

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on October 14, 2014 at 5:00 PM at the Authority headquarters, 823 Radio Road, Little Egg Harbor Township, New Jersey.

MEMBERS PRESENT: Margaret DePergola, Vice Chairwoman; Richard Crea, Secretary; Earl Miller, Treasurer; Eugene Kobryn; Richard Robins; Marie Skelly

MEMBERS ABSENT: Joseph Koptic

OTHERS PRESENT: Earl F. Sutton Jr., 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, 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.

#### PRIOR MINUTES

A motion was made by Mr. Miller, seconded by Mr. Kobryn to approve the minutes of the regular meeting held September 9, 2014. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

#### TREASURER'S REPORT

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

#### BILLS RESOLUTION

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

#### ENGINEER'S REPORT

Mr. Dittenhofer stated that the Engineer's Report for October 2014 was forwarded to the Board Members for their review and approval, and he would like to comment on several items.

Mr. Dittenhofer advised the Board that Well #14, Item 1e under the general heading, has been through the permit application process and deemed administratively complete. His office is preparing bid documents for the construction of this well.

Mr. Dittenhofer advised with respect to item 1f, NJEIT 2016 Twin Lakes Blvd. Water and Sewer Replacement, that the NJEIT is a funding mechanism through the DEP that the Authority will utilize for this project. His office prepared a letter of intent to the NJDEP for this project on behalf of the Authority.

Mr. Dittenhofer stated that there is a development application for Walmart that will be addressed on the Plans Committee report. Walmart submitted applications for final water and sewer approval. Also, there is a bond release for Terraces at Seacrest Village, which appears on the agenda for action. The punch list items have been completed satisfactorily, and his office recommends that the performance guarantees be released. That is all for his report unless there are any questions. There were no questions or comments.

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

#### EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Sutton advised the Board that our Auditors have been in our office working diligently over the past month. Colleen and Nicole are at their beck and call for whatever information they need. The report should be ready for our November meeting.

2 – Mr. Sutton advised that there are several resolutions in regard to banking due to his being named as the Authority's Executive Director. The bank resolutions at TD Bank, Shore Community Bank, and Ocean First Bank need to be updated to delete the prior Director and add the current Director.

3 – Mr. Sutton stated that this item is what our Engineer just commented on with respect to the Terraces at Seacrest Village. When preparing the Plans Committee Report, there were still outstanding items for this project; however, they have now been completed. The necessary recommendations will be taken up later in the meeting regarding the release, and resolutions for that release are on the agenda as mentioned earlier.

4 – Mr. Sutton stated that this item is informational. We have been looking closely and aggressively at our long-term capital improvements. The time is coming that we should discuss more diligently what our future infrastructure needs and costs will be and move forward with it. We met with the Township for a very productive meeting. He, Mr. DiFrancia, Mr. Contreras, Township Business Administrator Garrett Loesch, and the Township Engineer were in attendance. We want to work cooperatively, as we always have, since the Township is responsible for the roads. If they are resurfacing roads we need to know ahead of time in case we have an upcoming project. It saves both of us substantial dollars and shows a good faith effort to work together. There is nothing worse than a road being resurfaced, and then having to open it up again. This enhances our commitment to work cooperatively and enhances our position with our elected officials for the future. He thinks Mr. Kobryn already knows this.

Mr. Sutton stated that a good example is the Lakeside Drive area. The Township notified us that they were going to pave the road so we replaced the services there before the road project commenced.

Mr. Sutton stated that we have to look at the Mystic Islands section mainly, and we will have to see how the improvement projects will affect our rates. Everyone may be surprised by the costs, but it certainly is needed, and we have to do it. We do not want to have a lot of emergency repairs. You cannot always budget for that. We will do a one to five year plan, and then further out.

Mr. Sutton advised that there were no performance guarantees or maintenance guarantees due to expire within 90 days.

Mr. Sutton stated lastly that our Administrative Assistant asked that he remind everyone that our November meeting is Monday, November 10<sup>th</sup> due to the holiday. Mark your calendar for that.

Mr. Sutton stated that there were resolutions on the agenda for the banks mentioned and for the Terraces performance guarantee release.

