

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on September 8, 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; Richard Crea, Secretary; Earl Miller, Treasurer; Eugene Kobryn; Marie Skelly

MEMBERS ABSENT: Richard Robins

OTHERS PRESENT: Earl F. Sutton Jr., Executive Director; Michael DiFrancia, Superintendent; Colleen Kleinow, Administrative Assistant; Nicole Mezzina, Executive Secretary/QPA; 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.

PRIOR MINUTES

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve the minutes of the regular meeting held August 11, 2015. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea - yes, Margaret DePergola – yes, Joseph Koptic - yes.

TREASURER'S REPORT

A motion was made by Mr. Miller, seconded by Mr. Crea approving the Treasurer's Report. 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.

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia advised that our old jet truck was repaired by Purvis Marine. They did a wonderful job. He was pretty impressed with the work and is happy that a local vendor was able to do it. It was pristine and is back in working order. This saved the Authority a considerable amount of money.

2 – Mr. DiFrancia stated that emergency work was performed at the Frog Pond School due to a sewer back-up. A letter is attached to the Executive Director's Report. Ms. McCoolley, Superintendent of Schools, thanked us for the prompt and courteous service.

3 – Mr. DiFrancia advised that we are continuing to replace the damaged meters due to Super Storm Sandy. As you see on the work order management report, the amount of meters repaired during August totaled 187, and that number represents meters damaged through the storm or it could also be non-reads.

4 – Mr. DiFrancia stated that the contractor who was awarded the bid for the replacement of two fire hydrants damaged by vehicle accidents will be starting work next week on this job. As you may recall, since the two hydrants were damaged due to accidents, claims were submitted to our insurance carrier.

5 – Mr. DiFrancia advised the Board that our personnel repaired a water leak on South Captains Drive. At first we thought it was a storm drain issue. After investigation, we found it was not, and our personnel performed the repair.

6 – Mr. DiFrancia stated that the work order management report is attached for the Board's review. As you can see, 17 accounts were activated, but only 11 were disconnected. That is a net gain of 6 accounts. As mentioned already, there were 187 meter repairs. There were also 21 water leaks this past month. Altogether there were 242 water jobs this month alone.

Mr. Koptic inquired whether all the meter repairs are still storm related and was advised by Mr. DiFrancia that the 187 figure represents what we have repaired throughout the whole system. It could be storm related, broken wires, non-reads, or other meter issues. To complete 187 repairs in one month is very good. The more meter readings we have, the better. We are in the process of sending out letters to try to figure out why some meters are non-reads. If we see non-reads, we knock on doors and leave cards asking for the owner to contact us; then we mail out letters.

Mr. Kobryn asked how much money was saved with respect to the truck repair and was advised by Mr. DiFrancia that the manufacturer wanted \$90,000.00 to repair it. Instead of putting \$90,000.00 into an old truck, we started looking at finding parts and looking for a vendor to weld them. The parts purchased were \$2,000.00, and the cost for the vendor who repaired it was \$4,000.00.

Mr. DiFrancia advised that the overlap had holes in it where the suction cup goes through the unit. We investigated how to fix it without replacing it since replacing the part was \$90,000.00. He made some phone calls and got Purvis Marine. Purvis gave him a price and kept with it. He is so impressed with the work.

Mr. Kobryn stated that \$90,000.00 versus \$6,000.00 is an \$84,000.00 difference. The Superintendent saved the Authority \$84,000.00.

Mr. DiFrancia stated that was all for his report.

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

EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Sutton stated that we are still in negotiation with the bidder for the sale of the cellular lease agreements. We are reserving discussion for executive session with anticipated action when we come back into open session.

2 - Mr. Sutton advised that tonight there will be a recommendation of award for the Playhouse Drive Sewer Replacement. The prices were above what we anticipated; however, we need to move ahead with the work because the road is going to be paved. We do not want to open the road up after it is paved. That is why we have to move quickly on this.

