

WESTERN MONMOUTH UTILITIES AUTHORITY

PUBLIC MEETING

January 26th, 2016

Chairman Rosen called the Western Monmouth Utilities Authority's Public meeting to order at 7:01pm. 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, Mendez, Pernice and Rosen
Absent:	None
Also in Attendance:	F. Borin, DeCotiis, Fitzpatrick & Cole, LLP M. Dziubeck, CME Associates K. Henderson, T&M Associates G. Stankiewicz, Auditor R. Smith, Facilities Manager B. Valentino, Executive Director M. Seidenberg, Director of Finance M. Musich, Mayor of Manalapan B. Condiotti, Court Reporter K. Leatherman, General Manager A. Finnerty, Authority Clerk

All present cited the Pledge of Allegiance.

At 7:02pm, Frank Borin of DeCotiis, Fitzpatrick & Cole, LLP announced the Public Hearing for the Adoption of the 2016 – 2017 Budget, effective February 1st, 2016. Please refer to the transcript. The Public Hearing was closed at 7:11pm.

Chairman Rosen proceeded directly to move Resolution 15-150, Adopting the 2016 -2017 Budget, effective February 1st, 2016. Commissioner Mendez moved, seconded by Commissioner Pernice. Upon roll call the vote was as follows:

AYES:	Messrs.' McEnery, Mendez, Pernice and Rosen
NAYS:	None
ABSENT:	None
ABSTENTIONS:	None

Chairman Rosen asked if there was any public comment. There was none.

Chairman Rosen proceeded with the meeting.

- Chairman Rosen asked for comment regarding the Award of Contracts. Brian Valentino stated that we have received the bids for 50% of the contracts we put on the Agenda every two years. Ms. Leatherman stated that there were no issues. The bid tally sheets are attached to the Agenda.
- Chairman Rosen asked for any comment regarding the Release of Cash Surety to GS Realty Corp., Project #501. Mike Dziubeck stated that this is a 3 home subdivision. The work has been inspected. It is satisfactory and they recommend release of the cash surety subject to the posting of a maintenance bond.
- Chairman Rosen asked for any comment regarding the Reduction of Escrow for 25A Old Mill Road, Project #581. Mike Dziubeck stated that this is 200 foot sewer main extension that has been constructed to service a single family home. The applicant is waiting to construct the home to make the final connection; they are holding \$500.00 for the final inspection. All major work has been done.
- Chairman Rosen asked for any comment regarding Granting of Approval to Marlboro Estates, LLC, Project #605. This is a 16 home subdivision on the corner of Texas and Wooleytown Roads which consists of 2500 feet of new gravity sewer to service the new homes as well as 2 existing homes. Laterals will be provided to these 2 existing homes.

Chairman Rosen asked if there were any other questions, and stated that we are going to move right to Resolutions.

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| 15-151 | Budget Transfers Year Ending January 31 st , 2016 |
| 15-152 | Awarding Electrical Motor Repair & Replacement Contract To Chiswick Electric Co. |
| 15-153 | Awarding Extra Ordinary Maintenance & Repair Contract to All Mechanical Services Inc. |
| 15-154 | Awarding Electrical Maintenance & Repair contract to Global Electrical Service Inc. |
| 15-155 | Awarding HVAC Maintenance & Repair Contract to Hutchins HVAC Inc. |
| 15-156 | Awarding Nitrate Oxygen to Evoqua Water Technologies LLC |
| 15-157 | Awarding Sanitary Sewer Cleaning and TV Service to National Water Main Cleaning Co. |
| 15-158 | Awarding Sludge Hauling Service To Spectraserv Inc. |
| 15-159 | Authorizing the Release of Cash Surety to GS Realty Corp., Project #501 |
| 15-160 | Authorizing the Reduction of Escrow for 25A Old Mill Road, Project #581 |
| 15-161 | Granting Approval to Marlboro Estates, LLC, Project #605 |
| 15-163 | Authorizing the Executive Director to sign NJEIFP Loan Application |

Chairman Rosen asked for a motion for Resolution #15-151. Commissioner Pernice requested information regarding the amount of money being moved. Marilyn Seidenberg stated that this is not additional money. Commissioner McEnery moved seconded by Commissioner Mendez. The vote was as follows:

