

TOMS RIVER MUNICIPAL UTILITIES AUTHORITY

Meeting Number Twelve Hundred Eleven

Agenda

October 23, 2018

The regular meeting of the Toms River Municipal Utilities Authority was held on Tuesday, October 23, 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, Chairman

Deborah L. Clement, Vice-Chairperson

Joseph G. Bilotta, Commissioner

Charles S. Valvano, Commissioner

Tariq M. Siddiqui, Commissioner

Ben A. Montenegro – Alt. Commissioner

Alfonso J. Manforti – Alt. Commissioner

Robert J. DiBiase, Executive Director/Sec'y.-Treas.

James Gluck, Esquire, Counsel

Rosemary Rosetto, Chief Financial Officer

Nicholas Otten, Authority Engineer

Bernard Rutkowski, Regulatory Compliance/Safety Officer

Cindy Toye, Administrative Bookkeeping Specialist - Absent

Georgia Benyola, Executive Secretary/Assistant Sec'y.

The Public Hearing for the Proposed 2019 Sewer User Rate and Connection Fee was held on October 23, 2018 at 4:00 p.m. with Mr. Gluck presiding over the meeting. Attached is a copy of the computerized transcript of the proposed 2019 sewer user rate and connection fee taken on October 23, 2018, by Colleen M. Vaughn, Certified Court Reporter. Mr. Gluck stated to the Chairman that this concluded the public hearing on both matters scheduled for this evening. He also stated that there will be formal resolutions to adopt during the general meeting portion that will memorialize this rate hearing and the votes taken so far. The Chairman thanked Mr. Gluck and a motion was then made by Mr. Bilotta and seconded by Mrs. Clement to have a short recess before going into the general meeting at 4:30 p.m. Meeting concluded at 4:14 p.m.

Meeting #1211 was called to order at 4:30 p.m., October 23, 2018 by 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 then called the roll. Mr. Manforti, Mr. Montenegro, Mr. Siddiqui, Mr. Valvano, Mr. Bilotta, Mrs. Clement and Mr. Memoli were present.

Rate Hearing

First order of business was Agenda 2A. The Chairman thanked Mr. Gluck for officiating the rate hearing. A motion was made by Mr. Bilotta and seconded by Mr. Valvano to adopt the connection fee for the Authority for fiscal year 2019 of \$2,750. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mrs. Clement, Mr. Siddiqui and Mr. Memoli all casting affirmative votes. Another motion was made by Mr. Valvano and seconded by Mr. Bilotta to adopt the user rate fees and user rate schedule that has been presented here today. A roll call vote was taken with Mr. Valvano, Mr. Bilotta, Mrs. Clement, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Minutes of Meetings for Approval

A. Meeting #1210 - September 25, 2018 - New Submission

A motion was made by Mr. Bilotta and seconded by Mrs. Clement to approve the minutes of Meeting #1210, September 25, 2018 as written. A roll call vote was taken with Mr. Bilotta, Mrs. Clement, Mr. Valvano and Mr. Memoli all casting affirmative votes. Mr. Siddiqui abstained as he was not in attendance.

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 \$1,507,189.80. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Mr. Valvano, Mr. Siddiqui and Mr. Memoli, with the exception of Ms. Benyola, 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 \$2,734.92. A roll call vote was taken with Mr. Bilotta, Mrs. Clement, Mr. Siddiqui, Mr. Valvano and Mr. Memoli all casting affirmative votes.

Trust Fund for Contracts

A motion was made by Mr. Bilotta and seconded by Mr. Valvano to approve the release from the Trust Fund for Contracts as listed in the amount of \$15,248.71. A roll call vote was taken with Mr. Bilotta, Mr. Valvano, Mrs. Clement, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Ratification of Investment & Transfer Resolutions

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

Financial Reports

A motion was made by Mr. Valvano and seconded by Mr. Bilotta to enter the financial reports 6A-6F into the record. A roll call vote was taken with Mr. Valvano, Mr. Bilotta, Mrs. Clement, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Finance & Investments: 6G

Mr. Valvano stated that Mrs. Rosetto looked into verifying the 397 day rule that the State has enforced to them. We wanted to verify if we could buy CMOs that were beyond that 397 days. We asked our Auditor and he recommended that the Financial Adviser be asked as well. The Committee was advised that they cannot exceed the 397 days with any type of investment, which goes for CDs and CMOs. Mr. Valvano noted that it's somewhat of a sad day for the Authority since they would always get tremendous interest, compared to what was out in the normal markets. Mr. Valvano also stated that several years ago when interest rates were low as 0.01-0.05%, our CMOs were getting approximately 2-1/4% and years before that, when the rates were very normal, the Authority was getting 4-1/4 to 4-1/2% on a CMO. All of these though were longer range/longer term investments. The Authority, now being under the 397 day rule, will no longer have that rate of return.

