

WESTERN MONMOUTH UTILITIES AUTHORITY

RE-ORGANIZATION MEETING

February 16<sup>th</sup>, 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. McEnergy, Mendez, Pernice, and Rosen
Absent:	None
Also in Attendance:	F. Borin, DeCotiis, Fitzpatrick & Cole, LLP K. Henderson, T&M, Engineer T. Gillen, CME, Engineer M. Dziubeck, CME Engineer G. Stankiewicz, Accountant B. Valentino, Executive Director R. Smith, Acting Facilities Manager D. Martindell, Regulatory Compliance Supervisor G. White, Collections Superintendent M. McCann, Assistant Collections Superintendent M. Seidenberg, Director of Finance L. Warshauer, Supervising Accountant M. Musich, Mayor of Manalapan K. Leatherman, General Manager A. Finnerty, Authority Clerk

All present cited the Pledge of Allegiance.

Chairman Rosen opened the meeting. At 7:02pm, Chairman Rosen asked for a motion to go into closed session to discuss Contract Negotiations and Personnel.

16-01 Authorizing the Commissioners to go into Closed Session for the purpose of discussing Contract Negotiations and Personnel and they will return to Public Session was moved by Commissioner Mendez and seconded by Commissioner Pernice. All voted aye.

The Commissioners returned to public Session at 7:13pm. Upon return to Public Session, Chairman Rosen proceeded to the Re-Organization Resolutions.

Chairman Rosen offered Resolution #16-02 Appointing Stephen McEnery as Chairman. Commissioner Mendez moved seconded by Chairman Rosen. All present voted as follows:

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

Everybody congratulated Stephen McEnery on his appointment as the new Chairman. Chairman McEnery took over the meeting and proceeded.

Chairman McEnery asked for a motion for Resolutions 16-03, Appointing Joseph Pernice as Vice-Chairman. Commissioner Mendez moved, seconded by Commissioner McEnery. All present voted as follows:

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

Chairman McEnery asked for a motion for Resolution 16-04, Appointing Glen Mendez as Secretary. Commissioner Pernice moved, seconded by Commissioner Mendez. All present voted as follows:

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

Chairman McEnery asked for a motion for Resolution 16-05, Appointing Jeffrey Rosen as Treasurer. Commissioner Mendez moved, seconded by Chairman McEnery. All present voted as follows:

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

Chairman McEnery asked for a motion for Resolution 16-06, Appointing Jeffrey Rosen as Assistant Secretary. Commissioner Mendez moved, seconded by Commissioner Pernice. All present voted as follows:

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

Brian Valentino stated that the Honorable Mayor of Manalapan, Maryann Musich wanted to address the Commissioners.

Mayor Maryann Musich read a proclamation to the Board. Mayor Musich stated that Jeffery Rosen's dedication to the Authority is recognized and greatly appreciated by Manalapan Township. They expressed their thanks and appreciation for his service to the community. Mayor Musich congratulated him and presented him with a proclamation.

Commissioner Rosen expressed his gratitude and thanked Mayor Musich.

Chairman McEnergy continued with the meeting and asked for a motion for Resolutions 16-07 thru and including 16-31. Commissioner Mendez moved, seconded by Commissioner Pernice. All present voted as follows:

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

- 16-03 Appointing Vice-Chairman - Joseph Pernice
- 16-03 Appointing Secretary - Glen Mendez
- 16-05 Appointing Treasurer - Jeffrey Rosen
- 16-06 Appointing Assistant Secretary - Jeffrey Rosen
- 16-07 Appointing Assistant Treasurer - Glen Mendez
- 16-08 Authorizing General Manager and/or Facilities Manager to Adopt Emergency Procedures
- 16-09 Naming Official Newspapers – The Asbury Park Press or The Home News Tribune
- 16-10 Amending Cash Management Plan for the Year Ending January 31st, 2017 as prepared by the Director of Finance
- 16-11 Authorizing Purchases under the bid threshold
- 16-12 Authorizing the General Manager to Remove Interest on Customer Accounts
- 16-13 Appointing Signatories for Authority Bank Accounts
- 16-14 Establishing Tax Sale Threshold
- 16-15 Authorizing Non-Refundable Fee for the Purchase of Bid Specifications
- 16-16 Appointing Katherine Leatherman as Purchasing Agent
- 16-17 Appointing Attorney - Frank Borin, DeCotiis, Fitzpatrick & Cole, LLP
- 16-18 Appointing Auditor - Gerard Stankiewicz
- 16-19 Appointing Bond Counsel - Steve L. Rogut, Rogut, McCarthy LLC
- 16-20 Appointing Engineer - Keith Henderson of T&M Associates
- 16-21 Appointing Assistant Consulting Engineer - Tim Gillen of CME Associates
- 16-22 Appointing Financial Advisor - Gerard Stankiewicz
- 16-23 Appointing Labor and Regulatory Counsel - Brian Nelson of Archer & Greiner
- 16-24 Appointing Risk Management Consultant, Fairview Insurance Agency
- 16-25 Authorizing the Director of Finance and/or the General Manager to Grant Customer Payment Plans maximum 3 years/\$1000.00
- 16-26 Appointing the JIF Fund Commissioner - Brian J. Valentino
- 16-27 Authorizing Refunds of Customer Overpayments

