

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on April 4, 2017 at 5:00 P.M. at the Authority headquarters, 823 Radio Road, Little Egg Harbor Township, New Jersey.

MEMBERS PRESENT: Margaret DePergola, Vice Chair; Eugene Kobryn; Marie Skelly, Treasurer; Richard Robins

MEMBERS ABSENT: Joseph Koptic, Richard Crea, Earl Miller

OTHERS PRESENT: Earl F. Sutton Jr., Executive Director; Michael DiFrancia, Superintendent; Colleen Kleinow, Administrative Assistant; Brian Rumpf, Authority Attorney; Alan Dittenhofer and Jessica Norkis, Authority Engineer

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 Mrs. Skelly, seconded by Mr. Kobryn to approve the minutes of the regular meeting held March 14, 2017. Roll call vote, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

TREASURER'S REPORT

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

BILLS RESOLUTION

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

INTRODUCTION OF FISCAL YEAR 7/1/17 through 6/30/18 WATER AND SEWER BUDGET

Mr. Sutton advised that the Members were provided with an informational memo regarding the Budget. A Budget Committee meeting was held March 30, 2017. In attendance were Mrs. Skelly and Mr. Kobryn, along with Ms. Mezzina and himself. Mr. Sutton further stated that he would also like to thank Mrs. Kleinow for her assistance.

Mr. Sutton stated that after lengthy discussion with the Budget Committee on our Budget and our Capital Improvement projects, the Committee felt that we would be in a good position to not increase rates this year. Since our Capital Projects were slightly delayed, there is no need for an increase this year. We will be breaking ground soon on the Twin Lakes project, and there will be an increase in 2018, but we will do our best to maintain a good rate structure. The Capital Improvement schedule is part of the report. There are also two resolutions on the agenda regarding the budget. One is for the water budget and one is for the sewer budget. The budget will be submitted to the State for review, and then the budget adoption is at our June meeting. We will not have to hold a public rate hearing since the rates are not increasing. The Committee thought the Board would be happy there is no increase this year.

Mrs. DePergola stated that we could take action on the budget resolutions at this time.

A motion was made by Mr. Robins, seconded by Mr. Kobryn to approve Resolution #2017-11 regarding the Authority Water Budget for fiscal year 7/1/17 through 6/30/18. Roll call vote, Richard Robins – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

A motion was made by Mr. Robins, seconded by Mr. Kobryn to approve Resolution #2017-12 regarding the Authority Sewer Budget for fiscal year 7/1/17 through 6/30/18. Roll call vote, Richard Robins – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

EXECUTIVE DIRECTOR'S REPORT

Mr. Sutton advised that this meeting has the thinnest meeting package we have ever had, and the bills resolution was less than \$50,000.00. That is good news.

1 – Mr. Sutton stated that this item was already taken care of with respect to the budget. Even though there will be no rate increase, we will maintain our highly intensive and much needed Capital Improvement Program.

Mr. Sutton thanked everyone for working well with him and coming back to the Board with no increase. The newsletter to the ratepayers will mention that there will be no increase to our water and sewer rates.

2 – Mr. Sutton advised that union and contract negotiations are continuing. We will probably meet in May with the union representatives.

3 – Mr. Sutton advised that the Twin Lakes Boulevard bids were opened March 31, 2017. There will be a resolution recommending award. The Engineer and Counsel recommend award to MSP Construction in the amount of \$3,982,440.00. The correspondence recommending award is in the meeting package. As you can see, there was a wide range of bids obtained. They ranged from \$3,982,440.00 up to \$9,781,740.00. It was unbelievable that there was that variety of numbers.

Mr. Sutton advised that a resolution has not been prepared as yet.

Mr. Rumpf stated that the Authority could adopt the resolution by title with respect to the award.

Mr. Rumpf read Resolution #2017-13 by title. Resolution #2017-13 of the Little Egg Harbor Municipal Utilities Authority, County of Ocean, State of New Jersey, authorizing award of bid to MSP Construction Corporation for the Twin Lakes Boulevard Water and Sewer Main Replacement Project in the amount of \$3,982,440.00.

A motion was made by Mrs. Skelly, seconded by Mr. Kobryn to approve Resolution #2017-13 as read by Mr. Rumpf. Roll call vote, Richard Robins – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

Mr. Sutton advised that the resolution will be forwarded with a letter to NJEIT. It will be reviewed, and NJEIT will decide whether the Authority can award this bid to the contractor.

Mr. Sutton thanked Ms. Norkis for her involvement throughout this whole process. Hopefully we will be fortunate to have a good contractor.

Mrs. DePergola asked where the project will start and was advised Lake Champlain where the WaWa used to be.

Mr. Sutton stated that we are also doing some side streets. It will be a lot of work. There will be plenty of notification to residents. There will also be traffic detours, but it will be well worth it.

4 - Mr. Sutton advised that we are awaiting payment from the Office of Emergency Management for the generator at Well #6 in Holly Lake. We received notification that the payment was processed. It was a grant close to \$100,000.00. We requested that the remaining funds be applied to Pump Station #3. They will be authorizing that, and maybe more grant money can be obtained for that project.

5 – Mr. Sutton advised that there are no maintenance guarantees or performance guarantees due to expire.

Mr. Sutton stated that was all for his report and wished everyone a safe and blessed Easter holiday.

