

WESTERN MONMOUTH UTILITIES AUTHORITY

WORKSHOP & PUBLIC MEETING

July 21st, 2014

Chairman Rosen called the Western Monmouth Utilities Authority's Public meeting to order at 7:00PM. 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:	I. Chou, Wisniewski & Associates T. Gillen, CME Associates M. Dziubeck, CME Associates R. Santos, T&M Associates G. Stankiewicz, Auditor D. Martindell, Facilities Manager J. Sawicki, Collections Superintendent M. Seidenberg, Director of Finance K. Leatherman, General Manager A. Finnerty, Authority Clerk M. Musich, Manalapan Liaison

All present cited the Pledge of Allegiance.

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

Chairman Rosen proceeded with the meeting.

- Chairman Rosen asked for any comment regarding the Minutes of June 5th, 2014 and June 19th, 2014. Chairman Rosen confirmed that everybody was present for both meetings. There were no comments.
- Chairman Rosen asked for any comment regarding the Collection System Inspection. Dane Martindell stated that we had the annual inspection of the collection system and we also had the air inspection. We are in compliance.
- Chairman Rosen asked for any comment regarding the TDS Study. Dane Martindell stated that the study is done; the results were not as good as we were hoping. The consultant submitted our results to the state and we are trying to get relief from the permit. It is all at the state level now and we are just waiting to hear from them. The results did not show a big enough improvement. The consultant is trying to change our testing from a monthly

average to a yearly average. The Commissioners asked Mr. Martindell to keep them updated on any future correspondence from the state.

- Chairman Rosen asked for any comment regarding the Reed Beds. Rose Santos of T&M Associates stated that they contacted several entities in NJ and they are not very interested in the material. The previous place which accepted the reed bed material will take it at a much higher rate. They have tried to contact other agencies in Pennsylvania which also have no interest in the material and some are reviewing the data. Chairman Rosen asked if there is any time limit. Dane Martindell stated that we are being very proactive. Some metal levels are slightly above where the potential standard is. Chairman Rosen asked if the DEP can advise us where to send the material. Rose Santos stated they are contacting all the sites that the DEP advised us to use. Commissioner Pernice asked if there is any grant money to help us dispose of this material. Gerry Stankiewicz stated that there are minimal grants available for this purpose. The DEP has not put any pressure on us but as stated we are being proactive. Chairman Rosen asked if the Authority can make the calls to try to dispose of the material as opposed to T&M charging us. Gerry Stankiewicz stated that we could do informal specifications and fax them to everybody.
- Chairman Rosen asked for any comment regarding the 10 Year Capital Improvements plan. Chairman Rosen asked about the 16 million dollar expenditures in the next couple of years and the time frame we need to present this to the townships. Also, if the engineers are involved in the discussion? Commissioner Mendez stated that some of this will be financed by debt and the engineers are part of the discussion. Chairman Rosen wanted to confirm that all the projects listed are necessary. Tim Gillen stated that they will try to look at the scheduling and when the EIT monies will be available for the projects. Mr. Gillen stated that we should consider doing pre-studies so that we can get a better handle on the dollar value of the projects. Gerry Stankiewicz stated that some projects may not be as pressing as others. Brainstorming a project and moving forward, financing etc. takes a very long time. Commissioner McEnery stated that this plan began as a wish list and not everything on the plan needs to be addressed. Commissioner Mendez stated that parts of our system are 50 and 60 years old. Commissioner Pernice stated we are aware of the projects that we need, but the unforeseen emergencies we are not prepared for. Mr. Gillen stated just a few weeks ago we had 2 main breaks in Millponds and in the Central Jersey Interceptor. Mr. Stankiewicz stated that we must be careful; our connection fees are almost non-existent. Commissioner Mendez stated that we should consider asset management. Rose Santos stated that the EIT is willing to fund some portion of that program. Chairman Rosen stated that we have a GIS system. John Sawicki stated that it can all be integrated. Commissioner Mendez stated moving forward, every project should be logged into a system, life span, etc. The GIS system will help us locate and assess our infrastructure. Commissioner Mendez stated that this may be mandated by the state in the next several years. Commissioner McEnery questioned the digester project. Rose Santos stated that these are the improvements that need to be done in order to repair the FMB.

- Chairman Rosen asked for any comment regarding the Change Order #1 for the Primary Digester Mixing Rehabilitation Project. Rose Santos stated that we have been having some issues removing the sludge out of the digester tanks. As part of the contract that the authority would remove the sludge to a certain level and the contractor would deal with it whatever was remaining. The main suction line to draw the material out was found blocked and the blockage could not be removed. The work was shipped to a higher suction line. The sludge was being drawn out but some valves had been inadvertently left open. The Authority asked the contractor to help remove the sludge however the subcontractor, Spectraserve, could not commit to sufficient enough trucks and met their limit as far as the contract price. The Authority has now drawn the level down to about 315,000 gallons. Rose Santos stated that the cost to remove the remaining sludge will be \$126,000.00. Dane Martindell stated that the Authority has done everything they could do to remove the sludge. Mr. Martindell stated that there was an underestimation in the amount of sludge; the tank holds about 1 million gallons. Chairman Rosen stated he would like to avoid this situation going forward. Rose Santos stated there were solids located in the tank and they required additional services to remove this. Tim Gillen stated that is one of the reasons why we are getting the new tank. He stated that when the plant was first built they had a problem with the cover and there were issues with the sludge being solid. Commissioner Pernice asked if this problem suddenly occurred or has it become an emergent decision. Dane Martindell stated that the Authority tried to remove the sludge but problems developed. Chairman Rosen stated we obviously have to have the sludge removed so we will have to approve this Change Order.