- 16-28 Authorizing the General Manager to Sign TWA Applications
- 16-29 Accepting Revised Personnel Manual
- 16-30 Authorizing Extension of NJPDES Permit Renewal Applications to Kleinfelder East Inc.
- 16-31 Appointing Executive Director to Act as the Authorized Representative in all Matters Requiring an Official Signature
- 16-32 Authorizing Various Financial Reserves of the Authority
- 16-33 Authorizing Payments to Utility Vendors
- 16-34 Petty Cash
- 16-35 Authorizing the Use of State Contract Vendors

Chairman McEnergy asked for a motion for Resolution 16-32. Commissioner Mendez moved, seconded by Commissioner Rosen. All present voted as follows:

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

Chairman McEnergy asked for a motion for Resolution 16-33. Commissioner Mendez moved, seconded by Chairman McEnergy. All present voted as follows:

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

Chairman McEnergy asked for a motion for Resolution 16-34. Commissioner Mendez moved, seconded by Commissioner Rosen. All present voted as follows:

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

Chairman McEnergy asked for a motion for Resolution 16-35. Commissioner Rosen moved, seconded by Commissioner Mendez. All present voted as follows:

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

At 7:19pm, Chairman McEnergy asked for a motion to close the Re-Organization Meeting. Commissioner Rosen moved, seconded by Commissioner Mendez. All present voted aye.

Chairman McEnergy opened the Workshop Meeting.

Chairman McEnergy asked if there was any public comment, there was none.

Chairman McEnergy asked for comment regarding the Executive Directors Report.

Brian Valentino congratulated the Commissioners on their new appointments. Mr. Valentino stated that he has a few updates. The first update is regarding the purchase of the pumps for the raw sewage pump station. Mr. Valentino stated that he will turn the meeting over to Keith Henderson of T&M. T&M recommends combining the pump project instead of installing 1 pump for phase 1 and another as pump for phase 2; which would require a proprietary spec that would increase the cost. Mr. Henderson stated that T &M met with the staff and talked about options that would protect us (if we pre-purchase the pumps) in case the pumps broke while the construction was going on. This should be done as part of the Trust project beginning in 2017. In essence the project is still the same. If the Authority decides to pre-purchase the pumps the Authority would save approximately \$200,000.00 which would be the contactors mark up on that equipment. Commissioner Mendez asked if we have a printed analysis. Mr. Valentino stated that he has a printed email from Mr. Henderson with the explanation. The bottom line is the WMUA should continue the original path and borrow 2.9 million dollars which rolls us thru to actually borrowing 4 million dollars which was our original plan. We should use 1 million in cash or we can roll it into the trust loan which would then increase the project cost from 2.9 million dollars to 3.9 million dollars. The Authority would end up financing 5.9 million. The plan is to put this project into this year's EIT, so construction will begin next year. The original plan was created because our supervisors were concerned that the pumps were not going to make it another year. That is why we were going to get one pump installed now and then 2 more next year. Now, we have a scenario that we will do 3 new pumps next year for the same price. Our project now includes all 4 pumps being done at the same time which from a technical stand point is the best way to go. Mr. Henderson stated that they are currently involved in litigation, same scenario one pump this year, two pumps next year. The price was almost doubled because the contractor knew he had a proprietary spec. T&M recommends that it should be done all at once, the issue is the financing. Right now the rate is less than 1%. Commissioner Rosen advised that we borrow this all. Marilyn Seidenberg advised us not to do that because this is a very capital intensive business. We are committing ourselves to a lot of debt service now. Later on we will have more projects that we will have to finance, and we won't have the money for it without raising rates a lot. The Authority knows that we have a lot of projects down the road that we are aware of and unfortunately some projects we are unaware of. Ms. Seidenberg stated that with this in mind, she feels the combination of using cash and debt is better. Commissioner Pernice stated that in the capital lay out, the million dollars was supposed to be utilized. Commissioner Rosen stated that when we did our rate increase we factored in the million dollars. Commissioner Pernice stated he would like to go over this before making any decisions. Mr. Henderson stated that on Marth 4<sup>th</sup>, they will ask to borrow 3.9 million which can be reduced. Commissioner Rosen asked if this decision will cause a delay. Mr. Henderson stated that they could reduce the borrowing to 2.9 million. The second part of the discussion is if we decide to use the 1 million cash, do we want to pre buy the pumps and save the \$200,000.00. They are going to submit 3.9 million to the trust, and this can be dropped. Gerry Stankiewicz stated that the EIT will only loan you what you spend.

