

**MANASQUAN RIVER REGIONAL SEWERAGE AUTHORITY
PUBLIC MEETING MINUTES
MARCH 18, 2015**

An advertised Public Meeting of the Manasquan River Regional Sewerage Authority was called to order by Chairman Tantillo in the Authority's Headquarters, 89 Havens Bridge Road, Howell, New Jersey at 5:30 p.m. Those present included: William J. Mehr, Esq., Mehr, LaFrance and Williams; Peter E. Kocsik, P.E, Hatch Mott MacDonald; Brian J. Brach, P.E., Executive Director, Donald Hill, Recording Secretary and the following commissioners as per the roll call.

Following an opening statement regarding the "Open Public Meeting Act" pursuant to the Laws of 1975, Chapter 231, the Pledge of Allegiance was recited.

Chairman Tantillo requested a roll call.

ROLL CALL:

PRESENT: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

APPROVAL OF THE PUBLIC MEETING MINUTES HELD FEBRUARY 18, 2015

Moved by Mr. Gatto, seconded by Mrs. DeSarno.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: Mr. Gartz
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

FINANCE MATTERS

ACCEPTANCE OF THE FEBRUARY 2015 TREASURER'S REPORT AND TRANSFER OF \$323,700.00 FROM REVENUE ACCOUNT TO CHECKING ACCOUNT

Moved by Mr. Gatto, seconded by Mr. Savino.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

APPROVAL OF THE PAYMENT OF THE BILL LIST IN THE AMOUNT OF \$253,637.66

Moved by Mr. Gartz, seconded by Mr. Savino.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

APPROVAL OF THE PAYMENT OF TRUSTEE CONSTRUCTION VOUCHERS IN THE AMOUNT OF \$59,765.45

Moved by Mr. Gatto, seconded by Mr. Gartz.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

APPROVAL OF THE PAYMENT OF DEVELOPER'S ESCROW VOUCHERS IN THE AMOUNT OF \$5,732.00

Moved by Mr. Gartz, seconded by Mrs. DeSarno.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

GENERAL MATTERS

RESOLUTION NO. 2015-32 CONSENT TO THE PROPOSED WATER QUALITY MANAGEMENT (WQM) PLAN AMENDMENT ENTITLED "HARMS PINNACLE SEWER SERVICE AREA AMENDMENT"

Moved by Mr. Gatto, seconded by Mr. Savino.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

RESOLUTION NO. 2015-33 AUTHORIZING ADVERTISEMENT FOR PUBLIC BID OF
CONTRACT NO. 45 FOR THE UPPER MANASQUAN PUMP STATION WET WELL
IMPROVEMENTS (PHASE 2) PROJECT

Moved by Mr. Gartz, seconded by Mr. Gatto.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

APPLICATION MATTERS

RESOLUTION NO. 2015-34 APPROVING SEWER EXTENSION APPLICATION NO. 2014-13
SUBMITTED BY FINANCIAL DESIGN CENTER, AS APPLICANT AND DEVELOPER, FOR
PROJECT KNOWN AS "FIRST FINANCIAL FEDERAL CREDIT UNION (PHASE II)"

Moved by Mr. Gatto, seconded by Mrs. DeSarno.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

RESOLUTION NO. 2015-35 APPROVING SEWER EXTENSION APPLICATION NO. 2015-03
SUBMITTED BY QUICK CHEK CORPORATION, AS APPLICANT AND DEVELOPER, FOR THE
PROJECT KNOWN AS "QUICK CHEK/ROUTE 33"

Moved by Mr. Gatto, seconded by Mr. Gartz.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

RESOLUTION NO. 2015-36 APPROVING SEWER EXTENSION APPLICATION NO. 2015-04
SUBMITTED BY 5499 REALTY, AS APPLICANT AND DEVELOPER, FOR PROJECT KNOWN AS
"CERTIFIED AUTO MALL"

Moved by Mr. Gartz, seconded by Mr. Gatto.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

PERSONNEL MATTERS

RESOLUTION NO. 2015-37 HIRING OF PART-TIME EXECUTIVE SECRETARY

Moved by Mrs. DeSarno, seconded by Mr. Gatto.