Chairman Rosen asked if there were any other questions and asked for a motion on Resolutions #14-96 thru 14-100. The vote was as follows:

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| 14-96 | Accepting Minutes of June 5 th , 2014 and June 19 th , 2014 |
| 14-97 | Memorializing Authorization for T&M Associates to Prepare Plans and Specifications, Advertise and Receive Bids for the Digester Conduit Relocation |
| 14-98 | Authorizing T&M Associates to Prepare Plans and Specifications, Advertise and Receive Bids for the Boiler Replacement & HVAC Improvements to the Facilities Management Building (FMB) |
| 14-99 | Authorizing K. Hovnanian Settlement |
| 14-100 | Authorizing Change Order #1 for the Primary Digester Mixing Rehabilitation Project |

Chairman Rosen asked for any comments on Resolutions 14-96 through 14-100. There were no comments. Commissioner Mendez moved, seconded by Commissioner McEnergy. Upon roll call the vote was as follows:

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

Chairman Rosen asked if there was other Authority business.

Chairman Rosen asked if the restaurant Osteria had been addressed regarding the grease traps etc. Isabel Chou stated that it was taken care of.

Chairman Rosen asked if the new office was available and ready. Dane Martindell stated that it has been prepared. Chairman Rosen asked about the overtime hours. Dane Martindell stated that it is vacation season for operations and there were 2 force main breaks which required additional man hours.

Chairman Rosen asked about a new timecard system. Marilyn Seidenberg stated that we have tried it, but our union contract is very unique and it is very difficult for a new system to address our contract. Ms. Seidenberg stated that nobody has a system that will conform to the pay rate changes. Ms. Seidenberg stated she tried utilizing a new system with the clerical staff which really does not have overtime and different rates of pay but it did not work for us. Ms. Seidenberg stated that we need individualized programming by a company who has a good experience rating. Ms. Leatherman stated that we should do an RFP for a new payroll system. Chairman Rosen agreed and stated we need to move forward on this. Ms. Leatherman stated that Hudson Gain gave us some payroll company names. Chairman Rosen stated we will start with them.

Tim Gillen stated the 5 pump station rehabilitation project bids have been received. The low bid was \$4,566,000.00. Mr. Gillen stated the EIT application that was made by the authority is \$315,000.00 shy from the highest bid we received. We currently have a protest from one of the vendors which is \$50,000.00 higher than the lowest bidder. Commissioner Pernice is concerned that we may have to come up with an additional \$370,000.00 for the pump station project. Tim Gillen stated that the current bids are in attorney review. Mr. Gillen stated we are now limited in the amount of money that is approved by the EIT. Mr. Stankiewicz and Mr. Gillen have discussed this and we may be able to get additional loans at a later time. Mr. Stankiewicz stated that in order to award this contract at the August meeting we will have to do create a budget amendment and supplement this award. Chairman Rosen asked if Mr. Stankiewicz recommends this award. Mr. Stankiewicz stated that a budget amendment can be prepared for the August 21st, 2014 meeting. Mr. Gillen stated that between this meeting and August 21st, they should be able to resolve the protest. Mr. Gillen stated that 32 people did purchase the specifications and 14 companies bid on the project. The specifications were prepared over a year ago and that could have caused the fluctuation in the price.

Commissioner Pernice inquired about the parts list for new pump stations going forward. Tim Gillen stated that new parts stock pile lists for new pump stations are very difficult to prepare. They must select a parts list very judiciously. Additional parts in inventory, sitting on a shelf for long periods of time could expire. The Rules and Regulations will have to be amended in order for the authority to request additional parts from new developers to stockpile for new pump stations. Tim Gillen will forward a standardized list to the Authority's attorney to incorporate this into new Rules and Regulations.

Tim Gillen stated that a new developer on 80 Conover Road in Marlboro has requested sewer service. This will cause a tremendous impact on at least one of our pump stations. The Developer is advertising an RFP for several engineering firms to do a feasibility study for sewer and water service in that area.

Chairman Rosen asked if there were any comments on the bill list. Chairman Rosen asked about the Allied Oil bill. Mr. Gillen stated that we have diesel generators for the pump stations as well as diesel vehicles. The tanks may have been empty and that is why the bill may be so high. Ms. Seidenberg stated that she has a note on the budget stating that we adjust certain line items based on what we have on hand. The gas expense is one of these line items. Commissioner McEnergy asked about 2 different bills from Allied Oil from the same month. Commissioner Mendez moved the bill list, seconded by Commissioner Pernice. All present voted aye.

At 8:00 pm Chairman Rosen asked for a motion to go into closed session.

14-101 Authorizing the Commissioners to go into Closed Session for the purpose of Discussing Litigation, and Personnel and they will not return to public session. Commissioner Mendez moved, seconded by Commissioner McEnergy. All present voted aye. The meeting was adjourned.

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