

Minutes of a Meeting of
The Brick Township Municipal Utilities Authority held on
March 28, 2016

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 5, 2016 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

James Fozman
Joseph D. Grisanti
Gregory Flynn
Thomas C. Curtis
Maria Foster
Susan Lydecker
George Cevasco

Also Present

Stephen T. Specht, PE
Joseph Maggio, PE
Frank Planko, CFO
Gary Vaccaro
Ben Montenegro, Esq.
Chuck Fallon
Chris Theodos
Marie Sylvester

At this point in the meeting, Chairman Cevasco advised, "I know it is a little early in our normal meeting but I would like a resolution to go into closed session to discuss some policy changes with our attorney."

Counselor Montenegro stated, "If we could request a motion for a resolution for executive session at this point in the meeting of The Brick Township Municipal Utilities Authority for the purpose of discussing confidential personnel and/or litigation matters; Whereas Section 8 of the Open Public Meetings Act permits the exclusion of the public in certain circumstances, and Whereas the public body is of the opinion that such circumstances exist. Now therefore be it resolved by The Brick Township Municipal Utilities Authority of the Township of Brick in 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 and that being personnel and pending litigation. It is anticipated at this time that the subject matter will be made public if and when confidentiality is no longer needed and action may be taken. This resolution shall become effective immediately."

Comm. Fozman made a motion to enter exempt session. Seconded by Comm. Curtis

AYES: Commissioners Grisanti, Flynn, Curtis, Fozman, Cevasco

NAYS: None
ABSTAN: None

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

On motion duly made and seconded, and a unanimous vote the commissioners returned to open session at 7:40 p.m.

4... Adoption of Directors' Reports

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

AYES: Comm. Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

5. APPROVAL OF MINUTES

February 22, 2016 Regular and Exempt

Comm. Flynn made a motion to approve the meeting minutes. Seconded by Comm. Grisanti.

AYES: Comm. Grisanti, Flynn, Fozman, Cevalasco
NAYS: None
ABSTAIN: Comm. Curtis

6. CORRESPONDENCE

Comm. Fozman stated, "The Garden Club sent a letter to all the commissioners and it says – 'I see that the water spigot has been installed on Route 70 and Brick Blvd at the Adopt a Spot. On behalf of our members I want to thank you for your help in getting this initiated through the BTMUA. It will certainly be safer for our volunteers to plant and maintain the beds with the spigot available. Many of our volunteers are motivated by opportunities to participate in community enhancement projects and are gratified by the support and cooperation we have received from the Township. We appreciate the efforts of all involved and so I hope you will convey our thanks to our fellow commissioners as well as the staff involved in this work.' That was a nice letter sent out by the Garden Club. They really appreciated it."

Chairman Cevalasco stated, "Thank you Mr. Specht."

7. BILL RESOLUTION

Comm. Flynn read the Bill Resolution dated March 28, 2016 in the total amount of \$3,702,756.09 as follows:

Total Operating Vouchers:	\$	1,746,071.19
Total Payroll:		933,777.85
Total Capital Vouchers:		1,011,387.82

Escrow:		11,519.23
Total Bill Resolution	\$	3,702,756.09

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

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
 NAYS: None
 ABSTAIN: None

8. TREASURER'S REPORT – Commissioner Grisanti

Comm. Grisanti read the Treasurer's Report balances for the month ending February 29, 2016 as follows:

Unrestricted Funds:

Total Revenue Funds:	\$	17,792,267.08
Total General Funds:		3,652,461.83
Total Unrestricted Funds:		21,444,728.91

Restricted Funds:

Rate Projection Maintenance Fund:	3,047,560.62
Working Capital Fund:	462,854.21
NJEIT Processing Fund:	67,709.50
Series 2015A Project Bonds:	5,007,426.08
Total Bond Funds:	9,857,625.66
Total Other Restricted Funds:	1,485,349.67
Total Restricted Funds	19,928,525.74
Total of All Fund Accounts:	41,373,254.65

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

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
 NAYS: None
 ABSTAIN: None

9. DEVELOPER APPLICATIONS - NONE

10. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES - NONE

11. CUSTOMER ACCOUNTS RECONCILIATIONS

Director Planko presented the following customer accounts reconciliations and advised, "We have two credits this evening. They are both sewer credits. With both of them there is no entry into the collections system so as usual there is no financial impact on the Authority. In this case they are both

New Jersey American Water customers and they are both related to leaking pipes under the homes.”

- a. Account 7535200-0, 23 Bay Way, Marianne Dhuyvetter. A Sewer Credit is recommended in the amount of \$ 3443.98 due to a leaking pipe under a Storm Sandy House which is under construction. The quarter in question rose to 419,000 gallons while the average usage is 2,000 gallons. This is a New Jersey American Water Company account.
- b. Account 2418801-0, 203 Buccaneer Way, Seamus Glynn. A Sewer Credit is recommended in the amount of \$ \$2666.06 due to Kiley Construction putting in meter pits and breaking pipes under the house. The quarter in question rose to 326,000 gallons while the average usage is zero gallons. New Jersey American has removed all their water usage and this did not enter the sewer. The repairs have been verified.

Chairman Cevalasco asked, “Being that Kiley broke the pipe are we going to get reimbursed from Kiley?”

