

Minutes of a Meeting of
The Brick Township Municipal Utilities Authority held on

October 26, 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
Gregory Flynn
George Cevasco
James C. Bayard

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

4. Adoption of Directors' Reports

Chairman Cevasco called for a motion to adopt the Directors' Reports.

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

AYES: Commissioners Bayard, Fozman, Curtis, Cartine, Cevasco

NAYS: None

ABSTAIN: None

5. APPROVAL OF MINUTES

Chairman Cevasco called for a motion to adopt the minutes of the September 28, 2015 Regular and Exempt Session. Comm. Cartine made the motion. Seconded by Comm. Fozman

AYES: Commissioners Fozman, Curtis, Cartine, Cevasco

NAYS: None

ABSTAIN: Comm. Bayard

6. CORRESPONDENCE

Chairman Cevalco stated, "Under correspondence we have two, one was delivered tonight and is from Mrs. Lois Cartine. She had knee surgery and thanks the Board for the flowers that were sent. So she thanks us very much for our kind consideration."

10/6/2015 Letter from Allan and Evelyn Zucker thanking Authority for help with a recent problem

Director Specht advised, "We also received a letter from Allan and Evelyn Zucker at 112 Harding Drive concerning a service that we provided. We offer a service whereby if we determine that the curb stop or clean out is not visible, we would raise those services for a fee to the customer. We determined that the curb box was bent and the clean out was recently paved over with a driveway apron so we mobilized a crew and raised this stuff for this customer and they were just thanking us for those services."

7. APPROVAL OF BILL RESOLUTION - *Commissioner Bayard*

Comm. Bayard read the Bill Resolution dated October 26, 2015 in the total amount of \$2,463,624.20 as follows:

Total Operating Vouchers:	\$	763,413.96
Total Payroll:		968,571.33
Total Capital Vouchers:		731,638.91
Escrow:		- 0-
Total Bill Resolution	\$	2,463,624.20

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalco
 NAYS: None
 ABSTAIN: None

8. TREASURER'S REPORT - *Commissioner Cartine*

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

Unrestricted Funds:

Total Revenue Funds:	\$	13,745,639.29
Total General Funds:		3,653,075.09
Total Unrestricted Funds:		17,398,714.38

Restricted Funds:

Rate Projection Maintenance Fund:		3,276,160.62
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Working Capital Fund:	462,854.21
NJEIT Processing Fund:	1,048,671.50
Series 2014A Project Bonds:	466,308.13
Series 2015A Project Bonds:	6,999,615.74
Total Bond Funds:	13,236,745.03
Total Other Restricted Funds:	1,536,426.58
Total Restricted Funds	27,026,781.81
Total of All Fund Accounts:	44,425,496.19

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
 NAYS: None
 ABSTAIN: None

9. DEVELOPER APPLICATIONS - NONE

9.1 Preliminary Applications - No Further Action Required - NONE

9.2 Other Applications

2171 K&S Wall Properties, LLC, Dr. Hitesh Patel, Principal, Premier Healthcare Assoc Office – Major Site Plan, NJ State Highway Route 88 & Laurelton Street, Preliminary, 2 Commercial

Director Specht advised, "We have two applications tonight. The first application is number 2171 K&S Wall Properties, LLC, Dr. Hitesh Patel. He is the principal of Premier Healthcare Associates. The property is located at Route 88 and Laurelton Street. It is a preliminary application for two commercial units. The existing building that was on the lot has been demolished. It is located next to Legacy Automotive right down the street here and they are looking to install a small medical building, one floor with two units. Existing service will be used for one unit and service will be provided for the second unit and I would recommend preliminary approval."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
 NAYS: None
 ABSTAIN: None

2172 Lombardi Residential, LLC, Mr. Robert Lombardi, Minor Subdivision – 752 Princeton Avenue, Princeton Avenue & North Drive, Preliminary, 2 Residential

Director Specht advised, "The second application is 2172 Lombardi Residential LLC. It is a minor subdivision at 752 Princeton Avenue located on the corner of Princeton Avenue and North Drive. This is again a preliminary and they will have to come back for Final. They are basically dividing the existing lot into two residential units. A new house will be built on the one lot and an existing house I believe is to be demolished down to the foundation. It was damaged during Super storm Sandy and re-erected on existing foundation and I would recommend approval."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

9.3 Release of Performance Bonds - None

10. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES - NONE

11. CUSTOMER ACCOUNTS RECONCILIATIONS

Director Planko presented the customer accounts reconciliations for approval.

One Time Credit

- a. Account 17451207-0, 1049 Burnt Tavern Rd, Willow Springs. A One Time Water & Sewer credit is recommended in the amount of \$ 9,898.25 due to toilet leaks & hose bib. The quarter in question rose to 4001,000 gallons while the average use is 2631,000 gallons. All repairs have been made and verified and the meter is in working order. Management went on site to inspect the Nursing Home and took pictures.

