

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on July 11, 2017 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; Eugene Kobryn; Richard Robins; Marie Skelly, Treasurer

MEMBERS ABSENT: Earl Miller

OTHERS PRESENT: Earl F. Sutton Jr., Executive Director; Michael DiFranca, Superintendent; Colleen Kleinow, Administrative Assistant; Nicole Mezzina, Executive Secretary; Debra Rumpf, Authority Attorney; Alan Dittenhofer and Eric Rundstrom, Authority Engineers

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. Crea, seconded by Mr. Kobryn to approve the minutes of the regular meeting held June 7, 2017. Roll call vote, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic - yes.

A motion was made by Mr. Kobryn, seconded by Mr. Crea to approve the minutes of the special closed meeting held June 26, 2017. Roll call vote, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

Mrs. DePergola stated that the minutes really explain everything and are very helpful and informative. Mr. Sutton stated that Mrs. Kleinow should be thanked for that.

TREASURER'S REPORT

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

EXECUTIVE DIRECTOR'S REPORT

1 - Mr. Sutton advised that union negotiations are continuing. We had a productive meeting with the union after the special meeting the Authority held. We made some headway with them. The next meeting is scheduled for July 19, 2017 at 10:00 A.M.

2 – Mr. Sutton advised that we anticipate a closing on the NJEIT interim financing loan by the end of the month for the Twin Lakes Boulevard project. We are working with Bill Mayer and Acacia Financial on the loan. It may look like the Authority has money right now, but we have a \$421,000.00 payment requisition for the Twin Lakes Boulevard project. We will send that into NJEIT for reimbursement. We are not going for permanent financing. This is interim financing.

3 – Mr. Sutton stated that the Twin Lakes project is well underway and progressing, but there have been substantial issues with mark-outs. We also have had a few disgruntled residents when breaks occur even though the breaks are not the fault of the contractor.

Mr. Sutton further stated that the contractor has worked extremely well with us. We will work through the issues, along with our Counsel, to rectify the problems with respect to the mark-outs. Mr. DiFrancia will discuss this further under his report.

4 – Mr. Sutton advised that there is a resolution on the agenda authorizing receipt of bids for the chlorine contact tank that is needed at our Well #6.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2017-29 authorizing receipt of bids for upgrades to Well #6 at Holly Lake including a new underground chlorine contact tank and all necessary piping. Roll call vote, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

5 – Mr. Sutton stated that the Authority received a letter from FEMA requesting additional information for Well #7 and Well #13. We had previously tried to obtain funding for the necessary work there. There was discussion with FEMA about the Decommissioning of Well #7 due to Superstorm Sandy damage, and in addition to that, we have to perform work to make it flood resistant. If they felt that we wouldn't be able to get funding, we wouldn't explore it because we already spent money to drill the new well. We moved through the process to construct Well #14 very quickly. An individual that came in thought it was not due to the storm, but our records indicate differently. We were not going to argue the point. We feel chasing after that money is probably not going to be prudent, but we do need to look at other things. When you receive FEMA money, it is a grant, and that is why we were exploring it.

6 – Mr. Sutton advised that we received a draft water allocation permit modification and responded to it. This was necessary due to Well #14. It was fully completed today. Mr. DiFrancia will bring us up to date on that during his report.

7 – Mr. Sutton stated that there were no customer committee, personnel committee, or executive session matters to go before the Board.

8 – Mr. Sutton advised that there are no performance guarantees set to expire, but there are two maintenance guarantees that will be expiring. The Decommissioning of Well #7 maintenance guarantee is expiring at the end of this month, and the fire hydrant replacements at various locations maintenance guarantee expires in October.

Mr. Sutton advised that the fire hydrant project was for work done previously where motor vehicles had hit the fire hydrants causing severe damage requiring replacement. A claim was submitted to our insurance company. Once the hydrant repair and replacement work was completed, the project went to maintenance bond.

Mr. Crea asked about the status of the request from the fire company regarding our hydrants. A gentleman from the fire company had come to our meeting some time ago about our hydrants.

Mr. DiFrancia advised that they had requested a special fitting be installed on all the hydrants on Twin Lakes.

Mr. DiFrancia stated that our hydrants are used for fires and for cleaning out our water mains. The cost factor of the special fittings was not economically feasible.

Mr. Crea inquired whether the fitting is a permitted item and was advised by Mr. DiFrancia that it is a permitted item; however, we would have had to do it for all the hydrants throughout the Town, and it just was not feasible for the Authority to do it. There is also more of a chance of hydrant tampering with the special fitting. We have to think of safety as well.