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

SUPERINTENDENT'S REPORT

1 - Mr. DiFrancia advised the Board that the Well #14 Piping and Pumping Equipment Project, which is the Well located at 1344 Radio Road, is 95% complete. Derstine has to paint the newly installed pipe and restore the grass area. The DEP took the required sampling for the State to issue the permit to operate. We should have a response no later than June if all goes well. Jessica Norkis has done a wonderful job going back and forth with the State.

2 – Mr. DiFrancia stated that the DEP has required all water systems to have a lead and copper sampling plan. We have been working on our plan for the last two weeks. It should be completed this week. After completion, the plan will be sent to the State for their approval.

Mr. DiFrancia stated that he doesn't know if the Board remembers the bacteria plan that he had to prepare a while back, but this is a similar plan. Hopefully all goes well.

3 - Mr. DiFrancia advised the Board that the work order management report is attached. There were 6 leaks this past month, and he has to mention that on March 17, 2017, St. Patrick's Day, our personnel did a wonderful job on a large water main break. We were out there all day. It was back working very quickly. Unfortunately that night, we then had a sewer main break until 2:00 in the morning. Our guys went full force.

Mrs. Skelly asked where the water main break was and was advised by Mr. DiFrancia that the water main break was in front of Well #7 at 1344 Radio Road on Osborne Island. The sewer main break was on Twin Lakes Blvd.

Mr. Sutton advised that Mr. DiFrancia minimizes it, but it was not minimal. We had to shut off the Osborne Island area. Some people thought it was from a freeze up.

Mr. DiFrancia stated that it affected 450 homes.

Mr. Sutton stated that we used the Dial My Call system to notify the residents. The staff here handled the calls very well. Our Head Cashier, Tonya Trettin, did a great job with separating the customer phone calls for the system.

Mr. DiFrancia stated that there was a lot going on that day.

Mr. DiFrancia advised that there were only 5 disconnections this past month, but there were 11 accounts activated so we are still on the increase with more re-connecting than disconnecting. That is all for his report unless there are any questions. There were no questions.

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

BUDGET COMMITTEE REPORT

Mr. Sutton stated this has already been taken care of with the budget approval.

Mr. Kobryn inquired with respect to the Budget and Capital Improvement Plan whether increased labor costs are factored in going forward.

Mr. Sutton advised that we figured 2% or 3% and stated that we will always consider any potential increase in labor costs, hospitalization, etc.. We take a look at everything. He looked at the prior year and tries to project out. It is a very educated guess with everything taken into consideration.

Mr. Kobryn complimented Mr. Sutton on the Capital Improvement Plan and stated that it is sorely needed. It is good to see it year by year through 2023. It is good to see what we are doing. We should make sure the public is informed that this is what we are doing over the next few years. It is great that we are doing this.

A motion was made by Mrs. Skelly, seconded by Mr. Kobryn to approve the Budget Committee Report submitted. All in favor.

ENGINEER'S REPORT

Mr. Dittenhofer advised the Board that the written report was forwarded to the Authority for their review. The action items have already been addressed. That is all unless anyone has questions. There were no questions.

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

ATTORNEY'S REPORT

Mr. Rumpf advised that the report was provided to the Commissioners. He would like to update the Authority on the third item, which is the cellular lease agreement. Since the report was prepared, he received a response from Metro PCS. They are in agreement with the proposal to allow installation of additional equipment. The delay was probably because they had to run it by their Counsel. They will pay an additional \$300.00 a month with a 2.5% increase per annum built in. They have given their understanding that there may be necessary painting of the tower, and they agreed to remove all their equipment at their cost so our work can be performed provided that a temporary location is agreed upon by all parties.

Mr. Sutton stated that the key thing was the 2.5% annual increase.

Mr. Sutton also stated that we haven't heard from the other party, Landmark, but we should authorize the lease amendment. We could adopt a resolution by title.

Mr. Rumpf read Resolution #2017-14 by title. Resolution #2017-14 of the Little Egg Harbor Municipal Utilities Authority, County of Ocean, State of New Jersey, authorizing execution by the Executive Director and/or Secretary of an amendment to the lease agreement with Metro PCS for installation of additional cellular equipment on MUA property.

A motion was made by Mr. Kobryn, seconded by Mrs. Skelly to approve Resolution #2017-14 as read by Mr. Rumpf. Roll call vote, Richard Robins – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

Mr. Robins stated that there was a tremendous difference in the bid amounts for the Twin Lakes Project and inquired whether we think the lowest bidder will be able to perform the whole job.

Mr. Rumpf stated that there is no reason to suspect otherwise. Our Engineer did a terrific job of compiling the individual line items to examine all the items to see where the difference lies. The Engineer agrees that they expect the low bidder to perform based on the price proposed in their bid. He suspects some just wanted more than others. It is competitive.

Mr. Dittenhofer advised that they have worked with this contractor before, and there was no problem.

Ms. Norkis stated that the contractor is working on a four-million-dollar project presently and is 95% complete. It should be finished in the next month or so. They will probably pull off that job at completion and start this one.

Mr. Rumpf stated that was all for his report unless there were any questions. There were none.

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

Mrs. DePergola inquired whether there were any other matters to come before the Board. There were none.

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

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

There being no public present, a motion was made by Mr. Kobryn, seconded by Mrs. Skelly 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. Robins, seconded by Mr. Kobryn to adjourn. All in favor.

SECRETARY

Approved on (date)