Director Planko advised, “Like I said Mr. Chairman it has no financial impact on us at all because the water didn’t enter the collection system.”

Chairman Cevalasco stated, “But we had to produce 326,000 gallons.”

Director Planko advised, “The water side is New Jersey American and none of that entered our system so there is no financial impact.”

Comm. Flynn made a motion to approve the customer accounts reconciliations. Seconded by Comm. Grisanti.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

12. CONTRACT CLOSE-OUTS

13. AUTHORIZATION TO EXPEND APPROVED FUNDS

- a. **Well #11 Discharge Head Replacement**
Amount: \$14,264.00
Vendor: Layne
Funding Source: Capital Account 799008

Director Maggio advised, “We are requesting authorization to expend approved funds for the Well 11 discharge head replacement. The amount is \$14,264.00 and the vendor is Layne and the funding source is capital account 799008. As the Board may recall at a prior meeting we requested authorization to go to bid for this project. While developing the scope of work for what would be entailed in the project, we did reach out to a number of likely vendors. In the course of them reviewing the work and helping us develop the scope of work, we found that the cost was significantly less than

what we anticipated and well below our bid threshold. So we are able to move forward with this project without bidding and use a simpler purchase procedure.”

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

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevasco
NAYS: None
ABSTAIN: None

b. Laboratory Certification

Amount: \$7,384.00

Vendor NJ Department of Treasury

Funding Source: Operating Account 705-1580

Director Magio advised, “This is our laboratory certification license fee. The amount is \$7,384.00 and the vendor is the New Jersey Department of the Treasury. The funding source is operating account 7051580. As the Board knows we do maintain a highly capable State certified environmental laboratory and as part of that certification we do require approval and do require what you call a permit from the DEP and this is the permit fee to operate our lab.”

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

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevasco
NAYS: None
ABSTAIN: None

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

Director Specht advised, “Every year the Authority and my staff put together engineering projects that require input from our consulting engineers and in order to meet our goals in fiscal year 2017 with the funding through the infrastructure trust financing program I am looking for authorization to proceed with the issuance of a number of RFP's that would be item 14a through d. All of this work would be eligible if we submit the appropriate commitment letter by October 2016 to the infrastructure trust fiancé program with plans and specs have to be ready of March 2017. The engineers that we will be sending the RFP's to have been previously approved by the Board under a fair and open process at our February 1st reorganization meeting so I am recommending the following and they will submit the cost to me for my review and if it is acceptable.”

- a. Authorization to Issue a Request for Proposal to Maser Consulting, P.A. for Professional Engineering Services for the Design, Permitting, NJEIFP Application, Bidding, Construction Administration/Management and Inspection for Undersized Water Main Replacement in Cedarwood Park West and Cedarwood Park East -

Director Specht advised, “We have approximately 11,000 lineal feet of undersized water mains in these two sections of town ranging from 2” to 4” and we need to get them up to the minimum standard of six inch. I would recommend we issue the RFP to Maser on that one. The total for Cedar Park east and west is approximately 20,000 lineal feet of pipe, or almost four miles of main.”

Comm. Curtis asked, "For all of them, it's going to be for all of them... on the inspections is the wording going to be changed since..."

Director Specht replied, "It will be full time inspection."

- b. Authorization to Issue a Request for Proposal to DW Smith Associates, LLC- Greengineering for Professional Engineering Services for the Design, Permitting, NJEIFP Application, Bidding, Construction Administration/Management and Inspection for Undersized Water Main Replacement in Breton Woods

Director Specht advised, "The second one is for an RFP to be issued to DW Smith for the same services as I indicated before for the undersized water replacement in Breton Woods. Breton Woods is approximately 9,000 feet of main that needs to be upgraded so I'm looking to issue an RFP to DW Smith on that one."

- c. Authorization to Issue a Request for Proposal to Suburban Consulting Engineers for Professional Engineering Services for the Design, Permitting, NJEIFP Application, Bidding, Construction Administration/Management and Inspection for Fire Hydrant Replacement in Baywood

Director Specht advised, "The third one is an issuance of an RFP to Suburban Consulting Engineers for fire hydrant replacement in the Baywood Section. We have approximately 100 fire hydrants that we can no longer get parts for that are approaching 40 plus years old. And it's time to replace them. Suburban is in the process now of performing some condition assessment in the same area so it will be good fit for this project also."

- d. Authorization to Issue a Request for Proposal to CME Associates for Professional Engineering Services for the Design, Permitting, NJEIFP Application, Bidding, Construction Administration/Management and Inspection for the Rehabilitation/Upgrades of Nine (9) Wastewater Pump Stations

Director Specht advised, "The last one is an RFP to CME Associates for the upgrading and rehabilitation of nine wastewater pump stations. As the Board is aware we are wrapping up our Super Storm Sandy work and we are set to move ahead with the the next nine pump stations that require upgrades. These pump stations were built vintage 1975 so they are 40 plus years old so I would like to recommend we send those RFP's out."

Comm. Flynn stated, "I assume that all of them know they have to have it back to us in sufficient time for us to get it to the funding?"

Director Specht replied, "That is correct. I anticipate getting the RFQP's out probably in April/May. I have preliminary drafts put together and I have to review them with the staff one last time and then I would look to award some time at the June Board meeting if everything is acceptable and then..."

Comm. Flynn asked, "Can you designate the date that they must be back in the RFP?"

