

The Brick Twp. Municipal Utilities Authority
Minutes of a PUBLIC MEETING Held on September 28, 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
Joseph Simonetta

4. Adoption of Directors' Reports

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

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

5. APPROVAL OF MINUTES

August 31, 2017 Regular and Exempt

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

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

6. CORRESPONDENCE - None

7. APPROVAL OF BILL RESOLUTION – *Commissioner Curtis*

Comm. Curtis read the Bill Resolution dated September 28, 2017 in the total amount of \$2,130,570.12 as follows:

Total Operating Vouchers:	\$	645,480.90
Total Payroll:		1,007,785.00
Total Capital Vouchers:		469,534.33
Escrow:		7,769.89
Total Bill Resolution	\$	2,130,570.12

Comm. Foster made a motion to approve the Bill Resolution. Seconded by Comm. Neafsey

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 August 31, 2017 as follows:

Unrestricted Funds:

Total Revenue Funds:	\$	10,098,403.43
Total General Funds:		11,966,007.35
Total Unrestricted Funds:		22,064,410.78

Restricted Funds:

Rate Projection Maintenance Fund:	2,854,576.08
Working Capital Fund:	1,981,882.72
NJEIT Processing Fund:	644,931.55
Construction Fund:	6,272,360.41
Total Bond Funds:	8,178,475.98
Total Other Restricted Funds:	1,363,967.98
Total Restricted Funds	21,316,194.72
Total of All Fund Accounts:	43,380,605.50

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

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

9. DEVELOPER APPLICATIONS

9.1 Preliminary Applications - No Further Action Required - None

Director Specht presented the following developer applications for approval by the Board.

9.2 Other Applications

2174 Mr. William Nittoso, Minor Subdivision Plan & Roadway Improvement Plan for Iowa Avenue, 567 Iowa Avenue, Final, 2 Residential Units

Director Specht advised that this application includes a new water main extension of 90 linear feet that will include a hydrant and a valve and one service, as well as an 8” diameter water main and also a 130’ 8” PVC sanitary sewer that will be extended for one of the properties.

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

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

9.3 Release of Bonds

2153 Mr. Joseph T. Gass, III, Old Toms River Road – Road Extension, 309 & 305 Old Toms River Road, Release of Performance Bond

Director Specht advised that all the testing has been completed and all the as-builts submitted and approved. He recommends the release of the performance bond which allow the applicant to go on his two year maintenance bond.

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

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

10. UNANTICIPATED/EMERGENCY CAPITAL EXPENDITURES - NONE

11. CUSTOMER ACCOUNTS RECONCILIATIONS

Director Clifford presented the following customer account reconciliations for approval by the Board.

One Time Credit

Account 5501603-0, 260 Bay Shore Dr. Patricia Murphy. A One Time credit is recommended in the amount of \$1,416.10 due to a soaker hose. The quarter in question rose to 205,000 gallons while the average use is 9,000 gallons. This is a single family home and no other credits have

been issued and there are no other leaks.

Director Clifford advised that this was not a hose that broke but a faulty timer.

It was discussed that our policy allows for consideration in this instance. Director Clifford advised that we are in the process of reviewing the policies to make modifications to cover this type of excessive usage. Chairman Flynn advised that we have discussed this and we are going to review the policy and how it is written so we can adjust credits to be more equitable.

Comm. Lydecker stated that she doesn't understand how a faulty timer is the Authority's responsibility and questioned if our policy provides that we must grant the credit. Director Clifford stated that he would defer to Counselor Montenegro, but he doesn't know that we have to grant it, but it is within the scope of what our policy allows.

Counselor Montenegro advised that customers are limited to a one-time credit but not necessarily an automatic credit. He stated that in this regard we may wish to hold this to see if we can get additional information and going forward we may want to look at not only limiting the credit to one time, maybe also the gallons or a set dollar amount.

Director Theodos advised that he is going to ask Directors Clifford and Maggio to make some recommendations for changes to the policy which has been in question for some time.

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

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

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 Advertise for the Replacement of V557, a 2004 International Single Axle 6 Yard Dump, in the Distribution Division

Director Specht explained that we are looking to purchase a similar vehicle and that these are not available on State Contract or through the NJPEA Coop so we will need to advertise and receive bids on this. The 2004 International will be utilized for CDL training.

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 the personnel actions. Seconded by Comm. Lydecker

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

16. OLD BUSINESS

17. NEW BUSINESS

17.1 Special Use Permit Requests for the Brick Reservoir

Director Specht put forth the following Special Use Permit Requests for the Reservoir for approval:

- Description: Wedding (Richard Pharo – former employee)
Date: Sunday, November 11, 2017 from 3:00 p.m. to 3:30 p.m.
Special Needs: Drive Vehicle for Bride
No. of Participants: 30
Contact: Richard Pharo

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

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

- Organization: St. Thomas Lutheran Church
Description: Blessing of the Animals
Date: October 7, 2017 from 3:00 p.m. to 5:00 p.m.
Special Needs: None
No. of Participants: 5
Contact: Wendy Davis
Status: Held previously on 10/04/14 with no incidents.

There was discussion regarding the amount of dogs that may show up and that similar requests in the past were denied. Director Specht advised that the event will be limited to dogs and it will be indicated on the application.

