

LEHMUA
Regular Meeting

March 10, 2015

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on March 10, 2015 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; Earl Miller, Treasurer; Eugene Kobryn; Richard Robins; Marie Skelly

MEMBERS ABSENT: Richard Crea

OTHERS PRESENT: Earl F. Sutton Jr., Executive Director; Colleen Kleinow, Administrative Assistant; Felipe Contreras, Authority Engineer; Christopher Connors, Authority Attorney

OTHERS IN ATTENDANCE PER SIGN-IN SHEET: None

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.

The Members viewed the news story by NBC10 regarding the Authority's meter reading system.

PRIOR MINUTES

A motion was made by Mrs. DePergola, seconded by Mr. Miller to approve the minutes of the regular meeting held February 10, 2015. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes, Joseph Koptic – yes.

TREASURER'S REPORT

A motion was made by Mr. Robins, seconded by Mr. Kobryn approving the Treasurer's Report. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Margaret DePergola – yes, Joseph Koptic – yes.

BILLS RESOLUTION

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

ENGINEER'S REPORT

Mr. Contreras stated that the report was submitted to the Board for their review and approval, and he wanted to comment on a few of the items.

Mr. Contreras advised that the Mathistown Road Water Treatment Plant and Radio Road Water Treatment Plant projects are in their final stages of review, and then we can get these projects out to bid.

Mr. Contreras stated that the Authority's Capital Improvement Plan has been completed. We are working on the sources of funding right now and establishing a time schedule for the projects. He has been working with the Executive Director and Superintendent on this. We need to find the money first to do the projects. The Director is working very hard on that.

Mr. Contreras advised that there are resolutions on the agenda tonight for the filing of the NJEIT applications for the Twin Lakes Blvd. Water and Sewer Main Replacement, and also for the Decommissioning of Well #7. The Authority received bids this morning for the Decommissioning of Well #7, and he recommends award to Steffen Drilling in the amount of \$71,225.00. A recommendation letter was provided to the Board tonight. It is contingent upon our Attorney's review of the documents. The resolution is before the Board tonight.

Mr. Contreras stated, in terms of development, we met with the DOT and Wal-Mart regarding the work that needs to be done. The DOT is requesting things that are difficult for us to accept in terms of pipe location. One is completely outside of the road, and they wanted the water and the sewer on the same side, which we can't agree on. The developer's engineer submitted a plan, which is under review. They received bids last Thursday. We are expecting an answer from the DOT on how this will be resolved.

Mr. Contreras stated that the work at Harbor View Estates has been difficult with the weather, but we are moving on it.

Mr. Miller inquired of the time frame on DOT's response to Wal-Mart and was advised by Mr. Contreras that they have 45 days to answer. The person doing the review approached us because we are the applicant even though the developer is doing the work on the water main extension.

Mr. Miller stated then we are still looking at a month and a half.

Mr. Contreras advised that we are pretty close to an agreement of what we are going to do, but the DOT representative had to bring it to his supervisor to see what they want to do. What we gave them was a very fair approach. We do not expect too many more problems to get this resolved.

Mr. Miller asked if it could be less than 45 days and was advised by Mr. Contreras that it could be, but the weather is not so great right now anyway.

There were no other questions and nothing further for the report.

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

EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Sutton advised the Board that the first item is the video the Members just viewed regarding the news story NBC10 did on the Authority.

Mr. Sutton stated that there was also a nice story in the *Sandpaper*. Pat Johnson from the paper contacted him, and he advised her of our meter reading system and how we can monitor usage on an hourly basis. She was intrigued by that, and that is how NBC found out and reached out to us. It is nice to have good positive press. The story is also on our web site.

2 - Mr. Sutton advised that the Authority's Master Plan is in the process of being reviewed for updates. It should be ready for next meeting. We are looking at the water and sewer rules also. If there is an expansion of a water or sewer main, we are going to ensure that there is service to vacant lots at the time of construction.

3 – Mr. Sutton stated that Wal-Mart was already discussed, and with respect to the DOT, they do not want infrastructure in the Route 9 corridor or paved area. There is nothing the Authority is doing to hold up Wal-Mart. We have accommodated them and want to make sure we have the proper infrastructure installed. We have done everything we could. There may be some delays, but we are trying to do everything possible to meet with them to make sure everything goes smoothly.

