

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on August 12, 2013 at 5:00 P.M. at the Authority headquarters, 823 Radio Road, Little Egg Harbor Township, New Jersey.

MEMBERS PRESENT: Joseph Mezzina, Chairman; Joseph Koptic, Vice Chairman; Margaret DePergola, Secretary; Richard Crea; Earl Miller, Treasurer; Richard Robins; Marie Skelly

MEMBERS ABSENT: None

OTHERS PRESENT: David V. Johnson, Executive Director; Michael DiFrancia, Superintendent; Colleen Kleinow, Administrative Assistant; Nicole Mezzina, Executive Secretary; Felipe Contreras, Authority Engineer; Christopher Connors, Authority Attorney

OTHERS IN ATTENDANCE PER SIGN-IN SHEET: None

Mr. Mezzina opened the meeting and led the Pledge of Allegiance.

Mrs. Kleinow read the following announcement:

“In accordance with the Open Public Meetings Law, this meeting has been duly advertised in the Atlantic City Press and Asbury Park Press, also posted and filed in the Office of the Clerk of the Township of Little Egg Harbor.” Resolutions are posted on the bulletin board.

APPROVAL OF PRIOR MINUTES

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to approve the minutes of the regular meeting held July 9, 2013. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

TREASURER’S REPORT

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to approve the Treasurer’s Report as submitted. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

BILLS RESOLUTION

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve the operational account bills resolution. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes, but abstained on checks #19495, #19530, and #19531.

ENGINEER'S REPORT

Mr. Contreras stated that the Engineer's Report was forwarded to the Board for their review and approval. There are a few items that require action. An emergency declaration was made for the work needed at the Osborn Island Bridge. His office forwarded a letter to the Authority dated July 16, 2013 recommending the Authority declare an emergency to have the work done.

Mr. Contreras advised that there is a resolution on the agenda granting a time extension for AC Schultes to complete the work on the Well #8 and Well #9 Redevelopment project. Other items are covered under the Plans Committee report. If any questions, he will be glad to address them.

Mr. Mezzina inquired whether we are getting relief from the County with regard to the bridge situation and was advised that we are not.

Mr. Mezzina inquired whether we asked and was advised by Mr. Contreras that we did, but the break was not associated with the work; it was the equipment. If the contractor breaks a pipe while working, they will fix it. This is a different situation.

Mr. Mezzina stated that to do the work, you need the equipment.

Mr. Contreras advised that the pipes were installed too shallow, and that is not acceptable under construction. Heavy equipment will break the pipe. That is why we recommended the pipe be replaced.

Mr. Mezzina asked how much this will cost and was advised by Mr. Contreras that the cost is approximately \$40,000.00.

Mr. Mezzina asked if that is within line and was advised by Mr. Contreras that it is.

Mr. Mezzina inquired of the contractor replacing the pipe and was advised by Mr. Contreras that Mathis Construction is the contractor.

Mr. Mezzina stated that he didn't see the cost mentioned anywhere.

Mr. Mezzina indicated that he had to excuse himself from voting on the resolution related to this matter as well as the resolution for the well redevelopment.

A motion was made by Mr. Robins, seconded by Mr. Crea to approve Resolution #2013-56 declaring emergency with regard to needed replacement of sanitary sewer force main on the north side of the Osborn Island Bridge. Roll call vote, Earl Miller – yes, Richard Robins – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2013-58 approving change order #2 for the redevelopment of Well #8 and #9 (Center Street) with AC Schultes Inc. representing a time extension of 105 calendar days. Roll call vote, Earl Miller – yes, Richard Robins – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes.

Mr. Mezzina stated that he read something in our correspondence that spoke of a water main extension for Wal-Mart that indicated they were going to talk to the developer. He is wondering who “they” is.

Mr. Contreras advised that it referred to the engineer for Wal-Mart, Stantec. Stantec Consulting is going to talk to the developer about the possible water main extension and possible area for constructing an elevated tank. Stantec will get back to us after speaking with Wal-Mart’s developer.

Mr. Mezzina inquired how we are giving tentative approval when we don’t have an answer from them.

Mr. Contreras advised that these are two separate items. Tentative approval is one item, and our request for land for a tank and the water main extension is another item.

Mr. Mezzina inquired of the loop that was recommended and was advised by Mr. Contreras that we requested that in a preliminary tentative review.

