

The regular meeting of the Little Egg Harbor Municipal Utilities Authority was held on November 13, 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; Earl Miller, Secretary; Marie Skelly, Treasurer; Richard Robins

MEMBERS ABSENT: Richard Crea, Eugene Kobryn

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

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. Miller to approve the minutes of the regular meeting held October 10, 2017. Roll call vote, Earl Miller – yes, Marie Skelly – yes, Margaret DePergola – yes.

TREASURER'S REPORT

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

BILLS RESOLUTION

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

EXECUTIVE DIRECTOR'S REPORT

1 - Mr. Sutton advised the Board that our Auditor finished the audit, and the final audit report is in the process of being prepared. It will be presented at our December meeting.

Mr. Sutton stated that there are no material deficiencies, and the report will accurately reflect our financial position. We have reduced many expenses, but we have never cut our level of work. We have actually increased our work and have taken on more and more work.

2 – Mr. Sutton advised that we submitted our second draw to NJEIT in the amount of 1.2 million dollars. We had funds available to pay the contractor for the Twin Lakes project, but we are waiting for the reimbursement. We will submit a third draw in December.

3 – Mr. Sutton advised that the annual tax sale process has begun. As of 4:00 P.M. today, all customers delinquent on their water and sewer bills will be turned over for tax sale. There were a couple of extra days after the normal due date that customers could pay their bill. This year, the 10th of November, which is usually the final day to pay, was a holiday; therefore, payment was extended until today. There was a slight glitch in the system for online credit card payments however. It automatically showed a late fee after November 10, 2017. We kept track of that, and there will be no late fee for those customers. If a late fee was charged, it will be credited back to their account.

4 – Mr. Sutton stated that we are working with the State again to determine the status of the loan forgiveness for the Community Disaster Loan. It has been a long time going back through Super Storm Sandy. We had the ability to apply for a CDL in the amount of 1.3 million dollars, which was utilized to offset revenue that was not received due to homeowners' properties being lost in the storm. We are working through that process. A large part of the loan will be forgiven. That is a big thing. We are happy and proud of that. There may be a small amount due at the end, but the majority will not have to be paid back. It was good to have this until customers came back on line.

5 – Mr. Sutton advised that he will be meeting with the State Office of Emergency Management in a couple of weeks to begin closeout of Pump Station #3. We have received an initial grant funding on the project of approximately \$500,000.00. We need the funds due to the amount of unforeseen problems with this project. A good thing about grants are that they do not have to be paid back. We are working with the Contractor and Engineer to figure out the final numbers. The project is nearly completed. There were some technical issues that had to be dealt with, but the issues were not due to the Contractor.

6 – Mr. Sutton advised that the old Authority records were properly disposed of by a third party certified disposal company. The Board took action at a previous meeting authorizing the disposal. Mrs. Trettin and Mrs. Kleinow reviewed the records and prepared the authorizations that were submitted to the State. The Authority was granted approval by the State for the disposal. Mrs. Kleinow had to redact sensitive information, which was a long process.

7 – Mr. Sutton advised that there are resolutions on the agenda regarding appointments. There is a resolution appointing a Risk Management Consultant, and a resolution appointing the company that performs the CDL Drug and Alcohol Testing.

A motion was made by Mr. Robins, seconded by Mr. Miller to approve Resolution #2017-52 authorizing acceptance and execution of a Risk Management Consultant Agreement with Conner Strong & Buckelew. Roll call vote, Earl Miller – yes, Richard Robins – yes, Marie Skelly – yes, Margaret DePergola – yes, Joseph Koptic - yes.

A motion was made by Mr. Robins, seconded by Mrs. DePergola to approve Resolution #2017-53 accepting and awarding a contract for professional services with Dynamic Testing Service for CDL Random Alcohol and Drug Testing Program. Roll call vote, Earl Miller – yes, Richard Robins – yes, Marie Skelly – yes, Margaret DePergola – yes, Joseph Koptic – yes.

8 – Mr. Sutton stated that it is tradition for the Chairman to write a letter to the Township Committee requesting re-appointment of Commissioners whose terms are due to expire at the end of January. Commissioner Earl Miller's term on the MUA Board expires January 31, 2018.

Mr. Koptic was authorized by the Board to send a letter to the Township requesting re-appointment of Mr. Miller to the Authority Board.

9 – Mr. Sutton advised that there are two issues on the Customer Committee Report. They were discussed with the Committee Members via telephone. Both items were excess water usage issues due to water leaks. The homeowners retained plumbers to perform the necessary repairs, and the leaks no longer exist. The Committee recommended a one-time adjustment of the overage, and a credit will be applied to the accounts as has been the past policy of the Authority.

A motion was made by Mr. Miller, seconded by Mrs. DePergola to approve Resolution #2017-54 authorizing a refund of \$150.00 to the property owner of 2 West Hudson Drive, LEH, NJ for duplicate MTU purchase. Roll call vote, Earl Miller – yes, Richard Robins – yes, Marie Skelly – yes, Margaret DePergola – yes, Joseph Koptic – yes.