Director Planko advised, "On this particular item I discussed with the Finance Committee. Their average use per quarter was about 2.6 million. Back in January their reading jumped up to 4 million. They sent us a letter and said that the problem they had was a leaky hose bib and when I heard that it seemed to be quite a bit of water just for a leaky hose bib so I decided to take a ride out to that facility with the Meter Division Supervisor. After we talked to the people at the facility we realized there are other issues there, particularly quite a number of toilets that were leaking that they finally got fixed. So after we left there I tracked their usage for two more quarters to make sure I had a solid handle on their average use to determine that credit. I was able to establish that their average use is about 2.6 million and they are eligible for a credit of 1.370 gallons. However, I was not able to give them a sewer credit as requested because of the leaky toilets it was going into the collection system. So I was able to give them and they agreed to a one-time water and sewer credit and that is what this amount represents, \$9,898.25."

Comm. Curtis asked, "I mean due to lack of maintenance we are giving g them a credit for lack of maintenance?"

Comm. Cartine added, "I was going to ask what kind of business is this?"

Director Planko replied, "A nursing home."

Comm. Curtis repeated, "A nursing home that doesn't fix their toilets so we are giving them a credit. Is that normal?"

Director Planko advised, "We do that for any customer."

Comm. Curtis added, "A homeowner yes because their toilet is running, but I mean they have maintenance people on staff at these places."

Director Planko stated, "There are a lot of cases though when we give the credits due to negligence whether it is residential commercial or ..."

Comm. Curtis continued, "I understand that but there are maintenance people there that would see this water leaking and hear the toilet is leaking. It ain't like mom and dad. That's a lot of water."

Director Planko commented, "That's when they said it was from a hose bib. When I went there the hose bib was inside of an enclosure and atrium. If they leaked 1.4 million gallons it would have been an aquarium in there because it was such a tight space."

Comm. Curtis asked, "Is this now or during the renovations?"

Director Planko replied, "Well this happened earlier in the year and once they said they fixed it that is why I didn't issue the credit right away I watched for two more quarters to make sure there was no more problems."

Chairman Cevalco stated, "This is a one-time credit and they know that."

Director Planko added, "They know that we get it in writing that they agree to that as we do for every one time credit."

Comm. Curtis stated, "It's just that it's a business. There are people there 24/7. It is not like..."

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

AYES:	Commissioner Bayard, Fozman, Curtis, Cartine, Cevalco
NAYS:	None
ABSTAIN:	None

Sewer Credit

Director Planko presented the sewer credits and advised that they are all due to broken pipes and there was no entry into the collection system for all three of them. And the repairs have been made and verified.

- a. Account 2627002-0, 242 Curtis Point Dr, Lisa Rizzuto. A Sewer Credit is recommended in the amount of \$ 1803.99 due to a Broken Pipe in the Crawl Space. The quarter in question rose to 228,000 gallons while the average usage is 9,000 gallons. All repairs have been made and verified. The meter is New Jersey American.
- b. Account 2209406-0, 114 Deauville Dr, Kathleen Schuld. A Sewer Credit is recommended in the amount of \$ 1051.30 due to a Broken Pipe. The quarter in question rose to 138,000 gallons while the average usage is 8,000 gallons. All repairs have been made and verified. The meter is New Jersey American.

- c. Account 17193210-0, 81 Nicole Dr, Louis Demarco. A Sewer Credit is recommended in the amount of \$ 1084.89 due to a Broken Pipe. The quarter in question rose to 147,000 gallons while the average usage is 18,000 gallons. All repairs have been made and verified. The meter is in working order.

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

12. CONTRACT CLOSE-OUTS - NONE

13. AUTHORIZATION TO EXPEND APPROVED FUNDS

- a. **Connect+2000 Series Postage Machine**
Amount: \$10,022.00 (State Contract No. A75237)
Vendor: Pitney Bowes
Funding Source: Capital Project No. 915007

Director Lacey advised, "We are looking to replace our Series 2000 postage meter machine through State Contract A75237 for \$10,022 with Pitney Bowes. We have it funded under 91007. The machine we have is a 2006 Pitney Bowes machine and they have informed us that they are no longer going to support it either with parts or service so we need to get this going."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

- b. **SCADA Licensing Upgrades and Support**
Amount: \$17,850
Vendor: Automated Control Concepts
Funding Source: Account No.: 604-002

Director Maggio advised, "We are requesting authorization to expend approved funds for SCADA licensing upgrades and installation support in the amount of \$17,850.00. The vendor is Automated Control Concepts and the funding source is Account No. 604-002. This work will allow us to isolate our SCADA computer system which controls our water treatment plant operations from what we call our business network to really minimize the potential for hackers to gain access to our control systems. This is part of our comprehensive cyber security effort."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None

ABSTAIN: None

c. Purchase of Zinc Orthophosphate

Amount: \$17,500

Vendor: TBD

Funding Source: Account 701-8330

Director Maggio advised, "The next item Mr. Chairman is the purchase of Zinc Orthophosphate. This is a not to exceed amount of \$17,500. The funding source is account No. 701-8330. We only found out about the benefits of using zinc orthophosphate for corrosion control on Friday. One of our consultants has been doing laboratory analysis of different corrosion inhibitors and just Friday morning we found that this was effective using our water for corrosion control. So we have only just been able to start to get prices from vendors, but we do want to start adding this chemical to our water as soon as possible. We will be awarding the contract to the lowest vendor based on a unit or per gallon price for this chemical. We hope to have a firm vendor by tomorrow."