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

73-17 A Resolution Authorizing Renewal of Membership in the New Jersey Utilities

Authorities Joint Insurance Fund

Director Vaccaro advised that he did confer with our risk management consultant to get their opinion regarding renewing and they stated that it was their experience that the pricing offered by the Joint Insurance Fund was much more favorable than the standard insurance because of the large pool that they have and other factors such as the free safety training.

Comm. Curtis made a motion to adopt Resolution No. 73-17. Seconded by Comm. Foster

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

74-17 Resolution Awarding the Contract for the Supply of One (1) 2018 Low Pro Cab Chassis With Utility Body to Metropolitan Truck Sales, Inc. in the Purchase Amount of \$129,900.00; Capital Project No. 817003 – Replace Vehicle 512 – 2007 F450 Utility Body Truck

Chairman Flynn asked the disposition of Vehicle 512. Director Specht advised that it will be shifted over to the Hazmat Group and be utilized to pull their support trailer. In turn the existing vehicle that is being used to pull their support trailer will be surplus.

Comm. Neafsey made a motion to adopt Resolution No. 74-17. Seconded by Comm. Foster

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

75-17 A Resolution Authorizing and Approving a Shared Service Agreement with the Township of Brick for Snow Plowing Services

Director Specht explained that every year we enter into a shared services agreement with the Township of Brick for snow plowing service, whereby the Township utilizes our CDL staff to assist them if needed for snow plowing services. This year we are requesting automatic renewal of this agreement versus previously in the past where it was done annually.

Comm. Curtis made a motion to adopt Resolution No. 75-17. Seconded by Comm. Lydecker

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

76-17 Resolution for Change Order No. 4 for a Decrease in the Contract Amount of \$2,934.60 with 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 advised that this change order will finalize the cost associated with this project

and is recommended for approval.

Comm. Curtis made a motion to adopt Resolution No. 76-17. Seconded by Comm. Neafsey

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

77-17 A Resolution Amending the Brick Township Municipal Utilities Authority Administrative Code Pertaining to Purchasing Policies and Authority Organizational Structure

Director Theodos advised that the modifications are predominantly housekeeping issues pertaining to the purchasing policies that were previously adopted by a resolution of the Board and the Authority organizational structure as it pertains to committee realignment.

Comm. Curtis made a motion to adopt Resolution No. 77-17. Seconded by Comm. Lydecker

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

78-17 A Resolution Awarding a Contract to Maser Engineering for the Distribution Water Storage Tank Asset Management Project

Director Maggio advised that we have seven water storage tanks throughout the distribution system and they are at the point now where we need to start anticipating that we are going to need to do some maintenance work including coating replacement and stripping. These are large projects and we expect them to fall over the next one to ten years for the various tanks. We are asking Maser to evaluate the coatings and structural integrity and condition of the tanks and make recommendations as to upcoming maintenance required so it can be incorporated into our five year capital plan.

Comm. Neafsey made a motion to adopt Resolution No. 78-17. Seconded by Comm. Lydecker

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

79-17 A Resolution Adopting the 2016/2017 Annual Audit

Chuck Fallon, Authority Auditor summarized the findings of the Annual Audit, providing background on the findings to provide for the commissioners to execute a group affidavit indicating that they have reviewed the independent auditor's report and opinion. Mr. Fallon stated that the audit was performed using generally accepted auditing standards and he is proud to say that this is the best opinion which is that they have found nothing wrong.

Chairman Flynn asked Mr. Fallon to explain a little bit more in regard to the \$20 million debt due to the pension system. Mr. Fallon stated that the Authority pays the pension funds from the

employee portion and it gets invested at the State. When they do their actuarial calculations they estimate that it is only 49% funded so that other 51% must be added to our balance sheet which represents our share of that 51% that is not funded. Mr. Fallon advised that the State has recommended that the Authority start planning for that liability by setting aside funding in future budgets.

Comm. Curtis made a motion to adopt Resolution No. 79-17. Seconded by Comm. Lydecker

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

19. EXEMPT SESSION

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 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 personnel and negotiations. It is anticipated at this time that the subject matter will be made public if and when the need for confidentiality no longer exists 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. Foster made a motion to go into exempt session. Seconded by Comm. Neafsey

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

At this point in the meeting, 7:45 p.m. the group entered exempt session.

On motion duly made and seconded and a unanimous vote in closed session, the meeting returned to open session at 8:35 p.m.

20. PUBLIC DISCUSSION

No public expressed an interest in addressing the Board.

21. COMMENTS FROM COMMISSIONERS, PROFESSIONALS & STAFF

Chuck Fallon advised that he would like to commend that staff – stating that everyone was very cooperative during the audit process.

Sue Brasefield thanked the board for authorizing the tank project.

Director Theodos thanked Chuck Fallon for the favorable report and advised that he is very pleased that the report came out the way it did and there were no issues.

Comm. Foster complimented Chuck Fallon on an excellent job stating that she can see how much work was put into it.

Comm. Lydecker thanked Mr. Fallon for his professional opinion and added that it is always great to get an audit where there are no comments.

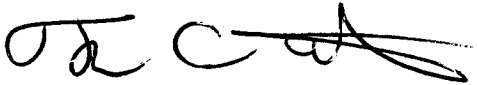
22. CLOSING STATEMENT

Ms. Sylvester read the Closing Statement as follows: *"The next Meeting of the Authority will be a Public Meeting on Thursday, October 26, 28, 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 8:45 p.m.

Respectfully submitted,



Thomas C. Curtis, Authority Secretary

TCC/mas