Ms. Daidone stated, "Ok so for instance this year, even though I am not living in the house you are charging \$320 per year."

Director Planko replied, "Yes, \$83.13 per quarter that is correct."

Comm. Bayard stated, "That is like taking \$300 and putting it aside that you would have gotten charged in the event when you get ready you'd have that money aside for hooking up again."

Ms. Daidone stated, "And then when I cut and cap the rates are going to go up and it could go from \$320 to \$500 and change."

Director Lacey stated, "Mr. Chairman can I meet with her?"

Chairman Cevalco stated, "Yes, of course."

Director Lacey addressed Ms. Daidone, "If you are here tonight I will sit with you tonight if you want to."

Director Planko stated, "Or if she wants to stop in during the week I will talk to her too."

Ms. Daidone stated, "I just need a visual."

Director Lacey advised, "And I think I can do that. I can explain it to you. It is very confusing."

Ms. Daidone stated, "Because this is the only bill that we are getting. That is the confusion."

Director Lacey replied, "Because you're still connected to us and if you were cut and capped you wouldn't get that bill."

Ms. Daidone asked, "And what am I getting from you for \$320 a year?"

Director Lacey replied, "That is what I explained to you before, fire service, and maintaining of debt service because you are connected to the system."

Director Planko added, "Repairs and maintenance to the infrastructure, customer service, you have all those things whether you use 1,000 gallons of water or 100,000 gallons of water. We supply all those services to every customer when they are active."

Comm. Flynn stated, "You've heard the numbers tonight, just what it costs to run this operation and that is all part of that."

Director Planko added, "And another thing to remember, after the storm we had over 1,500 disconnected from the collection system and instead of doing our six month policy the Board and the Authority extended that to two years and we told them that we have to come to a point now where we either have to cut and cap or pay the service charges. The majority of those people were simply grateful that we gave them two years. It wasn't that we were trying to rip them off. Like Director Lacey stated maybe you don't have a complete understanding of it. Most people were grateful that we gave them two years."

Ms. Daidone stated, "Oh I think there are a lot of people that are up in arms because we lost everything."

Director Planko advised, "We understand that."

Ms. Daidone replied, "No you really don't until you are in it and when you are fighting FEMA and you don't have enough to rebuild and you are paying double and I'm a signal family home. It's just unfathomable."

Director Planko stated, "Most people in those circumstances I can tell you they disconnected from the system. They cut and capped so they wouldn't have the fixed charge, and whether it be years down the road when their financial situation improves if anything they would pay the increase in initial service charges."

Ms. Daidone stated, "And I have to tell you I know a lot of Sandy people. I am involved in this at a very high level and there are a lot of people that didn't cut and cap. A lot of people that are confused because there are no guidelines. All of this hasn't been explained to us. There has been no leadership. A lot of what we do is because we speak to each other. Who knew any of this? You get a letter cut and cap, are you listening sir?"

Director Planko stated, "I'm listening to you. I'm looking at the letter that was sent to you and all the other customers that explains what I just talked about."

Ms. Daidone replied, "Right it doesn't mean that we understand why we are being charged when the house is uninhabitable, or a house that is not there."

Director Planko responded, "That is why I say if you don't understand it to please give us a call and we will explain it better. We tried the best we could in the letter to explain it."

Ms. Daidone stated, "You say maintenance and everybody laughs at maintenance, truly, truly. When you were the only bill that we are receiving if a home is not existing and you are the only entity that is charging us when no other utility service is charging us and don't tell me that everyone understands, people don't understand, people are burnt out from this whole thing. I bought the house the year before Sandy and I lost it. You don't know the mindset of someone who lost their home and put all their money into it. You think you know but you don't know unless it happened to you. OK"

Director Lacey advised, "It did happen to me."

Comm. Bayard advised, "It happened to me."

Ms. Daidone asked, "You completely lost it."

Director Lacey advised, "The house is torn down. It is a vacant lot."

Ms. Daidone asked, "And where are you living now sir."

Director Lacey advised, "I am just telling you I understand what has happened."

Ms. Daidone advised, "You don't understand because I put my life savings in it a month before and I'm by myself and again, you are the only company that is charging for utilities."

Director Lacey advised, "But if you are cut and capped you won't be."