Comm. Flynn asked, "The additive that you put in prior a couple of years ago, Alum? I don't remember exactly what it was."

Director Maggio replied, "Well for corrosion inhibition we were actually using an orthophosphoric acid."

Comm. Flynn asked, "Now do you discontinue that?"

Director Maggio replied, "We will be discontinuing that and this is still orthophosphate, but they add zinc to it to enhance the corrosion control."

Comm. Flynn asked, "Is there a money savings factor in that?"

Director Maggio advised, "No, this is based on the effectiveness of the chemical. This is more effective than the orthophosphate."

Comm. Flynn asked, "I know but if you are not using the other chemical anymore."

Director Maggio advised, "This will be like swapping one for the other. There was a cost for the orthophosphate we will just be substituting that for this new zinc orthophosphate."

Comm. Flynn asked, "And how much do we have sitting in the back?"

Director Maggio replied, "190 gallons so that is a lot. We do keep a pretty tight rein on the supplies."

Comm. Flynn asked, "And what do we do with that?"

Director Maggio replied, "We are actually right now neutralizing it and we will be disposing of it. It's an acid."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalco
NAYS: None
ABSTAIN: None

14. AUTHORIZATION TO SEND OUT BIDS, RFQ'S & RFP'S

a. Authorization to Solicit Bids for the Replacement of the Authority's Emergency Generators

Director Maggio advised, "We are requesting authorization to solicit bids for the replacement of the Authority's emergency generators. I think all of the commissioners have been briefed on this project and we will be replacing our existing emergency generator system and installing three 1250 kilowatt hour generators in sound attenuating enclosures behind our finished water building. We will also be replacing our generator switch gear and our electrical motor control center. They will be replaced and relocated in our current generator building. We are expecting tomorrow the final submittal of plans for the project from our consultant CME and we expect to be advertising for bids in mid November. We have a soft date of November 15th and if everything goes well we are expecting to award at the January Board Meeting. What I have to say is that this was a very aggressive time schedule for this project. The consulting engineer did very well, was very responsive and all the management here came together as a real team to get this project done and we met a very tight schedule. It was an ambitious goal and I think that we are going to have met with in terms of completing this project. "

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalco
NAYS: None
ABSTAIN: None

b. Authorization to Solicit Bids for Fiscal Year 15/16 Water Meter Purchases

Director Maggio continued, "This next item is requesting authorization to solicit bids for fiscal year 15/16 water meter purchases. With a lot of the Sandy homes, and also with a lot of the development going on in Brick, we have really come close to expending our supply of water meters in the 3/4 and 1' size. We are looking to replenish that supply, but in addition to that we are purchasing an increased amount because we are also accelerating our meter replacement program. As was reported several months ago at a Board meeting, a lot of our meters have exceeded their useful life and as meters start to get older they start to read slow in some instances and underreport water usage. We already have a plan in place where we are going to be replacing meters based on the oldest ones out there that are well in excess of 20 years old. Our plan and our goal is to replace 2,000 3/4" inches meters over the next year and hopefully replace 800 1" meters over the next year. In succeeding years we will be replacing meters at a similar rate."

Chairman Cevalco asked, "Will these be radio read adaptable?"

Director Maggio replied, "They will be radio read adaptable. They will be the Sensus IPro meters which are the new plastic meters that don't actually have any parts so they are guaranteed for accuracy and the radio read project that we are continuing to investigate it will still continue where you

would attach the radio transmitter to the meter system."

Comm. Cartine asked, "You said that as the meters get old they get slower? That means that they are not reporting the actual amount of water that is being used? They are reporting less water being used in the household?"

Director Maggio replied, "On average. That is what the industry has found in studies."

Comm. Cartine asked, "Do we have any kind of number? I know this is off the wall but of how much money we loose on the average of dated meters?"

Director Maggio replied, "The meters tend to run slower particularly at the lower flows. Some of the research that we found show that older meters in the 20 year range start to read as low as 3%. So that could be about \$12.00 per meter which adds up when you have 34,000 in circulation."

Comm. Cartine asked, "Well my question is - is it cost productive? In other words can you take the loss versus the investment in new meters?"

Director Maggio replied, "Yes because the meter would be expected about 20 years and the Sensus meters because there are no moving parts. They have an extended period of guaranteed accuracy. A meter if you expect it to last 20 years, a meter costs \$109.00 and that \$12 that you are undercharging once the meter reaches 20 years over the next 20 years that equates to \$240."

Comm. Cartine asked, "How many meters are we going to buy?"

Director Maggio replied, "Right now we are buying 2,000 3/4 inch meters and 800 1" meters and we are also replenishing some of the supply of our lager meters, six 2" meters and we are purchasing one 10" meter which will be to replace the meter at the Point Beach interconnect. This is really chipping away. 80% of our meters are in excess of 15 years old and we have 35,000 meters but right now we feel we can get a jump start on 2000, but we really need to accelerate this in future years probably go to replacing five or six thousand meters a year."

Comm. Cartine asked, "When you receive these meters are you going to be able to warehouse all these meters? Will you be receiving them all at one time or will you be receiving as needed?"