Mr. Mezzina asked why it’s a request and not a mandate.

Mr. Contreras advised that the developer’s engineer supplied a report stating that they didn’t need the loop.

Mr. Mezzina asked whether that is an exception in our Rules and Regulations.

Mr. Contreras advised that our Rules and Regulations do not have a requirement for a loop. We have a quantity of water to be sufficient to provide fire suppression to a building.

Mr. Mezzina stated that we ran across this problem for years and thought we corrected it.

Mr. Johnson advised that in the past we asked developers to create loops, and they were willing to do so, but this is 2,200 feet. Wal-Mart is not willing to put that much money out for the loop.

Mr. Contreras advised that Wal-Mart had their engineer do a flow test, and with the pressure they have and the pressure of the fire suppression installed, the water supply will be adequate without the loop.

Mr. Johnson advised that since the developer isn’t going to do the loop, the water main proposed would end on their property creating a dead end. If there was a break in the line, there will be no support, and if we would have to shut down the line for any reason, the applicant would not have any water for fire protection. The applicant was made aware of this. Once the system is installed, another test will be performed to make sure there is still adequate supply.

Mr. Mezzina inquired whether we considered a joint venture. Would it be conducive for us to do it?

Mr. Contreras advised that when we met with the applicant's engineer and attorney, they were not willing to do anything to spend any extra money on the loop.

Mr. Mezzina asked whether they could go to Stage Road as opposed to Route 9 and was advised by Mr. Johnson that it would go through private property.

Mr. Mezzina asked about easements.

Mr. Contreras stated that would not loop the system hydraulically.

Mr. Mezzina asked what it would cost to do it. Just a rough cost.

Mr. Johnson stated that he thinks around \$220,000.00.

Mr. Contreras stated that amount is just for construction, and since it is Route 9, ductile iron pipe is required and permits. There are also sensitive areas to address with directional drilling.

Mr. Johnson advised that if the developer meets the code requirements, we can't require them to do more than that.

Mr. Crea asked if the loop benefits us and was advised by Mr. Johnson that it does.

Mr. Mezzina advised that we couldn't recoup the cost.

Mr. Johnson stated that there is not enough development there. We met a number of times on this.

Mr. Contreras advised that in our letter to the applicant, which was reviewed by the attorney, we reminded the applicant that they are risking being out of service even if they meet the standards. If something should happen, they may be out of water.

Mr. Mezzina inquired whether this would be covered again in the final.

Mr. Connors advised that the language is in the review letter attached to the resolution.

Mr. Mezzina recommended it be referenced again in final approval.

Mr. Connors stated that it would be.

Mr. Mezzina stated that he is satisfied with the answer, but if this were not commercial development, what would be the answer.

Mr. Contreras advised that they would have to do it because they would not meet the requirements.

There were no other comments or questions on the report.

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve the Engineer's Report as submitted. All in favor.

EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Johnson stated that he spoke with a few consultants with respect to selling the lease agreements we have with cellular companies. Todd Ruggiero of Levinbook Law Firm seemed the most knowledgeable. We negotiated a price not to exceed \$5,400.00 plus expenses. Our attorney reviewed the agreement and found it satisfactory. There is a resolution on the agenda appointing Todd Ruggiero as special counsel to review bid proposals and perform other services related to lease agreement purchases.

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve Resolution #2013-59 authorizing agreement with Todd Ruggiero Esquire of the Levinbook Law Firm as special counsel to review bid proposals for the purchase of telecommunication facilities lease agreements. Roll call vote, Earl Miller – yes, , Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

2 – Mr. Johnson stated that this is what we spoke about the last couple of months in connection with the Oswald tax lien. Mr. Connors could enlighten us on the matter. It is on his report as well.

Mr. Connors advised that this matter involves the assignment of a tax sale certificate, which included arrearages for water and sewer charges. Apparently, in 2007, the assignment sale was held on authorization of the Township Committee. The assignment sale collected less than the principal and interest. It only collected principal of the arrearages, and for whatever reason, the Authority was never notified of the assignment and never notified that money was collected. The money collected by the Township was never disbursed to the Authority. A voucher was recently sent to the Authority for execution and processing. The Director, himself, the Township Administrator, Township Tax Collector, and Township Attorney met to discuss the deficiency in the communication between the Township and Authority on this matter and to discuss the liens going forward to make sure our interests are protected. The Authority has a voucher for the pro rata share of the funds collected at sale. However, since the sale, additional arrearages have occurred on the property, and the lien holder didn't satisfy.