Mr. Sutton advised that it was \$400 or \$500 per hydrant. The fire company has the ability to retrofit to hook up the hose.

Mr. DiFrancia stated that he knows fighting a fire is time sensitive. The special fitting might be 20 seconds versus the 45 seconds it takes now.

Mr. DiFrancia stated that we are already putting out so much money right now with our other projects, and we just can't spend \$500.00 per hydrant for this.

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

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia stated that he had a lot to speak about tonight. The first thing is the Twin Lakes project. The project started on June 12th, and since day one, there have been problems. With the first shovel in the ground, the contractor came across a large section of conduits that were not marked out by Verizon. Every single day has been a struggle due to mark-out problems. Fletcher Creamer and Son hired Atlantic Infracrac to do the mark-outs, and they are not doing their due diligence.

Mr. DiFrancia advised that there are mark-outs that have not been done at all as well as incorrect mark-outs. There are some so far off that they are making us change where the water mains are going.

Mr. DiFrancia stated that every T36 is Verizon. We have sections that say T36 and measurement from mark to mark is 18" from each side. They are marking T36 but mark them at four or five feet widths. The contractor doesn't know where to go. We spoke to Verizon. We have had seven people out to the site from Verizon. There are sections taking up the whole road. We have had to transfer the water mains to the left because of conflicts with gas lines and Verizon. Verizon can't tell us if lines are live or abandoned. If abandoned, it can be dug through. This has put a very large strain on the situation. Issues cause damage to utility lines as well as create field changes.

Mr. DiFrancia further stated that we have \$65,000.00 in change orders due to the mis-marks and non-marks. We do have very good notes and pictures of everything. We have been back and forth with Deb Rumpf trying to coordinate to minimize issues. A lot of the electric is up in the air so there is no issue there. When the sewer main is installed we do not want them to rip through brand new services. The Contractor and Authority are very upset about what is happening. It has been very difficult. However, even with the situation at hand, MSP is doing an amazing job and is ahead of schedule. Even with all the problems they have encountered, they are ahead of schedule.

Mr. DiFrancia stated that the Authority personnel are out there on the job every day. Our Inspector, John Mulvihill, and our second Inspector, Mark Heinrichs Jr. are doing an amazing job, which makes his job easier. Mark is doing a great job and has learned a lot from John Mulvihill.

Mr. DiFrancia stated that he would like to praise John and Mark for the work they are doing. They have great notes on the project and keep him up to date.

2 – Mr. DiFrancia advised that the Piping and Pumping Equipment at Well #14 Project is complete. There is a resolution on the agenda for action.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2017-30 authorizing release of performance bond conditioned upon posting a maintenance guarantee by Derstine Company in regard to the Piping and Pumping Equipment at Well #14 project. Roll call vote, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

Mr. Crea asked with respect to Verizon whether they have a manifold.

Mr. DiFrancia stated that you would think so. Even if there are no maps, you would try to figure it out. They do not have the ability to do that.

Mr. Koptic inquired about the \$65,000.00 change order from the contractor.

Mr. DiFrancia advised that the \$65,000.00 change order will be submitted to DEP before the Authority pays it. It is not MSP's fault that there is a large change order. It is the mark-out company and Verizon's fault.

Mr. Koptic asked why they are not being replaced immediately.

Mr. DiFrancia advised that we cannot replace the company. Verizon has a contract with the company that handles the mark-outs.

Mr. Koptic stated that whoever is not doing their job and is responsible for the errors should be replaced.

Mrs. Rumpf advised that Verizon calls the shots with that. Our contract is not with Verizon; however, we are trying to schedule a meeting with them to discuss the issue.

Mr. Sutton stated that is correct, and we will always try to talk things over before threatening action.

Mr. Koptic recommended payment not be sent until this is resolved.

Mr. DiFrancia advised that we do not pay the mark-out company. We pay the contractor, MSP. The change order comes from MSP, and it is not their fault that the mark-outs were improper. The fault falls with Atlantic Infracore, who is hired by Fletcher Creamer and Son, who is employed by Verizon.

Mr. Sutton stated that we are doing our due diligence on this matter. We do not want to have a potential lawsuit. We are doing what we need to do. They are not, but we will get it rectified. Our Counsel has been involved in this, and we have records of everything. We are doing everything we can, step by step, to either fix the problem or for them to pay for it. Our Engineer is involved in the process as well.

Mr. Sutton advised that there was also a gas break that was severe. Houses had to be evacuated. Utilquest didn't mark out the gas line. The contractor can go after them for that, or we would have to, but we have to consult with our Attorney. Luckily the gas main didn't explode.