Director Maggio replied, "We order them as needed."

Comm. Fozman stated, "In your report you said that in the meters there were 45 meter replacements. They are going to be the new ones from now on right? You're not going to.."

Director Maggio advised, "Actually every meter that is replaced is replaced with a new meter."

Comm. Flynn asked, "And the criteria for replacing a meter is it needs service?"

Chairman Cevasco stated, "Initially but there is a plan also to just do the age of the meter."

Comm. Flynn asked, "How do you determine that ?"

Director Maggio replied, "We are looking at two approaches and we are trying to correlate the two. We are making one list that is literally based on the serial # of the meter which would give us the lowest number would be the oldest meter. Then we are also looking at mileage. A meter that is in there 20 years maybe had 500,000 gallons but a meter that is in there 18 years might have 1 million gallons so we would probably tilt toward replacing the 18 year old with the million gallons. But we are kind of looking at those lists to see how different they are. But the plan is to get the ones that would have the most wear and tear, whether it is through usage or age first and work down from there. There is probably no geographic rhythm or reason to it, they are pretty well dispersed throughout the town, but if they are in one community we will do that area."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

15. EXEMPT SESSION

(Personnel, Contracts & Potential Litigation Only)

Counselor Montenegro stated, "Be it resolved that pursuant to Section 8 of the Open Public Meetings Act NJSA 10:4-12 permits the exclusion of the public from meetings in certain circumstances, and Whereas this public body is of the opinion that such circumstances exist. Now therefore be it resolved by the commissioners of The Brick Township Municipal Utilities Authority of the Township of Brick and the County of Ocean, State of New Jersey as follows: The public shall be excluded from discussion on the actions upon the hereinafter specified subject matter that being personnel. It is anticipated at this time that the subject matters will be made public if and when the need for confidentiality is no longer needed. Action may be taken. The resolution shall become effective immediately."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

At this point in the meeting, 7:29 p.m. the group entered exempt session.

On motion duly made, seconded and a unanimous vote, the group returned to open session at 7:33 p.m

16. ADOPTION OF PERSONNEL ACTIONS

Comm. Cartine made a motion to approve the personnel actions as set forth by the Personnel Committee. Seconded by Comm. Fozman

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

17. OLD BUSINESS

18. NEW BUSINESS

18.1 Request to Utilize Reservoir - NONE

18.2 Authorization to Proceed with the Design and Construction of the Water Main Extension/Loop Associated with the Replacement of the Route 88 over the Beaver Dam Creek Bridge Utilizing the New Jersey Department of Transportation's Design Engineer and Contractor

Director Specht advised, "This kind of dovetails with Resolution 92-15 which we will get to in a few minutes, but this has to do with the NJDOT Route 88 Bridge over Beaver Dam Creek between Brick Township and Point Pleasant. We have been approached by NJDOT and their design engineer. They are proceeding with the design for the replacement of that existing structure. What I would like to do is in the past we have included betterments when we are impacted by NJDOT projects. For instance when they did the Manasquan River Bridge over Route 70, we interconnected both sides of Route 70 with a water main pipe and we reimbursed the NJDOT. I would like to proceed with that on this project also to install a loop of about 500' 12" diameter ductile iron main between Jordan Road where our main ends and right in front of Dim Sum to give you a location right on Route 88 since that whole area will be impacted by the construction. I would like to try to get that into their design and utilize their contractor to install the main."

Comm. Cartine asked, "That construction and road improvements is going all the way up to Jordan Road?"

Director Specht replied, "They asked for information all the way up to Jordan Road. I am not sure how far it will go down on the approach as we head west, but I would like to at least approach the DOT to see if we can include this work within their construction zone."

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

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalco
NAYS: None
ABSTAIN: None

19. RESOLUTIONS

90-15 Task Order No. 1 with Adams, Rehmann & Heggan (ARH) for a total contract increase of \$9,120.00 for Fleet and Equipment Storage Building; Capital Project No. 604001

Director Specht advised, "This is for Task Order No. 1 with Adams, Rehmann & Heggan (ARH) our consulting engineer for the Equipment Storage Building for a total contract increase of \$9,120.00 Funding source is Capital Project No. 604001. During the procurement of this building we went through two bids on this project as well as we required some additional surveying from the engineer since now we are handling half the construction project ourselves so they helped us with the clearing limits. So I would recommend this additional task order of \$9,120.00 that would get us through the

construction of the building utilizing their services."

Comm. Flynn asked, "Would that include the plan revisions?"

Director Specht advised, "It included the plan revisions and everything that is correct."

