

**TOMS RIVER MUNICIPAL UTILITIES AUTHORITY**  
**Meeting Number Eleven Hundred Sixty-one**

Agenda

October 28, 2014

The regular meeting of the Toms River Municipal Utilities Authority was held on Tuesday, October 28, 2014 at 4:30 P.M. at the office of the Authority, 340 West Water Street, Toms River, New Jersey 08753.

**The following were present:**

Juan Carlos Bellu, Chairman  
Joseph Bilotta, Vice-Chairman  
Carmen Memoli, Commissioner  
Virginia Haines, Commissioner  
Deborah Clement, Commissioner  
Charles Valvano, Alt. Commissioner  
Tariq Siddiqui, Alt. Commissioner  
Stephen Acropolis, Executive Director/Sec'y.-Treas.  
James Gluck, Esq., Counsel  
James Lafferty, Director of Operations  
Rosemary Rosetto, Controller  
Nicholas Otten, Authority Engineer  
Bernard Rutkowski, Regulatory Compliance/Safety Officer  
Kelly Bellu, Administrative Bookkeeping Specialist  
Georgia Benyola, Executive Secretary/Assistant Sec'y.

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The regular Meeting #1161 was called to order at 4:30 p.m., October 28, 2014 by  
Chairman Bellu.

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, Mrs. Clement, Miss Haines, Mr. Memoli, Mr. Bilotta and Mr. Bellu were present.

**Minutes of Meetings for Approval**

*A. Meeting #1160                      September 23, 2014                      New Submission*

A motion was made by Miss Haines and seconded by Mrs. Clement to approve the minutes of Meeting #1160 September 23, 2014 as written. A roll call vote was taken with Miss Haines, Mrs. Clement, Mr. Memoli, Mr. Bilotta and Mr. Bellu all casting affirmative votes.

A motion was made by Mr. Bilotta and seconded by Mr. Memoli to approve the minutes of the Executive Session #1160 as written. A roll call vote was taken with Mr. Bilotta, Mr. Memoli, Mrs. Clement, Miss Haines and Mr. Bellu all casting affirmative votes.

#### **Disbursements**

A motion was made by Mrs. Clement and seconded by Mr. Bilotta to approve payment of the disbursements as listed in the amount of \$1,035,187.50. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Miss Haines, Mr. Memoli and Mr. Bellu, with the exception of Gluck & Allen, all casting affirmative votes.

#### **Additional Disbursements**

A motion was made by Mr. Bilotta and seconded by Mrs. Clement to approve payment of the additional disbursements as listed in the amount of \$1,600.00. A roll call vote was taken with Mr. Bilotta, Mrs. Clement, Miss Haines, Mr. Memoli, and Mr. Bellu all casting affirmative votes.

#### **Trust Fund for Contracts**

A motion was made by Mr. Memoli and seconded by Mrs. Clement to approve the release from the Trust Fund for Contracts as listed in the amount of \$7,023.04. A roll call vote was taken with Mr. Memoli, Mrs. Clement, Mr. Bilotta, Miss Haines and Mr. Bellu all casting affirmative votes.

#### **Ratification of Investment & Transfer Resolutions**

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

#### **Financial Reports 6A-F**

A motion was made by Mr. Memoli and seconded by Mrs. Clement to enter the financial reports 6A-G into the record. A roll call vote was taken with Mr. Memoli, Mrs. Clement, Miss Haines, Mr. Bilotta and Mr. Bellu all casting affirmative votes. The Chairman noted that the motion should be reflecting 6A-F and asked if all were in favor of changing the motion from 6A-G to 6A-F. The motion was carried by a unanimous voice vote.

#### **Finance & Investments: 6G**

Mr. Valvano reported that after last month's meeting he was able to purchase a \$500K face value CMO at .98 cents on the dollar at a rate of 2.00% and a YTM of 2.4039%. Mr. Valvano stayed firm with his offer and was able to purchase it under par, which was definitely an excellent buy for the Authority. Mr. Valvano mentioned that the ten year bond rate was at 2.53% and went down to 1.85% and is just now back up to 2.27%. Mr. Valvano also mentioned that with Bill Gross, one of the best bond investors resigning from Pimco, the firm he founded, many investors pulled out and rates started to get irrational. That in addition to the Ebola scare and the European economy being worse than the U.S., rates have been

dropping. The broker from UBS told Mr. Valvano that he should remain careful with the investments because UBS is predicting that in 2015 rates will get up to 3.70%. Chairman Bellu mentioned that with the elections next week, he does not feel that the Fed meeting tomorrow will take any drastic measures.

