

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on October 10, 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; Earl Miller, Secretary; Marie Skelly, Treasurer

MEMBERS ABSENT: Joseph Koptic, Richard Crea, Richard Robins

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

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 Mr. Miller, seconded by Mr. Kobryn to approve the minutes of the regular meeting held September 12, 2017. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

TREASURER'S REPORT

A motion was made by Mr. Kobryn, seconded by Mrs. Skelly to approve the Treasurer's Report. Roll call vote, Earl Miller - yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

BILLS RESOLUTION

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

EXECUTIVE DIRECTOR'S REPORT

1 - Mr. Sutton advised that he spoke with Chairman Koptic today, and he wished everyone well.

Mr. Sutton stated that he also spoke with Mr. Crea, who has been in the hospital. Mr. Crea wanted to know how the Twin Lakes Boulevard and Playhouse Drive projects were going.

Mr. Sutton advised that the Authority received its first reimbursement draw from the NJEIT in the amount of 1.2 million dollars. We paid all of our contractors and professionals, and we are submitting for draw #2, which our Engineer has certified.

2 – Mr. Sutton stated that there are two customer committee issues, and there is a need for a brief executive session matter regarding litigation with respect to the Alpine East and Bondex matter. We will have a brief update on the matter. No action will be taken in executive session.

3 – Mr. Sutton advised that authorization is needed to move forward with storage tank restoration specifications and bidding. The tanks have become an eyesore, and it is time to get that taken care of. We are proud of our community, and we want people to be proud when they come into our community. Total costs for all tanks will be more than 2 million dollars and will take approximately two years to complete. There is a resolution on the agenda authorizing receipt of bids for this work.

A motion was made by Mr. Miller, seconded by Mr. Kobryn to approve Resolution #2017-50 authorizing receipt of bids for restoration of Authority water towers and water storage tanks. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

4 – Mr. Sutton advised that a new law is being enacted by the State this month that will require more documentation, labeling, and location of infrastructure via GIS methods. It will also require future implementation of asset management plans. Our Engineer notified us when this first came about. You have to inspect valves and replace or repair if not functional. You have to identify the geographical location of valves and create digital information for submission to the State. He thinks that some of these things are really good things though. The asset management plan lists all of our assets and gives the life expectancy of the items. He has already begun to work on it, and we will be in full compliance within the next two years. We will be attending a seminar that outlines the actual requirements of what has to be done.

5 – Mr. Sutton advised the Board that the annual audit has begun. It is hard to believe that we have completed another fiscal year. This year marks the single largest and most costly capital improvement work the Authority has ever undertaken. Our Superintendent will report on the Twin Lakes project shortly. It is really good for our residents and our ratepayers.

6 - Mr. Sutton stated that this item is just a reminder that our November meeting is Monday, November 13, 2017. Mark your calendars accordingly.

7 – Mr. Sutton advised that there are no performance bonds due to expire; however, the maintenance bond for the Fire Hydrants at Various Locations Project expired this month. We received notification last month from our Engineer that there were no issues with the project. The maintenance bond for the Playhouse Drive Sewer Replacement Project expires in November. That is all he has for his report unless there are any questions.

Mrs. Skelly inquired how long the tank restoration will last and how often does it have to be done.

Mr. Sutton advised that the industry standard says ten years so we are overdue as it has been in excess of 15 plus years.

Mr. Sutton also advised that since there is water inside the tanks, when there is deterioration, you have to drain them and there are structural issues and other things that you have to address now that didn't exist before. Due to changes in regulations, there are other requirements now that have to be followed.

Mr. Sutton stated that the developer in Sea Oaks performed work on that tower before their bond expired. The Authority also received monetary compensation in lieu of the developer continuing with their maintenance bond. It is deteriorating more and more. The tanks on High Ridge are continuing to get worse, but the tower right here next to the Authority office will be the first one to be done. It is a big process. You have to drain the tower and make sure water gets shifted somewhere else to maintain the pressure. That process is under our Superintendent's watch. We will have some nice artwork on the tower, but there are practical matters. It is not a simple thing. We have to be cautious with that type of thing, but we do want nice artwork on the tanks. He will ask for some suggestions, but the Board will have the ultimate say on the artwork. Usually you see the Town name on the tanks. The best bet is to stay neutral. He is excited about this project. People have complained about the way the tower looks, but they do not understand the cost involved and the draining and diverting of water to other locations. This is something we do though that people see. They do not necessarily see other things we do like pipes going into the ground, but they see the water tanks and towers.