3 – Mr. Sutton stated that a coordinated capital improvement plan is scheduled. Our phase in starts in 2017. We are hoping to save on soft costs of engineering and bond counsel. We also will attend an NJEIT seminar and hope it will release pressure of the submittal timelines.

4 – Mr. Sutton advised that he and Ms. Mezzina have a meeting with the company awarded the energy upgrade project. The total cost was around \$22,000.00 or \$23,000.00, but we will recover that in the next two years. If successful in the buildings covered by the proposal, then we may take a look at this building.

5 – Mr. Sutton advised the Board that we switched uniform companies. There were too many issues with the previous company going back to 2013. There were unresolved billing and payment issues. As the Board Members signing checks can attest to, we never pay bills late. By making this switch, we will not only solve billing issues, but we will also see an overall cost savings. They are nice uniforms. The American flag is sewn on the sleeves of the shirts and jackets.

Ms. Mezzina stated that they are really nice looking uniforms.

Mr. Sutton stated that the material is nicer, and the color is nicer.

6 – Mr. Sutton advised that the Authority received a letter from the LEH School District Superintendent. There was a sewer back-up at the school in the midst of staff orientation. We were called out and fixed the problem quickly. Ms. McCooley wrote a nice letter thanking us for the service we provided.

7 – Mr. Sutton stated that there were no performance bonds due to expire within the next 90 days. Our Engineer recommended that Harbor View Estates performance bonds be reduced. The maintenance bond for the Rehabilitation of Well #8 and #9 will expire in November.

8 – Mr. Sutton stated that on last month's report he mentioned the Authority using automated software to communicate with the Authority customers. He found a good company called Dial My Calls. We will start using it in October.

Mr. Sutton stated that it will give us the ability to almost instantaneously reach out to the customers about emergency situations. For example, if we have to shut water off on a street to do a job, we could notify the residents right away that the water will be shut off. Currently we go door to door to notify the people. We can also use it as a point of information about different items. It is a very affordable service for us. You can text, call, or e-mail customers. It is great technology to use. You can also opt out if you'd like. You can say you do not want to be bothered. If you opt out of the service, you will not be contacted. We do not sell the information the customer provides us. You will have to go to our website to put your information in. If we are using the house phone number, and you rather we call your cell phone, you can do that. Others may want e-mail contact instead, and you can also choose all options.

Mr. Sutton advised that we tested the service in the office, and the staff was pretty impressed. It was easy to use. It is not a big cost to the Authority. You pay for credits and use as you go, and the credits never expire. He used it at his previous development, and the residents loved it. This service will be valuable to us. We have over 6,000 phone contacts already. When he started at the Authority, we probably had less than 1,000 contacts. We had freeze ups and couldn't notify the customers. The 6,000 phone numbers have been assigned to the 6,000 accounts. Having 6,000 contacts out of 9,000 accounts is very impressive.

Mr. Sutton stated that was all for his report; however, he received a letter from Mr. Joseph Yusif that came in before another situation occurred with him.

Mr. Koptic stated that he doesn't want anything to do with the letter and doesn't want to hear anything Mr. Yusif has to say and asked Mr. Connors advice.

Mr. Connors stated that whether you accept his letter or not may be immaterial, but it is a public document. It was sent to the Authority, and it is subject to the provisions of the Open Public Records Act. If it is requested by anyone, we would have to furnish it. His advice is to accept the letter as a public document and file accordingly.

Mr. Kobryn stated that he didn't want a copy of the letter.

Mr. Connors stated that he doesn't know what is in the letter.

Mr. Sutton advised that what triggered the letter from Mr. Yusif was that in our method to make sure meters get corrected that are not working properly, we reach out to the homeowner asking them to contact us so we can check their meter. He was upset by the letter we sent him and wrote us a letter expressing that. He then responded to him about his response. Mr. Sutton defended the Authority explaining why the mailing was done. It was a non-threatening letter, and Mr. Sutton feels he is owed an apology. Mr. Yusif did respond with another letter and apologized, and the Members were copied.

Mr. Koptic advised that his copy of the letter can be filed. Mr. Kobryn stated that he did not want his copy.