Director Specht replied, "Oh I will designate the date they must be back by and I will also designate the letter of commitment when those letters have to be in and what not so that will all be spelled out in the RFP."

Chairman Cevalasco stated, "Because that all has to be put together when we submit it to the NJEIT so it is in the RFP."

Comm. Grisanti asked, "Question for Mr. Specht as part of my learning curve, how do you make the decision which one of the engineers to send a certain project to?"

Director Specht advised, "I put a memo together and I discussed it with the Chairman. Based on the feedback I received from that and I put a memo in my report that details each one and again we have the opportunity to select anyone on the list and we do have..."

Comm. Grisanti asked, "I was just wondering what criteria you use to choose Maser over CME? Is it the size of the project?"

Director Specht replied, "All the consultants that we have are very similar in capabilities so I wouldn't have a problem issuing an RFP to any of them."

Comm. Grisanti stated, "I'm not saying you have a problem with it, I'm just saying I just wondered what the criteria was to say this project goes to CME, this project goes to Maser."

Comm. Flynn asked, "You have worked with all of these guys right?"

Comm. Grisanti stated, "I know they are all highly qualified I'm not questioning that. I am just saying..."

Director Specht advised, "The only one I have not worked with is DW Smith."

Comm. Flynn asked, "We have ten right?"

Director Specht advised, "We have seven. PS&S, ARH we also have Boswell this year. So those are the 7."

Comm. Flynn asked, "Do you try to rotate them out a little bit so they all kind of get something?"

Comm. Grisanti stated, "Well that is really my question. Is it a fairness thing that this company had so much so we are trying to even it out - that is my question."

Director Specht advised, "Yew we will rotate and each one of these went to separate consulting engineers and when another project comes out... I mean we get them all year. I will have more coming out probably towards the middle of this year. And I would recommend we probably send it to another consultant based on what the project is."

Comm. Grisanti stated, "They are all highly qualified or else we wouldn't have chosen them as our alternate engineers so that is not my question."

Chairman Cevalasco stated, "I think when you and I met we just went down the list."

Director Specht advised, "So those are the four proposals I would like to issue."

Comm. Fozman made a motion to approve actions a through d. Seconded by Comm. Flynn.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

- e. Authorization to Advertise for the Purchase of a 2016 or newer Tandem Dump Truck; Capital Project No. 814002 – Replace Vehicle 514 – GMC Tandem Dump Truck

Director Specht advised, "I would like to move forward with authorization to advertise for the purchase of a 2016 or newer tandem dump truck. This will replace our vehicle 514 the GMC tandem dump. We have had this vehicle for a number of years now. I think it is approaching ten plus years and it is time to move ahead with replacement of this vehicle. I would recommend we move ahead. We have approximately \$198,000 budgeted and looking at my report it's a 1993 that we are replacing so it is over 15 year old now."

Comm. Flynn asked, "Are you getting rid of any trucks or just adding?"

Director Specht replied, "We will bid this as a trade-in in the event that we get a good price it will give us the option or if the trade in is not good we can go to gov.deals or we can offer it up to other agencies in town."

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

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

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

16. ADOPTION OF PERSONNEL ACTIONS

Comm. Curtis asked, "We are losing laborers. Is it because it is the job or they are going someplace else?"

Director Specht advised, "They are getting better opportunities. One gentleman was going to become a corrections officer, another gentleman that we just lost went to work for a heavy highway contractor. They are looking towards those opportunities."

Comm. Curtis stated, "We have to fix that."

Chairman Cevalasco replied, "We are trying."

Comm. Fozman made a motion to approve the personnel items. Seconded by Comm. Flynn.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco

NAYS: None

ABSTAIN: None

17. OLD BUSINESS

18. NEW BUSINESS

18.1 No Recording Policy – Exempt Session

Discussed in exempt session

19. RESOLUTIONS

27-16 2016/2017 Adopted Budget Resolution - WATER
Fiscal Year: From April 1, 2016 to March 31, 2017

Director Planko stated, "The first two resolutions we have tonight 27 and 28 are for the adoption of our upcoming 206/2017 budget. Both these resolutions are identical to the resolutions that we passed in January for the approval of the budget. I did send out budget books to the entire Board last week discussing the details. As you recall when I spoke about it in January we have a \$35.1 balanced budget. We have a \$14.2 million construction budget. Again this is the fourth consecutive year without a rate increase. The DLGS (Division of Local Government Services) has already approved our budget, as a matter of fact Marie just gave me the package this evening. I spoke to them last week so we are ready to move forward with the adoption tonight. I will forward these documents on to the DLGS tomorrow and we will be prepared to move forward with our new 2016/2017 budget on Friday April 1st which starts our new fiscal year."

Comm. Fozman made a motion to adopt Resolution No. 27-16. Seconded by Comm. Grisanti.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco

NAYS: None

ABSTAIN: None

28-16 2016/2017 Adopted Budget Resolution - SEWER
Fiscal Year: From April 1, 2016 to March 31, 2017

Comm. Fozman made a motion to adopt Resolution No. 28-16. Seconded by Comm. Grisanti.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco

NAYS: None

ABSTAIN: None

- 29-16 A Resolution Authorizing Change Order No. 1/Final Quantity Change Order for a Contract Decrease of \$3,857.12 with Elite Quality Maintenance LLC for the Roofing Systems at the Administration Building, the Operations Building and the Maintenance Garage; Contract No. 915005

Director Specht advised, "29-16 is a resolution authorizing Change Order No. 1/Final Quantity Change Order for a Contract Decrease of \$3,857.12 with Elite Quality Maintenance LLC for the Roofing Systems at the Administration Building, the Operations Building and the Maintenance Garage. This will close out this contract and I will come back to the board next month with the final close out. So I recommend approval."