Mr. Crea stated that with a project as large as this, you are going to have problems.

Mr. DiFrancia stated that is correct; especially with this infrastructure that doesn't have a map of every single service. We are in the first month, let's nip it now and figure out what has to be done so it goes smoother.

Mr. Sutton advised that the Authority will not be responsible for the infrastructure repairs not owned by the Authority. The T36 line repair is not being paid for by us. It is at their expense. We will not be charged by Verizon or their contractor. We will only be charged by the Authority's contractor. We will deal with that later because the contractor has to send the change order to the DEP first.

Mr. DiFrancia stated that we will fix these problems now, and our Attorney has been doing a great job on this.

Mr. DiFrancia also stated that he feels like we are ahead of schedule even with the issues at hand. The contractor is doing an amazing job even with all the issues that have occurred.

Mr. Sutton advised that we have had excellent communication with the contractor.

Mr. DiFrancia agreed and stated that having a good inspector watching over them every second, and now having a second inspector that is doing an excellent job, helps us. They report to him everything that is going on.

Mr. Crea stated that we are fortunate to have Mr. Sutton and Mr. DiFrancia, and he really appreciates all their work on this.

Mr. Sutton asked Mr. Crea if he has heard anything about the project and was advised by Mr. Crea that he hasn't heard any complaints.

Mr. DiFrancia stated that is good. There is not a day that there are no problems, and yet, the Board hasn't heard anything about it.

Mr. DiFrancia stated that he is going away tomorrow and is a little scared to go with the problems that have occurred, but he has a great team here. He already met with them, and they know what to do. Everything is coordinated. They all have phones and can face time with him and show him pictures of the work. Everything is good, and he feels positive.

3 – Mr. DiFrancia advised the Board that on July 6, 2017 there was a water main break on West Thames Road. The only way to fix it in that location of Thames Road was to shut down around 750 customers. MSP was about 4,000 feet down the road so they were not close to it. The break was between the tee and the valve so he couldn't just shut one street down. He would have had to shut everyone off. An emergency was declared. Garrison Enterprise dug a hole and exposed the break. He had them install an insertion valve and wrap it around the main. That is an instant stop of the water. It was done for \$6,700.00 and stopped the water between Twin Lakes and the valve on West Thames.

Mr. DiFrancia provided pictures to the Board so they could see what was done and stated that he was happy to only shut off West Thames. He and our personnel fixed the break. We cut out the break and two Hymax couplings were installed, and only 32 houses were without water, and out of the 32, only 12 people were home. There is a resolution on the agenda regarding the emergency declaration.

A motion was made by Mrs. DePergola, seconded by Mr. Crea to approve Resolution #2017-31 declaring an emergency regarding the needed installation of an insertion valve on West Thames Road and Twin Lakes Boulevard. Roll call vote, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

Mr. DiFrancia stated that he did this on the fly instead of shutting down so many people. The \$6,700.00 was worth every penny. The valve is worth \$5,500.00, and it will be used in our system somewhere else eventually.

Mr. DiFrancia stated he had two other items to bring up before moving on to Item #4.

Mr. DiFrancia advised the Board that the Authority is required to submit a water conservation plan every two years. It started in 2006. On the MBOS system where he does his reports, the system said the plan was due in 2018. He did the plan in 2015, but if due in 2018, that would be three years. Since he knows it is due every two years, he called the State about it. The person that he spoke to said that when we applied for the minor modification for Well #14, that reset it and pushed it back, and we have to do it in 2018.

Mr. DiFrancia stated that we are up for a new allocation in 2019 so the State sent us a draft letter stating the plan had to be done by June 30, 2017. He called the State on June 30 and told them that he spoke to someone at the State that told him we didn't have to do it until 2018 because of the reset. The State said that was correct and made notes in the account.

Mr. DiFrancia advised that he called Ken Komar at the Allocation Bureau, and Mr. Komar said that whoever he spoke to about this was incorrect.

Mr. DiFrancia stated that he asked Mr. Komar to read the notes in the account, which he did, but Mr. Komar said that whatever they told him was wrong.

Mr. DiFrancia stated that he told Mr. Komar that the MBOS system had the date in their system that we were required to do it, and that he had caught it four months ago and called the State, and the State reset it. If it is wrong, then their MBOS site is wrong.

Mr. DiFrancia stated that Mr. Komar said then that their site was wrong.

