

WESTERN MONMOUTH UTILITIES AUTHORITY

PUBLIC MEETING

June 16th, 2011

Chairman Toubin called the Western Monmouth Utilities Authority's Public meeting to order at 7:33PM. It was announced that pursuant to the Open Public Meeting Act and N.J.S.A. 10:4-6 et seq., adequate notice of this meeting has been sent to the Asbury Park Press, The Home News and Tribune, Clerks of Manalapan and Marlboro Townships, and is posted in the lobby of the Western Monmouth Utilities Authority ("W.M.U.A.").

Upon roll call:

Present:	Messrs. McEnery, Pernice, Rosen and Toubin
Absent:	None
Also in Attendance:	J. Wisniewski, Attorney, and Wisniewski & Associates K. Henderson, Engineer, T&M Associates T. Gillen, Engineer, CME Associates G. Stankiewicz, Auditor D. Martindell, Facility Manager R. Smith, Plant Supervisor K. Leatherman, General Manager A. Finnerty, Authority Clerk

All present cited the Pledge of Allegiance.

Chairman Toubin asked if there was any public comment.

William Brown and Michael Klaus, Owners of Sensible Energy addressed the Commissioners. Mr. Brown stated that in December of 2010 Sensible Energy had a meeting with Eddie Leatherman, Special Projects Manager, to discuss possible options to reduce energy costs at the Authority. Sensible Energy provided information to the WMUA regarding deregulation of the energy space and how we can capitalize on this and reduce our costs. They contact the largest carriers/suppliers of energy, licensed to do business in the state of NJ and have them bid on our electrical supply. Results were presented to the Authority for the Commissioners to examine. In the interim, new laws were passed regarding alternative energy procurement. Mr. Brown stated that as of today, the procurement of alternative energy has been contracted to Birdsall Engineering who in turn, hired a company called World Energy to handle the auction. Sensible Energy is requesting the opportunity to re-bid the project as one of the suppliers and contacted Birdsall and asked for permission to be one of the suppliers. He told the parties present that Birdsall contacted World Energy and requested that Sensible Energy be placed on the bidders list. He further noted that World Energy contacted Sensible Energy via email and stated that Sensible Energy did not qualify and were not permitted to bid because they are not considered a qualified supplier. Chairman Toubin asked if World Energy is bidding on our

business. Mrs. Leatherman stated as per her understanding, the Division of Local Government Services pre-qualified Birdsall and there are pre-qualified BPU vendors that you are supposed to utilize and if the qualifications are not met these vendors are excluded. Mr. Brown confirmed that that is true. He stated that World Energy is an agent like Sensible Energy. Chairman Toubin asked why we would need more than one agent. Mr. Klaus answered stating that it is possible that two agents could differ in pricing. Mr. Brown said that their service is free. He also read the response from World Energy which stated that they are not accepting pricing from brokers, only licensed vendors. Commissioner Pernice asked if Sensible Energy is acting as a broker, and they said, they are. Chairman Toubin requested that Sensible Energy write a letter to John Wisniewski, the Authority Attorney concerning this matter and the Commissioners will review the situation.

Chairman Toubin proceeded with the meeting. Chairman Toubin presented Eddie Leatherman with a plaque thanking him for the 31 years of service with the Authority. The Commissioners expressed their gratitude, thanked him for saving the Authority money, his efficiency and thanked him for an excellent job! Commissioner Rosen, Commissioner Pernice and Commissioner McEnery joined in stating that in the short time they have been on board, he was very helpful in showing them around and he will be missed. Mr. Leatherman thanked everybody for their gratitude and good wishes.

- The Discussion items on the Agenda were addressed;
 - Mrs. Leatherman addressed the Commissioners regarding the Capital budget preparation. She stated that there was a budget meeting with Dane Martindell, Gerry Stankiewicz and herself. They would like to start with a capital budget projected for 10 years. Mr. Martindell will meet with the plant managers. This year there will be a different approach to the budget. Coleen Weber and Kathy Leatherman will prepare the preliminary projected budget. A Capital Budget will be prepared for the July meeting for the Commissioners to examine. Commissioner Pernice suggested that the Managers prioritize the projects. Mr. Gillen stated CME has prepared projected budgets for several clients and offered assistance as needed.
 - Mrs. Leatherman stated that Gerry Stankiewicz provided the Connection Fee Calculation. There is a corresponding Resolution to Authorize the Connection Fee Hearing in August. Mr. Stankiewicz stated we need to advertise at least 20 days before the August meeting. Chairman Toubin asked Mr. Stankiewicz to explain how we stated that we have \$175,000.00 in Capital improvements. He explained that the projects are considered construction projects and not fixed assets. The calculation is based on an accounting basis and not based on a cash basis.
 - John Wisniewski asked if Crown Car Wash Project #465 has posted a maintenance bond and if their escrow was up to date. Tim Gillen stated they are required to post additional money. Mr. Wisniewski asked if the Resolution had been corrected including the specifications. Mrs. Leatherman stated that the Resolution had been changed accordingly.