AYES: Messrs.' McEnery, Mendez, Pernice and Rosen

NAYS: None
ABSENT: None
ABSTENTIONS: None

Chairman Rosen asked for a motion for Resolution 15-152. Commissioner Mendez moved seconded by Commissioner McEnergy. The vote was as follows:

AYES: Messrs.' McEnergy, Mendez, Pernice and Rosen
NAYS: None
ABSENT: None
ABSTENTIONS: None

Mr. Valentino suggested that these Resolutions can be moved all together. Commissioner Pernice asked if any contracts have new vendors. Ms. Leatherman stated that Chiswick is a new vendor as well as Hutchins HVAC Inc. Chairman Rosen asked for a motion for Resolution 15-153 through 15-160. Commissioner Mendez moved seconded by Commissioner McEnergy. The vote was as follows:

AYES: Messrs.' McEnergy, Mendez, Pernice and Rosen
NAYS: None
ABSENT: None
ABSTENTIONS: None

Chairman Rosen asked for a motion for Resolution 15-161. Commissioner Mendez moved seconded by Commissioner Pernice. The vote was as follows:

AYES: Messrs.' McEnergy, Mendez, Pernice and Rosen
NAYS: None
ABSENT: None
ABSTENTIONS: None

Chairman Rosen asked if there were any comments on the bill list. There was none. Commissioner Mendez moved, seconded by Commissioner McEnergy. All present voted aye.

Chairman Rosen asked if there is any other Authority Business. Mr. Valentino stated that there was no Executive Directors Report so he will speak first regarding the draft of the 2016 -2107 revision of the Personnel Manual. The only changes that were made are reflecting the 6 Standard Operating Guidelines that he implemented in the interim since last year and one additional SOG that was put in place in January of 2016. All of which were just interpreting existing policy and giving additional guidance to the staff with the exception of the implementation of the Awards Program which is new. Mr. Valentino stated that it is given to the Commissioners for their review and comments as well as being given to the Labor Attorney. Chairman Rosen asked if we have this with track changes. Ms. Leatherman stated that she will email these to the Commissioners. Mr. Valentino stated that this will be on the Re-Organization meeting.

The next topic Mr. Valentino will address is the Asset Management Program. Commissioner Mendez has been a strong proponent of us expanding and improving our

program. We are at the point that we can solicit proposals for a formal asset management program. Mr. Valentino stated we should hear presentations by interested parties. Without us receiving proposals we're not going to be able to make any more progress at this time. Chairman Rosen asked if we are requesting RFP's or are we asking anybody just to come in and present and educate us. Mr. Valentino stated that by requesting RFP's they would self-identify as being interested and being considered. Commissioner Pernice asked if we would be writing the RFP, requesting exactly what we are looking for. Commissioner Mendez stated we should request for something less specific so we would be able to entertain proposals and include the executive management staff during these presentations. Commissioner Pernice asked if we will have an open time frame. Ms. Leatherman stated that we would put a notice out with a deadline. The start date would be from the time we passed the Resolution. Ms. Leatherman stated that it is usually 6 weeks. Commissioner Pernice asked if we were looking for a dollar amount. Ms. Leatherman stated we are looking for a proposal and you want to know what the cost is. Chairman Rosen stated that he would like to have presentations first, Commissioner Pernice agreed. They would like to hear what they have to offer regardless of the amount of presenters. Ms. Leatherman stated that we can give them a presentation time frame. Commissioner Mendez stated that 15 minutes is not long enough to hear an asset management presentation, he feels 30 minutes will give you more information. Commissioner McEnery stated that if 20 companies respond, this could take a very long time. Commissioner Pernice asked if you have to allow all the companies that respond to do a presentation. Ms. Leatherman stated that you have to allow them. Keith Henderson stated that if you don't have a specific scope then you shouldn't request for RFP's, because you are going to get prices between \$30,000.00 and \$130,000.00. If we ask for RFQ's than you pick the top 3 firms or firms with the best qualifications and you can invite them in to make presentations. Keith Henderson stated that he would be happy to offer a quick primer regarding Asset Management at the next meeting. T&M offers Asset Management which is like GIS. The DEP right now has a requirement for its trust to have asset management. That is GIS based; on a plant level basis you can't do asset management. There is a different technology for mapping out of a treatment plant. Chairman Rosen asked if every authority or facility going to be required to do this. Right now there is an EPA guideline for asset management which is what most people are following except for the DEP. Mr. Henderson stated that he will help Brian Valentino put this together. For example, PVFC wanted to do asset management but they didn't properly define what they wanted and received 3 proposals from Industrial appraisal firms for \$100,000.00 and they received proposals from T&M and other firms for over \$750,000.00 to do a true asset management. The Commissioners stated they would go with the cheaper proposals which are not a true asset management programs. Commissioner Mendez stated that he will be passing out copies of what asset management is for the Commissioners to review. Commissioner Pernice stated he would like to hear what Mr. Henderson has to present to have an idea along with the literature from Commissioner Mendez. Going forward an RFQ would be fine because they are not really concerned about money; he is more concerned about the package. Mr. Valentino stated that we have access to assets other than our professionals who can present information about asset management, like the AEA or the WEA. Mr. Valentino stated he will research and have information for the commissioners regarding presentations as soon as possible.