Comm. Curtis made a motion to adopt Resolution No. 29-16. Seconded by Comm. Flynn

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalco
NAYS: None
ABSTAIN: None

- 30-16 A Resolution Authorizing Change Order No. 1 for No Change in the Contract Amount with Pillari Brothers Construction Corp. for the Waterman Replacement on Knoll Crest Avenue; Contract No. 713001

Director Specht advised, "30-16 is a Resolution authorizing Change Order No. 1 for No Change in the Contract Amount with Pillari Brothers Construction Corp. for the water main Replacement on Knollcrest. There were a number of changes that were made on Knollcrest Avenue with regard to the water main installation. There was seven items which I have detailed in my monthly report. Again this is no change in contract price. We will use the \$25,000 allowance as well as unspecified work that we are not utilizing out in the field to balance this out and I would recommend approval."

Comm. Flynn made a motion to adopt Resolution No. 30-16. Seconded by Comm. Curtis

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalco
NAYS: None
ABSTAIN: None

Chairman Cevalco stated, "This is a side note. If there are any calls from anyone down in the Knollcrest area as to why the sand bags were removed from the bulkhead the reason is to allow the dewatering pumps to flow out into the street and into the bay."

Director Specht advised "The work has since been completed and the sandbags have been reinstalled per the Township."

- 31-16 A Resolution Authorizing Task Order No. 1 for a Contract Increase of \$50,460.00 with Maser Consulting P.A. for the Professional Engineering Services Including the Design, Bidding/Award, Construction Administration/Management and Observation and Miscellaneous Reimbursable Expenses Associated with Watermain Replacement on

Dickinson Road, a portion of Central Boulevard and a Portion of Whitman Street in Greenbriar 1; Project No. 716006

Director Specht advised, "This is for Task Order No. 1 for a Contract Increase of \$50,460.00 with Maser Consulting P.A. for the Professional Engineering Services including the Design, Bidding/Award, Construction Administration/Management and Observation and Miscellaneous Reimbursable Expenses Associated with Watermain Replacement on Dickinson Road, a portion of Central Boulevard and a Portion of Whitman Street in Greenbriar 1 under new capital project no. 716006. Back at the January meeting the Board authorized me to proceed with an RFP to Maser. They are the consultant that we used for the sewer main redesign and replacement out on Dickinson Road and it would behoove us at this time to replace the existing ACP water main also. So this will wrap up the engineering and associated construction effort on this. Once the design is done we will have to advertise this project and go out to bid and I would recommend approval."

Comm. Flynn asked, "Will there be inspections on that?"

Director Specht advised, "Yes it is shown under construction observation."

Comm. Flynn asked, "What is the status of the sewer right now?"

Director Specht replied, "He was supposed to mobilize equipment today. Manholes are out on site and I would think it will probably start this week. He has to obviously put the bypass pumping in first and then he will start removing the replacement sewer. I think he will be in full construction mode by sometime next week."

Comm. Flynn made a motion to adopt Resolution No. 31-16. Seconded by Comm. Curtis.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

32-16 A Resolution Renewing the Delta Dental Agreement presented by IMAC Insurance and Consulting

Director Planko advised, "Resolution No.32-16 is for the renewal of the Authority's coverage with Delta Dental that will be expiring on Thursday March 31st. I believe Marie put a copy of my memo to all the commissioners on this review. We were able to secure a two year agreement with Delta Dental. Usually when I reach out to these companies I try to get a two year deal because it helps stabilize our costs in the budget over a two year period. This particular increase was 8%. One of the key reasons we did see an 8% increase this year was because of the high payout ratio we had. Our payout ratio this year was 97% which means 97% of what we paid out in premiums were also paid out in claims so we had a very high payout ratio this year. I was pretty satisfied with the rate that we did get. We also looked at some competitive pricing. With some we didn't get any quotes back and with some we got a higher quote. The closest one was Horizon. Both IMAC, myself and the human resources supervisor prefer to stay with Delta because of the quality of service we have had over the years and they have a much more expanded list of participating dentists for the employees to use. Also with Horizon the price they gave us I was able to use that as a bargaining chip to get a better rate from Delta

by \$15,000. That is one of the reasons I like to get competitive pricing because it helps you bargain against the other competitors. Passage of this resolution would bring us for coverage through March 31, 2018. If we pass this resolution it will go into effect on April 1st."

Comm. Curtis asked, "We are signing for an 8% increase?"

Director Planko replied, "Yes it will be an 8% increase but then it will be stable for 24 months."

Comm. Curtis continued, "But then if the usage goes down we don't get reimbursed for the 8%?"

Director Planko replied, "The loss ratio? If the loss ratio goes down we will take that into consideration next time we renew."