Mr. DiFrancia advised the Board that he called Felipe Contreras about it. He told Mr. Contreras that we have print outs of the website and explained what occurred. In less than 24 hours, between he, Mr. Sutton, Mark Heinrichs Sr., and Felipe Contreras, we worked on it and submitted the information to the State. The gentleman called back and apologized. As of today, we are in full compliance with everything.

Mr. DiFrancia stated that the next item he wanted to bring before the Board is an e-mail he received from Pam from the Homeowners Association at Tavistock regarding a situation that occurred on Saturday, July 8th. She thanked us for our response and professionalism. There was a water main break in front of the Tavistock condos. He and four of our personnel were out there. The shrubs were so overgrown that we could not find the water box. They needed to be removed to fix the problem. We were given permission to remove the trees and shrubs. We removed the shrubs and dug up the yard to fix the leak and find the curb stop. There was no curb stop. A curb stop was cut in, and the property was restored to satisfactory completion. Our personnel did a great job out there. The personnel employed here are doing a fantastic job.

Mr. DiFrancia provided the Board with pictures of the Tavistock job and stated that the Homeowners Association is very happy with the Authority.

4 – Mr. DiFrancia advised that the last thing is the work order management report. We had 10 water leaks and 46 meter repairs. He would like to see more meter repairs. We are still trying to get the Superstorm Sandy meters that are not turning that could be clogged. He would like to make sure all the meters are repaired. The most important thing is the water and sewer disconnects and activations. We had 5 disconnects and 15 activations. We are ahead by 10 this month. We have 10 more customers back on line, which means more revenue for the Authority, plus that also means more customers are back in their homes. It was a very busy month.

Mr. DiFrancia advised that was all for his report unless there were any questions. There were no questions.

A motion was made by Mr. Crea, seconded by Mrs. DePergola to approve the Superintendent's Report and to commend the Superintendent for the work taking place on everything. All in favor.

ENGINEER'S REPORT

Mr. Dittenhofer advised the Board that the written report was forwarded to the Authority for their review and approval. The action items have been addressed through the Executive Director's Report and Superintendent's Report, but he would be happy to answer any questions the Board may have. He introduced Eric Rundstrom from his office and stated that Eric will be assisting him.

There were no questions of the Engineer or on the report.

Mr. Sutton and Mr. DiFrancia advised that Mr. Rundstrom has been really helpful to them and has always been there when needed. He has been instrumental in a number of these things. They appreciate all his help. He has been a gem. He has been on site. He has documentation on everything. Anything we have asked of him, he has done a great job. We are very pleased with him.

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

Mr. Koptic advised that there are two resolutions on the agenda that require action.

A motion was made by Mr. Kobryn, seconded by Mrs. DePergola to approve Resolution #2017-27 authorizing the transfer of appropriations in the 2016-2017 fiscal year budget. Roll call vote, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic - yes.

Mr. Sutton stated that he wanted to add a thank you to Ms. Mezzina for taking care of it. It is her responsibility to make sure everything is closed out properly at the end of the year. We work extremely well together as it relates to the budget. We have a very good budget process, and he appreciates her efforts to make sure the rollover to the new year goes smoothly.

Mr. Koptic stated that the next resolution is regarding the OPRA form. He reviewed it. It is very interesting.

Mr. Sutton advised that Mrs. Kleinow and Ms. Mezzina primarily get barraged with OPRA requests, and some are ludicrous, but the information must be provided. He came across this particular form, and he reviewed it and sent it to our Attorney to review. We recommend using this form as the official OPRA request form.

Mr. Sutton stated that recently an individual from another municipality requested so much information, which we believe was requested because their municipality is in union negotiations. It was a large request, but we had to do it.

Mr. Sutton also stated that he thinks this is a good form, and we will make sure that everyone follows the rules.

Mr. Koptic advised that the form was approved by our Attorney.

Mrs. Rumpf stated that her office reviewed it and approved it for the Authority's use.

Mr. Sutton advised that the new form will be posted on our website.

A motion was made by Mrs. DePergola, seconded by Mr. Kobryn to approve Resolution #2017-28 authorizing approval of an OPRA Request Form. Roll call vote, Richard Robins – yes, Eugene Kobryn – yes, Richard Crea – yes, Margaret DePergola – yes, Joseph Koptic – yes.

ATTORNEY'S REPORT

Mrs. Rumpf advised the Board that the report is an outline of what was done this month. The Executive Director and Superintendent covered the report through their reports; however, if there are any questions, she would be happy to answer them. There were no questions.

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

Mr. Koptic inquired 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.

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

There was no public in attendance.

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

SECRETARY

Approved on (date)