A motion was made by Mr. Miller, seconded by Mrs. DePergola to approve Resolution #2017-55 authorizing a meter fee refund of \$150.00 to Oak Lane LEH, LLC for Oak Lane Apartments, LEH, NJ. Roll call vote, Earl Miller – yes, Richard Robins – yes, Marie Skelly – yes, Margaret DePergola – yes, Joseph Koptic – yes.

Mr. Sutton advised that there are no Performance Bonds set to expire; however, the Maintenance Bond for the Playhouse Drive Sewer Replacement Project expired today, November 13th.

Mr. Sutton stated, as a point of information, there are two letters in the correspondence folder that he wrote last month. He is trying to get grant money from a foundation that he saw in the New Jersey Biz magazine. There was a list of the top 25 foundations in New Jersey that donate money to different causes. He requested consideration be given to the Authority to award funding to produce a video for use in schools to teach about water conservation and protecting our water sources to ensure good drinking water. The Authority can't fund this project because our funds are used for our operations. We would be in a difficult situation using public funds to do that.

Mr. Sutton further stated that he received a response back from the number one charitable foundation advising that our request is under review.

Mr. Sutton advised that the other letter he wrote was to the President of the United States explaining the Authority's operation and that the Authority is currently working on a major infrastructure replacement project. He asked the President if we could be of assistance to him in upcoming planning and implementation of infrastructure improvements in the United States. He would like to be involved in any way he could. He was proud to write the letter, and he wanted to make sure the President knows what we are doing here in Little Egg Harbor.

There was nothing further on the report.

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

Mr. Koptic stated that the Customer Committee items were already taken care of regarding the customers' excess water usage.

A motion was made by Mr. Robins, seconded by Mr. Miller, to approve Resolution #2017-56 approving change order #3 for the Pump Station #3 Rehabilitation Project. Roll call vote, Earl Miller – yes, Richard Robins – yes, Marie Skelly – yes, Margaret DePergola - yes, Joseph Koptic – yes.

SUPERINTENDENT'S REPORT

1 – Mr. DiFrancia stated that the developer for Oak Lane Apartments completed satisfactory bacteria testing of the water main. We are waiting for a few minor punch list items to be satisfied prior to activating the main. The developer is purchasing the required water meters for the units.

2 – Mr. DiFrancia advised that the final paving was completed on November 2, 2017 at Pump Station #3. Striping was scheduled for next week, but they were ahead of schedule and striping has been completed as well. Fencing around the station is the only outstanding item at this time, but it is being installed as we speak and should be finished tomorrow. The property restoration will follow the fence installation. We are in the process of installing stairs and railings due to the flood elevation requirements. A preliminary punch list was forwarded to the Contractor to assist in final completion.

Mr. DiFrancia also advised that there is a change order for as-built quantity adjustments, which amends the contract to \$838,074.32. That is the resolution the Board just adopted, Resolution #2017-56. However, this will not be the only change order. The other change orders are under review. He, the Director, and the Engineer are reviewing them and hope to have that for next meeting.

3 – Mr. DiFrancia advised that the contractor has actively been installing sanitary sewer main on Twin Lakes Boulevard from the West Calabreeze intersection. As of November 6, 2017, the sewer main has been completed to Cranberry Lake Drive. Upon reaching the intersection of Singleton Court, the contractor will complete the water and sewer services remaining on Twin Lakes north of the West Calabreeze intersection. As of this date, the Authority has coordinated with the Contractor the proposed sequence of abandonment and has remediated the required valves located off Lake Champlain at the individual intersections.

Mr. DiFrancia stated that he would like to add that we had a major sewer main collapse in front of 101 East Raritan Drive, which we repaired in-house. We started the repair around 10:30 A.M. and finished about 9:10 that night. He and six of our employees worked on it. If the Authority had its emergency service contractor come in to take care of it, it would have cost approximately \$22,500.00. The Authority did it in-house for \$7,500.00. We saved the Authority \$15,000.00 by doing it in-house. That happened on October 26, 2017. Our guys did a great job, and he was beside them the whole time.

Mr. DiFrancia advised that the work order management report is attached showing the activity last month. There were 26 meter repairs. We are down with the number of meter repairs, but during this time there are not a lot of people down at their homes if they are seasonal.

Mr. DiFrancia stated that most important are the disconnections and activations. There are more accounts activated than disconnected. There were 2 disconnections, but there were 9 activations. This shows that our Town is still growing back from Super Storm Sandy.

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

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

ENGINEER'S REPORT

Mr. Rundstrom advised that his office prepared the Engineer's Report for the Board's consideration and stated that his office added one additional item to the report regarding the permitting of the Well #10 Chlorination Upgrades to switch from liquid sodium hypochlorite to calcium hypochlorite tablets.

Mr. Rundstrom also advised that the Board may have noticed their letterhead has a different look. The firm is re-branding. They were Remington, Vernick, & Vena, but they are now Remington & Vernick Engineers. Everyone will see a different title block. They are still in the Toms River and Haddonfield offices. Nothing has changed; it is just a re-branding. He stated that there were no further comments on the report.

