

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

MEMBERS ABSENT: None

OTHERS PRESENT: Earl F. Sutton Jr., Executive Director; Michael DiFrancia, Superintendent; Colleen Kleinow, Administrative Assistant; Nicole Mezzina, Executive Secretary/QPA; Alan Dittenhofer, 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 Mr. Miller, seconded by Mrs. DePergola to approve the minutes of the regular meeting, regular and executive session, held October 13, 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 Mrs. DePergola, seconded by Mr. Miller to approve 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 Mrs. DePergola, 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.

## EXECUTIVE DIRECTOR'S REPORT

1 – Mr. Sutton stated that the first item is something he had discussed last meeting with respect to moving our primary banking accounts to another bank. This will save the Authority and its ratepayers from paying bank service fees in excess of \$14,000.00. Our main accounts are with Sun National Bank, and the service fees Sun Bank charged the Authority totaled over \$14,000.00 last year. We had to iron out the issue of cash deposits being made on a timely basis as you are required to deposit everything within 48 hours. Since the new bank, Capital Bank of New Jersey, is located in Hammonton, we had looked into using a courier. However, after further review and speaking with our staff and auditor, we decided to still make the cash deposits locally so that we will not need a courier. Not needing a courier service will save the Authority money as well. The cash deposits will then be wired to Capital Bank.

Mr. Sutton further stated that the Authority met again with Capital Bank's Vice President, Mr. Whelan. Mr. Whelan brought his Assistant Vice President/Branch Manager with him to meet us. Unfortunately, he was not here that morning, but Ms. Mezzina and Ms. Kleinow graciously met with them, and he received a great report on that.

Mr. Sutton advised that the local banks haven't moved on anything for the Authority, and switching banks results in the Authority saving approximately \$14,000.00 a year.

Mr. Sutton stated that there is a resolution on the agenda for consideration regarding the bank. There are documents for the Commissioners to sign this evening in order for the bank accounts to be opened.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2015-81 authorizing signatories for Capital Bank of New Jersey. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

Mr. Kobryn asked where the local bank is that we will be making our deposits and was advised by Mr. Sutton that it is Sun National Bank but just for the cash deposits. We will still have local relationships with Sun Bank, TD Bank, and Ocean First Bank. The majority of our funds will be in Capital Bank of New Jersey.

Mr. Sutton advised that since everyone on the Board is an authorized signer, we are required to provide certain information for each signer. Please make sure to provide the necessary information before leaving. If anyone here hasn't been involved in opening bank accounts lately, you are required to provide a great deal of information to the banks. It doesn't mean you are responsible for the account. You are not personally responsible for anything. New laws were adopted that require this information due to terrorism, fraud, and money laundering. As signers on account, it is necessary that you provide it. We have had to provide it a number of times over the years. We need this done as soon as possible.

Ms. Mezzina advised the Board that we need a copy of their driver's license.

Mr. Sutton advised that the information is not shared or sold to anyone. This information protects the individuals involved as well as the bank.

2 – Mr. Sutton stated that this is an item we have spoken about before. We have been in need of a new jet vac truck and have been looking at them for quite a while. We looked at them at the League of Municipalities. Our newest jet vac truck is about 10 years old, and the older truck is about 20 years old. We are getting a good price on it. Originally the price was \$400,000.00, but we are a member of the NJPA, which authorizes us to purchase the vehicle through the vendors that they solicited and completed the bid contracting process with, and the amount of purchase will be \$345,203.24. There is a resolution on the agenda regarding this, and the amount is cited in the resolution. He would like the Board to consider the resolution tonight for this purchase. It will take about three or four months for delivery. The chassis comes from a separate entity.

Mr. Sutton also stated that we looked at some financing, but we are not going to recommend that financing. It is in the 3% range, and we are not getting that on investments. We have funds for this purchase due to the sale of the cellular lease agreements.

