



**Berkeley Township**  
**MUNICIPAL UTILITIES AUTHORITY**

42 Station Road  
Bayville, NJ 08721  
(732) 237-0100  
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A Public Meeting of the Berkeley Township Municipal Utilities Authority was held on Thursday, **October 22, 2015** at 7:00 pm at the Berkeley Township Municipal Utilities Authority at 42 Station Road, Bayville, NJ 08721. Presided by Chairman Hale-present, Mr. Mullikin-present, Mr. Pizzi-present, Mr. Buscio-absent, Mrs. Davis-present, Mr. Askew-absent.

Also present: Mr. Budesca-Attorney, Mr. Chiaravallo-Engineer, Mr. Waldron-Accountant and Mrs. Nugent-Executive Director.

Motion to approve the minutes from the Public Meeting on September 24, 2015: Mr. Pizzi, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the minutes from the Executive Session on September 24, 2015: Mr. Pizzi, second, Mrs. Davis. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Executive Director's Report from the Public Meeting on September 24, 2015: Mrs. Davis, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Engineer's Report from the Public Meeting on September 24, 2015: Mr. Mullikin, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Accountant's Report from the Public Meeting on September 24, 2015: Mr. Pizzi, second, Mrs. Davis. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to approve the Attorney's Report from the Public Meeting on September 24, 2015: Mrs. Davis, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

**Treasurer's Report:**

Mr. Mullikin stated Mr. Pizzi and Mr. Buscio reviewed the payroll and operating expenses for the first two weeks and he and Mr. Pizzi reviewed the last two weeks (09/26/15-10/23/15). The payroll expenses were in the amount of \$33,195.75. The operating expenses were in the amount of \$132,968.68. The operating expenses include the Henriques release of cash performance bond funds which will be separately authorized in a resolution tonight.

Motion to approve the Treasurer's Report: Mrs. Davis, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

**Executive Director's Report:**

**Henriques performance bond release and acceptance of maintenance bond:**

Mrs. Nugent requested of the Board authorization to release the cash performance bond for the Henriques Helmly Street project. The Henriques family built an industrial building on Helmly Street. and posted a cash performance bond of \$66,353.04. The project is now complete. CME's recommendation is to allow the release of the cash performance bond. Mrs. Nugent stated upon the release of the cash performance bond a 15% maintenance bond is required. Mrs. Nugent stated the Henriques family has authorized the Authority to withhold the required amount and post the maintenance bond as cash. Therefore, this resolution in releasing the cash performance bond and withholding the maintenance bond will allow a check to be released to the Henriques' family in the amount of \$58,110.50.

Motion to authorize the release of the Henriques cash performance bond and acceptance of the cash maintenance bond in the amount of \$8,294.13: Mrs. Davis, second, Mr. Pizzi. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Pizzi-yes, Mrs. Davis-yes, Mr. Hale-yes. Motion Carried.

**Reimbursement of Phase VI & Well #4 /Phase II expenditures from the proceeds of the bonds:**

Mrs. Nugent requested of the Board authorization to formalize the Authority's intent to request reimbursement for expenditures that will be spent for the Phase VI and Well #4 Production Well projects. This request for reimbursement will be from the proceeds of the debt obligation from the bond issuance appropriated through the New Jersey Environmental Infrastructure Trust (NJEIT) financing program. Mrs. Nugent stated the Authority Bond Counsel prepared this resolution.

Motion to formalize the Authority's intent to request reimbursement for expenditures spent for the Phase VI and Well #4 Production Well projects from the proceeds of the debt obligation from the bond issuance through the New Jersey Environmental Infrastructure Trust: Mr. Pizzi, second, Mr. Mullikin. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Pizzi-yes, Mrs. Davis-yes, Mr. Hale-yes. Motion Carried.

