

WESTERN MONMOUTH UTILITIES AUTHORITY

WORKSHOP AND PUBLIC MEETING

August 25<sup>th</sup>, 2015

Chairman Rosen called the Western Monmouth Utilities Authority's Public meeting to order at 7:02pm. 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 and Rosen
Absent:	Commissioner Pernice
Also in Attendance:	F. Borin, DeCotiis, Fitzpatrick & Cole, LLP T. Gillen, CME Associates M. Dziubeck, CME Associates K. Henderson, T&M Associates G. Stankiewicz, Auditor B. Valentino, Executive Director K. Leatherman, General Manager A. Finnerty, Authority Clerk M. Musich, Manalapan Deputy Mayor Committeewoman N. Rosen, Special Guest

All present cited the Pledge of Allegiance.

Chairman Rosen asked if there was any public comment.

John Ploskonka of Concept Engineering wanted to discuss the application for the Lucas Construction, 631 Associates - Project #599. They are trying to do improvements on his property on Tennent Road in Marlboro. Connection fees have been paid as well as escrow. They just found out recently that Tennent Road will be paved soon which means they must tie in as soon as possible. Mr. Ploskonka is requesting the WMUA and CME to approve the application so they can move forward. Ms. Leatherman stated that he was given a building permit letter and he can move forward. Mr. Ploskonka stated that there are still things needed to be worked out with CME. He asked if the Authority Rules and Regulations have changed. Ms. Leatherman stated that any changes have been posted to the website. Mr. Ploskonka stated that may want to install a forcemain at the end of the street, but he will formerly request that from the Commissioners.

Chairman Rosen asked for comment regarding the Executive Director Report.

Brian Valentino stated that he has a few items on the Capital Budget and Finance. The capital budget has been reassessed by the engineers and the authority staff last week. He will make recommendations next week when Commissioner Pernice returns. We will have to act in our September 8th meeting for NJEIT financing. Keith Henderson stated in October we will need to submit the planning document. The First week in March of 2016 construction plans and specifications need to be submitted they will need to consult with CME for that phase which must be authorized by the Commissioners. They will be discussing the force main break issue on Texas Road in closed session which may involve potential litigation. Tim Gillen brought a piece of the pipe from the break for the Commissioners to see. Normally the pipe is supposed be  $\frac{3}{4}$  of an inch thick. Mr. Valentino stated that he would like to have a plan in place if the raw sewage pumps fail or if there is a catastrophic event. They have asked for estimates for designs to bypass this pump. The estimates came in very high. We may buy an additional pump with other Authority's. Chairman Rosen asked if the state could help the Authority if any issues should occur. Keith Henderson stated that FEMA has a Resiliency program you can apply for issues that occurred during the earlier storms.

The online project management system Bitrix should be up and running by the next meeting so that the Commissioners will have access. Mr. Valentino attended training with the AEA regarding I&I and asset management and will follow up with the staff and engineers regarding that training. Staff evaluations system Track Star will be uploaded and they will be doing annual evaluations starting November 1<sup>st</sup>, 2015. He stated he reviewed the overtime for the last pay period and it is higher than usual and this was due to the break on Texas Road.

Chairman Rosen proceeded with the meeting.

- Chairman Rosen asked for any comments regarding the Minutes of July 28<sup>th</sup>, 2015. Chairman Rosen will abstain from the vote.
- Chairman Rosen asked for any comment regarding changing the Meeting Date of September 22<sup>nd</sup>, 2015. The date conflicts with the Jewish Holiday. The Commissioners discussed alternate dates; however no definitive plans were made because Commissioner Pernice is not at this meeting.
- Chairman Rosen asked for any comment regarding the Authorization of a Developers Agreement for M&M at 483 Route 79 Phase II, Project #508. Tim Gillen stated it is the second phase of the project. It has been reviewed with the Attorney and from an engineering perspective they approve the project.
- Chairman Rosen asked for any comment regarding the Approval for Oak Hill Estates, Project #563. Tim Gillen stated that is for 17 residential homes connecting to our sewers on Nolan Road which will flow to the Lloyd Road Pump station and ultimately to Bayshore Regional. They have addressed all the engineers' comments, so they are recommended for approval.
- Chairman Rosen asked for any comment regarding Appointing Signatories for Authority Bank Accounts and the Investment Function. Ms. Leatherman stated that the Commissioners just signed the forms for this.
- Chairman Rosen asked for any comment regarding the Amendment for the RSA with Wageworks. Ms. Leatherman stated that they require a new Resolution with added language for the Flexible Spending Account.

- Chairman Rosen asked for any comment regarding the Return of Escrow Fees to Route 9 Realty, Project #482. Tim Gillen stated that this is an abandoned project. There is a subsequent application that is being considered.
- Chairman Rosen asked for any comment regarding the Contract Award of Motor Control Center. Ms. Leatherman stated that we took bids for this on August 19<sup>th</sup>. This was in the capital budget for substantially more. The WMUA employees will do most of the work. Mr. Valentino stated that we have saved more than \$100,000.00 savings over the estimate.
- Chairman Rosen asked for any comment regarding the Release of Escrow Fees to Old Mill Estates, Project #438. Tim Gillen stated that the punch list items have been addressed and CME is recommending release.

Chairman Rosen asked if there were any other questions, there were none.