A motion was made by Mr. Robins, seconded by Mr. Kobryn to approve Resolution #2014-77 designating Authority personnel authorized to perform actions with respect to TD Bank. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

A motion was made by Mr. Kobryn, seconded by Mr. Miller to approve Resolution #2014-78 designating Authority personnel authorized to perform actions with respect to Shore Community Bank. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

A motion was made by Mr. Robins, seconded by Mr. Crea to approve Resolution #2014-83 authorizing release of performance guarantee conditioned upon posting a maintenance guarantee for Terraces at Seacrest Village Project, Assisted Living Community, Block 325 Lot 7.05 with regard to the water system. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

A motion was made by Mr. Kobryn, seconded by Mr. Miller to approve Resolution #2014-84 authorizing release of performance guarantee conditioned upon posting a maintenance guarantee for Terraces at Seacrest Village Project, Assisted Living Community, Block 325 Lot 7.05 with regard to the sewer system. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

Mr. Sutton advised that the Members probably noticed the meeting package was thinner this month. We had a lot of correspondence going through the office, and he made a decision that we maintain the original correspondence in the office and eliminate all the extra copies. The Members will get the meeting package the way the agenda is with the reports and professional recommendations, but individual correspondence will not be included. The information is always available if the Members would like to take a look at it, and as always, he is available to answer any questions anyone may have. This will save time, effort, and money. It will also save some trees. He spoke with Chairman Koptic about it, and the Chairman had no issues with this procedure.

Mr. Sutton stated at this time he would like to recognize the staff here. They have gone above and beyond the call of duty whether it be simple things or major things. We received a few more letters commending our staff again. Mr. DiFrancia will report on this under his Superintendent's Report.

Mr. Sutton further stated that it is nice when people take the time to recognize our staff. It is unsolicited. He will talk to the individuals that were recognized.

Mr. Sutton thanked Mr. DiFrancia and staff and stated there was nothing further for his report.

Mr. Crea stated that whenever we made a call, they were always there.

Mrs. DePergola thanked the staff on behalf of the Board.

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

### SUPERINTENDENT'S REPORT

1 - Mr. DiFrancia advised the Board that we were mandated to retrofit the diesel vehicles in our fleet. We are finally at the end of completing this task. All the vehicles were looked at by Johnson & Towers. Units were put on the vehicles that measure the carbon monoxide and soot levels of the vehicles. We then get a report of the vehicles that have to be retrofitted. The new dump truck and jet truck already have the retrofit. The old jet truck and box truck have to be retrofitted. It is fully funded by the State so there is no cost to the Authority. All the other vehicles were exempt.

2 – Mr. DiFrancia advised the Board that the Authority was copied on a letter to the Township from T&M Associates regarding 29 Falkinburg Drive. We met with the homeowners there about the sinkholes, which were right in line with our easement for our water main. We investigated the area and found that the problem was due to stumps buried there.

Mr. DiFrancia also advised that a letter came today from one of the homeowners in that area, the O'Connors, stating they were happy with our professionalism and prompt attention. They also stated in their letter that we left the property in better condition than it was prior to our visit.

3 – Mr. DiFrancia stated as a condition of final approval for Harbor View Estates, they had to provide a generator for the pump station because of the extra load on the pump station. Due to the lack of property, a portable generator was approved for this station. It was ordered September 16, 2014. The estimated time of arrival is mid-December.

4 – Mr. DiFrancia advised that we received another nice letter from a property owner thanking us for our service, which is attached. It is nice to hear from people that we are doing a great job.

Mr. DiFrancia stated that there were three leaks reported this month as noted.

Mr. Sutton asked Mr. DiFrancia to mention the cost of the generator that Harbor View provided.

Mr. DiFrancia advised that the generator cost \$25,000.00. There was a \$2,000.00 difference to go to a higher KW so we paid the \$2,000.00 difference. The engine is still the same size. That didn't change.

Mr. Kobryn stated that he would like to read the letter that our Superintendent referred to with respect to Falkinburg Drive.

