

LEHMUA
Regular Meeting

September 9, 2014

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on September 9, 2014 at 5:00 P.M. at the Authority headquarters, 823 Radio Road, Little Egg Harbor Township, New Jersey.

MEMBERS PRESENT: Joseph Koptic, Chairman; Margaret DePergola, Vice Chairwoman; Richard Crea, Secretary; Earl Miller, Treasurer; Eugene Kobryn

MEMBERS ABSENT: Richard Robins, Marie Skelly

OTHERS PRESENT: David V. Johnson, Executive Director; Michael DiFrancia, Superintendent; Earl Sutton Jr., Assistant Director; Colleen Kleinow, Administrative Assistant; Nicole Mezzina, Executive Secretary; Alan Dittenhofer, Authority Engineer; Christopher Connors, Authority Attorney

OTHERS IN ATTENDANCE PER SIGN-IN SHEET: Ellen Sutton, Sandra Johnson, Barbara Jo Crea

Mr. Koptic 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, posted on the Authority bulletin board, and posted and filed in the Office of the Little Egg Harbor Township Clerk. Resolutions are posted on the bulletin board.

Mr. Koptic stated at this time he would like to make a presentation to Mr. Johnson on behalf of the Board.

Mr. Koptic advised that this is Mr. Johnson's last meeting with us and stated on behalf of the Commissioners, we would like to present a plaque to Mr. Johnson commemorating his service to the Authority.

Mr. Koptic read the plaque as follows: Presented to David V. Johnson September 2014 in grateful appreciation for over 27 years of outstanding service, caring, and dedication to the Little Egg Harbor Municipal Utilities Authority serving as Commissioner and as Executive Director. Thank you for making sure that all the needs of the Authority were fulfilled.

Mr. Koptic stated that he asked Mr. Mezzina to join us tonight for Mr. Johnson's last meeting as Mr. Mezzina was our Chairman for the past 37 years.

Mr. Mezzina stated that he was a Member of the Authority for very many years with a lot of the people still sitting here today. He was with Dave and Joe Koptic the longest out of everyone here. Dave has done a fine job and was the main thrust of the Authority. He brought the Authority to its great heights. Without his hard work and efforts, the Authority wouldn't be as successful as it is. He will be followed by another qualified person, Earl Sutton.

Mr. Mezzina stated that Earl has big shoes to fill and wished him well.

Mr. Mezzina wished Mr. Johnson good luck and to enjoy his retirement.

Mr. Johnson thanked him and stated one thing that is very important to mention is through the years being Executive Director, he couldn't have done it without his supporting cast. The Board Members and Authority personnel helped him do what needed to be done.

Mr. Johnson also stated, just like him, Earl won't be able to do the job without the same support of everyone in this room. That needs to be recognized. They all put in a lot of time and effort to get the job done. We always worked for the Authority and for the benefit of the Authority. If not for everyone here, we couldn't do what we do.

Mr. Johnson thanked Mr. Mezzina for attending.

Mr. Johnson stated there were a lot of ups and downs throughout the years working together, but it really was a pleasure working alongside everyone and working for the Authority all these years.

Mr. Johnson thanked everyone again for their support. He couldn't have done this without the Board Members and employees. It is so important to remember that we all worked together and always had the Authority's best interests.

APPROVAL OF PRIOR MINUTES

A motion was made by Mr. Miller, seconded by Mr. Crea to approve the minutes of the regular meeting held on August 12, 2014. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Joseph Koptic.

TREASURER'S REPORT

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

BILLS RESOLUTION

A motion was made by Mr. Kobryn, seconded by Mr. Crea to approve the operational account bills resolution. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

ENGINEER'S REPORT

Mr. Dittenhofer advised the Board that the report was previously forwarded to the Board for their review, but he would like to comment on a few of the items.

Mr. Dittenhofer stated with respect to General Item #1c – NJEIT Water Treatment Plant Wells 7&13 that the application is currently under review by two agencies, NJEIT and the NJDEP. The same holds true for Item #1d – Well #12 Water Treatment Plant.

Mr. Dittenhofer stated with respect to Item #1e – Well #14 that his office has been working with the Authority to expedite the design, specs, and permit process. His office is working on the permit application that will be submitted to the NJDEP next week.

Mr. Dittenhofer stated that was all he had to comment on for his report.

Mr. Dittenhofer stated on behalf of Remington, Vernick & Vena, we would like to wish Mr. Johnson a happy retirement. It has been great working with him, and he appreciated all his help through the years.

There were no questions or comments on the report.

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

EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Johnson advised the Board that the Authority has to renew its JIF membership every three years. He recommends we continue JIF membership for another three years. We have done extremely well being a JIF member. We have benefitted immensely by the cost savings, not just in the insurance premiums, but in receiving a yearly dividend back every year. There is a resolution on the agenda to renew our membership.