A motion was made by Mr. Crea, seconded by Mr. Kobryn to approve Resolution #2015-80 awarding a contract for the purchase of a new jet vac truck to Granturk Equipment Co. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

3 – Mr. Sutton advised that he is also asking for consideration of Resolution #2015-79 authorizing receipt of bids for the replacement of pump station #3. We received a grant from the hazard mitigation program to replace pump station #3. The project cost is in excess of \$400,000.00, but it will only cost the Authority \$33,000.00.

A motion was made by Mr. Kobryn, seconded by Mr. Crea to approve Resolution #2015-79 authorizing receipt of bids for replacement of pump station #3. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

4 – Mr. Sutton stated that this is an annual administrative item that comes up at this time each year. A Public Agency Compliance Officer must be appointed effective January 1<sup>st</sup>. The resolution for consideration appoints the Executive Director as the Public Agency Compliance Officer.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2015-78 appointing Earl F. Sutton Jr. as the 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. Sutton advised that he contacted Mike Avalone to come to the Authority in January to conduct the annual compliance training. He will be here at 4:30 the night of our January meeting. It is really important that the Members attend as it saves the Authority some money on insurance premiums. We receive a credit towards our insurance premium for each Member that attends.

Mr. Sutton stated that he invited the Township officials to attend as well and asked that the Members mark their calendars.

6 – Mr. Sutton stated that a motion is needed to solicit for professional services for 2016 through the Fair and Open Process. This will allow us to solicit RFQs for professional services.

A motion was made by Mr. Crea, seconded by Mrs. DePergola authorizing the Director to solicit for professional services for 2016 through the Fair and Open Process. Roll call vote, Earl Miller – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

7 – Mr. Sutton stated that this item is good news. We received notice that our annual dividend from JIF will be \$9,893.32 this year. This is one of the largest dividends that we have ever received from the JIF.

8 – Mr. Sutton stated that the tax sale is currently taking place with the Township to collect our customers' unpaid water and sewer bills. We made an automated call to delinquent customers to remind them of the tax sale. It was very well received, and in particular, by owners of property where the tenant was not paying the bill. There were quite a few items on the tax sale list, and that list includes property taxes as well as water and sewer bills. The number of delinquent accounts was up a little from last year. They are working well through it. Customers still have until December 15, 2015 to pay the delinquency. Tonya Trettin, our Head Cashier, and the Township Tax Collector, Dayna, are doing a fine job on the tax sale.

9 – Mr. Sutton advised that our Christmas breakfast is on Monday, December 21, 2015 at 8:00 AM. Last year he and Mr. DiFrancia took that on, and other people brought nice things for the breakfast, but this year he will ask that they do not bring anything. He and Mr. DiFrancia want to do it themselves as a thank you for all that everyone here does for the Authority.

10 – Mr. Sutton advised that there are no performance guarantees or maintenance guarantees due to expire within the next 90 days.

Mr. Koptic stated that we could take up the other resolutions at this time.

A motion was made by Mr. Kobryn, seconded by Mr. Crea to approve Resolution #2015-77 declaring an emergency with regard to the needed replacement of a sanitary sewer main on Twin Lakes Boulevard between Calabreeze Way and Cranberry Lake Drive. 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 Mr. Crea to approve Resolution #2015-82 authorizing a customer refund for an MTU purchase for 38 West Shrewsbury Drive. 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 Mr. Crea to approve the Executive Director's Report as submitted. All in favor.

#### SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia advised, as everyone knows, the Authority is supplying water to Tuckerton Borough.

Mr. DiFrancia stated that it looks like their standpipe will be back on line in the next two weeks. All the bugs have been worked out and everything is going smoothly.

2 – Mr. DiFrancia stated that we already adopted Resolution #2015-77 regarding the emergency declaration for the sewer collapse on Twin Lakes Boulevard. We worked hand in hand with our emergency contractor to get the job done quickly. The cost for this emergency work was \$56,394.46.

3 – Mr. DiFrancia stated that the work order management report is attached for this past month. There were five water leaks this past month, and the other activity is as reported. Again, it is nice to see that there were only five service disconnections, but there were 23 activations, which means more customers are coming back on line, which brings in more revenue.