**Approve 2016 Budget:**

Mrs. Nugent requested of the Board approval of the 2016 Authority budget. Mrs. Nugent stated a draft was sent in a worksheet format for the Commissioners' review. If the draft is acceptable to the Board the 2016 Budget will have an anticipated Total Revenue of \$2,031,200.00, Total Appropriations of \$2,162,308.00 and may utilize surplus of \$131,108.00 to balance the operational budget. Mrs. Nugent stated the proposed Capital Budget has Total Appropriations of \$4,176,000.00. \$4,034,500.00 will be planned from NJEIT financing. The use of \$141,500.00 may be used for miscellaneous capital purchases. Mrs. Nugent stated the operational budget is basically flat from last year (2015) for overall revenues and overall expenses. Some of the line

items within the major categories did go up and others down. Mrs. Nugent stated a decrease in connection fees and cell tower income is anticipated. Mrs. Nugent stated expenses are generally flat all the way through. Debt Service has a very minor decrease because of the de-obligation from the NJEIT because of the Phase V project coming in under budget. The appropriation to the Township is about the same as 2015. The capital budget includes a utility box truck which is estimated to be \$80,000.00. Mrs. Nugent stated this budget is a guideline for the Authority and is not an authorization for purchases. If approved, this budget will be reviewed by the State and adopted by the Board at the December meeting.

Motion to approve the 2016 Budget: Mrs. Davis, second, Mr. Pizzi. All in favor. Roll Call. Mr. Mullikin-yes, Mr. Pizzi-yes, Mrs. Davis-yes, Mr. Hale-yes. Motion Carried.

#### Progress Report:

- Phase V – 29 homes have not connected to the water system – these 29 residents will be notified in early November they will be billed as an active user as of the 4<sup>th</sup> qtr 2015 – connection fee installments will begin in January, 2016
- New Jersey State League of Municipalities (NJSLOM) – NJSLOM scheduled for Nov. 17-29, 2015
- Cellular Antenna Tenants – Metro/PCS provided the Authority a basic plan of action for the removal of equipment off of the Station Road Tower – CME will review the plans and provide comments to ensure the removal of equipment is completed according to Authority standards
- Hydrant Flushing – Progressing with no problems reported – October 5, 2015 through November 6, 2015
- Health Benefits – 5.8% increase in health & prescription premium costs – no increase for dental
- 3<sup>rd</sup> Quarter 2015 Billing – 3<sup>rd</sup> quarter billing was mailed out September 30 2015 was \$520,467.91 represented a 6.5% increase in billing over 3<sup>rd</sup> quarter 2014 billing – 96 customers more customers with a 9% increase in water usage
- Wire Transfer – \$200,000.00 wire transfer was authorized to TD Bank towards the general fund or the 2016 debt service
- Vacation – Mrs. Nugent will be on vacation November 23 – 30, 2015
- Next BTMUA Public Meetings – the BTMUA Public Meetings will be held earlier due to the holiday schedule –November 12, 2015 and December 17, 2015
- Ocean County Public Employee Charitable Campaign – this organization encourages public employees to donate to their favorite charity through payroll deductions – the Authority will present this program to its employees – participation requires a minimum donation of \$52.00 annually or \$2.00 out of the bi-weekly paychecks to the employees designated choice of charity listed in the program – the checks will be presented to the United Way either monthly or quarterly – the money will be disseminated to these charities less a 10% admission fee – no cost & no inconvenience for Authority participation – must start the first week in January 2016 for the full year

Mr. Pizzi stated Town Hall should be notified of the pending billing for the Phase V residents who are not connected. Mr. Pizzi suggested a copy of the proposed notification be sent to the Mayor's office as reminder of the pending billing before the Authority mails them out.

**Engineer's Report:**

**Well #4 Project:**

**Phase I – Test Well:**

Mr. Chiaravallo stated the Test Well #4 project is completed. A.C. Schultes has demobilized its equipment off the site. CME has received all of the test reports and water analysis from A.C. Schultes this week (week of 10/19/15). Mr. Chiaravallo stated CME will forward copies of all the reports to the Authority. CME will review this information to see which items need further consideration. Mr. Chiaravallo stated this portion of the project will be closed out.