4 – Mr. Sutton advised the Board that we received a thank you note from a customer who was very impressed that we went the extra mile to locate the shutoff valve. We detected high usage at the property and went to shut the water off but could not locate the shutoff valve. It was in his concrete apron, which had a lot of snow on it. Our personnel shoveled quite a bit of snow to find it. The customer was very appreciative of our efforts.

5 – Mr. Sutton stated that there were no performance guarantees due to expire within 90 days; however, the Frog Pond Road WaWa maintenance guarantees expire April 9, 2015. They already reached out to us regarding the expiration, and it was forwarded to Mr. Contreras' office for the release.

6 – Mr. Sutton stated that he is happy to report that our CCR is already completed and way ahead of schedule. We are required to mail it out by July 1st. We anticipate it going out at the end of March or beginning of April. We are very proud of it. A big item that is being included in the report is a rate comparison, which shows how low our rates are.

7 – Mr. Sutton advised the Board that our budget and capital plan are being worked on. He thinks the Commissioners will be happy and proud of it. We mapped out a good, logical plan, and as Mr. Contreras indicated, we are looking at how to fund it. He is confident we will be able to do it, and we need to do it. Every interconnecting street off Twin Lakes Blvd. will have expansion. We hope to work cooperatively with the Township to get the paving done. Once it is done, we will not have to deal with much maintenance, and there will not be as much infiltration. It is an aggressive plan, but we need to look at it aggressively. There will be committee meetings necessary for this. He will advise the appropriate committees when the time comes. We will also have a complete restoration of the water and sewer system. Ultimately, he would like every Board Member involved with this. He anticipates some time spent on this in March or April.

Mr. Sutton stated that we will also have to introduce our budget next month and further stated that he has been here one year today. He started working for the Authority last March. He can't believe a year has passed already. He has enjoyed working here and can't praise the staff enough. The customers are appreciative of our staff as well, which is nice to see. That is all he has for his report unless there are any questions. There were no questions or comments.

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

SUPERINTENDENT'S REPORT

1 - Mr. Sutton stated that he would be taking over the report for Mr. DiFrancia who will not be here this evening. He had an event to attend this evening. The first item is informational. Hydrant flushing will begin March 30, 2015 and will continue through the end of May. We have a number of hydrants so it takes that long to complete the flushing. It is overtime work, but it removes sediment and provides an operational check of our hydrants.

2 - Mr. Sutton advised that there is a resolution for the Decommissioning of Well #7 bid award as Mr. Contreras pointed out.

3 - Mr. Sutton stated that this time each year, authorization is requested to solicit bids for our annual contracts for chemicals, emergency repair of water and sanitary sewer mains and services, and the water and sewer plant supplies. Mr. DiFrancia recommended the same be done this year and requested authorization to go out to bid on the annual contracts.

A motion was made by Mr. Miller, seconded by Mrs. DePergola authorizing the Authority to go out to bid for chemicals, emergency repair of water and sanitary sewer mains and services, and the water and sewer plant supplies. Roll call vote, Earl Miller - yes, Richard Robins - yes, Eugene Kobryn - yes, Margaret DePergola - yes, Joseph Koptic - yes.

Mr. Sutton advised that there were three leaks this past month. There were many freeze ups, and we had in excess of 40 that were broken. When the weather breaks, you normally get more. We can monitor and shut off at the curb to lessen the damage.

Mr. Sutton stated that was all for the report.

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

CUSTOMER COMMITTEE REPORT

Mr. Sutton advised the Board that on March 5, 2015, Mr. Miller, Mrs. Skelly, and he met to discuss two properties; one was 306 Lexington Drive, and the other was 20 Lippincott Drive. Mr. Riotto of 306 Lexington Drive requested a reduction or relief for his water bill due to a leaking toilet. The homeowner fixed the leak, and provided a copy of the repair bill. The Committee discussed and recommended forgiveness of one-half of the amount of the overage charge resulting in a \$36.00 reduction in the charge for the water overage.

Mr. Sutton advised that the second issue was a request from Mr. Kanwisher of 20 Lippincott Drive who requested a reduction or relief for his water bill also. The property is currently rented. Neither the tenant nor the homeowner reported any leaks. There was no indication of high usage based on our records. Mr. Kanwisher indicated repairs were made to the irrigation system piping, which was found and repaired by the tenant. We consistently haven't reduced a bill for high usage related to an irrigation system, and the Committee recommended no reduction of the bill in this case.