Mr. Kobryn read the letter from the O'Connors of 25 Falkinburg Drive as follows: " Mr. DiFrancia, It was nice to meet with you the other day regarding the potential sinkhole on the easement of our properties brought to your attention by our neighbors. I wanted to take this opportunity to thank and commend your staff that worked on my property on October 10<sup>th</sup>. They were polite, professional, and explained what exactly they were doing. As you asserted, they left my property in better condition than it was prior to their visit. Thankfully the issue was no more than root systems that degraded over time that produced the sinking areas of our properties. We appreciate the prompt attention to this matter and the solution to the issue. Regards, Walter & Mary O'Connor"

Mr. Kobryn thanked Mr. DiFrancia and his personnel.

Mr. Sutton advised that a resident lost their pool back there as a result of the sinkholes.

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

#### PLANS COMMITTEE REPORT

Mr. Sutton advised that there was only one specific thing to add to the report. Mrs. Kleinow brought to our attention that the connection fee amounts in the letter for Walmart were reversed. The numbers were correct, but they were reversed. The amount stated was \$156,000.00 for sewer and \$91,000.00 for water; however, it should be \$156,000.00 for the water connection fee and \$91,000.00 for the sewer connection fee. That has been corrected, and revised letters were forwarded. The Committee is making the recommendation to authorize final approval for water and sewer for this project. Walmart will be required to install a 2" compound meter and were notified of that. Resolutions are on the agenda for the Board's consideration, and the recommendation letters are attached.

Mr. Sutton stated that the other issue, which is not on this report, was the Terraces at Seacrest, which was covered under his report, and we already took action on those resolutions.

A motion was made by Mr. Robins, seconded to Mr. Kobryn to approve Resolution #2014-81 granting final water approval for the Walmart Supercenter, Block 278 Lots 13.01 & 13.02. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

A motion was made by Mr. Robins, seconded by Mr. Kobryn to approve Resolution #2014-82 granting final sewer approval for the Walmart Supercenter, Block 278 Lots 13.01 & 13.02. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

A motion was made by Mr. Miller, seconded by Mr. Robins to approve the Plans Committee Report. All in favor.

Mr. Sutton stated that there was a resolution missed with respect to one of the banks.

A motion was made by Mr. Kobryn, seconded by Mr. Robins to approve Resolution #2014-80 designating Authority personnel authorized to perform actions with respect to Ocean First Bank. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

## CUSTOMER COMMITTEE

Mr. Sutton stated that there was one issue for the Customer Committee. It was in reference to a meter purchased by a contractor doing work for a customer on Binnacle Drive. The home was damaged by Hurricane Sandy, and the owner was told to hold the meter until needed; however, the contractor purchased a new meter and MTU and installed it. The owner returned the old meter and MTU and requested a refund. We have a policy whereby a new meter is issued at no cost for storm related properties if the old one is turned in. In this case, the new contractor didn't know about the old meter and purchased a new one but then found the old one. We felt that refunding this individual is the right thing to do since it is storm related, and we can turn it in to FEMA.

Mr. Sutton also stated that the Committee agreed and recommends that since this could be a re-occurring issue that a resolution refunding the cost of the meter and/or MTU should be approved so that it would not be necessary to discuss these instances individually each time a refund should be made.

Mr. Sutton advised that if this situation comes up in the future, Counsel advised that we do not need to discuss the refund each time. Mr. Connors worked with us whereby we could have a Schedule "A" to use in the future to add to a resolution for refunds.

A motion was made by Mr. Miller, seconded by Mr. Robins to approve Resolution #2014-79 authorizing customer refunds for returned water meter(s) and/or MTU(s). Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes.

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

## ATTORNEY'S REPORT

Mr. Connors advised that the report was provided to the Board for their review. He would like to make comment on the Harbors at Stage Development item. This is one of the developments that the Authority was involved in litigation with, and a Settlement Agreement was approved. The party involved provided a trust account of \$18,000.00 to be held as a guarantee that the work would be done. When the work was completed, we authorized release of the \$18,000.00 but held it up because of an inspection fee issue. We are in the process of resolving that at this time. We are hoping that the project will be closed out shortly. That is it for his report unless anyone has questions.

There were no questions or comments.

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

Mrs. DePergola asked if there were any other matter to come before the Board. There were none.

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

A motion was made by Mr. Crea, 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. Crea, seconded by Mr. Miller 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. Crea, seconded by Mr. Miller to adjourn. All in favor.

-----  
SECRETARY

-----  
Approved on (date)