Mike Brower, 15 Baywood Blvd., Brick stated, "I am thankful I wasn't involved in the Sandy storm. You are talking about cut and cap and I understand that. My father when his house went vacant I still paid the utility charge on his property and even though there was no service rendered to the property I was told the best way to do that was to cut and cap so that I wouldn't be paying the bill. The understanding though for the connection fee is what is the total connection to connect back when they reconnect?"

Director Lacey advised, "I'll go right back to the beginning, if you were to build a house on a vacant lot and there was no water service to this lot, there is a connection fee and it is about \$12,000 or \$13,000 dollars. Now let's bring it to today. Let's say it's \$12,000 for sake of argument. I don't know the exact number. You cut and cap and build a house two years down the road, you get the permits, it takes you a year to build it, it takes you another six months to finish it and you are ready to get your CO to move back in. It has taken you four years. You have already paid the \$12,000 initially. Four years down the road maybe its \$14,000, I don't know. Maybe its \$13,000. You just pay the difference. So if it is \$12,000 when you cut and capped it and it went to \$1,300 you will pay \$1,000 for that four and a half

years. If you had not cut and capped you would pay \$83 a quarter."

Mr. Brower stated, "That I understand, and about the connection and you have a vacant lot and it costs you an initial fee to hook up to the water, because I have been through this and I worked for Brick Utilities, the one point to get across is the people who have lost their homes and they are cutting and capping what are they going to be paying in connection fees, they are not paying \$13,000."

Chairman Cevalco stated, "At this point in time we can't tell you."

Mr. Brower asked, "OK well right now what would the connection fee be?"

Director Lacey stated, "Listen to me. Please just listen to me. Forget everything that you think you know and just try to listen to me. If you built a house and it cost you \$12,000 and you are living in the house, the house gets washed away. You cut and cap, you rebuild the house, you don't pay the \$12,000 again."

Mr. Brower asked, "I understand, right now if I was to rebuild my house after cutting capping what now is the connection fee? That is what I'm asking?"

Chairman Cevalco asked, "When did you cut and cap?"

Mr. Brower stated, "I didn't . This is per say. I didn't lose no house."

Chairman Cevalco stated, "Just for argument sake if you were to cut and cap and in June you reconnected, the connection fee would be zero because there are no plans at this point in time to raise the connection fee. So if that trend follows, and next May 19th 2016 you cut and cap today and in 2016 you reconnect there is no plans as far as I'm concerned to raise those fees between that time. Your connection fee would be zero."

Mr. Brower stated, "OK now in order to cut and cap you have to get permits from the town to cut and cap right?"

Comm. Flynn stated, "No you have to get the cut and cap done before you get the demo permit, your plumber would have to do it."

Mr. Brower stated, "I understand that but what I am saying is before demo and stuff the cut and cap you have to have permits."

Comm. Curtis stated, "No your licensed plumber has to do it."

Mr. Brower replied, "Oh so the plumber has to get the permit. What if a plumber doesn't do the job and a homeowner does it?"

Director Planko advised, "It is inspected by our folks after it is done."

Comm Fozman added, "You can do it yourself if you get your own backhoe, cap the line and the MUA will come out to inspect it and see if it is ok."

Mr. Brower stated, "I understand that but what I am saying is do I have to pay anything for them to come out?"

Comm. Curtis replied, "No."

Mr. Brower stated, "Ok that is what I wanted to know because initially your lowest rate for your water and sewer is about one hundred and something a quarter."

Director Planko advised, "We lowered November 1st the fixed cost went down overall about \$30 per quarter."

Mr. Broewer stated, "So that makes it like a hundred and something a quarter right?"

Director Planko advised, "It is \$83.13 per quarter if you stay active."

Mr. Brower stated, "No I'm not talking about, if someone is living in the house and using water the basic lowest bill is around a hundred and something. Now you are talking about \$83.13 that is like \$23 difference why is it \$83.13."

Comm. Fozman stated, "That is the new base rate. The base rate dropped from about \$120 to \$83. It dropped \$30 so the residential homes are paying \$30 less every quarter so that is a savings of \$120 a year that went down."