Comm. Bayard made a motion to adopt Resolution No. 90-15. Seconded by Comm. Curtis

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

91-15 Change Order No. 2 in the Amount of \$22,623.67 and a No Cost 121 Calendar Day Time Extension to Quad Construction Company – Immediate Upgrades of Six (6) Wastewater Pump Stations and Two (2) Ejector Stations Flooded by Super Storm Sandy – Breton Road, Vanada Woods, Mantoloking Road, Fifth Street, Eastern Lane and Laurelton Wastewater Pump Stations and Eagle Point and Island Drive Ejector Stations; Contract No. 812003

Director Specht advised, "This is Change order No. 2 in the amount of \$22,623.67 and a no cost 121 calendar day time extension with Quad Construction Company. They are doing the renovation of our eight stations that were impacted by Super Storm Sandy. As delineated in my report part of the changes included the relocation of a force main at Eastern Lane which was impacted by the new platform that we had to install the footing was directly over the top of our force main and we would like to relocate that force main. The other had to do with the insulation of our davit cranes which are utilized to pull our submersible pumps. Originally we showed them bolted to the original precast, however based on some further calculations it was determined that separate concrete piers would be more suitable for the davit cranes themselves and again the 121 day no cost calendar time extension. This does not impact our FEMA completion date of October 31st. This will extend the completion date to June 29th 2016 and I recommend approval."

Comm. Curtis made a motion to adopt Resolution No. 91-15. Seconded by Comm. Cartine

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

92-15 Authorizing the Execution of a Utility Engineering and Construction Agreement, identified as UECA-7-RT88BDC-093220, with the New Jersey Department of Transportation Associated with the Replacement of the Route 88 over the Beaver Dam Creek Bridge

Director Specht advised, "This one is for when the DOT approaches us regarding any existing utilities that are in the construction or redevelopment area the NJDOT is responsible for replacing for us or upgrading for us. So this is a utility engineering construction agreement identified as UECA-7-RT88BDC-093220 and again this is for the replacement of the Route 88 Bridge over Beaver Dam Creek. Right now it is just some preliminary engineering estimates of about \$10,000.00 from my staff in the event that we have to provide input to NJDOT that they will reimburse us for. We have entered into

these agreements before so I would recommend approval on that."

Comm. Cartine made a motion to adopt Resolution No. 92-15. Seconded by Comm. Fozman

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

93-15 Award of a Contract to Global Electrical Services, Inc., in the amount of \$23,874.02 for electrical contracting support for the replacement of the MCC for Well #11 funded through account 799-008

Director Maggio advised, "Resolution No. 93-15 is for award of a Contract to Global Electrical Services, Inc., in the amount of \$23,874.02 for electrical contracting support for the replacement of the MCC for Well #11 funded through account 799-009B. If the Board recalls several months ago we did order the motor control center because there was a long lead time. Now we are getting the contractor to connect the motor control center and run new power cable in through a newly installed duct bank to do the power on the road. This contractor will be doing the electrical connections and also installing the deck bank with support from Brick MUA forces helping with the duct vac installation I should say. Next month we will be coming to the Board with a request to actually purchase the power cable and then that should complete all the purchases involved with this project."

Chairman Cevalasco asked, "When do you think this project will be finished?"

Director Maggio advised, "We have not received the motor control center yet but if it comes as expected within the next month I would think we would be doing the work in December and it shouldn't take all that long."

Chairman Cevalasco asked, "Any idea what the lead time is on the motor control center?"

Director Maggio advised, "I think we are looking at 12-16 weeks and it is getting to be near that time but we haven't received it yet."

Comm. Curtis made a motion to adopt Resolution No. 93-15. Seconded by Comm. Bayard

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

94-15 Awarding Reservoir Management Consulting Support Contract Renewal to Ecosystem Consulting Service for a Not to Exceed Amount of \$15,500 Annually

Director Maggio advised, "Resolution No. 94-15 awards a Reservoir Management Consulting Support Contract Renewal to Ecosystem Consulting Service for a Not to Exceed Amount of \$15,500 Annually. This is from account number 709-8660. Ecosystems Consulting Services has been on board providing this water quality management report since the Reservoir was first constructed. They are leaders in a very small field and they have done an outstanding job of helping us manage the water quality for the future of the Reservoir with an eye towards doing it naturally by manipulating the biology

and the chemical constituents of the water in the Reservoir. We definitely recommend keeping them on board and just to note the last several years when we have renewed their contract the price has gone down as we have gained experience in doing the work that they are doing the amount of work they are doing has lessened so we are working to be self-sufficient ourselves, but their support is still very valuable."

Comm. Curtis made a motion to adopt Resolution No. 94-15. Seconded by Comm. Fozman

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

96-15 Approving By Laws Revision

Director Lacey advised, "This is a housekeeping issue we would like to remove in our By Laws the regular caucus meeting of the Authority shall be held on the third Monday of each month which we haven't had in years and replace it with Public meeting shall be held on the fourth Monday of the month..."

Comm. Fozman made a motion to adopt Resolution No. 96-15. Seconded by Comm. Curtis

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

97-15 Change Order #1 Moses Milch Drive Storm water Retrofit with Down To Earth Landscaping \$2,300.00

Director Maggio advised, "Resolution 97-15 is for Change Order No. 1 for the Moses Milch Drive Storm Water Retrofit with Down to Earth Landscaping in the amount of \$2,235. What we are doing there is several weeks ago we had a nor'easter with a great deal of rain and we noted during the construction that the water coming into the basin had a lot more velocity than we wanted to see so there was a lot less sediment settling out and this was not after the construction was completed this was actually during construction. So we got together with the engineer and decided to redesign the wall that forms the fore bay of the storm water basin. We were originally just going to use rip rap but instead we are going to be putting in gabion walls and we hope that will help to settle out a lot of the initial sediment that comes into the basin and then allow for better treatment as it goes through the basin."