There was nothing further on the report.

A motion was made by Mr. Miller, seconded by Mr. Kobryn approving the Executive Director's Report. All in favor.

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia stated that the Oak Lane Apartments Developer has completed satisfactory pressure testing of the mains. A preliminary punch list has been drafted and sent to the Contractor and the Developer. We are awaiting satisfactory bacteria testing of the water main before activating.

2 – Mr. DiFrancia advised that all roadway excavation has been completed at the Pump Station #3 project and final paving will begin the first week of November. This start date satisfies the required sixty- day settlement period. The Contractor requested an additional time extension for the project per the letter attached to his report. At this time, all the mechanical work within the valve chamber and wet well is complete. The electrical work is completed and was inspected today by the Township Electrical Inspector. We passed the inspection, which is a plus. We requested an updated schedule of work to ensure completion for start-up. Start-up was scheduled for around November 15, 2017. We found out today that start-up will be October 24, 2017. The pump station will be on line on October 24, 2017, but restoration of the property and surrounding area will still need to be completed. There is a resolution on the agenda approving a change order for the additional time extension.

A motion was made by Mr. Kobryn, seconded by Mrs. Skelly to approve Resolution #2017-48 approving change order #2 for the Pump Station #3 Rehabilitation Project. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

3 – Mr. DiFrancia stated that we have had satisfactory pressure testing and bacteria testing of the water system on Twin Lakes Boulevard. The new water system has been activated from Radio Road to the Twin Lakes cul-de-sac. This includes wet tap feeds along side streets.

Mr. DiFrancia further stated that the sewer main has been completed from the intersection of West Calabreeze up Lake Champlain to Lake Winnepesaukee. Individual water and sewer service installation has begun. The process has been slow due to the abundance of conduits and cables associated with gas, power, etc. The Contractor will be restructuring the construction sequence in order to take advantage of the weather and install as much as possible because when the ground freezes, it is hard to dig. Other than that, in advance of abandoning the existing 8" water main, the Authority has begun remediating the existing gate valves, which will be terminated and buried until the next phase of replacement. The process will be performed in-house and save the Authority an average of \$800.00 a valve. With a total of 44 valves, that is a savings of \$35,200.00. When terminating that water main, the Contractor will close the existing valve, which has been in the ground since the 1960s. It is closed and capped. Since so old, as soon as there is pressure on top of the valves, it splits them, and we put clamps on them and put new bolts in. We are trying to take care of it before a situation occurs. We will install new bolts before something happens.

Mr. DiFrancia advised that we anticipate completion of the Twin Lakes project, weather permitting, by April 2018.

4 – Mr. DiFrancia stated that the Authority recently received a Synthetic Organic Compound waiver letter from the State. They have a list of our wells and treatment plants, but Well #14 was not on there because we just received the permit to operate for that well. We have to fill out a Well Vulnerability Questionnaire for Well #14 and submit it to the State. We have to make sure our SOC waiver stays in place.

5 – Mr. DiFrancia advised that Tri-State Fire Protection was here to perform the annual inspection, and everything was satisfactory.

6 - Mr. DiFrancia advised that the work order management report is attached showing the activity last month. There were 57 meter repairs, and most important, there were 14 accounts activated, but there were only 8 disconnections. We are pleased that there are still more customers coming back on line every month.

Mr. DiFrancia advised that there is a resolution on the agenda regarding use of Authority equipment in emergency situations.

Mr. Sutton stated that this resolution will allow the Authority to respond in emergent situations that present a health issue and outside the Authority's responsibility where private services are not available to correct in a timely fashion. We will charge the user of the service, and the user will sign the resolution acknowledging the use of the service and the costs involved with this service. It is a good policy and enables us to have the problem fixed and not create a more serious problem.

Mr. Sutton also stated that this policy has been in effect for a very long time, but we are updating it as it takes into account the new contractual rates and adds additional wording regarding how the service charges will be billed to the user.

Mr. Sutton advised that the equipment use is \$99.36 per hour, and we require two qualified employees to operate the equipment. The employee rates are \$65.91 per hour for Regular, and \$98.87 for Overtime. The Authority will get the problem fixed immediately and submit an invoice to the user immediately for payment.

A motion was made by Mr. Miller, seconded by Mrs. Skelly to approve Resolution #2017-49 regarding use of Authority equipment in emergent situations. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

Mr. DiFrancia advised that was all for his report unless there were any questions.