A motion was made by Mr. Crea, seconded by Mr. Kobryn to approve Resolution #2014-62 renewing membership in the NJ Utility Authorities Joint Insurance Fund. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

2 – Mr. Johnson advised that this item concerns the water tank at Sea Oaks. We spoke a couple of months ago about our concerns with the tank painting. K. Hovnanian painted the water tank, but it was not done to our satisfaction. We negotiated a \$27,500.00 settlement with K. Hovnanian, and we received that check from them about two weeks ago.

3 – Mr. Johnson stated that the Authority must update its authorized signatory resolution with Sun National Bank to add our new Director as an authorized signer. There is also a resolution to update the night deposit agreement with them as well due to personnel changes at the Authority. There are resolutions on the agenda to update the bank records.

A motion was made by Mr. Crea, seconded by Mrs. DePergola to approve Resolution #2014-61 approving the night depository agreement with Sun National Bank. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made by Mrs. DePergola, seconded by Mr. Kobryn to approve Resolution #2014-64 approving authorized Authority signatories for Sun National Bank. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

4 – Mr. Johnson advised that the State requires the Authority have a Public Agency Compliance Officer, and the Executive Director has always been the Public Agency Compliance Officer for the Authority. However, due to his retirement at the end of this month, he recommends that our new Director, Earl Sutton Jr., be appointed as the Public Agency Compliance Officer effective October 1, 2014. There is a resolution on the agenda regarding same.

A motion was made by Mr. Crea, seconded by Mrs. DePergola to approve Resolution #2014-68 appointing Earl F. Sutton Jr. as Authority Public Agency Compliance Officer. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

5 – Mr. Johnson stated that the Executive Director has also always been the JIF Fund Commissioner, and he would like Earl to continue with that. If Earl is able to go to the meetings, he could get to the JIF Executive Board, which is very beneficial to the Authority. Again, due to retirement, his recommendation is for Earl to be appointed as JIF Fund Commissioner. There is a resolution on the agenda for action.

A motion was made by Mrs. DePergola, seconded by Mr. Miller to approve Resolution #2014-69 appointing Earl F. Sutton Jr. As Fund Commissioner pursuant to Article III of the By-laws of the NJ Utility Authorities Joint Insurance Fund. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

6 – Mr. Johnson stated that our Unit Price Schedule, which developers use to estimate project costs for purposes of calculating performance guarantee amounts, has not been updated in a few years. Unfortunately, over the past couple of years, prices have gone up drastically, and we asked our Engineer to prepare a new price list accordingly. The updated list provided addresses all the new prices and is recommended for approval. Resolution #2014-74 is on the agenda approving the new schedule.

A motion was made by Mr. Miller, seconded by Mr. Crea to approve Resolution #2014-74 approving unit price estimating schedules for sanitary sewer and water facilities. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

7 – Mr. Johnson advised that this item is for informational purposes. The annual League of Municipalities will be held November 18th through the 20th. If anyone would like to attend, they need to contact Colleen.

Mr. Johnson stated that the last thing on his report is Performance and Maintenance Guarantee expirations. There are no guarantees due to expire within the next 90 days.

Mr. Johnson asked whether our Assistant Director had any comments.

Mr. Sutton stated that it is hard to believe tonight is here already. It is bittersweet. He started part-time at the Authority in March. He gave his employer notice to find his replacement, which they did, and then he came on full-time in July.

Mr. Sutton also stated that Dave and the Authority Commissioners brought this Authority a long way. Looking at the history of the Authority, he knows he has big shoes to fill and knew Dave would give him the opportunity to perform the job. He had the confidence but needed the additional knowledge. There is still a lot to learn, but he is moving forward in the right direction. He would like to compliment the rest of the staff. They made him feel welcome from day one. He knows everyone is more than capable to do their job. Everyone on the outside does not realize the job they do here. He knows he will have Dave's continued cooperation, and Joe Mezzina has offered that before as well. Lastly, he wanted to thank the Commissioners for giving him the opportunity to perform the job.

Mr. Sutton stated that he would also like to thank Chris Connors. We have a long history previously and will continue to work well together. Everyone has been more than welcoming.

Mr. Sutton further stated that Dave should take advantage of every minute to enjoy his retirement and spend time with family and enjoy the things that he worked hard for.

There was nothing further for the report.