Mr. Valvano made a motion, seconded by Mr. Bilotta, to reinvest the available funds of \$36,037.36 in the Ocean First Trust Custodial Account. A roll call vote was taken with Mr. Valvano, Mr. Bilotta, Mrs. Clement, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Operating Reports

A motion was made by Mr. Bilotta and seconded by Mrs. Clement that the operating reports 7A-7G were accepted as presented. A roll call vote was taken with Mr. Bilotta, Mrs. Clement, Mr. Valvano, Mr. Siddiqui and Mr. Memoli all casting affirmative votes.

Development Applications-Major Sub Divisions

A motion was made by Mrs. Clement and seconded by Mr. Bilotta to approve the preliminary application for Sub Division #D-1056, on Smith & Lakehurst Road. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Mr. Siddiqui, Mr. Valvano and Mr. Memoli all casting affirmative votes.

Authority Meeting

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

Adoption of Resolutions/Capital Purchases

9A-2 – There were no IPC Purchases for ratification.

A motion was made by Mr. Siddiqui and seconded by Mrs. Clement approving the following resolutions, 9A-3 through 9A-7:

9A-3 - Authorization was given to the QPA to advertise for the receiving of Requests for Professional Services for 2019; and to prepare formal specifications for mentioned services in accordance with Chapter 19,P.L. 2004 (Pay-to-Play); and

9A-4 – Authorization was given to award a contract by Lead Agency to Petroleum Traders Corp, 7120 Pointe Inverness Way, Fort Wayne, IN 46804, for supply and delivery of gasoline under ID#33-OCCCP. The Executive Director is also authorized to execute and the Assistant Secretary to attest to the proposed form of agreement aforesaid, which such agreement shall be available for public examination in the Office of the QPA during normal business hours; and

9A-5 – Authorization was given to ratify the awarding of Emergency Contract to M. C. Messina, Inc. as a result of broken deep house laterals effecting #80 Green Island Road and #1948 Seaman Court; and

9A-6 – Authorization was given that Change Order No.1-Final is needed to successfully complete the contract #SR-03-09B, Re-Bid Replacement Force Main for PS #15 and #20; and J.C. Contracting, Inc. be decreased by \$19,950.67 and the contract be commensurately decreased from \$452,789.00 to \$432,838.33; and

9A-7 - Authorization was given to extend 2017-2018 On-Call Roadway Restoration Project.

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

9A-8 2019 Draft Budget Approval

A motion was made by Mr. Bilotta and seconded by Mr. Siddiqui approving the 2019 Draft Budget. A roll call vote was taken with Mr. Bilotta, Mr. Siddiqui, Mrs. Clement, Mr. Valvano and Mr. Memoli all casting affirmative votes.

9A-9 Approval – Draft Table of Organization Chart

Chairman presented the final item to approve the Organization Chart that had been submitted with the revision. A motion was made by Mrs. Clement and seconded by Mr. Bilotta to approve the Organization Chart, effective 10-23-18. A roll call vote was taken with Mrs. Clement, Mr. Bilotta, Mr. Siddiqui, Mr. Valvano and Mr. Memoli all casting affirmative votes.

Unfinished Business

Mr. DiBiase mentioned that two items were discussed from the last meeting, one being the Rutgers' Study for the MBA. They had some numbers there that were very complimentary for Toms River, however, they could have been better because they took in some seasonal rates that could adjust the figure in that report. The Director reached out to one of the students who was going for the MBA at Rutgers and is trying to make an appointment to talk with them about it. This report also went out to all the MUA EDs throughout the County.

The Director also had a segue into a second point where we discussed a possible hourly rate for somebody on standby but not actually going out on the call but giving advice over the phone. The Director spoke with Labor Counsel but it's still in discussion because the contract is

silent. If we wanted to do anything, we would have to go through Labor Counsel and the Union.