Comm. Fozman made a motion to adopt Resolution No. 32-16. Seconded by Comm. Grisanti.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

33-16 A Resolution Authorizing Award of a Contract for the Fleet and Equipment Storage Building Exterior Concrete Work to J&N Mason Contractors L.L.C. for \$39,788.00; Capital Project No. 604001

Director Specht advised, "This is for a contract for the Fleet and Equipment Storage Building Exterior Concrete Work to J&N Mason Contractors L.L.C. for \$39,788.00; Capital Project No. 604001. Dan Reilley solicited six vendors and we received three quotes back. J&N Contractors were the low bidder at \$39,788.00. Jamali who is the contractor on the project right now had a price of \$45,000 and A Team Concrete had a price of \$74,000 so I would recommend award so we can move ahead with the next phase of the construction on the building."

Comm. Fozman made a motion to adopt Resolution No. 33-16. Seconded by Comm. Curtis.

AYES: Commissioner Grisanti, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: Comm. Flynn

34-16 A Resolution for the Award of Bid for Road Patch Materials

Director Vaccaro advised, "This resolution is for the award of a bid for road patch materials. The bid was advertised on February 16th and we had a public opening on March 1st. 7 items were included in the bid. There were seven bidders and we are seeking approval to award the six lowest bidders. The term of the contract is from April 1, 2016 to March 31st 2017 so we are seeking approval on this resolution."

Comm. Flynn made a motion to adopt Resolution No. 34-16. Seconded by Comm. Curtis.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

35-16 A Resolution Authorizing Task Order No. 2 for a Not-To-Exceed Contract Increase Of \$8,800.00 with CME Associates for Additional the Professional Engineering Services for Construction Administration/Management and Observation with Water main Replacement on Knoll Crest Avenue; Project No. 713001

Director Specht advised, "35-16 is Task Order No. 2 for a Not-To-Exceed Contract Increase of \$8,800.00 with CME Associates for additional professional engineering services for construction administration/management and observation with water main replacement on Knoll Crest Avenue. I would recommend approval."

Comm. Grisanti made a motion to adopt Resolution No. 35-16. Seconded by Comm. Fozman.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

36-16 A Resolution for the Purchase of a 2016 Ford F450 Mason Dump Truck from Beyer Ford, LLC, 170 Ridge dale Avenue, Morristown, NJ 07960 for \$47,880.00 under NJ State Contract No. T-2102/A88214; Capital Project No. 816001

Director Specht advised, "36-16 is for the purchase of 2016 Ford F450 Mason Dump Truck from Beyer Ford, LLC out in Morristown, New Jersey for \$47,880 under State Contract No. T-2102/A88214. Funding is available under Capital Project No. 816001. The reason we are moving ahead with this at this time is the State Contract expires April 1st and we'd like to make this purchase. I recommend approval."

Comm. Curtis made a motion to adopt Resolution No. 36-16. Seconded by Comm. Flynn.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco
NAYS: None
ABSTAIN: None

37-16 Authorizing Task Order Change #1 to Agreement with Maser Consulting P.A. to Evaluate the Authority's Corrosion Control Efforts in the Amount of \$74,998 for Laboratory Analysis of Corrosion Control by Virginia Tech University

Director Maggio advised, "This resolution authorizes Task Order Change #1 to our Agreement with Maser Consulting P.A. to Evaluate the Authority's Corrosion Control Efforts in the Amount of \$74,998 for Laboratory Analysis of Corrosion Control by Virginia Tech University. This will be a continuation of the laboratory work that Professor Edwards is doing for us at Virginia Tech that has identified Zinc Orthophosphate as a very effective corrosion inhibitor for our specific water chemistry. We will continue that work to basically insure that Zinc Orthophosphate will continue working for the Authority going into the future. The quality of the Metedeconk River with respect to chloride which is causing our corrosion issues continues to deteriorate. 2015 was our highest annual average for Chloride.

I hope I am wrong but we have no expectation that Chloride will not continue to rise so he will be evaluating Zinc Orthophosphate using some testing scenarios with our projected chloride levels in ten years. In addition to that before settling on Zinc Orthophosphate as an effective chemical we have also done some interim chemical changes during 2015 including changing our coagulant to ACH to Alum and significantly increasing our alkalinity. He is also going to be evaluating whether those chemical changes are actually helping Zinc Orthophosphate with its effectiveness in controlling our corrosion or hindering it or has no benefit what so ever. That would offer us the opportunity of possibly undoing those changes and going back to ACH and to a lower alkalinity, but we would not do that without it being proven in the laboratory that it is a wise decision. It could very well be hindering. We haven't nailed down why Zinc Orthophosphate specifically is working for our water. We just know it's working."

Comm. Flynn asked, "No change until it is 100% satisfied that the chemical process..."

Director Maggio replied, "Absolutely not and we may find that its inconsequential and we wouldn't change as it is."

Comm. Flynn resumed, "My only concern was that one of your statements was cost savings and like I said before that should not be the issue at this time. It should not be part of the equation. We need to satisfy what we need to do with the water..."

Director Maggio advised "That is not what is driving this at all. That is why we are going through this effort. We actually saw when we converted from Alum to ACH going back to 2011 we actually saw some minor water quality benefits such as reduce sludge production things like that. There is a balance that needs to be struck. Cost is of course a benefit if you can save some money, but it is not a driving force."

Comm. Flynn asked, "Are they going to be doing all the scenarios?"