The second topic for discussion was regarding the Agenda system that Marlboro Township utilizes. Commissioner Pernice recommended that we meet with Marlboro Township to discuss the on line system they have in place. Mr. Valentino stated that he and an employee of the WMUA met with them and based on what Marlboro has in place, the current Bitrix system that we have use for project management will essentially do the same thing and we already have this here. Mr. Valentino would like to put this system into place for the next couple of meetings to see if the Commissioners like this. Commissioner Mendez asked if they should bring their own devices from home. Mr. Valentino said to try our current Bitrix system; the Commissioners should utilize their own computers. Mr. Valentino stated that it would be costly for us to install this for the 2 meetings a month. Marlboro Township uses their meeting room very often so the on line system is cost effective for them. Commissioner Pernice stated that he wants to simplify the meetings and eliminate paper. He would like to be able to access our Agenda, our website during the meeting if necessary without having to print something up. Mr. Valentino stated that what Marlboro has is a PCH station which is a large investment. We can do what Marlboro does right now but we need to utilize our PC's or iPad's. Commissioner Rosen asked if the commissioners have their own iPads and suggested that all the commissioners bring them to the next meeting. Mr. Valentino stated that you just have to use the Bitrix interface.

Two more items, the Senate bill was reintroduced with the 2% cap. He testified with other members of the Authority in Trenton regarding the changes necessary to make the bill workable. There are still amendments necessary to make the bill work and they are working with the committee to address that. It has already cleared the Senate government and cleared for a vote. It is at the Senate Budget committee and it has not been scheduled for a hearing yet.

Mr. Valentino stated the last item is regarding the Spring AEA conference in early March. He would like to know if the Commissioners are interested in attending that and would like to know as soon as possible. The conference is Marth 8<sup>th</sup> & 9<sup>th</sup>. Commissioner Pernice stated we have a meeting on the 8<sup>th</sup>. Commissioner Mendez stated he would like to attend the meeting with Mr. Valentino in Atlantic City. Mr. Valentino stated that he would like to formally ask the Commissioners if he can attend the conference. The Commissioners agreed that Mr. Valentino should attend the AEA conference.

Chairman McEnergy proceeded with discussion.

- Chairman McEnergy asked if there were any comments on the minutes of January 12<sup>th</sup>, 2016. Commissioner Rosen stated that he will abstain because he was not present for the January 12<sup>th</sup>, 2016 meeting.
- Chairman McEnergy asked for any comments on the minutes of January 26<sup>th</sup>, 2016. There were none.
- Chairman McEnergy asked for any comment regarding Memorializing the Release of Cash Surety for Manalapan 9 LLC, Project #489. Ms. Leatherman stated that is on Route 9 where the 7-11 was formally located.
- Chairman McEnergy asked for any comment regarding the Executive Director to sign the NJEIT Loan Application for the Route 79 Force Main.

Chairman McEnergy asked for any comment on Resolutions 16-36 through 16-39. Commissioner Rosen stated that he did not attend the meeting of January 12<sup>th</sup>, 2016, he will abstain. Chairman McEnergy stated that he would like a motion for 16-36. Commissioner Pernice moved, seconded by Commissioner Mendez, the vote was as follows:

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

16-36 Authorizing Minutes of January 12<sup>th</sup>, 2016  
16-37 Authorizing Minutes of January 26<sup>th</sup>, 2016  
16-38 Memorializing the Release of Cash Surety for Manalapan 9 LLC, Project #489  
16-39 Authorizing the Executive Director to Sign the NJEIT Loan Application for the Route 79 Force Main

Chairman McEnergy asked for a motion for Resolutions 16-37 thru 16-39. Commissioner Mendez moved, seconded by Commissioner Rosen, the vote was as follows:

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

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

Chairman McEnergy asked if there was any other Authority Business.

Commissioner Rosen stated that he has a conflict on March 8<sup>th</sup>, 2016 and cannot attend that meeting. He asked if they would consider changing the date or dates of the meeting. The Commissioners agreed to change the dates of the meeting from March 8<sup>th</sup>, and March 22<sup>nd</sup>, to one meeting scheduled for March 15<sup>th</sup>, 2016. Mr. Henderson that Rosario Santos will attend the March 15<sup>th</sup>, meeting, he is unable to attend that day. Commissioner Mendez asked about the cost of advertising for the meetings; can it be done electronically or must it be done in print at a cost. Frank Borin, the Authority Attorney stated that we just have to send this to the paper; they don't have to print it. Commissioner Mendez stated he sees other bills from the newspapers. Mr. Borin stated that there are other notices that must be printed for example like the rate hearing. They try to raise legislation, but the newspapers fight this.

Chairman McEnergy asked if there was any other Authority Business. Chairman McEnergy expressed his sincere thanks to Commissioner Rosen for 2 years of good leadership!

At 7:45 pm Chairman McEnergy asked for a motion to Adjourn the meeting, Commissioner Mendez moved to adjourn, all present voted aye. Resolution 16-40, Authorizing the

Commissioner to go into Closed Session for the purpose of Discussing Litigation and they will not return to Public Session was *not utilized*.

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