

**The Brick Twp. Municipal Utilities Authority
Minutes of a PUBLIC MEETING Held on July 27, 2017**

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 6, 2017, 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

Commissioners Present

Gregory M. Flynn
Thomas C. Curtis
Susan Lydecker
Maria Foster
William Neafsey

Absent

James Fozman

Also Present

Chris A. Theodos, Executive Director
Stephen T. Specht, Dir. Engineering/Operations
Joseph Maggio, Dir. Water Quality
John Clifford, CFO
Gary Vaccaro, Dir. Compliance/Technology
Marie Sylvester, Executive Supervisor
Nick Montenegro, MUA General Counsel
Chuck Fallon, MUA Auditor
Sue Brasefield, MUA Engineer

Ms. Sylvester advised that in Commissioner Fozman's absence, Commissioner Neafsey will be voting this evening.

4. Adoption of Directors' Reports

Comm. Lydecker made a motion to adopt the Directors reports. Seconded by Comm. Curtis

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

Comm. Lydecker stated that she would like to see details of the contract change orders. Director Specht advised that he provides the change order document in the back of his report but he can detail it in the narrative of his report.

5. APPROVAL OF MINUTES

June 29, 2017 Regular and Exempt

Comm. Lydecker made a motion to adopt the minutes as presented. Seconded by Comm. Foster

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

6. CORRESPONDENCE - None

7. APPROVAL OF BILL RESOLUTION – *Commissioner Curtis*

Comm. Curtis read the Bill Resolution dated June 27, 2017 in the total amount of \$3,728,622.99 as follows:

Total Operating Vouchers:	\$	2,156,148.33
Total Payroll:		1,222,153.17
Total Capital Vouchers:		350,321.49
Escrow:		- 0 -
Total Bill Resolution	\$	3,728,622.99

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

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

8. TREASURER'S REPORT – *Commissioner Lydecker*

Comm. Lydecker read the Treasurer's Report balances for the month ending June 30, 2017 as follows:

Unrestricted Funds:

Total Revenue Funds:	\$	7,238,711.87
Total General Funds:		14,503,217.62
Total Unrestricted Funds:		21,741,929.49

Restricted Funds:

Rate Projection Maintenance Fund:		2,854,576.08
Working Capital Fund:		730832.29
NJEIT Processing Fund:		717,927.50
Construction Fund:		6,407,068.74
Total Bond Funds:		8,074,169.77
Total Other Restricted Funds:		1,364,139.75
Total Restricted Funds		20,148,714.13
Total of All Fund Accounts:		41,890,643.62

Comm. Neafsey made a motion to approve the Treasurer's Report. Seconded by Comm. Foster

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

9. DEVELOPER APPLICATIONS

10.1 Preliminary Applications - No Further Action Required - None

10.2 Other Applications

2195 Mr. Max Ferentinos, VP, Artis Senior Living, LLC, Artis Senior Living Memory Care Facility, Jack Martin Blvd., Preliminary, 1 Commercial Unit

Director Specht advised that this is a 3900 square foot memory care facility proposed for 458 Jack Martin Blvd where the applicant will be tying into an existing 8" PVC sanitary sewer line that runs through a JCP&L easement adjacent to the property. In addition a water main will be extended into the property from our 12" water main on Jack Martin Blvd. A six inch fire protection line will be installed as well as a three inch domestic water service.

Comm. Foster made a motion to approve this action. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

10.3 Release of Bonds - None

10. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES - NONE

11. CUSTOMER ACCOUNTS RECONCILIATIONS

Director Clifford presented the following Customer Accounts reconciliations for the Board's review.

One Time Credit

Account 23010417-0, 58 Kathy Ct., Patricia Napier. A One Time credit is recommended in the amount of \$1170.45 due to a leaky toilet. The quarter in question rose to 164,000 gallons while average usage is 2,000 gallons. This is a single family home and no other credits have been issued. All repairs have been made and verified there are no other leaks.

Comm. Neafsey made a motion to approve this action. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

Sewer Credit

Account 3440005-0, 71 Nejecho Dr., Matthew Perez. A Sewer credit is recommended in the amount of \$1,497.06 due to a broken pipe. The quarter in question rose to 188,000 gallons while the average use is 2,000 gallons. This is a single family home and all repairs have been made and there are no other leaks.

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

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

Sewer Credit

Account 10218401-0, 866 Sterling Ave. Justin Laczynski. A Sewer credit is recommended in the amount of \$1,429.70 due to a cracked meter. The quarter in question rose to 215,000 gallons while the average use is 45,000 gallons. There was a Sewer credit given in 2016 also for a cracked meter. This is a single family home and all repairs have been made and there are no other leaks.