Mr. Valvano asked for a motion to reinvest the available funds in the Ocean First Trust Custodial Account. A motion was made by Mr. Bilotta and seconded by Mr. Memoli to reinvest the available funds of \$51,879.78 in the Ocean First Trust Custodial Account. A roll call vote was taken with Mr. Bilotta, Mr. Memoli, Mrs. Clement, Miss Haines and Mr. Bellu all casting affirmative votes.

### **Operating Reports**

A motion was made by Mrs. Clement and seconded by Mr. Bilotta that the operating reports be accepted as presented. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Mr. Memoli, Miss Haines and Mr. Bellu all casting affirmative votes.

### **Development Applications/Major Sub Divisions**

A motion was made by Mr. Clement and seconded by Mr. Bilotta to approve the tentative application for Sub-Division #D-1047. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Mr. Memoli, Miss Haines and Mr. Bellu all casting affirmative votes.

**The next Authority meeting was confirmed for Tuesday, November 25, 2014 at 4:30 p.m. however, the Chairman would like to discuss it further at the end of the Agenda Items.**

### **Adoption of Resolutions Authorizing Capital Purchases**

A motion was made by Miss Haines and seconded by Mr. Bilotta approving the following resolutions:

- A. Ratification of IPC Capital Purchases;
- B. Authorization was given for the purchase and installation of one 8.0 Pro Plus Western Ultramount Snow Plow from DeJana Truck and Utility Equipment for a cost not to exceed \$4,230;
- C. Authorization was given to purchase one enclosed trailer from Hecht Trailers for a cost not to exceed \$5,951.

### **Resolution-Authorization for Membership**

A motion was made by Mrs. Clement and seconded by Miss Haines authorizing membership to the Ocean County CoOperative Pricing System, ID#33 for a two year contract beginning October 19, 2014 through October 18, 2016 as awarded by Stafford Township, Lead Agency. A roll call vote was taken with Mrs. Clement, Miss Haines, Mr. Memoli, Mr. Bilotta and Mr. Bellu all casting affirmative votes.

### **Resolution-Change Order No. 1**

A motion was made by Mrs. Clement and seconded by Mr. Bilotta authorizing additional work that is needed to successfully complete the roof replacement and that the contract issued to Gen II Contracting Company, Inc. be increased by \$7,785.00 and the contract be commensurately increased from \$116,000.00 to \$123,875.00. A roll call vote was taken by Mrs. Clement, Mr. Bilotta, Mr. Memoli, Miss Haines and Mr. Bellu all casting affirmative votes.

**Resolution-Authorization to Advertise**

A motion was made by Mrs. Clement and seconded by Mr. Bilotta authorizing the Director of Operations to advertise for the receiving of bids for acquisition of Flood Panels for Pump Stations 16, 10 & 21. A roll call vote was taken by Mrs. Clement, Mr. Bilotta, Mr. Memoli, Miss Haines and Mr. Bellu all casting affirmative votes.

**Approval to Renew the EAP Program**

A motion was made by Miss Haines and seconded by Mrs. Clement approving the renewal of the Employee Assistance Program (EAP) through Preferred Behavioral Health Group effective October 1, 2014 to September 30, 2015. A roll call vote was taken with Miss Haines, Mrs. Clement, Mr. Memoli, Mr. Bilotta and Mr. Bellu all casting an affirmative vote.

**Resolution-Appropriation Transfer**

A motion was made by Mrs. Clement and seconded by Mr. Bilotta to approve the appropriation transfer of \$3,000 be made to the approved budget of 2014. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Mr. Memoli, Miss Haines and Mr. Bellu all casting an affirmative vote.

**Approval to Increase P-Card Limits**

Mr. Acropolis stated that presently the Authority has a policy allowing for the utilization of P-Cards that currently limits a transaction to \$1,000 with an aggregate of \$3,000 per month. Over the past several months, Mr. Rutkowski has utilized the P-Card to renew NJDEP permits and NJDMV registrations. Unfortunately, the current P-Card limits are not adequate to perform all renewals and in some cases the Authority has had to issue in-between meeting checks for the NJDMV fees. The Director suggested that Mr. Rutkowski's P-Card be increased to \$3000 single/\$6000 aggregate since he is the one that handles these issues. After a discussion, Chairman Bellu suggested that there should also be another back-up in case Mr. Rutkowski is not available. The Commissioners were in agreement with the Chairman and a motion was made by Mrs. Clement and seconded by Mr. Bilotta to order a new P-Card in the name of the Executive Director with limits of \$3,000 single/\$10,000 aggregate, increase the limits on Mr. Rutkowski's P-Card to \$3,000 single/\$6,000 aggregate and to amend the cash management plan if needed. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Miss Haines, Mr. Memoli and Mr. Bellu all casting affirmative votes. Mr. Gluck will prepare the resolution for ratification.

