

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on October 8, 2013 at 5:00 P.M. at the Authority headquarters, 823 Radio Road, Little Egg Harbor Township, New Jersey.

MEMBERS PRESENT: Margaret DePergola, Secretary; Richard Crea; Earl Miller, Treasurer; Marie Skelly

MEMBERS ABSENT: Joseph Mezzina; Joseph Koptic; Richard Robins

OTHERS PRESENT: David V. Johnson, Executive Director; Michael DiFrancia, Superintendent; Colleen Kleinow, Administrative Assistant; Alan Dittenhofer and Felipe Contreras, Authority Engineers; Christopher Connors, Authority Attorney

OTHERS IN ATTENDANCE PER SIGN-IN SHEET: None

Mrs. DePergola 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.

#### PRIOR MINUTES

A motion was made by Mr. Miller, seconded by Mrs. Skelly to approve the minutes of the regular meeting held on September 10, 2013. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Marie Skelly – yes, Richard Crea – yes.

#### TREASURER'S REPORT

A motion was made by Mr. Crea, seconded by Mr. Miller to approve the Treasurer's Report as submitted. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Marie Skelly – yes, Richard Crea – yes.

#### BILLS RESOLUTION

A motion was made by Mr. Crea, seconded by Mrs. Skelly to approve the operational account bills resolution. Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Marie Skelly – yes, Richard Crea – yes.

## ENGINEER'S REPORT

Mr. Contreras stated that the report for October 2013 was previously submitted to the Board. He would like to touch upon a few of the items.

Mr. Contreras advised with respect to Item #1a – Pump Station #5 on Twin Lakes Blvd, this project is finally being closed out after 2 ½ years. There is a resolution on the agenda authorizing release of the performance guarantee.

Mr. Contreras stated concerning Item #1b – Above Ground Infrastructure Assessment, the report was forwarded to the Executive Director, and he had some minor changes. The final document will be submitted next week.

Mr. Contreras stated that another item he wanted to comment on is Item #1d – Electrical Repairs at Various Locations. Mr. Contreras advised that the project is 60% complete today. The contractor is working on pump station #7, and with that finished, 65% of the project will be completed.

Mr. Contreras stated that the last item he wanted to touch upon is the Antenna Leases. His office has been working with our Attorney on the Request for Quotes to sell the Antenna Lease Agreements. The draft was submitted to the Executive Director and Authority Attorney for their review.

Mr. Connors arrived at this time.

Mr. Contreras stated that if anyone had questions, he would be happy to answer them at this time. There were no questions or comments.

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

## EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Johnson advised the Board that this item is self-explanatory. We are reviewing the letter from Black & Veatch regarding AT&T installing a generator on the cellular antenna site located at our Radio Road tower right next to our office. He had some questions about the extra space required for this installation and is reviewing it with our Attorney.

2 – Mr. Johnson stated that this item is self-explanatory also. When asked how we are doing, he usually responds that our personnel are working very hard. The two letters attached show how hard and diligent our employees are and how we respond to problems. This shows a true and accurate description of how people view the Authority and its workers. He is happy to see this, and he knows the Board is happy to see it as well.

Mr. Dittenhofer arrived at this time.

Mrs. DePergola inquired whether a copy of the letter is placed into each employee file and was advised by Mr. Johnson that it is, and he is also sending the employees a letter of appreciation.

Mr. Crea advised the Board that his neighbors have said on a number of occasions that they love us and have expressed how much they appreciate our employees.

Mr. Johnson stated that customers do not always write letters, but he gets a lot of verbal thanks when he is out at different places. He always asks those people to write a letter if they have time, but not everyone does. He hears a thank you from someone every day. We do receive some bad letters though, such as the customer from Tall Timber Drive in Atlantis, but that was something beyond our control. After that, though, she wrote us another letter on two different occasions thanking us for the great service she received in those two other situations.

Mr. Johnson stated that the only other thing to report is the performance and maintenance guarantees. There are no performance guarantees due to expire. There are two maintenance guarantees expiring within 90 days. The first one, K. Hovnanian Four Seasons at Sea Oaks tank and production well was due to expire October 14th; however, they were asked to extend their guarantee two months. We just received the extension rider to their bond extending it until December 14, 2013. The second one, Foxmoor at Little Egg Harbor, is due to expire in December. Our Engineer will follow up on that.

Mr. Johnson stated that there was another item he wanted to bring up to the Board. He is requesting that he be excused from the December meeting for a vacation he is planning with his family. The Board agreed that the Director be excused from the December meeting.

There was nothing further for the report and no further questions or comments.

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

#### SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia advised the Board that the Authority would be receiving bids for a new dump truck on October 10<sup>th</sup> to replace the dump truck affected by the storm. Funds received from our insurance company for the storm damaged dump truck were put aside to go towards the cost of a new dump truck.

2 – Mr. DiFrancia also advised the Board that our 2005 Komatsu Backhoe needed to be painted due to severe paint failure. After a year of constant effort and arm-twisting, it is getting a \$10,000.00 paint job for only \$1,630.28. It will look like a brand new vehicle when it comes back. It should be back in our yard on Friday.