Comm. Curtis questioned why we are granting a second sewer credit. Director Clifford advised that the way the policy is currently written they are permitted to get a sewer credit because we know the water didn't go through the sewer system and the gentleman did pay for the meter.

Chairman Flynn asked why this is being brought forth now in July when it was a frozen meter from back in February. Director Clifford replied that the leak was not very noticeable until recently.

Comm. Neafsey made a motion to approve this action. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

12. CONTRACT CLOSE-OUTS - NONE

13. AUTHORIZATION TO EXPEND APPROVED FUNDS - NONE

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

- a. Authorization to Proceed with the Internal Design and Advertisement for the Roof Replacements at the Finished Water Pump Station, the Generator Building, the Pre-Treatment Building and the Raw Water Pump Station; Capital Project No. 917001**

Director Specht advised that the roofing on these buildings was installed in the mid 90's and require replacement at this time. He added that we are going to perform the design internally and advertise and bring it back to the Board once the bids are received.

Chairman Flynn asked if all the roofing wore out at the same time. Director Specht advised they are all showing the same amount of wear and tear and were all installed in the early 1990's.

Comm. Curtis suggested the possibility that we get prices and then stagger the actual work.

Comm. Lydecker suggested that in addition to considering shingle roofing there are other kinds of roofing that lasts much longer and perhaps we should look into alternatives to the shingle roofing. Director Specht advised that we are looking to replace it with similar materials.

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

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

15. ADOPTION OF PERSONNEL ACTIONS

Comm. Neafsey made a motion to approve this action. Seconded by Comm. Foster

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

16. OLD BUSINESS

17. NEW BUSINESS

17.1 Brick Township Board of Education – Waiver Request for the Inspection Fees Associated with the Renovations to the Veterans Memorial Parking Lot Complex

Director Specht explained that the Board of Education is undergoing a parking lot renovation at Veterans Memorial School that services the middle school and the elementary school. They have requested we waive the inspection fees for the relocation of fire hydrants in the new islands. Director Specht advised that we have done this in the past for other agencies as well as the Board of Education.

Comm. Lydecker stated that she doesn't have a problem with waiving the fee because it is for our schools, but asked how much the fees are. Director Specht advised the amount is in the range of \$500.

Comm. Neafsey made a motion to approve this action. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

18. RESOLUTIONS

57-17 Resolution for Task Order No. 1 for a Contract Increase of \$2,616.90 with H2M for

Additional Professional Engineering Services for the Condition Assessment of the Metedeconk River Water Main Crossings at Route 70 (16" Diameter) and adjacent to the Raw Water Pump Station (20" Diameter), the Beaver Dam Creek at Midstreams Road (16" diameter), Various 12" Diameter Stream Crossings throughout the Township and the Water Mains in Cedar Village on Honeysuckle Court, Impatiens Court and Orchid Lane; Project No. 709001

Comm. Curtis made a motion to adopt Resolution No. 57-17. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

58-17 Resolution for Final Quantities Change Order/Change Order No. 1 for an Increase in the Contract Amount by \$21,591.50 to Mathis Construction Company, Inc. – Sanitary Sewer Replacement on Dickinson Road – Greenbriar 1; Contract No. 814004

Director Specht advised that this project is essentially complete and this resolution will wrap up the final quantities on this project.

Comm. Curtis asked how much we hold and for how long. Director Specht replied that we hold 2% until the project is closed out the contractor has not submitted the final close out documents because there are some outstanding claims that have not been resolved.

Comm. Foster made a motion to adopt Resolution No. 58-17. Seconded by Comm. Neafsey

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

59-17 Final Quantities Change Order/Change Order No. 3 for an Increase in the Contract Amount by \$8,819.03 to Pillari Brothers Construction, Inc. – Parkway Service Territory Additional Interconnections at Cherry Lane and Redbud Lane, the East Granada Drive Water Main Extension, the Winding River Lane Water Main Upgrade and the Oak Knoll Drive Interconnection; Contract No. 715006

Director Specht reviewed the two parts of this change order, explaining that the first part is the adjusted quantities and basically what was included in the contract and those adjusted quantities increase the contract by \$6,505.90. The second item is the Broad Avenue infrared paving which was \$2,313.12 required due to the repair to the sewer laterals on Broad Avenue.

Comm. Curtis made a motion to adopt Resolution No. 59-17. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

60-17 Authorization to Purchase a 2018 Freightliner 108SD Model Chassis w/15' Dump Body and Plow Package to Replace V514, a 1999 GMC Tandem Dump C-8500, through the National Joint Powers Alliance (NJPA) Cooperative from National Auto Fleet Group, Watsonville, CA for \$162,972.00; Capital Project No. 814002

Director Specht advised that we were able to save approximately \$15,000.00 by going through the Cooperative for this purchase.