Comm. Flynn stated, "I had the opportunity to visit the site last week and Joe was out there doing a great job and he had everything under control and he showed me what the situation was with the gabion wall and it makes sense."

Comm. Fozman stated, "You said \$2,235.00?"

Director Maggio replied, "Yes it wasn't \$2,300. We saved a few dollars."

Comm. Fozman made a motion to adopt Resolution No. 97-15. Seconded by Comm. Bayard

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

98-15 A Resolution Authorizing and Approving a Shared Service Agreement with the Township of Brick for Snow Plowing Services

Director Lacey advised, "This is the shared service agreement that has expired with the Township of Brick and Brick Utilities. Essentially our workers, we may use our trucks, their trucks, they get paid scale. It lays out the whole protocol with the shared services with helping the Township plow snow."

Comm. Curtis made a motion to adopt Resolution No. 98-15. Seconded by Comm. Bayard

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

99-15 Adopting the revised Employee Tuition Reimbursement Guidelines

Director Vaccaro stated, "This came out of our Employee Development Committee. We looked at the Employee Tuition Reimbursement Policy and decided we needed to update it. The employee tuition reimbursement policy basically is providing educational expenses seeking higher education. Some of the things we wanted to change was consistency with the amount of reimbursement so it wasn't dependent upon grade and clarifying what the reimbursement expenses were. Also there was a discrepancy in the language with the new licensing and certification program. There was a discrepancy with the employee tuition policy so we basically updated all that so it is consistent and more concise and clear."

Comm. Bayard made a motion to adopt Resolution No. 99-15. Seconded by Comm. Fozman

AYES: Commissioner Bayard, Fozman, Curtis, Cartine, Cevalasco
NAYS: None
ABSTAIN: None

20. PUBLIC DISCUSSION

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

Ms. Melanie Briggs stated, "Two things. If you are not going to use microphones could you please speak up because I have no idea what the financial report was and I have no idea what he just said. At some meetings people just yell out speak louder but I don't think that is right. Second thing, these are phenomenal amount of water. I agree with Mr. Curtis each one was phenomenal and it wasn't just the nursing home. I am certainly in favor of people getting some kind of credit, but when you are talking that amount I don't look at it so much as the money, as if we were in a water shortage and they are just dribbling the water away. There should be some consequence for that."

Chairman Cevalasco asked, "Mr. Planko would you like to explain?"

Ms. Briggs stated, "Oh I know about the..."

Chairman Cevalco stated, "No we handled it a little bit different. It is not quite the same."

Ms. Briggs stated, "Each one got a reduction. I know it was a sewer thing but we are talking how long these people did not know that they had a water broken, or a leak."

Director Planko responded, "There are two different policies. The sewer policy is if they can show us as an example a broken pipe in the crawlspace or whatever the water didn't enter the collection system and in those three cases we did. So we give those type of credits. We actually have an obligation to do so because it didn't enter the collection system and we cannot charge the people for water that didn't enter the collection system. Whether that is 20,000 gallons or 200,000 gallons. The other policy we have is the one I talked about for the nursing home. Now there is a situation where you had water and sewer there it is a policy of the Authority and has been, that basically it is a 50/50 split. Whatever the amount of water is we look at the average use and whatever that overage is if the customer pays for half and the Authority credits them for half as a courtesy, but that is only a one time deal. But with the sewer credits you cannot charge them you have to credit them if the water didn't enter the collection system, but they pay for the water as Comm. Curtis just said. They have no obligation nor can we charge them for the water that didn't go into the collection system."

Ms. Briggs replied, "OK so say the Sandy people - they are all paying their maintenance minimum or whatever you want to call it, but they are not using any water and they are paying just to have the ability to reconnect. So why are they paying the sewer?"

Director Planko advised, "I don't understand the question? Some of them aren't paying. If they are cut and capped they are not paying. If they remain active they are paying the customer charge."

Ms. Briggs asked, "Why are they required to pay for the sewer when they are not using it? So the water is definitely not going into the sewer system they are not using it. I know of another case where a person had 16 years paying the basic thing, maintenance..."

Director Planko advised, "If they did that was their decision to do so. If they would have cut and capped, severed from the system they would not have to pay."

Ms. Briggs continued, "But you are saying these people were reimbursed or not charged for sewer because the water didn't go into the system..."

Director Planko advised, "But they still paid their customer charge. They just were reimbursed for the volume portion. They still paid the minimum or the customer charge, but they were reimbursed for the volume because it didn't enter the collection system therefore we are not paying the OCUA and we cannot charge them for water that didn't enter the collection system."

Director Lacey added, "And on two of these cases there were credits and they were New Jersey American customers so it wasn't even our water so they are paying us for the overage off the New Jersey American meter. They are still paying their minimum to us. They are just not paying for the water what went on the ground. I know it is very complicated."

Ms. Briggs replied, "No I've had this conversation extremely too many times in the past ten years. As far as the nursing home goes that is complete incompetence so I'd say well you knew the toilet was running but you didn't fix it so we'll give you the one-time credit."

