

TOMS RIVER MUNICIPAL UTILITIES AUTHORITY

Meeting Number Twelve Hundred Two

Agenda

February 27, 2018

The 2018 re-organization meeting of the Toms River Municipal Utilities Authority was held on Tuesday, February 27, 2018 at 4:30 P.M. at the office of the Authority, 340 West Water Street, Toms River, New Jersey 08753.

The following were present:

Carmen J. Memoli, Acting Chairman

Tariq M. Siddiqui, Acting Vice-Chairman

Joseph G. Bilotta, Commissioner

Deborah L. Clement, Commissioner - Absent

Charles S. Valvano, Commissioner

Stephen C. Acropolis, Executive Director/Sec'y.-Treas.

James Gluck, Esquire, Counsel

Rosemary Rosetto, Chief Financial Officer

Nicholas Otten, Authority Engineer - Absent

Bernard Rutkowski, Regulatory Compliance/Safety Officer

Cindy Toye, Administrative Bookkeeping Specialist

Georgia Benyola, Executive Secretary/Assistant Sec'y.

The re-organization Meeting #1202 was called to order at 4:30 p.m., February 27, 2018 by Vice-Chairman Memoli.

Ms. Benyola, Assistant Secretary, reported that in accordance with the Open Public Meetings Law, P. L. 1975, c. 231, notice of this meeting was posted on the Township Bulletin Board, the Authority Bulletin Board, filed with the Clerk's Office, and published in the Asbury Park Press.

Ms. Benyola called the roll. Mr. Siddiqui, Mr. Valvano, Mr. Bilotta and Mr. Memoli were present. Mr. Siddiqui was appointed a member of the Toms River Municipal Authority by the Town Council on January 23, 2018 for a term of five years, expiring January 31, 2023. Mrs. Clement was absent.

Election of Officers for 2018

For the record, Mr. Gluck stated that this is the re-organization portion of the meeting for 2018 as required under statute. Every year you need to conduct a re-organization meeting within the month of February. This reorganization meeting is required to be held according to state statute.

Mr. Memoli asked if he could get a motion to table the election of officers for 2018 at this time. A motion was held by Mr. Bilotta to table the election of officers until the March meeting seconded by Mr. Valvano. Mr. Acropolis questioned whether we should at least do the Secretary-Treasurer, Assistant Secretary and Assistant Treasurer positions since this is a re-org meeting or does this not matter? Mr. Gluck's advice to the Board was to appoint "acting" members to those positions, so that there wouldn't be any interruptions. Counsel proceeded to say that all positions right now are expired; however, we can leave the same positions as they are now but they have to be in an acting form for 2018 until further action. Counsel stated the only positions that need to be filled are the Chairman and Secretary/Treasurer. Mr. Gluck asked Mr. Bilotta to withdraw his motion. Mr. Bilotta withdrew his motion to table the election of officers.

Acting Chairman

Mr. Gluck asked for nominations for the position of Acting Chairperson.

Mr. Valvano nominated Carmen J. Memoli to serve as Acting Chairman until the March 27th meeting for 2018 and was seconded by Mr. Bilotta. A roll call vote was taken with Mr. Valvano, Mr. Bilotta, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Acting Vice-Chairman

Mr. Gluck asked for nominations for the position of Acting Vice-Chairperson.

Mr. Bilotta nominated Tariq M. Siddiqui to serve as Acting Vice-Chairman for 2018 and was seconded by Mr. Valvano. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Secretary-Treasurer

Mr. Gluck asked for nominations for the position of Secretary/Treasurer.

Mr. Siddiqui nominated Stephen C. Acropolis to serve as Secretary/Treasurer for 2018 and was seconded by Mr. Valvano. A roll call vote was taken with Mr. Siddiqui, Mr. Valvano, Mr. Bilotta and Mr. Memoli all casting affirmative votes.

Assistant Secretary

Mr. Gluck asked for nominations for the position of Assistant Secretary.