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

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia advised that a sanitary sewer main collapsed on Ocean Boulevard across from our pump station. Our Engineer investigated the collapse and recommended an emergency be declared. Mathis Construction came in to perform the repair. There is a resolution on the agenda regarding same.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2014-63 declaring emergency with regard to replacement of a sanitary sewer main on Ocean Boulevard across from pump station #2. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

2 – Mr. DiFrancia advised the Board that the Authority received two thank you letters this past month. One letter was from a customer on 8 Pinetree Drive, the other from a customer on 4 West Boat Drive. This shows the outstanding service our personnel deliver to the customers and how pleasant our staff treat customers. The guys next door are doing a wonderful job and are very thoughtful to our customers, and it shows in the letters we receive from our customers.

Mr. DiFrancia stated that the leaks are as noted.

Mr. DiFrancia stated that he wanted to add that he has been with the Authority 20 years, and it has been a pleasure working with Dave. He came over to the administrative side six years ago. In that time period, Dave has influenced him to never give up and always showed how proud he was to get to the place he is now. Dave treated him as a son. He wanted to thank Dave for the way he treated him and helped him through the years.

Mr. Johnson stated that it was not necessary to thank him, but he appreciates everything our Superintendent said.

Mr. Johnson also stated that the woman from 4 West Boat Drive wrote the letter the same day and came in here. She was so happy and called to ask whether we received the letter and to thank the Authority and the employees who helped her.

Mr. Johnson further stated that he doesn't believe other Authorities or Municipalities receive the type of letters we get from customers. It is nice that everything is working fine and our customers are happy with their service. People do not always see this. It is nice that some customers take the time to write a thank you letter. It is good for the Board Members and everyone to see this.

There was nothing further for the Superintendent's Report.

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

PERSONNEL COMMITTEE REPORT

1 – Mr. Johnson advised that this item concerns one of our clerical employees, Victoria Massaro. When the employee left that was our QPA, someone had to step in to help with the responsibility of purchasing procedures. We asked Ms. Massaro and the other office staff if they were interested to learn purchasing and train for the purchasing clerk position. Ms. Massaro was the one most excited to do it and wanted to try it. The other staff members were happy where they were. Ms. Massaro has been in that position for approximately three months and is doing a great job. Our Executive Secretary, who is also the Office Manager, is happy with her and feels she has progressed well in that position. The Committee discussed promoting her to Purchasing Clerk with an increase of \$1.37 an hour. There is a resolution on the agenda regarding this action.

A motion was made by Mr. Crea, seconded by Mr. Kobryn to approve Resolution #2014-75 appointing Victoria Massaro as Purchasing Clerk. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

2 – Mr. Johnson stated that this is pretty simple. The Board brought Earl Sutton Jr. on to replace him due to his retirement. The Committee recommends appointing Earl to the position of Executive Director effective October 1, 2014 and approving the employment contract discussed by the Committee. There are resolutions on the agenda for the appointment and the employment contract.

A motion was made by Mr. Crea, seconded by Mrs. DePergola to approve Resolution #2014-65 appointing Earl F. Sutton Jr. as Executive Director. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made by Mr. Kobryn, seconded by Mr. Miller to approve Resolution #2014-65A approving employment agreement with Earl F. Sutton Jr. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

3 – Mr. Johnson advised that the State requires the Authority have a CFO in order to be in compliance with State requirements. He was always the CFO, but due to his retirement, he recommends Mr. Sutton be appointed as CFO. He is more than qualified to hold the position. The Committee recommends appointing Earl F. Sutton Jr. as CFO of the Authority. There is a resolution on the agenda for action.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2014-66 appointing Earl F. Sutton Jr. as Chief Financial Officer. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

4 - Mr. Johnson stated, along with that, because of the extra duties and time involved, we had previously adopted a resolution establishing a salary for the CFO in the amount of \$12,000.00. The Committee recommends the CFO salary remain at \$12,000.00 per year. There is a resolution on the agenda for that as well.

A motion was made by Mr. Miller, seconded by Mrs. DePergola to approve Resolution #2014-67 designating a salary of Chief Financial Officer. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

5 – Mr. Johnson advised the Board that he discussed stipends for administrative employees with the Committee. The administrative employees have worked extremely hard over the last two years due to Super Storm Sandy. They have worked beyond the routine duties and hours required of their positions for almost two years. He recommended the Personnel Committee consider a stipend for the administrative personnel who are salaried personnel. During the regular course of contract negotiations you couldn't anticipate this storm happening and the amount of extra work it produced. The compensation they receive is for the routine duties of their positions. As a result of the storm, it was necessary to work well beyond their routine duties. The time they put in for all the extra storm related work and reports required by FEMA is immense. After some discussion, the Committee recommends a stipend of \$5,000.00 each to compensate for the additional work. There are resolutions on the agenda for this action.

