

WESTERN MONMOUTH UTILITIES AUTHORITY

WORKSHOP MEETING

April 3rd, 2014

Chairman Rosen called the Western Monmouth Utilities Authority's Public meeting to order at 7:32PM. 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 and Rosen
Absent:	Commissioner Mendez
Also in Attendance:	I. Chou, Wisniewski & Associates T. Gillen, CME Associates K. Henderson, T&M, Engineer G. Stankiewicz, Auditor D. Martindell, Facilities Manager G. White, Assistant Collections Supervisor K. Leatherman, General Manager M. Seidenberg, Director of Finance A. Finnerty, Authority Clerk M. Musich, Manalapan Liaison

All present cited the Pledge of Allegiance.

Chairman Rosen asked if there was any public comment.

John Ploskonka of Concept Engineering addressed the meeting regarding the Amboy Bank and the Olde Silver Tavern. The Olde Silver Tavern is going to be rebuilt subject to the construction of sanitary sewers. Mr. Ploskonka met with Manalapan Township to address all the requirements needed to begin the project as soon as possible. Chairman Rosen stated they the Authority will do anything to help as long as all the professionals have confirmed that all the paperwork is in order.

Chairman Rosen proceeded with the meeting.

- Chairman Rosen asked for any comment regarding the minutes of the meetings for March 13th, 2014 as revised. The Commissioners stated they will accept the minutes as revised.
- Chairman Rosen asked for any comment regarding the Local Finance Board Requirements for the NJEIT financing. Gerry Stankiewicz stated that this is a follow up for the financing.

- Chairman Rosen asked for any comment regarding the Bids for Magnesium Hydroxide. Ms. Leatherman stated that this is our standard bid that will expire. Commissioner Pernice stated this is also where we are working with the DEP. Dane Martindell stated that in May the testing should be done and we will have our final report.
- Chairman Rosen asked for any comment regarding the NJ Utilities Authority Joint Insurance Fund-Loss Control Report. Ms. Leatherman stated that this is a report from the JIF regarding casualties or injuries. Chairman Rosen asked if we have ever had any injuries. Ms. Leatherman stated that we have nothing recently.
- Chairman Rosen asked for any comment regarding the release of the Performance Guarantee and Cash Surety for the Grande at Battleground, #201C. Keith Henderson stated that the bond has been reviewed and is acceptable. Everything has been reviewed and they have recommended the release.

Chairman Rosen asked if there were any other questions and asked for a motion on Resolutions #14-63 through 14-66. The vote was as follows:

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| 14-63 | Resolution Concerning Review of Findings of the LOCAL FINANCE BOARD Made at Meetings of Said Board on December 11 th , 2013 and March 12 th , 2014 in Accordance with the Provisions of N.J.S.A. 40A:5A-6, 40A:5A-7 and 58:11B-9(a) for Approval of the Issuance of Bonds by the WMUA |
| 14-64 | Authorizing Extension of NJPDES Permit Renewal Applications to Kleinfelder East Inc. |
| 14-65 | Authorizing the General Manager to Prepare Plans and Specifications, Advertise and Receive Bids for Magnesium Hydroxide for the Pinebrook Treatment Plant |
| 14-66 | Authorizing the Release of Performance Guarantee and Cash Surety for the Grande at Battleground, Project #201C |

Chairman Rosen asked for any comment on Resolution 14-63, there were no comments. Commissioner McEnery moved, seconded by Commissioner Pernice. Upon roll call the vote was as follows:

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

Chairman Rosen asked for any comment on Resolutions 14-64 and 14-65, there were no comments. Commissioner McEnery moved, seconded by Commissioner Pernice. Upon roll call the vote was as follows:

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

ABSTENTIONS: None

Chairman Rosen asked for any comment on Resolution 14-66, there were no comments. Commissioner Pernice moved, seconded by Commissioner McEnergy. Upon roll call the vote was as follows:

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

Chairman Rosen asked if there were any comments on the bill list. Chairman Rosen asked about the GovConnect statement. Ms. Leatherman stated we use this contract for computer parts and supplies. There were no other comments. Commissioner McEnergy moved the bill list, seconded by Commissioner Pernice. All present voted aye.