Chairman Toubin asked for a motion on Resolutions 11-81 thru 11-87. Mrs. Leatherman stated that an additional Resolution had been added and placed on the dais prior to the meeting; Resolution 11-87. Rob Noel requested that a State Contract be approved for the locks at the pump stations. Commissioner Rosen moved, seconded by Commissioner Pernice. Upon roll call the vote was as follows:

AYES: Messrs McEnergy, Pernice, Rosen and Toubin
NAYS: None
ABSENT: None
ABSTENTIONS: None

- 11-81 Accepting Minutes of May 5th, 2011 and May 19th, 2011
- 11-82 Certifying that Each Authority Commissioner has reviewed the Audit Report of the Year ending January 31st, 2010
- 11-83 Authorizing Public Hearing for Connection Fee on August 11th, 2011
- 11-84 Release of Performance Guarantees for Crown Car Wash #465
- 11-85 Naming Depository for Various Bank Accounts for a Minimum of Three Years with (2) One Year Renewal Options
- 11-86 Authorizing CME Associates to advertise and receive Bids for Hawkins Road PS
- 11-87 Authorizing Use of State Contract Vendor Caola Lock Smith #A76000

Chairman Toubin asked if there were any questions on the Bill List. Chairman Toubin asked about the T&M bill. He asked if the Grit Building specifications were completed. Keith Henderson stated the specifications were completed and the bid has been prepared. Dane Martindell confirmed that the design of the building has been completed as well. Commissioner Pernice moved the bill list, seconded by Commissioner McEnergy:

AYES: Messrs McEnergy, Pernice, Rosen and Toubin
NAYS: None
ABSENT: None
ABSTENTIONS: None

With all Discussion items being addressed, Chairman Toubin asked if there was any other Authority business. Chairman Toubin inquired about the Bayshore Agreement and asked about the letter we received from Steve Rogut, our Bond Counsel. John Wisniewski stated as per Steve Rogut, we will revise and extend the agreement to 2025. Commissioner Rosen confirmed that the agreement was changed to assist Bayshore in aligning all their agreements.

Chairman Toubin requested that Mrs. Leatherman prepare a spreadsheet regarding our service contracts; amounts, expiration dates, etc.

Chairman Toubin asked Dane Martindell about the reed beds. Mr. Martindell stated he is waiting for an estimate from T&M Associates to demolish the reed beds.

Keith Henderson inquired about the Bayshore Agreement. He stated that it was mentioned that Bayshore may switch to an EDCU basis for billing as opposed to the metered water service. An issue occurred with Union Beach billing. This issue may change the way in which Bayshore bills for service. Bayshore bills the Authority based on flow. That would be a major change for the Authority. Tim Gillen stated that we are metered from the Texas Road pump station. Our system is much different than the other systems connected to Bayshore. We were established in the late 1970's and we have plastic pipe. The other systems are substantially older. Chairman Toubin stated that have a contract and therefore this should not be relative to our agreement.

Chairman Toubin asked about Edwards Lane. Tim Gillen stated that he was out with Rob Noel on Edwards Lane which was jetted and cleaned at the same time. The sewer lines were also TV'd today to determine how the underground pipes line up with the Freehold Township lines. Freehold Township has also provided CME Associates with the as built drawings. CME will prepare a map for the next meeting to determine how to effectuate a plan to solve the issues on Edwards Lane. Tim Gillen will meet with Rob Noel upon completion of the pipe televising. Mrs. Leatherman stated that the Joint Insurance Fund contacted the Authority and asked for all the records in reference to Edwards Lane. Chairman Toubin asked if all the maintenance records were up to date. Dane Martindell said that Edwards Lane was considered a high maintenance area. Chairman Toubin explained to the Commissioners that when you have a problem area, preventative maintenance should be done.

Chairman Toubin asked Dane Martindell about the lab work for the Copper Study. Mr. Martindell stated that Omni Environmental just submitted the sampling plan to the state for approval. We are waiting for a reply.

At 8:06 pm Chairman Toubin asked for a motion to go into Closed Session to discuss:

1. Personnel, Litigation and Contracts

Resolution 11-88 Authorizing the Commissioners to go into Closed Session for the purpose of discussing Litigation, Personnel, and Contracts and they will not return to Public Session was moved by Commissioner Pernice and seconded by Chairman Toubin. All present voted aye.

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