Mr. Connors further advised that the Executive Director suggested the Authority Attorney send a letter to the lien holder and property owner to collect 2007 to current, and he agrees. In the event that the arrearages remain unpaid, they will be included in the next tax sale, which is November of this year.

Mr. Mezzina inquired whether there are others out there similar to this and was advised by Mr. Connors that he is not aware of any.

Mr. Mezzina asked whether a system was established to prevent this from happening again. We should do something internally here. We should send the Township a letter asking if they have collected anything else on other properties.

Mr. Johnson advised that we send everything over to the Township, but this particular one was held by the Township. When the Town sold the certificate and collected the money, the Tax Collector should have told us. Our procedures are in place and followed.

Mr. Mezzina stated that we should send a letter to the Township.

Mr. Connors advised that the Town initially attempted to sell the lien but there were no buyers, and the municipality becomes the owner of the lien. The Township had an assignment sale and assigned it to Leonardis. Leonardis paid the principal due, which the Township accepted. He is the lien holder for that amount. He only owns the lien. Apparently there have been title issues dealing with this.

Mr. Johnson stated there was litigation.

Mr. Mezzina stated that he thought this gentleman acquired the title, but he only acquired the lien.

Mr. Connors stated that was correct. He is only the lien holder and only has limited time to foreclose, but there are extenuating circumstances.

Mr. Mezzina stated that the Township had this money for six years and inquired how the Township Auditor missed this.

Mr. Koptic stated that is what he was wondering. How did their Auditor miss that amount of money not being disbursed to us? It is not a small amount of money.

Mr. Mezzina stated that we should try to do something. We should look into this.

Mr. Johnson stated there is a resolution on the agenda to sign the payment voucher for the money.

A motion was made by Mr. Koptic, seconded by Mr. Miller to approve Resolution #2013-57 authorizing execution of payment voucher to receive funds collected by Little Egg Harbor Township for the assignment of tax sale certificate No. 90-00161 providing for payment of outstanding water and sewer charges on Block 325.93 Lot 28. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina –yes.

3 – Mr. Johnson advised the Board with respect to Super Storm Sandy that the seven pick-up trucks that were totaled due to the storm were replaced. We received the new trucks, and our insurance company picked up the seven old ones so they are out of our yard. We are waiting for checks from the insurance company.

Mr. Mezzina inquired what our plan is now for truck rotation. We have had a plan in place for the rotation for a number of years.

Mr. Johnson advised that he and the Superintendent discussed it and are trying to figure it out dollar wise and feasibility wise. We are aware of it.

Mr. Mezzina asked what we were supposed to do this year and was advised by Mr. Johnson that he believes one of the F350s was due to be replaced this year.

Mr. Crea asked whether we looked into having one of our vehicles being four-wheel drive and doing our own snow plowing.

Mr. Johnson stated that we only needed a four-wheel drive vehicle to pick people up. We have a contractor clear the parking lot because we do not have a lot of personnel. We can't spare personnel to clean this parking lot when they have to go to the stations and wells and take care of them. That is more important than this property.

Mr. Mezzina stated that was correct. It is more important to get to the stations.

Mr. Johnson stated then we would also have to buy a plow for the vehicle as well.

Mr. Mezzina stated that we have backhoes to plow if needed, but it is more important to tend to our system.

Mr. Johnson advised that we met with FEMA again. We are progressing, but we are progressing very slowly. There is a lot of paperwork. Our Executive Secretary has numerous books, spreadsheets, and files on everything. We are up on it. She works on it a couple of hours every day.

Mr. Johnson stated that last meeting he was requested to provide the Board with storm related costs for their review. Page one is the storm related costs. The first section is meters, second is supplies and services, and the third section on the bottom is vehicle costs and repairs. We received \$412,622.27 from FEMA in advance for the meters, which is the only money we received in advance. Everything else we had to pay out of our funds. We won't receive a portion of the costs, although FEMA went from reimbursing 75% to 90%. We'll have to carry that until the project is closed.