Mr. Bilotta nominated Georgia Benyola to serve as Assistant Secretary for 2018 and it was seconded by Mr. Siddiqui. A roll call vote was taken with Mr. Bilotta, Mr. Siddiqui, Mr. Valvano and Mr. Memoli all casting affirmative votes.

Assistant Treasurer

Mr. Gluck asked for nominations for the position of Assistant Treasurer.

Mr. Bilotta nominated Rosemary Rosetto to serve as Assistant Treasurer for 2018 and it was seconded by Mr. Valvano. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Appointment of Professionals

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to hold over all the current Professionals, noted on agenda 2B, 1-7, under the same terms of their contracts until the next meeting on March 27, 2018. Mr. Siddiqui questioned why Risk Management Consulting Services was not listed on the agenda. Mr. Acropolis noted that Risk Management is not a yearly appointment but it's listed every three years according to their contract. Mr. Acropolis also noted that he received a call from Mrs. Clement questioning why we have an engineering pool, as if this was the first time. The Director mentioned that we've had the pools for the past eight years. Mrs. Clement then asked about the financial advisors, two were listed. The Director proceeded to explain that the MUA advertises a Request for Proposals for any services we may need. Anybody can put in a proposal for services. In the past, this Board has been very open to their appointments. All professionals that basically meet our requirements will get approved, as has been done in the past eight years. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

The next appointment on agenda 2B, #8a-b, was for Depository Institutions. A motion was made by Mr. Bilotta and seconded by Mr. Valvano to adopt the following depository institutions for year 2018 as presented below:

Amboy National Bank
Investors Bank
TD Bank
Bank of America
JP Morgan Chase
Wells Fargo Bank
PNC Bank
Provident Bank
Sun National Bank
Santander Bank
Lakeland Bank
Ocean First Bank – Custodial Services

A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Newspapers of Record

A motion was made by Mr. Bilotta and seconded by Mr. Siddiqui to appoint the official newspapers of record for 2018. They are as follows:

- Asbury Park Press
- The Star Ledger
- Ocean Signal

A roll call vote was taken with Mr. Bilotta, Mr. Siddiqui, Mr. Valvano and Mr. Memoli all casting affirmative votes.

2018 Annual Meeting Schedule

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to adopt the 2018 Annual Meeting Schedule as presented. It was unanimously approved.

2018 PACO Officer

A motion was made by Mr. Siddiqui and seconded by Mr. Bilotta to designate Bernard Rutkowski as the 2018 Public Agency Compliance Officer for the Toms River Municipal Utilities Authority for a period of one year as presented in the resolution. A roll call vote was taken with Mr. Siddiqui, Mr. Bilotta, Mr. Valvano and Mr. Memoli all casting affirmative votes.

Cash Management Plan

Mr. Gluck asked for a motion to re-adopt the 2018 Cash Management Plan as amended. A motion was made by Mr. Bilotta and seconded by Mr. Valvano to re-adopt the Cash Management Plan. Mr. Siddiqui asked to amend the paragraph by adding the limit amounts into the Procurement Cardholder Agreement. Mr. Bilotta amended his motion to include the limit amounts to the Procurement Cardholder Agreement. Addendum "A", should read "An individual transaction shall not exceed the limit of \$1,000.00 as set by the Board"; and "Total transactions during a 30 day cycle shall not exceed the limit of \$3,000.00 as set by the Board per card". Mr. Memoli noted that a copyright symbol in the document should be removed. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Mr. Acropolis suggested that when the Commissioners receive their packets on Friday, and if they have questions or comments, it would be helpful in the future to call prior to the meeting to speak with the Director so that we can get answers to the questions immediately. In a case where it is a detailed question, we would have some time to get the information, answers to questions and or corrections to the Board before the meeting begins so that all the information will be available.

Committee Appointments for 2018

A motion was made by Mr. Bilotta and seconded by Mr. Siddiqui to table agenda #2G until the March meeting. A roll call vote was taken with Mr. Bilotta, Mr. Siddiqui, Mr. Valvano and Mr. Memoli all casting affirmative votes.