**Review 2015 Connection Fee Draft & 2015 Budget Draft**

Chairman Bellu asked if all had reviewed the new calculation for the connection fee for 2015. Mrs. Rosetto stated that our auditor had also verified and concurred with the calculation. Since there was an increase, the Chairman authorized to advertise for a rate/connection fee hearing in November. In addition, Chairman Bellu mentioned that the 2015 Budget Draft will be determined next month also when everyone has had a chance to review it more closely.

Chairman Bellu asked to go back to Agenda 9A-1 regarding the public meeting date. At first the Chairman thought there was an issue with the November meeting; however, it was the December date that needed to be discussed. The Chairman advised the Commissioners that he would not be able to attend the December 16<sup>th</sup> meeting and asked if another date was available to all. The Board agreed to re-schedule the meeting for December 9<sup>th</sup> at 4:30 p.m. Director Acropolis did mention that since there is another meeting on December 31<sup>st</sup>, if anything comes up between the 9<sup>th</sup> and the 31<sup>st</sup> that we need to vote on, we still would have that date available. Mr. Gluck will check his calendar to see if he can re-arrange his schedule. A public notice of the meeting change will be posted.

### **Unfinished Business**

Chairman Bellu brought up the health insurance plan that was discussed on a couple of occasions by Connor/Strong. Representative, Diane Peterson, also had a question and answer meeting with the TRMUA personnel which helped them clear up any misunderstandings. The Chairman feels that the Authority will have more options with the Health Insurance Fund. The Authority will also have the opportunity to save money and would have more options for a better plan. Miss Haines' concern was that the employees understood that they still have the same benefits as they had before. The Chairman also cleared up the fact the Central Jersey Health Insurance Fund is the insurance company and Aetna will act as the Administrator processing claims. A motion was made by Miss Haines and seconded by Mr. Bilotta to accept Central Jersey Health Insurance Fund as the new insurance company for the Toms River Municipal Utilities Authority. A roll call vote was taken with Miss Haines, Mr. Bilotta, Mrs. Clement, Mr. Memoli and Mr. Bellu all casting affirmative votes.

Mr. Siddiqui commented that it seems like a good idea if the Authority can save approximately \$75,000 and still have the same type of coverage for everyone. He also stated that if it doesn't work out and we don't have a good experience, we can still go back to what we had originally with no penalty. Mr. Valvano also mentioned that he felt more comfortable with the new information that he had reviewed.

### **Committee Reports**

Legal – Mr. Gluck mentioned that he needed some direction on two items, one was the Shore Connection and the second was DeMaio Electrical which he would like to address in closed session.

Engineering - Mrs. Clement met with Mr. Acropolis and Mr. Otten on Friday, November 24<sup>th</sup>. Two possible legal matters came up which Mrs. Clement will hand over to Mr. Acropolis and Mr. Otten for discussion in closed session. In regards to the phone system and the Fiber issue, Mrs. Clement asked when the trenching was going to start. Mr. Lafferty stated that the electrician should be coming sometime next week. We are currently waiting for the permit and once the electrician gets his materials together, our crew will be able to dig up the trench in a day. Mrs. Clement commented that the crew will save the Authority a substantial amount of money.

Personnel – Miss Haines reported that there were a few minor issues that the Executive Director handled but there was nothing that needed to come before the Personnel Committee. Mr. Acropolis did talk to Personnel about the employee evaluations which are coming up now and in getting those things done did have some discussions about that as well.

#### **Public Comment**

Chairman Bellu opened the meeting to comments from the Public. With no public comments, Chairman Bellu closed the public portion of the meeting.

#### **Correspondence**

The Board acknowledged three letters that were received thanking Rich Barry, Courtney Jacquemot, William McDonald, Frank Pascarella, Dion Smith, Ryan Carr, Brian Gnagey and Dan Acropolis for their professionalism in their specific areas of expertise.

#### **Resolution to Enter Executive Session**

A motion was made by Miss Haines and seconded by Mrs. Clement to adopt the resolution to enter Executive Session at 5:20 p.m. to discuss personnel matters, litigation and potential litigation. The motion was carried with a unanimous voice vote.

#### **Public Session reconvened at 5:45 p.m.**

Mr. Valvano just wanted to confirm that Agenda item 9B regarding the Health Insurance Fund had been voted on and approved. Chairman Bellu did confirm the approval and added that we will continue with our due diligence since we have another thirty days, so if anyone has any further questions contact the Director.

With no further business before the Board, a motion was made by Mr. Bilotta and seconded by Miss Haines to adjourn the meeting at 5:47 pm. The motion was carried by a unanimous voice vote.