Mr. Miller advised that the decisions made were consistent with our past decisions, and there was no change or deviation from previous actions.

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

PERSONNEL COMMITTEE REPORT

Mr. Sutton advised the Board in this case that the committee meeting was held with Mr. Koptic and Mr. Crea via telephone. We had conversation regarding Kevin Vinciquarra, who was hired in December and his probationary period was scheduled to end March 4, 2015. The Committee recommended offering Mr. Vinciquarra the permanent position effective March 12, 2015 contingent on obtaining a valid CDL, which he has. The position is \$19.00 per hour, and a resolution was prepared for action tonight.

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

A motion was made by Mr. Kobryn, seconded by Mr. Robins to approve Resolution #2015-11 appointing Kevin Vinciquarra as a permanent full time employee of the Authority. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Margaret DePergola – yes, Joseph Koptic – yes.

Mr. Koptic stated that there were a few other resolutions on the agenda to be acted upon.

A motion was made by Mr. Robins, seconded by Mr. Kobryn to approve Resolution #2015-9 regarding filing application with the NJ Department of Environmental Protection and the NJ Environmental Infrastructure Trust for the Twin Lakes Boulevard Water Main Replacement. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made by Mr. Kobryn, seconded by Mr. Robins to approve Resolution #2015-10 regarding filing application with the NJ Department of Environmental Protection and the NJ Environmental Infrastructure Trust for the Twin Lakes Boulevard Sewer Main Replacement. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made by Mr. Miller, seconded by Mrs. DePergola to approve Resolution #2015-12 awarding bid to Steffen Drilling for Decommissioning Well #7. Roll call vote, Earl Miller – yes, Richard Robins – yes, Eugene Kobryn – yes, Margaret DePergola – yes, Joseph Koptic – yes

ATTORNEY'S REPORT

Mr. Connors advised the Board that a copy of his report was provided to the Members, but there is actually nothing to report this meeting from last meeting. With respect to the Harbors at Stage item, we continually state that we are in process of filing a motion to return to court to enforce the financial aspect of the settlement that remains outstanding. We report that because the motion has not yet been filed because the process also involves communication with the litigant to try to get the monies through other means because the cost of litigation would exceed the escrow amount outstanding. We are trying to do this without going to court.

Mr. Koptic asked whether there were any questions of the Attorney. There were none.

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

Mr. Sutton advised the Board that he had a couple of items for informational purposes. An article was provided by Mr. Miller that was in the Atlantic City Press regarding Hammonton's water rate increase. Their water rate is increasing from \$170.00 a year to \$280.00 a year. They had a total increase of \$255.00 more per year. Their sewer rate is increasing from \$450.00 per year to \$595.00 per year.

Mr. Sutton also advised that in Stone Harbor, the newspaper reported that their water rates were increasing from \$55.00 a quarter to \$70.00 a quarter. Our Authority is only \$46.00 a quarter for water service.

Mr. Kobryn stated that based on those numbers reported, Hammonton's rate is almost \$220.00 per quarter or about \$880.00 for the year versus what we are.

Mr. Miller stated that it was actually \$875.00 per year total.

Mr. Sutton stated to compare our numbers, \$46.00 per quarter for water is only \$184.00 a year for water service. The interesting thing they said in regard to Hammonton is that the reason for the increase in rates is that their revenues are down, and it's largely because of a successful water conservation program that saved about 125 million gallons of water per year.

Mr. Sutton advised, for a community of that size, it is not that much water, but as a result of asking customers to conserve, they are raising the rates.

Mr. Kobryn stated that the article also mentioned increased cost of treatment and disposal projects.

Mr. Sutton stated that the Authority needs to be mindful of its ratepayers, but we also need to do what we need to do. We need to keep focus on the big picture and take care of our system.

Mr. Koptic and the Members agreed.

Mr. Sutton stated that once you do it, it is done, and you need to do it for stability.

A motion was made by Mr. Miller, seconded by Mrs. DePergola 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. Miller, seconded by Mrs. DePergola 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 Mrs. DePergola, seconded by Mr. Kobryn to adjourn. All in favor.

SECRETARY

Approved on (date)