Minutes of Meetings for Approval

- A. Meeting #1201 January 23, 2018 - New Submission
- B. Ex. Session #1201 January 23, 2018 - New Submission

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to approve the minutes of Meeting #1201 January 23, 2018 and the minutes of Ex. Session #1201 January 23, 2018 as written. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Disbursements

A motion was made by Mr. Valvano and seconded by Mr. Bilotta to approve payment of the disbursements as listed in the amount of \$3,719,437.98. A roll call vote was taken with Mr. Valvano, Mr.

Bilotta, Mr. Siddiqui and Mr. Memoli, all casting affirmative votes with Mr. Memoli abstaining on payments to Juan Bellu and Dynamic Testing Service.

Additional Disbursements

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to approve payment of the disbursements as listed in the amount of \$133.00. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Ratification of Investment & Transfer Resolutions

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to ratify the monthly transfer and investment resolutions. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Financial Reports

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to enter the financial reports into the record. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Finance & Investments:

Mr. Valvano reported that the Finance Committee met several times during the past month discussing a variety of items. Mr. Valvano mentioned that today the new Federal Reserve Chairman gave testimony before Congress. He is sticking by the assumption that the Fed will raise interest rates three times but is not ruling out a fourth. Mr. Valvano & Mr. Bilotta also spoke about our last meeting. The Committee is looking forward to meeting with our Auditor, Mr. Holman, CFO, Mrs. Rosetto and our Executive Director to go over the Capital Budget, Cash Management and potentially using Bonding in the future.

A motion was made by Mr. Valvano and seconded by Mr. Bilotta to reinvest the available funds of \$36,046.53 in the Ocean First Trust Custodial Account. A roll call vote was taken with Mr. Valvano, Mr. Bilotta, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

In reference to Mr. Valvano's report, Mr. Acropolis noted that in his Director's report, he mentioned that he received a phone call from our Auditor, Mr. Holman, stating that Councilman Hill wanted Mr. Holman to meet with Mr. Acropolis and talk about numbers for the MUA. Mr. Acropolis told Mr. Holman at that time, that we as a Board had discussed that over the next two years we can go without a rate increase. Mr. Holman suggested that we look at a 5 year plan. Mr. Acropolis thought it was a good idea; however at that point, the Director mentioned that he does not know who the Chairman is going to be, he does not know if the same people are going to be on the Finance Committee or not on the Finance Committee, so it would be premature for him to talk about anything in reference to this. Our best bet is to get a hold of whoever the Finance Committee people are after the Board reorganizes and that the Finance Committee and the staff should meet and have a stakeholder's meeting with everyone

involved and Mr. Holman agreed. Mr. Acropolis also mentioned that he knows there was some questions from Board members about the Director meeting with people prior to the reorg meeting, however, the Director stated it was a limited meeting. The Director's request to the new Finance Committee is that he would like to have MUA staff involved in committee meetings in the future. He believes that if Mr. Valvano and Mr. Bilotta meet on a regular basis, it would be important either if they hold the meeting here at the MUA or staff can go where the Commissioners are meeting, so they can participate. Recently, another meeting was confirmed with the financial advisor, however, the Director cancelled that meeting until the full Board and the committees have been chosen. At this point, it seems that it would be sometime in April. The Director asked Mrs. Rosetto if she could call each Commissioner and give them an overview of the finances of the Authority between now and March 27th.

Operating Reports

A motion was made by Mr. Bilotta and seconded by Mr. Valvano that the operating reports, 7A through 7H, were accepted as presented. Mr. Siddiqui had a question regarding the Safety Report and wanted to have more information in the report. Counsel stated that the report was in good order and that having any more information in the report could cause issues later during any potential litigation. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Development Applications-Major Sub Divisions

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to approve the tentative/final application for Sub-Division D-1053, Church Road-west adj. to Ferro Lane and Old Freehold Road-north adj. to W. Todd Road. With no objections, a roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Authority Meeting

The next Authority meeting was confirmed for Tuesday, March 27, 2018 at 4:30 p.m.