DISCUSSION: Mrs. DeSarno noted that Mr. Brach had interviewed and found a suitable candidate. Mr. Brach added that Mrs. Debbie Sajeski was the Applicant selected for the position, stating Mrs. Sajeski's various qualifications. Mr. Tantillo inquired as to whether or not Mrs. Sajeski would retain her current position with the NJ State Office of Emergency Management (OEM). Mr. Brach stated that would be determined. Mr. Brach further detailed that the position would generally require four (4) 6-hour days or three (3) 8-hours days; so the possibility exists that Mrs. Sajeski would have availability to retain the job on a limited basis. Mr. Brach clarified that Mrs. Sajeski is a consultant with the State OEM and not an employee of the State.

ROLL CALL:

AYES: Mrs. DeSarno, Mr. Gartz, Mr. Gatto, Mrs. McKenna, Mr. Savino and Mr. Tantillo
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mr. Golub, Mr. Morgan, Mr. Wilson

REPORTS

ENGINEERING COMMITTEE: Mrs. DeSarno briefed the Board on the Engineering Committee meeting held last Thursday. The major item of note was that the Engineering Committee had discussed the Freewood Acres vent pipe issue and recommends that the Authority forego installation of vent pipes in lieu of implementation of a new chemical program. Mr. Brach provided details into the decision, which basically included using the money that would be spent on the vent pipes into helping implement the chemical program. Mr. Brach detailed that the chemical program would help reduce odors, while reducing corrosion within the Authority's interceptor. Mr. Brach stated that the vent pipes were not off the table but that it would be in the best interest to proceed with implementation of the chemical program to address the odor issues at this point.

Mr. Gatto respectfully noted that the vent pipe proposal was always a "stop gap" and that Howell Township needs to install local sewers to address the problem. Mr. Gatto detailed that bonding could be obtained in 6-months but more importantly, there needs to be an understanding between the MRRSA, NJDEP and Howell that the Township needs to address the problem.

Mr. Savino stated that proposals are being obtained for a Consulting Engineering to begin design of the project. Mr. Savino also noted that Howell Township appears to be moving forward with the project and added that the permitting process, full design, bid and contracting for the project could take an estimated 4-years. Mr. Gatto recognized this and agreed but requested that the issue and Howell's responsibility be documented.

Mrs. DeSarno added that the chemical program will assist in reducing and provide a remedy for reducing corrosion in the Authority's interceptor pipeline. Mr. Gatto stated that it still needed to be documented with Howell regarding their responsibility to remove connections from the interceptor. Mr. Brach added that the chemical program would be instituted regardless of the odor issues in Freewood Acres as a matter of good practice. Mr. Gatto reiterated that it just needed to be documented so that we are not all having this same conversation 4 or 5-years down the line.

Mr. Mehr inquired as to whether or not odors would still be an issue after residents had been disconnected from the Authority's pipeline. Mr. Brach stated that the house vents won't vent the interceptor at that point. Mr. Kocsik added that odors would still be possible from the manholes (in the street) but that it would be different from the odors going into the houses. Mr. Brach noted that Howell Township was constructed a long force main for the Harvest Ridge project, which eventually discharges to the manhole at the corner of Smith Street and West Third street. Mr. Brach stated that wastewater inherently smells but the Authority plans on doing our best to address the issue. Mr. Brach added that he can't say it's never going to smell.

Mr. Savino stated that it is the Authority's interceptor. Mr. Savino recognized that smoke tests indicated issues within the houses, and that there was no easy solution to the problem, but added that the problem doesn't fully fall on Howell's shoulders. Mr. Savino noted that all parties were striving to address the problem properly. Mr. Gatto stated that moving forward, the solution and responsibilities need to be documented with Howell Township. Mr. Brach stated that the Authority would respond to the NJDEP, with a separate letter to Howell. Mr. Brach added that the Howell letter would reiterate that the only real solution is disconnecting residents from the Authority's interceptor. Mr. Brach noted that it does appear Howell Township is moving forward with sewerage the Freewood Acres area.