Director Planko advised, "Many of them are due to incompetence when we give the one-time credit. People forget about sprinkler systems. They don't get their toilets fixed. They leave the water running. They leave their faucets on and most of them come back. A lot of them are due to just be lackadaisical. Where do you draw the line?"

Ms. Briggs replied, "Well I think that should be a change where you don't get reimbursed."

Director Planko asked, "Where would you draw the line?"

Ms. Briggs replied, "Stupidity."

Council President Mummolo commented, "You are going to be going out to buy meters. Does any company make a meter that would recognize regulate, just to say you preset it at hypothetically 30,000 gallons over a three month period and when a guy comes out to read it and it sets back, but if it reaches that 30,000 prematurely before it gets reset it shuts the water to the house."

Director Maggio replied, "Actually simultaneous to replacing the meters we are pursuing what is called radio read and that will transmit the meter data to the central location. We can almost have a constant monitoring of water usage. One of the benefits of that is that you do have the ability to identify when there is a sudden increase in water usage and at the very least we can reach out to the people, or if there is a broken pipe. That like the replacement of the meters is a long term project, probably five or size years but that is one of the benefits of that program."

21. COMMENTS FROM COMMISSIONERS, PROFESSIONALS & STAFF

Director Vaccaro advised he had nothing further to report

Chris Theodos advised he had nothing 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 nothing further to report.

Director Specht stated, "Would you like an update on Knollcrest. As I indicated in my report and that we have discussed at numerous committee meetings, we are looking to pressure test the water main on Knollcrest. About 1,700 of the 5,000 feet of main that has been installed has consistently failed the pressure test. Our Contractor has spent numerous hours out there. We are probably going on three plus weeks to try to find the leak. He has dug up every joint. Wither it is a pipe joint, a fitting joint, a valve joint, he has dug up every joint and has been unsuccessful so far. We do have an action plan that was put together in conjunction with my staff, as well as the contractor and our engineer CME. We have to make a determination in the very near future of how we are going to resolve this issue. Worst case scenario we can't locate the leak, we would have to go back and rip out 1,700 feet of pipe. The contractor is

obviously not too happy. He is somewhat ashamed. He is a good contractor. He has never had this issue before. There could be some finger pointing. Whether it is a manufacturer problem because we are using this eagle lock pipe where the gasket is imbedded in the pipe and it has a locking ring on it. Contractor says maybe that gasket was deformed. Who knows. But again we are kind of stuck in the middle of this and unfortunately we are pushing toward the winter season here. We do have the high line in service. I am not that concerned about the eight inch line that is above the ground right now, but in a month from now I will start to get concerned about the one inch whip that goes into the house freezing up. We know time is of the essence here and again I would think by the end of this week we will make a call on how we are going to proceed. One of the options we are looking to do right now prior to ripping out the 1,700 feet of pipe is to install an intermediate line valve somewhere halfway at say station 850 out of the 1,700 to see if we can isolate it a little better. Also we do have some concerns that maybe there is still some air in the lines. We don't have places to relieve the air from the system so we are going to look to install the service saddles that are not installed for the new homes to try to bleed more air out, but again it has everyone baffled. But like I said they have spent a numerous amount of time out there digging up every joint. That is where we stand right now. I do have the payment that the Board approved tonight. However, Frank is going to give me the check tonight and I'm going to keep it in my top drawer until we hopefully get this thing resolved because it is a substantial amount of money."

Comm. Curtis asked, "Is it isolated?"

Comm. Flynn advised, "It is isolated to 1,700 feet. What is the deadline date or have we notified them that if it is not done and the test is not satisfactory that they have to pull out the 1,700 feet?"

Director Specht replied, "We have to make a decision by the end of this week. It has been three weeks now. They have been out there. It's not like they have abandoned the job. They have been out there. They have put well points in at every joint to try to find out where the leak is. They dug up every joint and these are 20 foot lengths of pipe."

Comm. Flynn asked, "Is the engineer on the job while this is going on?"

Director Specht advised, "We have had some issues with the engineer being out, but the inspector is out there looking at this stuff."

Comm. Cartine asked, "I have a question, maybe an ignorant one, but isn't there a way to pressure test a segment of the pipe from joint to joint where you can actually cap off joint to joint and pressureize that particular area of pipe?"

Director Specht advised, "It depends on how much you want to invest in trying to find the leak and obviously that would be a big investment to do that. I think the best approach now is let's put the intermediate valve in and segment that and get it down."

Comm. Cartine stated, "But you said the contractor has dug up every joint, so ..."

Director Specht replied, "Correct and when he has dug up every joint he has pressurized the line and looked at every joint. Maybe some of the joints he saw a drip, but a drip is not going to make you drop 20 pounds in two hours."

Comm. Flynn stated, "It could be a defective pipe. Maybe it is split on the bottom."

Comm. Cartine stated, "Yes but you would still find it if you were able to pressurize joint to joint and there was a split or a crack in the pipe itself you would be able to isolate it."

Comm. Flynn stated, "But you would have to take it apart to do it."

Comm. Bayard stated, "You could do it from saddle to saddle."

Director Specht replied, "The problem is the one section is there is no connections. It is probably half the sections have no service connections on it."