- 15-102a Approving the Minutes of July 28<sup>th</sup>, 2015
- 15-103a Authorizing Developers Agreement for M&M at 483 Route 79 Phase II LLC, Project #508
- 15-104a Granting Approval to Oak Hill Estates, Project #563
- 15-105 Appointing Signatories for Authority Bank Accounts and the Investment Function
- 15-106 Authorizing a Revised Reimbursement Service Agreement (RSA) with Wageworks for Flexible Spending Account (FSA)
- 15-107 Authorizing Return of Escrow Fees for Route 9 Realty, Project #482
- 15-108 Awarding Contract for Motor Control Center
- 15-109 Releasing Remaining Escrow Fees to Old Mill Estates #438

Chairman Rosen asked for a motion for Resolution 15-102a. Commissioner Mendez moved Resolution 15-102 a seconded by Commissioner McEnergy. The vote was as follows:

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

Chairman Rosen asked for a motion for Resolutions 15-103a, 15-104a, and 15-105 through 15-109. Commissioner McEnergy moved, seconded by Commissioner Mendez. The vote was as follows:

AYES: Messrs.' McEnergy, Mendez and Rosen  
 NAYS: None  
 ABSENT: Commissioner Pernice  
 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 was Authority Business.

Chairman Rosen asked about the new payroll system. Brian Valentino stated we have problems with implementation. It has to do with the manner in which we schedule our employee's time in the contract. The way our contract with the union is written, employee's rates have to be changed in the middle of a shift, but we are working on it.

Keith Henderson stated they will issue a recommendation letter for the Sportica project in the next meeting. They have been given an easement by the farmer for the forcemain. They are asking for relief in the Connection Fee based on water usage in a facility that they are temporarily using in Howell, NJ. Mr. Henderson stated that T&M does not recommend relief based on the amount of fixture units and the size of the building. If there is a change in use we can never charge more connection fees. It is 51 fixtures which will be 25 EDCU's. It will be around \$103,000.00 in connection fees. Other potentially large projects have also asked us to reduce our fee based on water usage, but we focus on the Rules and Regulations.

Commissioner Mendez stated that there are serious projects proposed in Manalapan which can potentially bring the Authority to maximum capacity. Tim Gillen stated he was discussing this issue with the Marlboro Planning and Zoning Board. Commissioner Mendez stated we have a lot of buildable space in both communities. Mr. Stankiewicz stated he met with our ED to discuss our capacity. The EIT will not finance for future/oversizing. But if we have approved planning, zoning and other items, and we are over capacity; will they give us a break? He stated that the EIT is the best financing. We were told they will not help you in pursuing oversizing but we will be coming in for expansion, that is the technical aspect and the Authority Engineers will have to make the call. Mr. Stankiewicz is concerned with the financing; he doesn't want to use the traditional bond markets.

Keith Henderson stated that the engineers will use creative crafting in the planning document, for example the influent pump station needs to be rebuilt they are not going to question whether we rebuild with 100 horsepower pumps or 125 horsepower pumps. There are ways we can get extra plant capacity without saying we are building a plant expansion. Another example the primary liner in the equalization tank needs to be replaced. We should build an empty process tank instead of replacing the liner; this is just another example of creative crafting to get extra capacity. Mr. Stankiewicz stated we are not oversizing for future development. We need to take care of this right now. Keith Henderson stated that we will have to issue a builders moratorium and we will not be able to issue any more builders permits. Mr. Henderson stated the schedule from the DEP will be issued in a few weeks. The Authority will have to issue a Capacity Assurance Study. Tim Gillen stated that an empty process tank will give us much more capacity. Commissioner Mendez asked again how the Authority can increase their plant capacity. Keith Henderson stated we need to decrease I&I and build more tanks. Our permit states that we can discharge 8.8 million gallons a day. Chairman Rosen asked if we should really discuss expansion in our financing. Keith Henderson stated that our facility is 30 or 40 years old and we need to replace old equipment. Chairman Rosen wants to know if we need to contact each township to let them know we are almost at capacity just to put the townships on notice. Ms. Leatherman stated we need to declare a moratorium. The

Wastewater Management Plan is discussing with the County Planning Board our current zoning which is based a build out calculation of 8.8 MGD. Ms. Leatherman stated that we passed a resolution declaring a moratorium in 1987. We took applications and when the moratorium was lifted it was first come first serve. We need to sit down with the townships and present this situation as soon as possible. Chairman Rosen stated we should send out letters to state we have to meet with the townships. Mr. Stankiewicz stated that even if we submit to the EIT before October 2015, we are still 3 years away before we can start construction. Chairman Rosen stated we need to put together a presentation to make the townships understand the capacity situation. The towns may ask when we were aware of this and we must answer them honestly that this has issue has been presented tonight. Mr. Valentino stated that the finance committee has been dealing with components of this, but this is a new development. Mr. Stankiewicz stated that we have an aging plant and an aging collector system.

At 7:43pm Chairman Rosen asked for a motion to go into Closed Session. Commissioner McEnery moved Resolution 15-110, Authorizing the Commissioners to go into Closed Session for the purpose of Discussing Potential Litigation, Matters of Attorney Client Privilege Concerning Damage to a Forcemain by another Utility and Personnel and they will not return to Public Session. Commissioner Mendez seconded all present voted ayes.

#####