Mr. Miller asked when the water main is abandoned with respect to the Twin Lakes Project, if it would create a situation where there would be a collapse where the road settles.

Mr. DiFrancia stated that when they are abandoned, they are capped off and stay whole, and if use ACP, it would only collapse if someone digs and breaks into the main and didn't do a repair and mud gets into the main and creates a divot. If the main is solid, it would not. A water main is solid and in good standing. The sewer is different however. In some cases with a sewer main, any pockets of waste that get in, the wastewater becomes anaerobic and creates gas that eats away at the main. With ACP, if no interference from hydrosulfide, it will last forever.

Mrs. Skelly asked what the pipe is at the end of Twin Lakes and Calabreeze and was advised by Mr. DiFrancia that the white pipe is a trunk line for the dewatering. They thought there would be a lot of water issues there so they have that pipe going into a pump and dewater so that when they dig, they are not fighting water at the same time. Certain sides of the street are not as wet as other sides of the street. Where clay is thick, it keeps the water out of the ditch. When they get out of that, they will need dewatering. The Contractor knows what sections they have to use it on.

Mr. Sutton stated that some people think it is sewer, but it is the groundwater. It is a dirty process but important.

Mrs. Skelly also asked if the green pipes were going down the center of the road and was advised by Mr. DiFrancia that when the pipe comes out, the green pipe, which is SD35, is being installed right in the same spot.

Mr. Kobryn inquired whether crushed pipe ever gets dumped on Dump Road and was advised by Mr. DiFrancia that we have never dumped anything on Dump Road. The State gave us permission to keep asbestos cement pipe at our yard bagged up and taped up in a locked shed for a maximum of six months before disposal.

Mr. Sutton advised that we receive waivers for asbestos pipe.

Mr. DiFrancia advised that asbestos is hazardous if breathed in, and there are many different kinds out there. There is friable asbestos and non-friable asbestos. Ours is non-friable. Friable can get in the air when cut in. Asbestos is bad to breathe, but you can use it for pipe.

Mr. DiFrancia stated that we have waivers because we have asbestos pipes. There is an expiration date on waivers, however, and we are in compliance.

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

CUSTOMER COMMITTEE REPORT

Mr. Sutton advised that there were two issues for the Customer Committee. We received a letter from a customer on Kansas Road and one from West Sail Drive. Both were about excess water charges due to leaks. The customers immediately explored the usage and took necessary action to correct the problem. They provided a copy of the invoice paid to their plumbers to correct the problem. There is no excess usage at this time. A one-time adjustment of the overage was made, and a credit applied to their accounts, which has been our past practice.

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

ENGINEER'S REPORT

Mr. Rundstrom advised that his office prepared the Engineer's Report for the Board's consideration.

Mr. Kobryn stated that last meeting he had mentioned adding dates to the projects and thanked our Engineer for providing that information.

There were no further comments on the report.

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

ATTORNEY'S REPORT

Mrs. Rumpf advised the Board that the report was submitted to the Board identifying the items worked on this past month. There is an item for executive session discussion. She will entertain any questions or comments the Board may have.

Mr. Sutton thanked Mrs. Rumpf for her good advice and hard work. It has been very busy this past month.

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

Mrs. DePergola asked for action to be taken on the resolutions that haven't been acted upon as yet.

A motion was made by Mr. Miller, seconded by Mrs. Skelly to approve Resolution #2017-46 authorizing modification to the Authority employee manual concerning payment to employees who forego health insurance coverage provided for by the Authority. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

A motion was made by Mr. Kobryn, seconded by Mrs. Skelly approving Resolution #2017-47 renewing membership in the NJ Utility Authorities Joint Insurance Fund. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Eugene Kobryn – yes, Margaret DePergola – yes.

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

A motion was made by Mr. Miller, seconded by Mr. Kobryn to accept and file correspondence. All in favor.

A motion was made by Mr. Kobryn, seconded by Mr. Miller 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 Mr. Kobryn to close the public portion of the meeting. All in favor.

A motion was made Mr. Miller, seconded by Mr. Kobryn to enter executive session regarding litigation and approve corresponding Resolution #2017-51. All in favor.

Mr. Rundstrom and Mr. Dittenhofer excused themselves from the meeting.

After return from executive session, and there being nothing further, a motion was made by Mr. Miller, seconded by Mrs. Skelly to adjourn. All in favor.

SECRETARY

Approved on (date)