Mr. Koptic inquired with respect to the emergency on Twin Lakes Boulevard whether it was an undermining of the pipe or a total collapse and was advised by Mr. DiFrancia that it was a total collapse.

Mr. DiFrancia stated that it is a deep cut. You are looking at 15 feet deep. Hydrogen sulfide gas eats away at pipes and sewer mains fill with sand. We pulled sand back for quite some time. We found a hole under the blacktop. There were actually two holes 100 feet apart. This is why it is so important to improve our infrastructure.

Mr. Sutton stated that spending this kind of money on emergency repair hurts when we are going to replace the mains next year.

Mr. DiFrancia stated that this was a \$56,000.00 Band-Aid, but we have no choice.

Mr. Sutton stated that he wanted to point out that the work order management report is a little misleading. It looks like some activity is dropping off, but it doesn't mean our personnel are not out there doing the work.

Mr. Sutton advised that Mr. DiFrancia asked the service department for a daily log sheet of activity, and there is a lot of work that goes into doing some of these jobs. Also, sometimes the guys are able to get to a lot of the houses, but at this time of the year, there are less people down, and it makes it difficult to complete jobs. Sometimes guys are pulled away for other more critical jobs. We repaired or replaced 42 meters, but there is a lot of effort that goes into doing these jobs. We would also like our residents to cooperate more, but sometimes they do not respond to our request. The bottom line is that we are having activity. Some people get upset if we send them a letter, and their meter was already replaced. However, if there is no water activity, our system flags that. There may be a problem with the meter if there is no usage. Sometimes there is no usage because no one is there using water. We advise the customer that we just want to make sure there is no issue with the meter when there is no usage.

Mr. Sutton stated that some people send letters to us complaining that we sent them a letter. Some cooperate. Some we don't hear from at all when we send the letters out. He doesn't understand why we have no response from customers when they are getting a meter for free.

Mr. Kobryn inquired with respect to the Twin Lakes emergency whether service was interrupted and what area was affected.

Mr. DiFrancia advised that it was between Calabreeze and Cranberry, but there was no disturbance in the area where customers were out of service. We have to worry about back-ups. We have bypass pumping from one manhole to the next. Customers were aware of the collapse because of the flagging and traffic control, but there were no issues with sewer back-ups.

Mr. Miller inquired of the depth and was advised by Mr. DiFrancia that it is 12 feet in that area, and the deepest area is 15 feet.

Mr. DiFrancia stated that is all he has for his report unless there are any other questions. There were no other questions.

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

#### ENGINEER'S REPORT

Mr. Dittenhofer stated that he provided the written report for the Board's review and approval tonight. He wanted to touch upon two items briefly. With respect to Well #14, there is a pre-construction meeting scheduled for December 16<sup>th</sup>. The second item is Playhouse Drive. That project is now complete. That is all he has unless there are any questions.

Mr. Koptic inquired as to whether the big hole in the ground at Tractor Supply has any effect on our system and was advised by Mr. Dittenhofer that it does not. The drainage system under the parking lot caused the problem.

Mr. Koptic asked if it is considered a sinkhole and was advised by Mr. DiFrancia that is correct. They had a leak there and the reclaim system took on too much water and failed and fell and dropped in. We were called in, but we had nothing to do with it.

Mr. Koptic stated that a few people questioned him on it.

There were no further questions.

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

#### ATTORNEY'S REPORT

Mr. Connors stated that there are no pending legal matters at this time, which is good news. We just have the on-going communication with bonding companies and developers regarding the minor punch list items for developments that have not yet been closed out.

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

Mr. Koptic asked if 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 Mr. Miller, seconded by Mr. Kobryn 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. Kobryn, seconded by Mr. Crea to close the public portion of the meeting. All in favor.

There being no matters for executive session, and no further business, a motion was made by Mr. Kobryn, seconded by Mr. Crea to adjourn. All in favor.

Mr. Koptic wished everyone a Merry Christmas and a Happy New Year.

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SECRETARY

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Approved on (date)