Mr. Mezzina asked the timetable for receipt of monies.

Mr. Johnson advised that no timetable has been set yet. We have to do a project worksheet as it goes along. They have software ready for us to input the information so we can start getting paid. It's something that is just starting. As soon as we get the information into the system, the State and Feds check it. If there are no problems, it will be processed to request funds. The money has to be requested from the Federal government, then it goes to the State, and then we will get it. It won't be in a day or a week. It will probably be several months.

Mr. Mezzina asked then would it be safe to say we'll have something at the end of the year and was advised by Mr. Johnson that he believes we will be at 50% to 60% by the end of the year except for the meters.

Mr. Mezzina inquired whether the \$224,106.48 under supplies and services is what the Authority paid out itself and was advised by the Executive Secretary that represents money the Authority paid out to contractors such as C & D Instruments and Mathis Construction to do work at our stations during the emergency portion of the storm.

Mr. Mezzina inquired whether we have receipts and was advised by the Executive Secretary that we do; however, another project worksheet is being created.

Mr. Mezzina asked if it is reasonable to presume the Authority will receive funds for this area by the end of the year and was advised by the Executive Secretary that we should.

Mr. Mezzina asked whether there were any questions on the first page of the report. There were none.

Mr. Johnson advised that Page 2 is what we spoke about with respect to our revenue. The spreadsheet shows the budget year ending 2011, 2012, and 2013. The first column is the revenue amount budgeted; the second column is the actual cash received, the third column shows the actual expenditure, column four is the balance at the end of the budget year. We were in the plus every year except 2013, and the deficit was only on the water budget. Column five is the difference between the revenue we anticipated receiving and the actual revenue received.

Mr. Johnson stated that column four shows that even though we didn't receive the revenue anticipated, our expenditures didn't go over the revenue actually received except for this year on the water side of the budget. We didn't pay out more than we received except for that. Since we spent more than we took in this year on the water side, we had to take money out of our reserve.

Mr. Johnson advised that column five is not a loss or gain. It just shows what we were short in our anticipated revenue amount. We took in \$722,835.77 less on the water revenue this past year than we anticipated taking in. We took in \$325,793.99 less on the sewer revenue than anticipated.

Mr. Mezzina stated that we applied to FEMA for \$722,000.00. Mr. Johnson stated that was correct.

Mr. Johnson advised that we anticipated the numbers in February, but our fiscal year just closed. We can only apply to FEMA for the 2013 loss.

Mr. Mezzina asked what the maximum dollar amount is that we hope to gain with FEMA.

Mr. Johnson advised that we are shooting for approximately one million dollars.

Mr. Mezzina asked what we should expect.

Mr. Johnson stated that we are hoping that they will look at this like the Township and get the whole thing 100%.

Mr. Mezzina stated that maybe the least we can expect is 80% and inquired when we will get that determination.

Mr. Johnson advised that someone called us last week asking for additional information. The person he spoke with doesn't know whether it was approved. Our Executive Secretary e-mailed them and we are waiting to hear back.

Mr. Mezzina asked whether there were any questions on sheet two. There were none.

Mr. Johnson stated that the next sheet is our Treasurer's report; however, he reported the account balances as of August 9th rather than July 31st.

Mr. Johnson advised that the numbers in the bracket represent the money our Trustee holds. We are supposed to be at 1.4 million dollars before anything flows down to the other Trustee accounts. The bills we are paying tonight, which total \$660,100.96, will deplete the \$1,082,006.29 shown in the top portion. We are short our requirement and have been short the past couple of years because the revenue we expected is not coming in.

Mr. Johnson stated that the next section shows all the accounts we transferred out of dedicated funds because we needed to. They are not dedicated funds anymore. Most of the money in the water operational account is money from FEMA for meter replacements. We can only use that money for the meters. We can't use that money for anything else the Authority needs.

Mr. Mezzina stated that account could be moved to the liability section of the report.

Mr. Johnson advised that the 1.5 million dollars of general money we have now was a million dollars more a couple of years ago.

Mr. Johnson also advised that the \$50,000.00 on the bottom of the report was put away when we first joined the JIF in case we had an additional assessment. We can use that money if needed. It is the Authority's money. That was put away just in case we had a large assessment. We didn't know what it was going to be when we first joined the JIF. Since joining, we haven't had a large assessment.