Chairman Rosen asked if there was other Authority business.

Gerry Stankiewicz commented on the 2005 bonds that were paid off on February 1st, 2014. They were issued under a bond resolution adopted in 1985. The bonds were for the original capitalization of the plant as well as other improvements that were made along the way. We no longer require a bond trustee. There are certain requirement reserves that are no longer required as per the bond resolution. In order to keep those reserves in tact the Authority has to approve the reserves by resolution. Gerry Stankiewicz stated that it is a good idea to keep these reserves but they would now be controlled by the Authority. One reserve is 1million dollars and the other is \$750,000.00. This should be an annual resolution. This is a way of putting money away. We have a reserve put away for the 2010 NJEIT loan. We will save about \$5,000.00 per year by maintaining these ourselves. Marilyn Seidenberg stated that it was in different banks, but it was in the name of the trustee. We are now setting up different accounts in the Authority's name. We will still get the monthly and quarterly investment reports. We would like to operate it as if it is under the bond resolution. Our service contract with the township remains in effect and they will still have to approve if the money is needed.

Keith Henderson stated that there may be funding available for Co-Generation. One of the main issues that occurred from Hurricane Sandy was the shortage of diesel fuel which meant hospitals and emergency centers couldn't run their centers due to power outages. . Part of the Governor's plan is to use digester gas to run these centers. The plan was submitted to the federal government. There is going to be an information session next week in Trenton on April 11th, 2014. T&M Associates will be attending these meetings. If grant money is available then the Authority is advised to move on the possibility of Co-Gen.

Commissioner McEnergy requested information regarding changing the meetings to one day per month. Gerry Stankiewicz stated that he met with the Authority staff to discuss some of the procedures. He stated it is a dramatic change. Mr. Stankiewicz stated that he has concern about the commissioners losing control of the bill list. The staff has the power to buy things up to the quote threshold and we still have to pay for it. The Authority has the staff to make purchases up to \$2,625.00 without getting quotes. Once the purchase is made

there is not a lot that we can do to stop the payments. They are trying to come up with a more refined plan. One of the benefits of doing business with this authority is that our vendors are paid quickly. Commissioner McEnery asked if only two Commissioners show up, can a commissioner call in and cast a vote which was confirmed by Ms. Leatherman.

Commissioner McEnery asked about the FMB building plan. Keith Henderson stated that they are progressing and have authorization to proceed and will have a plan for the next meeting on how to proceed. Mr. Henderson stated they have a concern about the hot water pipe which is actually leaking. The electrical design is moving forward. Chairman Rosen stated that the boilers are the biggest issue. One of the issues; the boiler is used for heating the digester, do we take undigested sludge off site to PVSC or do we bring in a temporary boiler to use to keep the digester going while we replace the boiler which could be in excess of \$80,000.00. Commissioner McEnery asked for a timeline. Mr. Henderson stated that they will have a report by the next meeting. The schedule of repair revolves around the delivery times of the HVAC and there is a 25 week delivery time on the boilers. The replacement of the boilers will probably occur springtime of 2015. Ms. Leatherman asked if we can heat the building with natural gas. The boilers will be multi-fueled boilers. The building units will just be natural gas. The boilers we currently have can use methane. The new boilers will also use methane. This is all in the ten year plan.

Commissioner Pernice asked about the reed beds. Dane Martindell stated that one reed bed is covered in water so he is unable to obtain a sample. Keith Henderson stated that everything is based on the testing results. If it is limited by Pennsauken then we may look at other options. The DEP wants a plan and a time frame.

At 8:05 pm Chairman Rosen asked for a motion to go into Closed Session.

14-67 Authorizing the Commissioner to go into Closed Session for the purpose of Discussing Litigation, and Contract Negotiations and they will not return to public session. Commissioner McEnery moved, seconded by Commissioner Pernice. All present voted aye. The public portion of the meeting was adjourned.

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