Director Maggio replied, "I believe there is going to be five of them that they will be testing. One of them will be higher chloride and our projected chloride in ten years. One of them will be the effectiveness with just lower alkalinity. Right now we operate at an extreme high alkalinity. Another test will be at a higher chloride to sulfate ratio which would mean that we reduce our sulfate and we get sulfate from Alum. These are all the scenarios that would be tested. And this testing is expected to take quite a while We will be working with Maser and Dr. Edwards on this for a good six months to a year depending on how quickly it goes."

Comm. Flynn stated, "That is a year contract you are proposing right?"

Director Maggio replied, "As much as a year yeah, but I think that the Board knows the credentials of Dr. Edwards and his impeccable background in this field. I can assure you he is not going to make any recommendation to us that he is not comfortable with."

Comm. Flynn stated, "Based on your testing you are obviously making progress."

Director Maggio replied, "In the first six months of 2016 we needed to collect 60 lead samples at homes built between 1982 and 1987 which I think as everyone knows is the time period when lead based solder was used. We collected and analyzed 15 of those 60 samples and all of them were samples

from homes that were tested in 2014 when we failed our corrosion control. I would say 90 plus removal is the norm in all the samples. We are well below the 15 part per billion action level on all 15 samples. If you go back to the 2014 data more than several of those homes has readings in excess of 100."

Comm. Flynn asked, "Have you done anything further with the one via News 12 that was 38?"

Director Maggio replied, "Not yet. We are going to be reaching out to that homeowner. If you saw the news 12 report there is some surprisingly good accuracy to the reporting, but also some frustratingly bad information that they presented. The good information they presented is that yes this is caused by the plumbing in people's homes. This is not lead coming into their homes from the water that is delivered by Brick MUA or any of the other towns that they were talking about. First of all I have a lot of questions about the results that they were talking about from that one home that was 38 particularly seeing the tests that we are seeing. But assuming that information is true that is based on a sample of water that was specifically allowed to sit in the pipes undisturbed for six hours or more so you are actually analyzing the amount of lead that enters that water over that six hours from the plumbing and the solder in that specific home. I think the reporter, and I realize this was meant to sensationalize the study would present this data to the however as if all of the water that was coming out of their home had 38 ppb which is completely false. We will track down these people's addresses. We did ask News 12 to give us the addresses of the homes they sampled in Brick and they have not responded to us."

Comm. Flynn asked, "And he hasn't contacted you?"

Director Maggio replied, "They contacted us before the show and they didn't tell us any details other than two homes had what they considered, not high levels..."

Comm. Flynn asked, "No I meant that individual in Sailor's Quay I think."

Director Maggio advised, "No they have not contacted us but what we will do is what we have done for all the customers that ask us for lead samples over the last year we will collect a flush sample of their water to show us that if they flush their water after it has been sitting for extended period of time for as little as a minute that their results will drop in most cases to non-detectable. We will reach out them to let them know that is an easy solution. Some of the people in that news report you would have thought they were drinking poison water."

Comm. Flynn asked, "You are going to reach out to that individual?"

Director Maggio replied, "That individual and the other person that they specifically talked about. Those are the only two names that we have from Brick. We will reach out and do this testing for these people because that is a more accurate representation of what their situation is. Their plumbing is causing the problem with the water, but there is actually a very easy fix and we have done this at over 250 homes in Brick over the last year and...."

Comm. Flynn stated, "Obviously the information that you have put out there prior is why it isn't blowing up because these people have received the information and they have a sense of what is going on."

Director Maggio replied, "Absolutely. We fielded hundreds of calls in November 2014, since then every once in a while if something is on the news you get a little blip but nothing of that magnitude."

Comm. Flynn asked, "In light of all this publicity that is going on with this is there any talk about the road salting and that being a factor in the chemical change?"

Director Maggio replied, "Some of the news reports, Asbury Park Press just had an article a few weeks ago and they did give out some very good information. They did mention that based on some of the quotes they attributed that we are seeing this and that a large cause of the chloride increase is road salting. We have always reached out to watershed towns just as part of our watershed protection course of business to collect data and information about roads salting that different DPW's do, but over the last month we have had a specific outreach effort to Brick and Howell to meet with them to start to gather information about their road salting operations and educate them about road salt and the impact it is having on our water with the hopes that they will reduce road salt. One of the real pleasantly surprising bits of information we found is that talking to Glenn Campbell and Joanne Bergin, Brick is very progressive in the technologies used in the road salting process. I think Glenn Campbell said they have seen in excess of a 50% reduction in the use of road salt per event. If you have more snowstorms you have to use more, but per event because they have installed a lot of state of the art equipment on their trucks and they have been very diligent in making sure they manage their road salting. Not only does that help with the water but it also helps the Township of Brick because it costs less because you are using a lot less salt. I can say I was pleasantly surprised that Brick is so progressive. Howell we are not so much but we would like to convey the information that Brick gave us to them. You are saving money."

Comm. Flynn asked, "Would it behoove us to go to some of these town's up stream and ..."

Director Maggio advised, "That is exactly what we are doing. We have done two so far – Brick and Howell. We will be going to Lakewood and Jackson, etc. We are in the process of doing that. There is good technology that they can use and it pays for itself in a very short amount of time. That is what Brick told us."

Comm. Flynn asked, "And Virginia Tech supports that?"