The last item Mr. Valentino stated he has is the coming year capital improvement program. We have to address the raw sewage pump replacement program. The raw sewage pump is the main pumps that bring the sewage in from our headworks and put it into the system

at the grit chamber. It is the building that is the most important facility; if they fail our system can't treat sewage. We originally proposed a two-phase replacement of the pumps in the pump station. Phase 1 was going to be done with cash and would replace one pump immediately. In phase 2 we were going to use the EIT which would replace the remaining two pumps and add a fourth pump as well as changes to the wetwell. In the design work, T&M identified a new pump that would allow us to do the entire range of pumping from the low end all the way to the maximum. The cost of that new pump would be better to do all four at once. The management team believes it would be in our best interest to abandon the two phase proposal. What we are proposing is to use cash to buy 4 matched pumps now with the same price point. We will then abandon phase 2 and call it phase 2A and replace everything now and install the new station in one shot. Commissioner Mendez asked if we can replace everything at once and take everything off line. Mr. Valentino stated it will take more than one day. The phase 1 project was 1.5 million dollars. We believe that we can buy the 4 pumps for ½ million dollars which is a saving of 1 million dollars. We will redistribute the additional money for other necessary projects. Commissioner Pernice stated that he would like to see the numbers on paper. Phase 2 was part of the EIT, we were borrowing it. It is great to have cash on hand and he just wants to make sure that this value added is balanced. Mr. Valentino stated that in Phase 2, 3 additional pumps will be now being pulled out of the EIT application. Keith Henderson stated that there are a few options. The pre-purchasing of the pumps is a time saving issue because it will take 6 months for them to be delivered. We can award the installation project and the pumps will be here. It is a time issue as well as financial. Commissioner Pernice stated you need to see this all on paper. We have to assess the big picture overall. Keith Henderson stated that the phase 2 plans are done. He would like to submit the plan to the EIT to include the 4 pumps in the EIT loan. We can always back out later. We originally scheduled this for the February 16th, 2016 meeting. Mr. Henderson asked if we could add a Resolution to this meeting to have Brian Valentino sign the loan application now. The Commissioners agreed to add the Resolution; Resolution 15-163, Authorizing the Executive Director to sign the NJEIT Loan Application. Commissioner Mendez moved seconded by Commissioner McEnergy. The vote was as follows:

AYES:	Messrs.' McEnergy, Mendez, Pernice and Rosen
NAYS:	None
ABSENT:	None
ABSTENTIONS:	None

Mr. Valentino stated he has nothing further. Chairman Rosen asked about the time frame to present in front of each Township, Marlboro and Manalapan. Chairman Rosen would like us to get on the calendar as soon as possible. Chairman Rosen would like to have a power point presentation ready for them. Commissioner Mendez asked Mayor Musich if it is possible to present at a township meeting and Mayor Musich said this will not be a problem. Mr. Valentino stated that we are waiting for the EIT request to be the right time with the state. Keith Henderson stated that they do rolling applications and by doing this early we can be at the top of the stack. Commissioner Mendez stated that the Mayor and the Council of Manalapan and Marlboro will be asking questions after the next bill cycle. Chairman Rosen stated that when whatever we are presenting should be sent in advance.

At 7:42pm, Chairman Rosen stated that they will move into Closed Session and asked for a motion for Resolution #15-162, Authorizing the Commissioners to go into Closed Session for the Purpose of Discussing Litigation and/or Personnel and they will not return to Public Session. Commissioner McEnery moved, seconded by Commissioner Mendez. All present voted aye.

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