Moving on, Mrs. DeSarno also detailed the Engineering Committee's discussion regarding Mr. Brach's reevaluation of the Capital Budget, which would require a joint meeting of the Finance Committee and Engineering Committee. Mr. Gatto and Mr. Gartz stated that this would be quorum issue, to which Mr. Brach responded an advertised "workshop" meeting may be required.

Mr. Brach provided further details for reevaluation of the Capital Plan. Mr. Brach and the Authority's Finance Officer, Mr. Donald Hill, have been tracking estimated capital expenditures versus actual capital expenditures to gauge how the Authority was using the bonded Capital funds. Mr. Brach noted that several expenditures had exceeded estimated thus far and added that numerous additional improvements needed to be considered and potentially added to the Capital Plan. Mr. Brach proposed a reevaluation of a comprehensive Capital Plan that would be simultaneously correlated with a Budget model that Mr. Brach had prepared that provided for a 5-year projection of Authority financials. Mr. Brach stated that the Capital Plan reevaluation would identify addition funds required (if any) and the Authority could make a policy decision to either bond (while interest rate are low) or pay as we go. Mr. Brach noted that the Budget model he had prepared allows for numerous assumptions into the future and would require upfront work to establish a sound budget process moving forward.

Mr. Gartz commented that the current operating budget has excess revenues over expenses and that a Capital Project line item could be included within the Authority's annual budget to account for the capital expenditures. Mr. Brach acknowledged this as an option and noted that the reevaluation would provide insight for all Board members so that everyone was on the same page when determining budget and Capital plan policies moving forward.

Mr. Gatto recommended that the Authority would be better served by having a separate Engineering Committee meeting, where potential projects were ranked, and a separate Finance Committee meeting, in which the ranked projects were presented and financial options considered. Mr. Gatto noted that it may not make sense for a Finance Committee representative to hear about engineering projects. Mr. Gatto reiterated that it would make more sense to have the Engineering Committee prioritize projects and the Finance Committee determine where the money was coming from. Mr. Mehr recommended that the Authority consult with the member municipalities regarding timeframes and scope of several significant developments in an effort to estimate connection fees, which could be used to finance capital projects. Mr. Brach stated that assumption of connection fees was accounted for within the Budget model and use of connection fees was a policy decision to discuss with the Board. Mr. Brach further added that this was all tied into where rates are now and where they are going.

Mr. Gatto clarified that two (2) separate meetings, of the Engineering Committee and Finance Committee, would be held to discuss the Capital Plan reevaluation. Mr. Brach confirmed that two (2) separate meeting would be held.

PERSONNEL COMMITTEE: Mrs. DeSarno reiterated the hiring of the Part-Time secretary and had nothing else to report.

FINANCE COMMITTEE: Mr. Gartz informed the Board that the Audit was being processed and there would be a presentation at the Authority's next meeting. Mr. Gartz noted that the Auditors had identified vagueness in the Authority's policy regarding earning of vacation time (ie: get all vacation time on January 1st or earned throughout the year). Mr. Brach had brought this issue to Mr. Gartz's attention and Mr. Gartz stated that the days in question were some vacation days paid for the month of December to retirees that retired during November. Mr. Gartz added that the Auditors had brought it to the Authority's attention and that the Authority's policy would be straightened out. Mr. Brach clarified that any payouts over the \$2,625 threshold would come before the Board for approval in the future. Mrs. DeSarno questioned if we were just talking about a couple days. Mr. Gartz confirmed that it was only a few days in question and that the finding was immaterial and would not be a formal finding within the Audit.

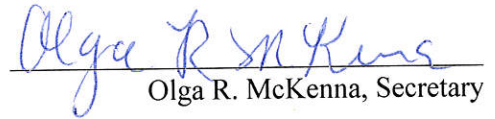
INSURANCE COMMITTEE: No report.

EXECUTIVE DIRECTOR'S REPORT: Mr. Brach recognized 16-year lost time accident free. Recognized employees and Commissioners support.

PUBLIC PORTION: No members of the public were present.

There being no further business, Mr. Gartz moved and Mr. Gatto seconded adjournment of the meeting. All present were in favor and the meeting was adjourned at 5:51 p.m.

Respectfully submitted,


Olga R. McKenna, Secretary