Mr. Mezzina inquired how we are going to supplement the revenue. Don't we have to maintain a certain level of money in the top section?

Mr. Johnson stated that we have to have enough money to pay our bills. Before any money can be taken from there, it has to be over the 1.4 million dollars, which is a quarter of our budget.

Mr. Mezzina stated that if we do not receive enough money in the future to satisfy our bills, we would have to take from a portion of the funds in the section below, and we never had this situation before.

Mr. Johnson stated that the past two rate increases have helped somewhat.

Mr. Koptic stated that we never had a Super Storm Sandy before.

Mr. Mezzina stated that this information was what he asked the Director to prepare, and he did a great job with it.

Mr. Mezzina suggested that the Members keep it in easy reach to refer to.

Mr. Johnson advised that there are no performance guarantees due to expire.

Mr. Johnson advised that the maintenance guarantee for the K. Hovnanian tank and production well is due to expire in October. He believes the Engineer inspected it and sent the developer a letter. There were a couple of items to be corrected. If not corrected, we will address it next month.

Mr. Mezzina inquired whether we have something in writing and was advised by Mr. Contreras that we do.

Mr. Mezzina also inquired whether it's K. Hovnanian's responsibility to maintain the tank and paint it. It looks shabby.

Mr. Johnson stated that the tank needs to be power washed.

Mr. Mezzina stated that there is no mention of that in any report. Who is responsible for that since it's still under maintenance?

Mr. Johnson stated that under maintenance he believes the developer is responsible to make sure the tank is working properly.

Mr. Mezzina stated that maybe we should get quotes on it and get the work done under proposals if it needs to be maintained.

Mr. Mezzina inquired whether this is considered normal wear and tear.

Mr. Connors stated that he would speak with the Engineer about it.

Mr. Johnson advised that K. Hovnanian had done additional painting work on the tank under maintenance.

Mr. Mezzina stated that the maintenance guarantee expires in two months. Two months will come around pretty fast. K. Hovnanian might need to be put on full notice.

There were no other comments or questions.

A motion was made by Mr. Koptic, seconded by Mr. Crea approving the Executive Director's Report as submitted. All in favor.

SUPERINTENDENT'S REPORT

1 - Mr. DiFrancia advised the Board that the Engineer already discussed the Redevelopment of Well #8 and #9, which is located on Center Street. Well #8 is on line and operational. Well #9 has been completed, final pump test conducted, and bacteria test collected. We are waiting for the test results. The contractor requested a time extension, which was granted in the resolution passed tonight under the Engineer's Report.

2 – Mr. DiFrancia advised the Board that the Authority received a note from Randy Bailey, Superintendent for Tuckerton Borough, thanking us for the use of our pump and hose for a sewer main emergency. They had a problem and requested our assistance. We lent them our pump and hose, as their pump was not working. See letter attached to his report.

Mr. Mezzina asked whether we have any idea what they are doing about the interconnection. Have we heard from them?

Mr. DiFrancia advised the Board that Tuckerton eliminated the interconnection.

Mr. Mezzina stated that should be in the reports.

Mr. DiFrancia advised that Tuckerton eliminated it, but they will do a directional drill eventually when they find the money in their budget.

Mr. Mezzina suggested the Executive Director say something to them. They are making a huge mistake. We have to tell them that we acknowledge they did it, but if they need to be supplied with water, we cannot supply them. Mr. Johnson stated that he'll send a letter to Tuckerton.

3 – Mr. DiFrancia advised that this item is what we spoke about last month regarding service fees charged by other municipalities. The synopsis is attached to his report with descriptions of the fees charged by each municipality and Authority contacted.

Mr. Mezzina asked whether we are in line with what the other towns are doing.

Mr. DiFrancia advised that other Authorities charge more money for personnel coming in at night to perform services. It is not storm related. It is their charge on a regular basis. Some of the Authorities charge for inspection of the cut and cap. We are not.

Mr. Mezzina asked if the Director and Superintendent feel there is any additional consideration the Board should be giving for the ratepayers.

Mr. Johnson stated that we need to look at that. He doesn't know if we can have an increase in fees prior to having a new budget established or if we can have a rate hearing at the end of the year and start the fees January 1st.