Director Maggio advised, "Virginia Tech, Mark Edwards in particular, well before we had issues he has been what I will say is beating the drum in the industry trying to get the EPA to recognize that road salting and chlorides in source water particularly in the northeast have been increasing dramatically. It is not just us. We are probably what you could call the canary in the coal mine. We are the first people seeing the impact of this. He is surprised that there are not a lot of other utilities having the same difficulties we are having. Not being in the industry he is surprised that it isn't more pervasive and widespread."

Comm. Flynn stated, "I am hoping now that it has come out in the public that they will start to..."

Director Maggio replied, "The news is definitely starting to pick up on this. The Asbury Park Press the really did have a good article. It was accurate. They didn't take the statements that I made out of context as has happened in the past. I think there was some pretty accurate reporting. News 12 it was

hit or miss. There were some things I disagree with and some information they gave that I thought was accurate.”

Comm. Fozman made a motion to adopt Resolution No. 37-16. Seconded by Comm. Flynn.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevasco
NAYS: None
ABSTAIN: None

38-16 Authorizing the Execution of an Amendment to our Lease Agreement
with Crown Castle for the Cellular Installation at the Reservoir.

Director Maggio advised, “This resolution authorizes the execution of an amendment to our lease agreement with Crowne Castle for the cellular installation at the Reservoir. Crowne has requested approval for two modifications to the Reservoir cell tower installation. Our cellular contract with them gives us the opportunity when they do request to expand the facilities at the Reservoir site that we can renegotiate our rent with them. We took this opportunity to do just that and this amendment will increase the rent we will receive by \$17,500.00 to \$47,500. This is over a 50% increase in the rent at that site. In addition we have also taken the opportunity to add a couple of additional provisions which would be that they would reimburse us for our engineering fees for any future review submittals that they do give to us. We will be able to hire the Authority’s engineer at that time. Currently we are using Maser to make sure that there is no risk involved to the Authority with what is being proposed. In addition to that we have also added a provision for enhanced security notification protocols. So this is a very beneficial amendment for the Authority. We really came out on top with this one with the things that Crowne Castle is conceding to us.”

Comm. Grisanti asked, “Do we know if that price was competitive? I think Verizon is going on the tower?”

Director Maggio advised, “Verizon is going on. They are new. They are adding a generator for AT&T. As far as competitive for the entire cell tower. I am not a cellular expert, but knowing how many installations they have, the total lease amount we are receiving from them on a yearly basis is not competitive but from the point we were starting from I think we did very well.”

Comm. Grisanti asked, “How long has that lease been in place?”

Director Maggio replied, “Since 2001 and it started off the initial rent was \$10,000 or \$15,000 a year well below market. This is our first crack at increasing the rent. These negotiations have been going on for about two years. They tried to get us to give up a lot of our rights including our right to review and approve future installation which we said was a deal killer and eventually they relented. They tried to extend the lease for ten future 5 year extensions which would extend it 50 years without our ability to not extend it. We said that is a deal killer and they finally relented on that. We were very firm in our position and they finally backed down.”

Comm. Grisanti asked, “When is that lease up?”

Director Maggio advised, “It is a 30 year lease and it is up in 1031 and at that time I probably won’t be here, but if I were we would definitely be fighting for market rate.”

Ben Montenegro stated, "From my recollection of the history of it part of why is why we started so far behind way back when is they actually did the construction of the tower, their predecessor Atlantic Coast Communications. It wasn't a situation where it was our tower and we were just plucking the rents as they came along. It was a license agreement."

Comm. Grisanti stated, "We did the same thing in Jackson at that time because it was cutting edge, no one really knew it, now forget it they'd be paying a lot more."

Director Maggio added, "If they come up with any significant modifications, Verizon was a big deal they were actually adding a new carrier. If they came up with something like that we will be back to negotiating. I would say a market rate given what we get for towers installation on our water towers where we lease directly to the provider, they are probably generating \$150,000 to \$200,000 a year in revenue so I think we can fight them for future requests."

Comm. Fozman made a motion to adopt Resolution No. 38-16. Seconded by Comm. Curtis.

AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevasco
NAYS: None
ABSTAIN: None

20. PUBLIC DISCUSSION

There were no members of the public present to make comment.

21. COMMENTS FROM COMMISSIONERS, PROFESSIONALS & STAFF

Director Vaccaro advised, "Just to give the Board a head's up, our second annual bid for electrical work we advertised it early this month and we had the bid opening on Marrecb 17th so I will be discussing results with the construction committee and moving ahead with awarding the bid at the April Meeting."

Chris Theodos stated, "I have no new report this evening Mr. Chairman."

Director Planko stated, "For next month we will probably have a surplus declaration listing for some items. I think we have a couple of vehicles and some computer equipment."

Chuck Fallon stated, "On Wednesday, March 30th the Authority is closing on the \$14.5 million bonds and then on the next day they will pay off the old bonds. You got a pretty good rate. I think it is 74 basis points."

Director Maggio stated, "I just have a couple of things. I will try to be brief. First one is our meter replacement program. We are about 5 weeks into it and we are well ahead of the pace that I initially expected us to be at which is very good news. We are on pace to replace as many as 4,000 meters this year. We were initially thinking for the first year we would probably get 2,500 done so the people in the Meter Department are really doing a great job. They are almost doing about 15-20 a day."