Comm. Neafsey made a motion to adopt Resolution No. 60-17. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

61-17 Authorization to Purchase Two (2) 2018 Ford Transit 150 RWD Low Roof Vans to Replace V590, the 2007 Ford Ranger 4x2, and V412, the 2014 Ford Transit Connect Van, for a total of \$40,328.00 or \$20,164.00/Van Under NJ State Contract No. A88211 from Ditschman/Flemington Ford; Capital Project No. 714004 for V590 and Capital Project No. 717009 for V412

Director Specht advised that the Ford Ranger will be transferred to the pool and the Ford Transit will be shifted to another division.

Chairman Flynn asked if we are trading any vehicles in toward this purchase. Director Specht advised that we are not trading in the vehicles. He stated that the Ford Ranger will be transferred to the pool and the Ford Transit will be shifted to another division.

Comm. Neafsey made a motion to adopt Resolution No. 61-17. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

62-17 Authorization to Purchase a 2017 Ford Escape SE AWD to Replace V610, the 2000 Dodge Caravan Mail Van, from All American Ford for \$24,309.00; Capital Project No. 917003

Chairman Flynn questioned the disposition of the van. Director Specht advised that the van will also be put into the pool and we will continue to surplus vehicles as they reach their useful life. Eventually a vehicle will reach its useful life and will be declared surplus and we offer them up to the various township agencies.

Chairman Flynn asked what determines the point when a vehicle should be surplus. Director Specht advised a combination of mileage, condition and repair costs.

Comm. Neafsey made a motion to adopt Resolution No. 62-17. Seconded by Comm. Curtis

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None

ABSTAIN: None

63-17 Authorization to Purchase Two (2) 2017 Club Car Carryall 550 Electric Carts for the Water Treatment Plant (WTP) to Replace the WTPs Current Carts; Cart 7 – 2000 Club Car and Cart 13 – 2003 Toro Workman, from Vic Gerard Golf Cars for a Total of \$25,032.80 or \$12,516.40/Cart; Capital Project Nos. 717007 and 717008

Director Specht advised that the two existing carts will be put to surplus.

Chairman Flynn asked how many carts are currently assigned to the water treatment plant. Director Specht replied that we have two carts for the water treatment plant and three carts on site for the Buildings and Grounds Division.

Comm. Neafsey made a motion to adopt Resolution No. 63-17. Seconded by Comm. Curtis

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

64-17 Award of Bid for Pipe and Appurtenances Purchase

Director Vaccaro advised that this is our annual bid for water and sewer hydrant parts used by Field Operations for fiscal year 2017/2018. In response to a question by Comm. Lydecker in regard to the reorder amounts, Director Vaccaro stated that it is based on what the anticipated needs are and what we have in stock.

Chairman Flynn asked about the frequency of ordering these supplies. Director Vaccaro advised that we try to do it once a year but as the inventory gets low we get feedback from the distribution supervisors for the reorder quantities.

Comm. Lydecker asked how much stock we keep on hand and if we have a surplus each year and fill in to what we think we will need. Director Vaccaro advised that the annual purchase is based on what we have in stock and what we anticipate needing.

Comm. Neafsey made a motion to adopt Resolution No. 64-17. Seconded by Comm. Foster

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

65-17 A Resolution Authorizing the Purchase of Water Quality Instrumentation In the Amount of \$75,369.15 from Hach Company Sate Contract #A85091 Capital Project Numbers 799008, 799011A, 799012

Director Maggio explained that this resolution is for the replacement of aging water quality equipment in the plant and throughout the distribution system. It was noted that we were planning on doing this throughout the year in smaller increments, however Ed Krotulis our Instrumentation Technician put together a plan and negotiated with Hach to purchase all of the equipment at one time for a savings of

\$15,000 over the discounted State contract price. In response to inquiries by the Commissioners, Director Maggio explained the reasoning behind replacing all this equipment at one time and the importance of maintaining the accuracy of this equipment. It was discussed that this equipment was purchased under State Contract therefore we did not have to go out to bid.

Counselor Montenegro confirmed that if you purchase off State contract you don't have to go to bidding at all because in that case the State has negotiated the bids and reviewed the contracts the background qualifications and the type of materials so that is an exception.

Comm. Lydecker questioned the life span of this equipment. Director Maggio advised that for the most part ten years for a high tech and very precise electronic instrument is an average life span and beyond ten years we are pushing the reliability.

Chairman Flynn questioned the capital project account numbers that this equipment is being charged to. Director Maggio advised that the equipment is being purchased under line items for water treatment plant modification and repair accounts, and the distribution equipment will be purchased under the line item for distribution, monitoring and security account, which were all anticipated in our budget for these items.

