

**MANASQUAN RIVER REGIONAL SEWERAGE AUTHORITY
PUBLIC MEETING MINUTES
MAY 18, 2016**

An advertised Public Meeting of the Manasquan River Regional Sewerage Authority was called to order by Chairman A. Richard Gatto in the Authority's Headquarters, 89 Havens Bridge Road, Farmingdale, New Jersey at 5:30 p.m.

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 Gatto requested a roll call. Those present included Frank B. Holman, Holman Frenia Allison, P.C., William J. Mehr, Esq., Mehr, LaFrance and Williams; Brian J. Brach, P.E., Executive Director, Donald F. Hill, Recording Secretary and the following Commissioners as per the roll call:

ROLL CALL:

PRESENT: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto

ABSENT: Mr. Wilson

APPROVAL OF THE PUBLIC MEETING MINUTES HELD APRIL 20, 2016

Moved by Mr. Gartz, seconded by Mr. Johnson.

ROLL CALL:

AYES: Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mr. Romano, Mr. Tantillo, Chairman Gatto

NAYS: None

ABSTAIN: Mr. Daly, Mrs. McKenna

DISQUALIFY: None

ABSENT: Mr. Wilson

2015 AUDIT PRESENTATION BY THE AUTHORITY'S AUDITOR, HOLMAN FRENIA & ALLISON, P.C. AND DISCUSSION OF FINDINGS WITH THE BOARD

DISCUSSION: Mr. Gatto suggested that the 2015 Audit discussion be heard and there were no objections from the Board.

Mr. Holman, the Authority's Auditor, provide a summary and highlights of the Authority's 2015 Comprehensive Annual Financial Report (CAFR) to the Board. It was detailed that the Authority had a sturdy position of unrestricted current assets, with a strong net working capital position. Mr. Holman summarized the new GASB 68 pension liability reporting, which didn't have much significance budgeting wise but rather, was necessary to present all liabilities on the books. The GASB 68 resulted in the presentation of a lower net position (ie: net worth) for 2015 as compared to 2014. Moving on, Mr. Holman noted that the Authority had a positive Statement of Income and when taking the emergency expenditures out of consideration, that the Authority realized less expenditures during 2015 as compared to 2014. Particularly, in relation to less Administration expenses. Mr. Holman also noted the use of a "full disclosure presentation" for detailing of insurance proceeds. A summary of the Authority's footnotes was provided. Mr. Holman concluded by stating the Authority had a favorable financial performance and was in full compliance, resulting in a good report.

No questions were heard from the Board.

Mr. Brach informed the Board that all Commissioners were required to sign an Affidavit stating they had reviewed the audit, for submission to the Division of Local Government Services.

GENERAL MATTERS

RESOLUTION NO. 2016-47 REJECTION OF BIDS AND AUTHORIZATION FOR EXECUTIVE DIRECTOR TO ENTER INTO NEGOTIATIONS FOR CONTRACT NO. 17L (REBID) FOR THE FURNISHING AND DELIVERY OF LIQUID OXYGEN AND APPURTENANT EQUIPMENT

Moved by Mrs. DeSarno, seconded by Mrs. Garcia.

DISCUSSION: Mr. Brach detailed the Authority's efforts to publicly bid the project twice. No bids were received the first time and only one (1) bid was received the second time. However, the bid received did not contain a bid bond and was required to be rejected. Mr. Brach informed the Board that the Local Public Contracts Law provides the Authority with the ability to negotiate. Mr. Mehr noted that the negotiated price could be what was bid and that this was a unique situation in which the Authority can utilize negotiation. Mr. Brach noted that the current pricing was extended via a prior resolution and that the Authority should be covered for continued purchase of LOX through June 2016.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

RESOLUTION NO. 2016-48 APPROVING CHANGE ORDER NO. 1 UNDER CONTRACT NO. 45 FOR THE UPPER MANASQUAN PUMP STATION WET WELL IMPROVEMENTS (PHASE 2) PROJECT

Moved by Mr. Tantillo, seconded by Mr. Johnson.

DISCUSSION: Mr. Brach advised the Board that the Engineering Committee had met and reviewed the Change Order, which was extending the Contract time and providing a credit for the costs incurred for installation of the JCP&L electric service.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

RESOLUTION NO. 2016-49 AUTHORIZING EXECUTIVE DIRECTOR TO ENTER INTO A 24-MONTH MAINTENANCE AGREEMENT WITH KONE, INC. FOR THE UPPER MANASQUAN PUMP STATION ELEVATOR IN AN AMOUNT OF \$11,734.16

Moved by Mr. Johnson, seconded by Mrs. Garcia.