A motion was made by Mr. Miller, seconded by Mr. Robins 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. The major item was the Bondex/Alpine East Electric matter.

Mr. Sutton stated that there would be an executive session on the Bondex matter.

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

Mr. Thomas Litchkowski of 40 Daffodil Drive addressed the Board concerning his water and sewer bill and explained to them that he didn't realize that the last bill was never paid. They made a payment in May and then again in October. He came across the check his wife had written but never sent for the third quarter. She had to go to Sloan Kettering on July 31st.

Mr. Litchkowski stated that he also noticed that the consumption was close to the same consumption. He was curious as to how the water is actually monitored. Does he pay for what he uses or is it a flat rate?

Mr. Sutton introduced himself and Superintendent DiFrancia to Mr. Litchkowski.

Mr. Sutton advised that Mr. Litchkowski could call him anytime he has a question, and he will answer him at any time. He could also come into the office and talk to him. He doesn't have to wait until a meeting to ask a question.

Mr. Litchkowski stated that when he received the bill, he came to the office and paid it and has the receipt. He asked the clerk at the desk about the billing system and was told there would be a meeting in November and that is why he is here.

Mr. Sutton explained the billing system to Mr. Litchkowski advising that meter readings are generally a few weeks before the billing goes out. We allocate 15,000 gallons per quarter for the base bill, and any usage over that is billed at \$5.00 per 1,000 gallons.

Mr. Litchkowski stated that he doesn't use that amount of water and was advised by Mr. Sutton that it doesn't matter. There is still a minimum charge every quarter for up to 15,000 gallons. It is the same analogy as the cable. You may not always use it, but when you turn on your TV, it is there and available to watch. When you want to use your water, it is available to use.

Mr. Litchkowski stated that it is not right to charge for the water if not using it. He disagrees with that billing method. He is very conservative about consumption. He is being charged for something he doesn't use, but if he uses more, he will be charged more. When his wife was in the hospital a whole month, they were still charged for that. She has now passed, but he is still being charged. He is only a single person in the house.

Mr. Sutton advised that the only way the bill stops is if the services are cut and capped and the home is physically disconnected from the system. Other than that, a bill is generated.

Mr. DiFrancia addressed Mr. Litchkowski and expressed his condolences on the loss of Mr. Litchkowski's wife. Mr. DiFrancia explained that in order for the Authority to keep the system operational and water available to the homes, it is costly to maintain the wells and water mains and run the system. He doesn't want the issue confused with taxes; however, you still pay taxes even though you may not be home and using garbage pick-up, for example. You may not be using the school system or driving on the road every day, but you still have to pay for the upkeep of the roads and the school tax. Even if not using the services, they are available to use.

Mr. Litchkowski inquired how he can make sure that he doesn't go over the allotment. He is very cautious, but he does have an irrigation system in Cranberry Creek, but he is very conservative.

Mr. DiFrancia advised that he does have ideas on water conservation. He does teach our customers about water conservation methods. We can watch his usage as well and help him monitor it. He will be happy to go out to his house and show him how to look at the meter and watch usage.

Mr. Litchkowski stated that his meter is upside down. He also had a leak in the sprinkler head.

Mr. DiFrancia advised that he may be able to turn it so Mr. Litchkowski can see it more clearly. He can show him if the meter is turning. If it is turning, that means water is being used. He would be happy to meet with him and go over everything with him.

Mr. Litchkowski stated that he would be happy for the Superintendent to do that. He has a solar system also.

Mr. Sutton stated that we could help him. We can monitor his usage regularly so that he doesn't have an overage.

Mr. Sutton advised that when he lived in Tuckerton, the water meter was only read once a year. Here at the Authority we do monitor usage, and our system alerts us to excessive water usage. A red flag is raised when that happens, and our staff would go out to the home to see why it is occurring. We can't change the billing, but we can help with the conservation.

Mr. Litchkowski stated that he gets the feeling that he is paying for the service even though he doesn't use the water.

Mr. Sutton stated that it is the law that you must hook up to the system if it is available, but we want you to be happy with it. We will always take the necessary steps to help a customer with conservation. The highest usage will be during irrigation. He most likely will exceed the 15,000 gallons during that time.

Mr. Litchkowski stated that he watches it. He watches the grass. The first quarter was paid, but he found the check in an envelope in the drawer for the other quarter that didn't get mailed out while his wife was in the hospital. His bill was high because it was two bills at one time because the other one never got paid because it was not mailed out. It is paid now.

Mr. DiFrancia asked Mr. Litchkowski to make sure that we have his contact information, and we will help him in any way that we can.

Mr. Litchkowski thanked everyone and excused himself from the meeting.

A motion was made by Mr. Robins, seconded by Mrs. DePergola to close the public portion of the meeting. All in favor.

A motion was made Mrs. DePergola, seconded by Mr. Robins to enter executive session regarding litigation and approve corresponding Resolution #2017-57. All in favor.

Mr. Rundstrom excused himself from the meeting.

After return from executive session, and there being nothing further to come before the Board, a motion was made by Mrs. DePergola, seconded by Mr. Robins to adjourn. All in favor.

SECRETARY

Approved on (date)