Mr. Johnson stated that we are still in our fiscal year budget. Our fiscal year is July to June.

Mr. Johnson stated that if we can change fees without waiting for the new budget, he would recommend we do it. We have been good all these years not charging for some of the fees other municipalities are charging.

Mr. Mezzina asked if this was in existence prior to the storm and was advised by the Executive Secretary that all fees were prior to the storm. The fees were being charged all along. Some have been waived because of the storm, but they were in effect before the storm.

Mr. Connors stated that he would look into whether we can raise or change fees in the middle of the fiscal year.

Mr. Mezzina stated that he doesn't think that we can.

Mr. Johnson stated that we could do an amended budget possibly.

Mr. Mezzina stated that he doesn't think we could amend our budget.

Mr. Mezzina stated that the cut and cap inspection should be in our Rules and Regulations.

Mr. DiFrancia advised that our Rules and Regulations should include that the cut and caps have to be performed by a licensed plumber.

Mr. Mezzina stated that is something we can do now.

Mr. Johnson stated that we can do it immediately. The Board agreed.

Mr. DiFrancia stated that the last item on his report is the leak report. There were nine leaks this past month. We were very busy.

There was nothing further for the report.

A motion was made by Mr. Miller, seconded by Mr. Koptic to approve the Superintendent's Report as submitted and amended. All in favor.

PLANS COMMITTEE REPORT

1 – Mr. Johnson advised the Board that this was what we spoke about earlier with respect to Wal-Mart. The Committee, Engineer, and Attorney recommend approval of the tentative water application, subject to our Engineer's letter. There is a resolution on the agenda for action.

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to approve Resolution #2013-54 granting tentative water application approval for Wal-Mart Super center, Block 278 Lots 13.01 & 13.02 (Rt. 9). Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

2 – Mr. Johnson stated with respect to Hidden Oaks that there was a water and sewer easement on the original plan and the sewer line is outside the original easement. They have added a new easement, and our Engineer advised it is satisfactory to the Authority. There is a resolution on the agenda approving the easement.

A motion was made by Mr. Koptic, seconded by Mr. Miller approving Resolution #2013-55 approving the proposed sanitary sewer utility easement between Lots 7.06 and 7.07 in Block 285.11 for Hidden Oaks (Radio Road). Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

3 – Mr. Johnson stated this item was for informational purposes and no action is required.

4 – Mr. Johnson stated this item was already addressed earlier in the meeting.

There were no questions or comments on the report.

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to approve the Plans Committee Report as submitted. All in favor.

CUSTOMER COMMITTEE

Mr. Johnson stated that the committee met on one issue with respect to a homeowner who had excess water usage while on vacation and asked for help. The adjustment is as noted.

A motion was made by Mr. Miller, seconded by Mr. Koptic to approve the Customer Committee Report as submitted. All in favor.

PERSONNEL COMMITTEE

Mr. Johnson stated there was one item as noted.

Mr. Mezzina asked if there were any questions on the recommendation.

Mr. Miller stated that he just had one comment. The report doesn't say she is to return to full-time work. He believes the Board said only full-time, but the report doesn't mention it.

Mr. Mezzina advised that the letter attached to the report does refer to returning to her full-time position.

Mr. Connors advised that a resolution is necessary and recommended that the resolution be adopted tonight by title. He will prepare the resolution and send it to the Director for the Secretary's signature.

A motion was made by Mr. Koptic, seconded by Mr. Miller approving Resolution #2013-60 authorizing the extension of a leave of absence through September 10, 2013 for Paula Urezio, with her return to work to full-time status on September 11, 2013. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Richard Crea – yes, Joseph Koptic – yes, Joseph Mezzina – yes.

ATTORNEY'S REPORT

Mr. Connors stated that the Oswald matter was already discussed.

Mr. Connors stated with respect to the Winding Run Estates matter that the trial scheduled has been adjourned. The Court conducted a case management conference, but he has not been fully informed of the outcome as yet.

Mr. Connors advised with respect to Harbors at Stage that the work has been completed, and we are awaiting an inspection and review letter from our Engineer. If everything was done satisfactorily, we can move forward with releasing the performance bond and can dismiss the litigation.

Mr. Connors stated that everything else is status quo.

Mr. Johnson advised that he believes the only thing that Harbors at Stage needs to do is the as-builts. Mr. Contreras stated that was correct.