**Phase II – Production Well:**

Mr. Chiaravallo stated the Production Well application is nearly ready for submittal to the NJDEP. Mr. Chiaravallo requested guidance from the Board if an allocation increase should be requested at this time or should the Phase II application be completed using the current allocation. Mr. Chiaravallo stated the Authority's current allocations are 65 million gallons per month and 722 million gallons per year. Mr. Chiaravallo emphasized this is how much water the Authority is allowed to draw out of the ground. Based on a full build out analysis the Authority would require a monthly allocation increase to 95 million gallons per month. Mr. Chiaravallo stated the question is whether to request an additional monthly allocation while the permit application is being submitted for the Production Well or should the Authority stay with its current allocations. Mr. Chiaravallo stated the current monthly peaks are at 47 million gallons per month and the allocation limit is at 65 million gallons per month. Therefore the Authority is only at 60% of the monthly allocated limit. Mr. Chiaravallo presented the historical and current usage of the allocation numbers. Mr. Chiaravallo explained how the known planned developments would impact the current allocation. He further estimated the status of the Authority allocation at complete franchise build out. The Board discussed this information at length. Mr. Chiaravallo stated it should be noted if the Authority requests additional allocation at this time, the permit and review process will take longer than if the Authority excludes the request at this time. Mr. Chiaravallo requested guidance from the Board if the application should include a request to increase the Authority's water allocation. The engineering committee will make a recommendation to the Board after they meet with CME Associates to review this information again.

**Phase VI Water Main Improvement Project:**

Mr. Chiaravallo stated the NJDEP Bureau of Safe Drinking Water (BSDW) permit application was approved for the Phase VI Water Main project. The Ocean County Soil Conservation District (OCSCD) approved the project's application for Soil Erosion and Sediment Control Plan Certifications. Mr. Chiaravallo estimated advertising for the project will be in December 2015.

**Accountant's Report:**

Mr. Waldron stated in his report:

**Cash Position Report for September:**

Total All Cash Fund Balance:	\$3,977,325.41
Total Restricted Balances:	\$2,420,348.81
Total Fund Available for Disbursement:	\$1,556,976.60

Mr. Waldron stated the proposed 2016 Budget will be sent to the State on time before the end of October 2015.

**Attorney's Report:**

The Board discussed Ocean County's recent purchase of the New Jersey Pulverizing Company. The County and the Ocean County Utilities Authority (OCUA) is looking into the possibility of acquiring this property. Mr. Budesca stated he understood the Authority may have an interest in the property for future infrastructure or water resource planning. Mr. Budesca asked if the Authority is interested in making inquiries regarding this purchase. Mrs. Nugent stated the Engineering Committee met with CME and concurred the Authority Professionals should investigate the opportunities this property may provide. Mrs. Nugent added the Authority will seek Township approval before it moves forward on this project. An appointment is set for the second week of November for this discussion with the municipality before the Authority contacts county officials.

**Committee Reports:**

**Old Business:**

No. Report.

**New Business:**

No Report.

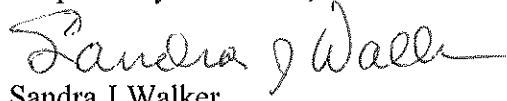
Motion to open the public portion: Mr. Mullikin, second, Mrs. Davis. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to close the public portion: Mrs. Davis, second, Mr. Pizzi. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

Motion to adjourn: Mrs. Davis, second, Mr. Mullikin. The motion was approved by voice vote. There were no "nay" votes. Motion Carried.

The meeting adjourned at 8:16 pm.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Sandra J Walker". The signature is written in black ink and is positioned above the printed name.

Sandra J Walker  
Office Clerk

The next meeting of the Berkeley Township Municipal Utilities Authority will be held on Thursday, November 12, 2015 at 7:00 pm at the Berkeley Township Municipal Utilities Authority located at 42 Station Road, Bayville, NJ 08721.