Adoption of Resolutions Authorizing Capital Purchases

A motion was made by Mr. Valvano and seconded by Mr. Bilotta approving the following resolutions, 9A-2A through 9A-2C:

9A-2A - The Board approved the Capital Asset Reserves; and

9A-2B - Authorization was given to ratify the IPC Purchases; and

9A-2C - Authorization was given to purchase (1) Celestix Security Appliance at a total cost not to exceed \$4,849.61 from Celestix, 215 Fourier Avenue, #140, Fremont, CA 94539.

A roll call vote was taken with Mr. Valvano, Mr. Bilotta, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

9A-2D - A motion was made by Mr. Siddiqui and seconded by Mr. Bilotta to table the upgrade of the HVAC Project for additional evaluation. Mr. Siddiqui stated he wanted it reviewed by an engineer. The Director stated that he would get that process started and will schedule a meeting with Mr. Siddiqui.

A roll call vote was taken with Mr. Siddiqui, Mr. Bilotta, Mr. Valvano and Mr. Memoli all casting affirmative votes.

A motion was made by Mr. Bilotta and seconded by Mr. Valvano approving the following resolutions, 9A-3 through 9A-12:

9A-3 - Authorization was given to approve Change Order No.1 and that the contract issued to C&H Industrial Services, Inc. be decreased by \$4,195.75 and the contract be commensurately decreased from \$143,500.00 to \$139,304.25; and

9A-4 - Authorization was given to approve Change Order No.1 - Final and that the contract SR-01-15A, Sewer & Manhole Rehabilitation, issued to North American Pipeline Services be decreased by \$72,164.62 and the contract be commensurately decreased from \$1,048,440.30 to \$976,275.68; and

9A-5 - Authorization to award emergency contract to M.C. Messina, Inc. in the amount of \$44,132.07 and the Executive Director is hereby authorized to execute, and the Assistant Secretary to attest thereto, a form of contract and any necessary and related documents pursuant to this award. Mr. Siddiqui mentioned that in the future, emergency contracts should require a more detail breakdown of their quantities and pricing either in their proposal or on their invoice to justify payment. The Board agreed along with Counsel; and

9A-6 - Authorization was given for award of contract for the Purchase and Deliver of Various Parts/Supplies for Public Works and Water & Sewer Departments through the Ocean County Co-Operative Pricing System to Water Works Supply Company, Inc., 660 State Highway 23, PO Box 306, Pompton Plains, NJ 07444 in an amount not to exceed \$30,000.00; and

9A-7 - Authorization was given to approve Change Order No.1 and that the contract issued to Defino Contracting Company be increased by \$154,404.00 and the contract be commensurately increased from \$473,400.00 to \$627,804.00; and

9A-8 - Authorization was given to approve Change Order No.1 and that the contract SR-01-15C issued to North American Pipeline Services be increased by \$63,474.00 and the contract be commensurately increased from \$1,140,098.60 to \$1,203,572.60; and

9A-9 - Authorization was given to approve Change Order No.1 and that the contract SR-01-15C issued to North American Pipeline Services be increased by \$2,384.44 and the contract be commensurately increased from \$1,203,572.60 to \$1,205,957.04; and

9A-10- Authorization was given for a Shared Services Agreement between the Toms River Municipal Utilities Authority and the Beachwood Sewerage Authority; and

9A-11- Authorization was given for a Shared Services Agreement between the Toms River Municipal Utilities Authority and the Borough of Ocean Gate; and

9A-12 - Authorization was given for a Shared Services Agreement between the Toms River Municipal Utilities Authority and the Seaside Heights Board of Ed.

A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

9A-13 – A motion was made by Mr. Bilotta and seconded by Mr. Valvano authorizing a Shared Services Agreement between the Toms River Municipal Utilities Authority and the Toms River Parking Authority. A roll call vote was taken with Mr. Bilotta and Mr. Valvano all casting affirmative votes. Mr. Siddiqui abstained, as he is a member of the parking authority and Mr. Memoli abstained, as he is the special accountant at special services.