Director Maggio responded to questions regarding the bulk purchase of this equipment versus stretching it out over several years, stating that by purchasing the equipment all at once we have saved a significant amount of money.

Comm. Neafsey made a motion to adopt Resolution No. 65-17. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn

NAYS: None

ABSTAIN: None

66-17 A Resolution of the Brick Township Municipal Utilities Authority (the "Authority") Authorizing the Purchase of Electronic Permitting, Accounts Receivable, Escrow and Permitting Self Service Software and Support Services from Edmunds & Associates

Director Clifford stated that this software will provide us to gain great efficiencies in our customer accounts department over what we are doing now which is typing in triplicate on a form that gets shuttled back and forth from us to the Township. In addition this software will help to streamline the escrow account management.

Chairman Flynn asked if we have established that as part of the permits that the customer is made aware that weather protection of the meter is their responsibility. Director Clifford advised that it is something we can certainly look into.

Comm. Lydecker asked we can estimate how many man hours this system will save. Director Clifford advised that he is not sure but the process is very manually intensive, and the Township will also be utilizing this program with us.

Chuck Fallon agreed with Director Clifford stating that in the last audit report he did recommend changes to the escrow procedures and this software would accomplish that.

Comm. Neafsey made a motion to adopt Resolution No. 66-17. Seconded by Comm. Lydecker

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

19. EXEMPT SESSION

(Personnel, Contracts & Potential Litigation Only)

Counselor Montenegro read the following into the record: "Resolution of the Brick Township Municipal Utilities Authority to enter into executive session. Whereas section 8 of the open public meetings act NJSA 10:4-12 permits the exclusion of the public from a meeting in certain circumstances and, Whereas this public body is of the opinion that such circumstances presently exist. Now therefore be it resolved by The Brick Township Municipal Utilities Authority that the public shall be excluded from discussion of and action upon the here and after specified subject matter and that is anticipated litigation. It is anticipated at this time that the subject matter will be made public if and when the confidentiality is no longer needed and action may be taken. This resolution is to take effect immediately. The Commissioners will reconvene public session after the executive session you are welcome to remain outside and come back after the public session."

Comm. Curtis made a motion to go into Exempt Session. Seconded by Comm. Foster

AYES: Comm. Foster, Lydecker, Curtis, Neafsey, Flynn
NAYS: None
ABSTAIN: None

At this point in the meeting, 7:50 p.m. the group entered exempt session.

On motion duly made and seconded and a unanimous vote the group returned to open session at 8:05 p.m. Counselor Montenegro advised that the discussion that was held in executive session will be made public when the need for confidentiality no longer exists.

20. PUBLIC DISCUSSION

21. COMMENTS FROM COMMISSIONERS, PROFESSIONALS & STAFF

Director Maggio thanked the Board for support on the resolution for the purchase of laboratory equipment. He continued by stating that he is amazed at some improvements in production and improvements that we have seen. He was shocked by the large increase in laboratory revenue for the first part of this year and we are on target for a big year and this translates into additional work load for staff and they muscle through it and do a fabulous job. Director Maggio attributed the success of the meter replacement program that was overdue for a long time and costing the Authority a half a million dollars a year. He stated that Joe Dolan and the Meter Division do a really great job. Commissioner Curtis questioned the cost of bringing in the revenue at the laboratory. Director Maggio estimated that it costs about \$10,000. Comm. Curtis stated that all the loaded costs have to be calculated into the proceeds as well. Director Maggio advised that he can provide a hard number on that.

Director Specht thanked the Board for approving all of his resolutions and provided an update on the generator project advising that we are entering our final stages of construction. He explained that the one major task we have left is to energize the new switch gear that we have in the control building. We anticipate starting this work after our peak demand season so we are looking wrap this project up by the end of September.

Counselor Montenegro offered his compliments to the Board for their interest, and knowledge of all of the topics of the MUA. He stated that it was an excellent meeting.

Director Vaccaro advised that we recently had our annual NJDEP TCPA inspection which is a comprehensive two day audit and he is pleased to report there were no compliance issues identified. He thanked Director Maggio and his staff.

Director Clifford thanked the Board for approving his resolution for the purchase of the Edmunds software.

Chuck Fallon advised that his firm is in the process of performing the annual audit of the financial statements for the Authority and if anyone has any questions or specific areas that they would like looked into please contact him.

22. CLOSING STATEMENT

Ms. Sylvester advised that the next Meeting of the Authority will be a Public Meeting on Thursday, August 31, 2017 at 7:00 p.m. All meetings take place in the Main Conference Room of the Authority's Administration Building located at 1551 Highway 88 West.

23. ADJOURNMENT

There being no further business to discuss the meeting adjourned at 8:42 p.m.

Respectfully submitted,



Thomas C. Curtis, Authority Secretary

TCC/mas