A motion was made by Mr. Crea, seconded by Mrs. DePergola to approve Resolution #2014-72 authorizing payment of supplemental compensation to Colleen Kleinow for additional duties performed as a result of Super Storm Sandy. Roll call vote, Earl Miller – yes, Eugene Kobryn - abstained, Richard Crea – yes, Margaret DePergola - yes, Joseph Koptic – yes.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2014-73 authorizing payment of supplemental compensation to Nicole Mezzina for additional duties performed as a result of Super Storm Sandy. Roll call vote, Earl Miller – yes, Eugene Kobryn – abstained, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2014-71 authorizing payment of supplemental compensation to Michael DiFranca for additional duties performed as a result of Super Storm Sandy. Roll call vote, Earl Miller – yes, Eugene Kobryn – abstained, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made by Mr. Crea, seconded by Mrs. DePergola to approve Resolution #2014-70 authorizing payment of supplemental compensation to David V. Johnson for additional duties performed as a result of Super Storm Sandy. Roll call vote, Earl Miller – yes, Eugene Kobryn – abstained, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

Mr. Koptic stated that there is another resolution in connection with the Customer Committee Report.

Mr. Johnson advised that we are returning money to this person because both she and the attorney paid the water and sewer bill at the same time as noted in the report. The executrix paid the bill not knowing the attorney was also paying it. All we are doing is refunding the money to the executrix since the attorney paid it too.

A motion was made by Mr. Kobryn, seconded by Mr. Crea to approve Resolution #2014-76 authorizing a refund of an overpayment of water and sewer utility charges to Leah R. Teves, Executrix of the Estate of Leah C. Stone for Block 272 Lot 1. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

ATTORNEY'S REPORT

Mr. Connors stated that the report is as written and submitted to the Authority for their review. His firm continues to monitor the punch list items in conjunction with any outstanding developer matters. There is really nothing else to report. Most matters have been concluded at this point.

Mr. Connors stated that he would like to add his congratulations to Earl Sutton as Executive Director. Certainly we all knew it was coming, but the day is growing closer for him in accepting the reins of the Authority and moving it forward in the same fashion. He had the opportunity to work with Earl when Earl was a valued member of Tuckerton Borough. He was able to accomplish things administratively and efficiently to address the needs of the people.

Mr. Connors also stated that he worked with Mr. Sutton at the Community where he did everything from soup to nuts in that Community, and he never heard any complaints from the people of the Community. He looks forward to working with Mr. Sutton in his capacity as Executive Director.

Mr. Connors further stated that he would also like to thank the Authority for his working here and working with the current Executive Director. Mr. Johnson's guidance has provided invaluable insight, and he will not forget it. More importantly, as Executive Director here, his stewardship of this Authority has made this one of the premier Authorities. Mr. Johnson is definitely a task master. You know you have to get the job done. Everyone respects and likes him because he is a task master. Everyone knew he had a purpose and a great responsibility.

Mr. Connors stated that he knows Mr. Johnson will not be a stranger to the Authority and Township. He will be a phone call away if needed, which we will be grateful for, not only as a professional, but also as a friend.

Mr. Johnson thanked Mr. Connors for his comments.

There was nothing further for the Attorney's Report.

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

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

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

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

There were no comments from the public.

Mr. Koptic thanked the public for attending to see our new Executive Director appointed and see our present Executive Director get ready to retire.

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

Mr. Koptic stated that there was no need for executive session.

Mr. Johnson stated that he wanted to thank everyone again for all the support given him throughout the years. He thanked the administrative staff for working so closely and so tightly with him even with all the pressures. He knows Earl Sutton is a team member too. This is a perfect thing for him to come into. He appreciates everyone's help at the Authority. It has been very interesting. He remembers when the Authority had no money, and customers had no water pressure to the second story of their home. We have come a long way.

Mr. Johnson thanked the Board for having him here all these years, but he knows it is time to go. He appreciates everything done for him over the years, and he hopes he lived up to everyone's expectations. It has really been a pleasure working here with the employees and the Board Members. We are one family and one team, and that is why we do so well. We do not have individuals doing their own thing. We are a team.

Mr. Johnson thanked the Members for all the appointments and courtesies over the years and thanked the professionals as well for working so good together over the years.

Mrs. DePergola stated that when she started with the Authority in the Year 2000, she was really worried that she wouldn't be a good Commissioner. As time went on, especially working with Dave, he always helped her. Any problems, she went to Dave, Michael, Colleen, or Nicole, and we always helped her. It was great working with Dave.

Mr. Koptic stated that it has been a pleasure to work with Dave.

Mr. Koptic stated that this is his first year as Chairman of the Board, but he worked as Vice Chairman of the Board with Dave for many years while Mr. Mezzina was the Chairman. He learned a lot from both of them.

Mr. Johnson stated it was his pleasure.

There being nothing further, a motion was made by Mr. Crea, seconded by Mrs. DePergola to adjourn. All in favor.

SECRETARY

Approved on (date)