Mr. Miller stated that \$10,000.00 is a lot of money for a paint job.

Mr. DiFrancia advised that it is very intensive work to paint a backhoe because of the nooks and crannies. It has to be sandblasted, all working parts have to come off, and then they have to be put back on. There was extensive rust on the cab, and it had to be sandblasted, primed, and painted.

Mr. Miller asked whether it's guaranteed and was advised by Mr. DiFrancia that there is a one-year guarantee, but this is an eight-year old backhoe.

Mrs. DePergola stated that \$1,630.28 instead of \$10,000.00 is a nice savings.

Mr. DiFrancia agreed and stated that everyone will be pleased when the backhoe is finished being painted. Binder Machinery is a top painting facility for machinery. Backhoes are very expensive to paint. With the amount of rust, it is very extensive work and an expensive paint job.

Mr. Miller stated that he does not want anyone to misunderstand his comments. He thinks the \$1,630.28 cost is wonderful; however, he thought the \$10,000.00 cost was unreasonable.

Mr. Johnson stated that this started about two years ago. When we noticed the paint coming off, Mr. DiFrancia spoke to the dealer, and they directed him to the manufacturer. He kept pursuing it until the manufacturer came down here with a representative from the dealer where we purchased it. They understood what we wanted and saw the condition. It was hard for them to say it was more than normal rust, but Mr. DiFrancia kept at them.

Mr. Johnson advised that 80% of the machine was rusted. They were going to take care of that but not the boom. We looked at the cost to paint the boom even though it was not affected by rust so that the paint job would be complete. We finally came to the \$1,600.00 figure for the boom. This way the whole machine would have a new paint job and look brand new. We wanted the whole thing to match.

Mr. DiFrancia stated that he thinks everyone got sick of his calls but being persistent is the name of the game.

Mr. Miller commended Mr. DiFrancia and stated that it was a job well done.

Mr. DiFrancia thanked Mr. Miller for his comments and stated that a lot of work goes into painting a backhoe, but after eight years, we think this is a good deal.

3 – Mr. DiFrancia stated that Beckett Enterprises is power washing the water tower at Sea Oaks and will paint all necessary areas. They are 95% done with the power washing and will continue with painting. The painting should be finished by the end of the week, weather permitting.

Mr. DiFrancia advised that there were six leaks this past month as noted. That is all he had for his report.

Mrs. DePergola asked if there were any questions. There were none.

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

Mrs. DePergola thanked Mr. DiFrancia for all his work.

#### PLANS COMMITTEE

1 – Mr. Johnson stated there is one item on the Plans Committee Report, which is releasing the performance guarantee for pump station #5 located on Twin Lakes Blvd.

Mr. Johnson advised that the pump station has been on line since 2012, but there were additional road issues that had to be completed that were beyond the contract. However, Super Storm Sandy hit, and those issues had to wait.

Mr. Johnson stated that everything above ground had to be replaced after that, so we had to wait to release the bond, but since the station was working well up until that point, the contractor requested the maintenance guarantee be posted for one year since everything has been working properly for over a year. He, the Superintendent, and Engineer didn't have a problem with that. The Committee recommended releasing the performance guarantee, subject to posting a maintenance guarantee for one year as of August 2013 with an expiration date of August 31, 2014. There is a resolution on the agenda for action.

A motion was made by Mr. Miller, seconded by Mr. Crea to approve Resolution #2013-61 authorizing release of performance guarantee conditioned upon posting maintenance guarantee for Rehabilitation of Pump Station #5 by Electrical Design & Construction Corp. (Twin Lakes Blvd. & Susquehanna Drive). Roll call vote, Earl Miller – yes, Margaret DePergola – yes, Marie Skelly – yes, Richard Crea – yes.

#### ATTORNEY'S REPORT

Mr. Connors advised the Board that there really are no significant updates. Mediation is scheduled for Thursday morning in the Winding Run matter. The other issues were already brought to the Board's attention with the exception of the Oswald matter. We sent a letter to the lien holder about the outstanding charges.

Mr. Connors also advised the Board that his office prepared a draft notice to bidders along with bid documents for the sale of the telecommunication facilities lease agreements. The draft documents were forwarded to the Authority Special Counsel, The Levinbook Law Firm, for their review. A draft copy was also provided to the Authority and Authority Engineer for their review and finalization. Once everyone's input is received, a bid date will be selected, and we can establish a minimum bid amount for each of the lease agreements. That is all he has to report.

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

Mrs. DePergola inquired whether we did anything more with the Sesta matter.

Mr. Johnson advised that we haven't done anything with it and haven't heard anything more from them.

Mr. Miller stated that he believes we left it with the Attorney to respond if we heard from them again. Since we didn't hear anything, we didn't do anything.

Mr. Johnson stated that was correct.

Mrs. DePergola asked whether there were any other matters to come before the Board. There were none.

A motion was made by Mr. Miller, seconded by Mr. Crea to accept and file all correspondence. All in favor.

A motion was made by Mr. Miller, seconded by Mr. Crea 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. Crea, seconded by Mrs. Skelly to close the public portion of the meeting. All in favor.

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

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SECRETARY

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Approved on (date)