That is a real good pace. They are working really hard. That is going really well. On the disinfection system relocation project. We did receive notification from DEP that our EIT funding application has been submitted and is complete so that is in process. On the watershed front, as you know Commissioner Fozman was very active in this. We had a contest with the Brick Schools last year to come up with a slogan and mascot for the watershed and this year we are going to continue with that program to have another contest, but we are going to add to the high school a contest for a public service announcement. We will ask the high school kids to possibly produce a very short video that will education on the watershed, maybe talk about pollution in the watershed something public service oriented. We will be working with the schools to continue with that contest.”

Comm. Fozman asked, “Are we going to do St. Dominick’s and different church private schools or we are just going to do the public schools?”

Director Maggio replied, “We haven’t actually talked about doing private schools.”

Comm. Fozman stated, “Maybe for the future.

Director Maggio stated, “Yes this year we will stick with the Board of Ed because we have a relationship with them and it worked out very well last year as you know. So we will continue with that. That was great and I know the Town Council had presentations at their meetings for the awards. It was very nice and we had our own presentation here. It really worked out nice. The kids were very cute and they did a great job.”

Director Specht replied, “Just a few things. I promise to be short. Comm. Lydecker and I are both on sustainable Brick. I just want to remind the Board that the 6th Annual Green Fair is April 16th from 10:00 to 2:00 p.m. at Brick Township High School. We will have a both there, the utility authority and we are one of the major sponsors of the Green Fair. The Authority has received for those new commissioner a WAVE Award. We are members of the Association of Environmental Authorities. This is a forward thinking award that has to do with our in house storm water protection program where we converted a lot of our areas not only on this campus but up at the Reservoir into rain gardens. So we are able to get that water back into the ground. So I would have commend my Reservoir staff and my Grounds staff for getting this award for us. This will wind up going up front with the other WAVE awards. A couple of things. We did receive our three generators that are being funded through the hazard mitigation funding through FEMA with regards to Super Storm sandy. We have had training on them so that project will be closed out. We also received final approval for the Jeannette Drive Sewer Main Replacement on the barrier island. We were going to initially repair it, but we ended up going with a shared services agreement with the Township. We are going to get reimbursed from FEMA for \$65,000 for that. Lastly, we will be looking to proceed with project close out for the repair of the concrete contraction joint in the access chamber at the Reservoir. So that will be up next week. I performed an inspection myself, Dan Reilley and French & Parello. We went down into the lower level, the bowels of the Reservoir and did our final inspection last Tuesday so we are going to look to close that out.”

Comm. Flynn asked, “On the DeMaio court hearing - when is that the 31st?”

Counselor Montenegro stated, “Yes we are scheduled for 9:00 a.m. on the 31st.”

Comm. Flynn asked, “And everything remains the same, has anything changed?”

Counselor Montenegro replied, "Same status. No order has been issued stopping the project in any way shape or form. The 31st is the date of the return date of their show cause."

Comm. Flynn asked, "Is Thomas still on hold? We haven't told them to go ahead?"

Director Specht replied, "We have still not received the final contract yet. CME is working on that right Joe (Maggio)."

Director Maggio replied, "Right. CME had some minor insurance issues that needed to be resolved. Those have not been resolved yet. We did have the preconstruction meeting. I think you were there for that. We have not issued formal notice to proceed so no billable work has begun yet."

Comm. Flynn asked Director Specht, "You are going to go to the hearing?"

Director Specht advised, "I wasn't planning on it. I thought we were going to stay in the background and let counsel handle it."

Counselor Montenegro stated, "It's not required, but if you want a presence there."

Comm. Flynn stated, "I think Steve should be there because he knows it better than anybody."

Ms. Sylvester had nothing additional to report.

Comm. Foster stated, "Nothing at this time. Thank you."

Comm. Grisannti, "Nothing other than have a great night and beginning of spring."

Comm. Fozman had nothing additional to report.

Comm. Lydecker had nothing additional to report.

Comm. Curtis stated he had nothing additional to report.

Comm. Flynn stated he had nothing additional to report.

Chairman Cevalco stated, "I only have one comment and I already told Mr. Maggio. We are not the only ones with water problems. New Hampshire has a problem with PFOA's which is a product used in Teflon and plastics and Vermont has the same problem. I learned that over the weekend reading the newspapers up there. We tracked it over to the Lakewood Industrial Park and then turned it over to the state. With that I would like a motion to adjourn."

22. CLOSING STATEMENT

Ms. Sylvester advised, "*The next Regular Public Meeting will take place on Monday, April 25 2016 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

Comm. Fozman made a motion to adjourn. Seconded by Comm. Flynn.

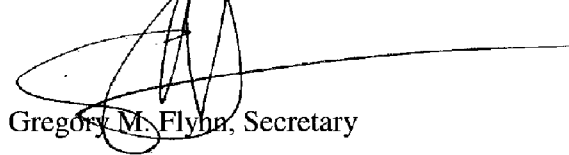
AYES: Commissioner Grisanti, Flynn, Curtis, Fozman, Cevalasco

NAYS: None

ABSTAIN: None

On motion duly made and seconded and unanimous vote the meeting adjourned at 8:53 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Gregory M. Flynn', is written over the printed name. The signature is stylized with a large, sweeping loop that extends to the right.

Gregory M. Flynn, Secretary

GMF/mas