Mr. William O'Donnell, 108 Cedar Point Avenue stated, "On New Year's Eve 2013 I watched the house I owned since 1986 be leveled to the ground all because of Super Storm Sandy. Yet I got the same letter that Ms. Daidone said she got. I know a bunch of homeowners who were out of their homes. In my case I did cut and cap, why did I get the letter? Why did I eventually get a quarterly bill? Why did I get a second quarterly bill? Why was I told I was going to keep paying even though Brick Water confirmed they had the letter on file since early November 2013. They knew I was cut and capped and had it inspected and why am I paying quarterly fees for a house that was cut and capped in November 2013."

Chairman Cevasco asked Mr. Planko to respond to it.

Director Planko advised, "I don't know this case off hand, but the only thing I can think of is if we got a letter from you confirming the cut and cap. I would have to research the file."

Comm. Fozman stated, "Before you leave give us your name and phone and give me your address and give me a phone number where I can contact you and I will get right back to you on that."

Director Planko stated, "I will review your file with what letters went out and so forth. I don't have an answer right now."

Jim Bluegrath, Shore Acres stated, "I was flooded out in Sandy too and I am back in my house. I am wondering about this fee - why cannot for the people that were washed away and have to cut and cap their properties, why can't you waive that raise if it goes up?"

Comm. Fozman stated, "One way or another I believe it has to get cut and capped in order for

you to raise your house so it will have to be done at some point."

Mr. Bluegrath continued, "I understand that but if these people cut and cap and then later on when they reconnect and if there is a raise in the connection why cannot that raise be waived."

Chairman Cevalco stated, "You are asking this commission to make a decision based on something that may or may not happen. We can address it at the time as they come along. We can't project that we are going to raise fees, lower fees. We can address those issues as they come up. If we can address those issues at that point in time, but to sit here and say for all future it is Hurricane Sandy this time what hurricane could be coming up and where do we go next? What we do is we address these issues as they come up. I don't want to bring the Authority into something that may or may not happen."

Mr. Bluegrath stated, "So in other words, each homeowner in the future as they reconnect if there is a raise they can request a waiver."

Christina Weaver, 314 Alameda Drive stated, "My house was substantially damaged. I am back in my house and I will have to raise it. I was at the post office on Friday mailing getting the application for rental assistance and this is what was on the table in the post office – ***Still need Assistance to Recover from Sandy***. Thank you for what you have done so far. Please remember that we are still here and we are still struggling. So while we are grateful for what you did so far it is not over and I don't know that having a case by case waiver is necessarily the way to do it. I'm not telling you I've come up with a formula. I am here to tell you that I am in touch with those homeowners that you may not have heard from because they are under so much other stuff that they have to do that they can't come and ask you for a waiver right now. I think that for those that have been in their houses or have returned to their houses life is more stable than for those that have not been in their homes for the entire time since October 29th or those who are moving around in and out, living in their cars so to speak. I wonder when I will stop living in my car so I appreciate your help and I look forward to working with you some more because you know we need it."

21. COMMENTS FROM COMMISSIONERS, PROFESSIONALS & STAFF

Director Vaccaro advised he had nothing further to report.

Chris Theodos advised he had nothing further to report.

Director Planko advised he had nothing further to report.

Chuck Fallon advised he had nothing further to report.

Director Maggio advised he had spoken enough.

Director Specht advised he had nothing further.

Counselor Montenegro advised he had nothing further to report.

Ms. Sylvester advised she had nothing to report.

Director Lacey advised he had nothing to add.

Ms. DiMatteo advised she had nothing to report.

Comm. Bayard advised he had nothing to report.

Comm. Fozman stated, "I would just like to thank Comm. Flynn and Olsen for working on the BTMUA licensing certification incentives. I thought that came out very well and I am glad it has moved along. It is a long time for them for people to get some education and stay here in the future. I am sorry for the loss on your house everyone and we are doing the best we can and we are sympathetic here and trying to explain it the best we can. If you have any questions after the meeting I will be here and I will explain it the best I can."

Comm. Curtis advised he has nothing to report.

Comm. Cartine stated, "I Just want to say it has been a long day it has been for me. I saluted our flag today three times at three different meetings. It is a first."

22. CLOSING STATEMENT

The next Regular Public Meeting will take place on Monday, June 22, 2015 at 7:00 p.m. All meetings take place in the Main Conference Room of the Authority's Administration Building located at 1551 Highway 88 West.

23. ADJOURNMENT

There being no further business to discuss the meeting adjourned at 8:40 p.m.

Respectfully submitted,



James C. Bayard, Authority Secretary

JCB/mas