Unfinished Business

None

Committee Reports

Legal

1. Shared Services Agreements: Mr. Gluck stated that they took care of the four shared services agreements that were approved tonight.

2. Jackson Township MUA: Mr. Gluck reached out to Bill Hiering, Authority Attorney, to discuss the existing agreement. He has not returned Counsel's calls. Mr. Rutkowski reached out to Dave

Harpell, Executive Director and he has indicated that he is willing to review any changes that we want to make so if there are any changes or suggestions, Counsel would like to know. Mr. Acropolis noted that Mr. Otten, who was involve in that is not here tonight but we will look into it.

3. Lakewood Township MUA: Mr. Gluck mentioned the Lakewood MUA would like to enter into a Shared Service Agreement for Jet-Vac services. Counsel doesn't know if the Board would want to just enter into an agreement limiting just those services or if they want a blanket one.

4. Manchester Township: The Manchester MUA is no longer in existence, as they were taken over by the Township. Mr. Dasti, Township Attorney, is supposed to review their files to see what kind of agreement was in place and if anything needs updating. Mr. Siddiqui mentioned that they had a three party flow agreement with OCUA. Counsel will contact OCUA.

5. So. Toms River Sewerage Authority: Mr. Gluck contacted STRSA's Attorney, who works for Mr. Gilmore's office and they are going to discuss a potential Shared Services Agreement at their next meeting on March 14th.

6. Mr. Gluck noted that the Change Order for the West Bay View Project so that should get kicked off shortly. Mr. Acropolis mentioned that this is a project that should have been done years ago when a sewer main was put in & manholes raised and the Authority never went back to pave the roads.

7. Mr. Gluck mentioned that he is still reviewing their response to AM Liner East and their demand for payment on the contract termination.

8. The Earle Litigation: Counsel contacted the Judge's Chambers twice and their response each time was that they were very back logged and they have not gotten to sign the judgement yet.

9. Counsel noted that we have not been sued this past month.

Engineering

Mr. Siddiqui mentioned that with Mr. Otten being away no meeting was held. His report was sufficient.

Personnel

Mr. Memoli noted that there were no personnel matters up for discussion.

Land

Mr. Bilotta noted that no meeting was held.

Correspondence

None

Public Comment

Acting Chairman Memoli opened the meeting to comments from the Public. Gus Kakavas wanted to say "Thank You" to the MUA for the great work that they do. Mr. Kakavas is a life-long resident of Toms River. He dates back to the days when they had cesspools in their back yard. He mentioned that Sue Fellows, who is Mr. Fellows daughter, was a classmate of his all through school and remembers that Mr. Fellows did a lot of work on the design and installation of the sewer. Mr. Kakavas also noted that the MUA is one of the agencies in the County that keeps working and does a great job staying under the radar. "Keep it up", he said and thanked everyone once again. Anthony Benyola, who was also there, was happy to echo his comments. Mr. Memoli thanked both Mr. Kakavas and Mr. Benyola for their comments, it was much appreciated. With no other public comments, Mr. Memoli closed the public portion of the meeting.

Resolution to Enter Executive Session

A motion was made by Mr. Valvano and seconded by Mr. Bilotta to adopt the resolution to enter Executive Session at 5:40 p.m. to discuss personnel matters, litigation and potential litigation. The motion was carried by a unanimous voice vote.

Public Session Reconvened at 6:04 p.m.

Mr. Gluck asked for a motion to hire special counsel to investigate events from December 2017 of a jet vac response to Lake Ridge adult community. The motion was made by Mr. Valvano and seconded by Mr. Bilotta. A roll call vote was taken with Mr. Valvano, Mr. Bilotta, Mr. Siddiqui and Mr. Memoli all casting affirmative votes. Motion carried 4-0.

With no further business to come before the Board, a motion was made by Mr. Valvano and seconded by Mr. Bilotta to adjourn the meeting at 6:06 p.m. The motion was carried by unanimous voice vote.