Mr. Mezzina stated that it has to be a condition of the release.

Mr. Mezzina inquired whether the letter he saw in our correspondence from Mr. Connors regarding the rider extending the maintenance bond to October 14, 2013 is for the Four Seasons tank and well and was advised that is correct.

Mr. Mezzina also inquired about the letter from our Attorney with respect to Tall Timbers 5. He is confused about it.

Mr. Johnson advised that the Authority received a letter from Lumbermens Mutual regarding Tall Timbers 5/Royal Timbers.

Mr. Johnson advised that Royal Timbers had posted performance guarantees for their project. They didn't complete all the items properly, and the Authority made a call on the bond. This was probably about eight years ago. Instead of the developer completing the project, we took the money and corrected the deficiencies. The bond was supposed to be released, but the bonding company still has it on their records. The bonding company informed us that they were going out of business, and the bond would be terminated. There is no action to be taken on it.

Mr. Mezzina stated that we should have something in writing that Royal Timbers was released.

Mr. Johnson advised that there should be something in Royal Timbers' correspondence file.

Mr. Mezzina stated that there was no reference to that in the letter. This is important. If the project is closed, he doesn't think we have to take action.

Mr. Connors advised that if the project is done, no action is required. There is nothing that has to be done. He doesn't have the institutional knowledge to tell whether the project was finished, but we should have something saying it was satisfactorily disposed of. Any action should be deferred until the Director reviews the records.

Mr. Johnson advised that there were condos and townhouses proposed, but the 16 townhouses were never built.

Mr. Connors stated that if our records show that we were satisfied, there is no action required.

Mr. Johnson advised that it was satisfied by them giving us the money to complete the items.

Mr. Connors stated the matter is moot then.

Mr. Mezzina stated that the townhouses were not constructed. What if they want to come in for that? We should check the file thoroughly and dispose of it properly so that there are no questions in the future from them or us.

Mr. Mezzina stated that the last question he has for the Attorney concerns his letter referencing the deed of easement on Mathistown Road. It was due to an inquiry from the Authority.

Mr. Mezzina asked Mr. Connors whether he is satisfied with the language in the deed.

Mr. Connors advised that Mr. Johnson asked him if the language in the deed was sufficient enough to allow installation or maintenance of lines for telecommunications facilities. It is his opinion that the language of the existing deed of easement should be clarified as to not cause any misinterpretation that restricts the usage for water facilities only. The property had been owned by the Authority, and was conveyed to the County.

Mr. Mezzina stated that he didn't know whether this lot was a house or property.

Mr. Johnson advised that it is a piece of land as a flag ship lot for the tank on Mathistown Road. The Authority was asked by the Township to give this piece of land to them so that they could give it to the County. We had no problem doing it as long as we had a perpetual easement, which we do. T-Mobile asked if they could use it for fiber optic lines. We told T-Mobile that the County owns it, but he asked Mr. Connors who gives permission to use it; the Authority or the County. That is how this came about.

Mr. Mezzina stated that we owned it, but deeded it to the County, so we do not own it, only the easement. T-Mobile will have to deal with the County.

Mr. Mezzina inquired whether we have any litigation concerns about T-Mobile.

Mr. Johnson stated, as far as he is concerned, there would only be litigation if they do not pay us.

Mr. Mezzina stated that he wonders why they would send a termination letter if they keep paying.

Mr. Connors advised the Board that he sent a letter to T-Mobile saying they are not in compliance with the terms of the lease agreement, as they did not give the required 90-day notice of intent not to renew prior to the end of the renewal period.

There were no other comments or questions on the report.

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to approve the Attorney's Report as submitted. All in favor.

Mr. Mezzina asked whether there were any other matters to come before the Board. There were none.

A motion was made by Mr. Koptic, seconded by Mrs. DePergola to accept and file all correspondence. All in favor.

A motion was made by Mr. Koptic, seconded by Mr. Miller to open this portion of the meeting to the public. All in favor.

There being no public in attendance, a motion was made by Mr. Koptic, seconded by Mr. Crea to close the public portion of the meeting. All in favor.

There being nothing further and no matters for executive session, a motion was made by Mr. Koptic, seconded by Mr. Miller to adjourn. All in favor.

SECRETARY

Approved on (date)