Chairman Cevasco asked, "If the intermediate valve is put in midway and you find that that particular section is fine what would be the course then? To take the last half and split that in half and put another valve in and pressurize it again?"

Director Specht replied, "Either that or rip the 850, you get it down."

Comm. Flynn stated, "Create a deadline for that because by the time they get to all that that might be the lesser solution to get it done quickly. Because we need to get it done quickly."

Comm. Curtis asked, "How much is 1,700 foot of pipe? It's coming to a point maybe we should just cut it out and go. If there are no houses there to interfere with."

Director Specht replied, "1,700 feet of pipe is probably about \$100,000.00."

Comm. Curtis stated, "I mean if you can't find it, what you are going to do?"

Director Specht advised, "This is unusual. Commissioner Flynn and I have talked about it and anyone who has been in this industry. I have never had this problem before and I've done miles and miles of mains. I know it is a different type of material, but we do have this material in our system, this C900 pipe with the Eagle Lock gaskets. We have them on Tilton Road, installed the pipe it held like a charm. We have them on Bay Harbor Blvd. Again it is a last resort. You hate to see it because you are obviously wasting product, but the clock is ticking and we cannot wait forever. We will make a call by the end of the week and get the feedback from our engineer as to how we are going to handle it."

Comm. Curtis asked, "What does his contract say?"

Director Specht advised, "The contract says if it doesn't pass the test you have to make it work so if that is one of the things you have to do you have to pull the pipe out. If push comes to shove we can also invoke our liquidated damages clause which is I believe a contract of this magnitude we have a little over a million dollar contract. We can hit them with \$1,000 a day liquidated damages."

Comm. Bayard asked, "What size is this pipe we are talking about?"

Director Specht replied, "There is about 1,400 feet of 8 inch and 450 feet of six inch. The gasket has metal teeth on it and it cannot be pulled apart."

Chairman Cevalco stated, "This coming Friday will be four weeks and is there a timeline as to when something has to be put into effect before."

Comm. Fozman stated, "You are going to recommend them cutting it in half and capping it and testing that portion?"

Director Lacey advised, "We need to put a valve in and see."

Comm. Flynn advised, "He is going to try to give them until Friday with the valve program and then on Friday if they don't have something then we have to make a decision."

Chairman Cevalco asked, "And how long does he have to make the decision?"

Director Specht advised, "We will tell them right away. Now it is a matter of getting pipe. I would say we are probably good until end of November to get it reinstalled. If we have to rip it out he has until Thanksgiving let's say."

Comm. Curtis asked, "How many houses are in the affected section?"

Director Specht advised, "Probably about six homes. There is only 20 services on this whole length of pipe, but the pipe was in such bad condition the ductile iron we had to replace all 5,000 feet."

Comm. Bayard asked, "Did the engineer make an inspection on all these as they were going? Does he have an inspection report or we don't know?"

Director Specht advised, "There was periodic inspection out there and I'm still trying to get all the reports from them, but I do have a pretty detailed memo from Doug Rohmeyer from CME that was put together on Friday. But that is the update on Knollcrest."

Comm. Curtis asked, "Did he put water on it?"

Director Specht replied, "He pressure tested it with water. We had our leak detection equipment out there. They brought their own leak detection guy out there but you have a number of issues out there. You are dealing with ground water that is two feet below grade. It is very difficult since there are a lot of factors out there and it is difficult to find a leak of this magnitude out there."

Chairman Cevalco asked, "Would it make any sense to put a camera in it and run a camera for the 1,700 feet."

Director Specht replied, "You won't see anything."

Comm. Curtis stated, "You will see the inside of the gasket torn up as you go by it if the gasket was bad."

Comm. Flynn stated, "Part of the problem too is once they get this done there is a lot of additional work too. The services obviously and the milling and then the road paving. There are a lot of things that have to happen after this is resolved."

Chairman Cevasco stated, "I don't think the paving is going to happen this year."

Director Specht advised, "Well let's put it this way- we will put the base down and repair the trench and he will be required to maintain it over the winter. But the overlay I wouldn't want to do the overlay anyway because if we have dug it too much let the thing settle down a little bit."

Comm. Curtis advised he had no further comment.

Comm. Cartine stated, "My wife thanks all the commissioners for the beautiful flowers. She was very pleased when she got home to see them and once again she wanted me to thank you all personally."

Comm. Flynn asked, "Gary can I have an updated organizational chart. And it has the positions you are looking for also? The box is still there or do you eliminate the box when ..."

Director Lacey advised, "It will say vacant."

Comm. Bayard advised, "I would like to change my vote on the approval of the minutes to abstain but nothing else."

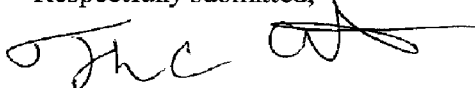
22. CLOSING STATEMENT

Ms. Sylvester advised, "*The next Regular Public Meeting will take place on Monday, November 23, 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, on motion duly made, seconded and a unanimous vote, the meeting adjourned at 8:15 p.m.

Respectfully submitted,



THOMAS C. CURTIS
Asst. Secretary/Treasurer