Mr. Miller stated that he wanted to read it.

Mr. Sutton stated that if anyone wants to read the letters, he has them available to read.

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

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2015-56 awarding a contract to DSC Construction Inc. for Playhouse Drive Sewer Replacement. 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 #2015-57 authorizing release of performance guarantee conditioned upon posting new performance guarantee for Harbor View Estates, Block 326 Lot 63 Water System. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made Mrs. DePergola, seconded by Mr. Miller to approve Resolution #2015-58 authorizing release of performance guarantee conditioned upon posting a new performance guarantee for Harbor View Estates, Block 326 Lot 63 Sewer System. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

ENGINEER'S REPORT

Mr. Contreras stated that some of the items were mentioned under the Executive Director's Report, but he would like to touch upon a few of the items on his report. Under the General Section with respect to item #1a, we are preparing documents to go out to bid for just the construction of Well #14. The treatment plant will follow. We are trying to save money on the construction project.

Mr. Contreras stated that documentation is in review by the municipal element for the Mathistown Road Water Treatment Plant. Construction is way overdue. We do not know when the report is going to go through. He was informed that it was close to being completed but hasn't heard anything. When documents go for review they have to go through two different departments.

Mr. Contreras advised that the emergency generator at Well #6 is under design.

Mr. Contreras also advised with respect to Wal-Mart that construction is on-going. The sewer installation was completed. It is a dry line right now. We are working with them on an on-call basis right now. The water main was run along the frontage of the property.

Mr. Contreras stated that the Executive Director already covered the bond reductions for Harbor View Estates, and the resolutions were acted upon. There was nothing further.

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

ATTORNEY'S REPORT

Mr. Connors advised that the Members have the report before them for this month. One item will be discussed in further detail in executive session as mentioned by the Executive Director. There are on-going negotiations as recent as several minutes ago.

Mr. Connors stated that he wanted to bring to the Authority's attention that in 2012 we adopted five resolutions, #2012-52, #2012-56, #2012-57, #2012-58, and #2012-59, which all released performance guarantees for Cranberry Creek Estates, Section 1 sewer, Section 3 water and sewer, and Section 4 water and sewer. The authorization to release was conditioned upon posting maintenance guarantees and subject to receiving close-out documents. We have been carrying the performance guarantees to date. He, Mr. Contreras, and Ms. Mezzina investigated the status. All the punch list items were performed and close-out documents were previously submitted and received by his office so there is no need to keep the performance guarantees, and there is no need at this time to require maintenance guarantees. We have been protected by the performance guarantees posted so we were never exposed to the element.

Mr. Connors recommended authorizing release of the performance guarantees and waiving the maintenance guarantee requirement for these sections.

Mr. Connors also recommended rather than adopting five separate resolutions for the releases, the Authority adopt one resolution, which will reference the five previous resolutions in the resolution. The Authority can adopt the resolution by title.

Mr. Connors read the resolution by title. Resolution #2015-59 of the Little Egg Harbor Municipal Utilities Authority, County of Ocean, State of New Jersey, authorizing release of performance guarantees for Cranberry Creek Section 1 Sewer System, Section 3 Water and Sewer System, and Section 4 Water and Sewer System and waiving the requirement for posting maintenance guarantees.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to adopt Resolution #2015-59 as read by Mr. Connors. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

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

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

A motion was made by Mr. Miller, seconded by Mrs. DePergola to enter executive session regarding sale of cellular company lease agreements and approving corresponding resolution. All in favor.

After return from executive session, Mr. Connors read Resolution #2015-61 by title. Resolution #2015-61 of the Little Egg Harbor Municipal Utilities Authority, County of Ocean, State of New Jersey, authorizes the sale and assignment of telecommunication lease agreements to Landmark Dividend.

A motion was made by Mr. Miller, seconded by Mrs. DePergola to adopt Resolution #2015-61 as read by Mr. Connors. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

There being nothing further, a motion was made by Mr. Crea, seconded by Mr. Kobryn to adjourn the meeting. All in favor.

SECRETARY

Approved on (date)