Mrs. Clement asked what can be done now instead of waiting for the contract to expire. Chairman suggested that the Director set up a meeting so they could have a further discussion/suggestion with the Union Rep regarding this matter.

Committee Reports

Legal

1. Earle Asphalt – Mr. Gluck presented the Chairman with the settlement check from Earle Asphalt. Counsel noted they have been paid in full for their litigation services.

2. Litigation Pitale/Lavallette – Counsel stated that in lieu of an answer they filed a motion for summary judgement. The fact was that they did not serve us a Notice of Tort Find. The Judge wants some discovery done to flush out the relationship between the TRMUA and Borough of Lavallette with regards to the area where this allegedly happened. Counsel is going to exchange the discovery they have and refile their motion. It was denied without prejudice.

3. TRMUA/TR Twp. Shared Services Agreement – There is some discussion about whether or not to allow the parking of the emergency response vehicles, EMS, EMTs. There has been a proposal that has come over from the Township with certain requests, such as having electrical outlets available to them, having a break room potentially, restrooms available, they want a 24/7 operation to respond to calls out of the MUA yard. Chairman asked where they are normally parked now. Mr. DiBiase said it was a suggestion they park their vehicles in the back and that started the conversation. From that, the requests came in as noted above by Counsel. When they said this to the Director, he stated that if they park their vehicles in the back then they should use their Command Trailer, which is now parked at the fire academy not being used but is fully packed with the amenities previously mentioned. Mrs. Clement mentioned that there is more to consider and Counsel will have to review the agreement and amend as necessary. Counsel mentioned that the agreement expires at the end of this year and we could incorporate it at the beginning of the year to go forward.

4. Conrail – Counsel noted that payment was sent to Conrail for the annual renewal of the easement.

5. Intersection – Mrs. Rosetto asked Mr. Gluck about the corner intersection and the letter they were working on. Mr. Gluck noted that Mr. Leone briefed Counsel about the amount of accidents that occur at this intersection and Mrs. Rosetto's concerns regarding this matter. Mr. Gluck stated that he could schedule an appointment with the County Engineer to talk about the intersection but does not know if it belongs to the County or the State. Mr. Gluck will look into the matter.

Engineering

Mr. Siddiqui stated that there was an Engineering Committee meeting on Monday, October 22, 2018, with Mrs. Clement, Mr. DiBiase, Mr. Otten and himself in attendance. Mr. Siddiqui noted that Mr. Otten updated everyone regarding the on-going projects in his report. Mr. Siddiqui mentioned that Mr. Otten emphasized the NJ Infrastructure Bank Financing Program with NJEIT/NJIB 2019. It is estimated that the aggregate projected bond estimate for the NJEIT/NJIB funding request for environmental infrastructure projects will be \$3.1M.

Land

There were no other updates other than what was already discussed by Mr. Gluck.

Personnel

Mr. Bilotta mentioned that a Personnel Committee meeting was held yesterday with the Executive Director, Mr. Valvano and himself. There was a Line Maintenance Worker position opening. The MUA received 10 applications. After reviewing the applications/resumes, 6 were chosen to be interviewed by a Supervisor and the Executive Director. When completed, they will contact the Personnel Committee to finalize their recommendation. They are looking for a decision by Friday, as the previous employee's time had expired. A motion was made by Mr. Bilotta and seconded by Mrs. Clement to authorize the Personnel Committee to approve the individual the Committee has recommended and to authorize the Director to proceed and hire. A roll call vote was taken with Mr. Bilotta, Mrs. Clement, Mr. Siddiqui, Mr. Valvano and Mr. Memoli all casting affirmative votes.

User Charge

Chairman Memoli thanked the Committee for their User Study Rate for next year.

Public Comments

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

Correspondence

The Director mentioned that he went to one of our sites during an emergency restoration. The contractor was there, along with two of our crews. The Director spoke with the homeowner while he was there and the next day he received the letter regarding the individuals who were at the job. In their letter, the ratepayer used words like pleasant, knowledgeable and co-operative. The Director also went to the supervisor to get the names of all the employees that had participation along with the names noted by the ratepayer. The Director will make note of it and have it placed in their file.

Resolution to Enter Executive Session

No executive session was held.

With no further business to come before the Board, a motion was made by Mrs. Clement and seconded by Mr. Bilotta to adjourn the meeting at 5:10 p.m. The motion was carried by a unanimous voice vote.