DISCUSSION: Mr. Brach noted a revision to the resolution. The resolution incorrectly identified that quotes were received from two (2) Contractors. However, at the time of the meeting, only one (1) quote had been received and Mr. Brach indicated he was waiting for a second quote, which may very well be a “no quote”.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

RESOLUTION NO. 2016-50 AUTHORIZING DISPOSAL OF SURPLUS PROPERTY

Moved by Mr. Tantillo, seconded by Mrs. Garcia.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

RESOLUTION NO. 2016-51 AUTHORIZING EXECUTIVE DIRECTOR TO PURCHASE A ZERO TURN LAWN MOWER IN AN AMOUNT OF \$4,499.00

Moved by Mrs. Garcia, seconded by Mr. Tantillo.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

RESOLUTION NO. 2016-52 AUTHORIZING EXECUTIVE DIRECTOR TO ENTER INTO AN AGREEMENT WITH NEW JERSEY FIRE EQUIPMENT FOR SCBA EQUIPMENT PURCHASE, INSPECTION, TESTING AND TRAINING IN AN AMOUNT NOT TO EXCEED \$3,500.00

Moved by Mr. Johnson, seconded by Mr. Tantillo.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

ENGINEERING MATTERS

RESOLUTION NO. 2016-53 AMENDING AUTHORIZATION RELATED TO CONSTRUCTION PHASE ENGINEERING SERVICES FOR CONTRACT NO. 45 AT AN INCREASED COST OF \$10,600.00

Moved by Mr. Tantillo, seconded by Mrs. Garcia.

DISCUSSION: Mr. Brach advised the Board that the Engineering Committee had met and discussed the request. Engineering Services During Construction was a reimbursable budget that was established as per Mott MacDonald's estimate over 2-years ago. Mr. Brach noted that with the project delays, it is estimated that these fees will be required to bring the project to completion. There was still approximately \$7,000 left in the budget at the time of this meeting and this was a proactive measure.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

FINANCE MATTERS

ACCEPTANCE OF THE APRIL 2016 TREASURER'S REPORT AND TRANSFER OF \$3,969,500.00 FROM REVENUE ACCOUNT TO CHECKING ACCOUNT

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

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

APPROVAL OF THE PAYMENT OF THE BILL LIST IN THE AMOUNT OF \$2,559,452.08

Moved by Mr. Gartz, seconded by Mr. Johnson.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

APPROVAL OF THE PAYMENT OF TRUSTEE CONSTRUCTION VOUCHERS IN THE AMOUNT OF \$28,606.66

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

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

APPROVAL OF THE PAYMENT OF DEVELOPER'S ESCROW VOUCHERS IN THE AMOUNT OF \$11,105.47

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

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Wilson

RESOLUTION NO. 2016-44 (RESERVED) CERTIFICATION OF 2015 ANNUAL AUDIT

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

ROLL CALL:

AYES: Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mr. Romano, Mr. Tantillo, Mr. Wilson, Chairman Gatto
NAYS: None
ABSTAIN: None
DISQUALIFY: None
ABSENT: Mr. Daly, Mrs. McKenna

APPLICATION MATTERS

DISCUSSION: Chairman Gatto made a motion to hear all application together in a single motion. Mr. Mehr confirmed that this was acceptable and there were no objections from the Board.

APPROVAL OF APPLICATION MATTERS UNDER A SINGLE MOTION (AS DETAILED BELOW)

RESOLUTION NO. 2016-54 APPROVING SEWER APPLICATION NO. 2015-19 FOR THE “ARBY’S” PROJECT (HOWELL TOWNSHIP)

RESOLUTION NO. 2016-55 APPROVING SEWER APPLICATION NO. 2016-06 FOR THE “POOL TOWN” PROJECT (HOWELL TOWNSHIP)

RESOLUTION NO. 2016-56 APPROVING SEWER APPLICATION NO. 2016-07 FOR THE “3 SUNNYSIDE ROAD SEWER EXTENSION” (HOWELL TOWNSHIP)

RESOLUTION NO. 2016-57 AUTHORIZING EXECUTIVE DIRECTOR TO ENTER INTO A DEVELOPER’S AGREEMENT WITH GREMS-KIRK RAILWAY, INC. FOR THE “CLAYTON SOLAR FARM PROJECT”

Moved by Mr. Johnson, seconded by Mrs. Garcia.

DISCUSSION: Mr. Brach provided a concise summary of the “Clayton Solar Farm” project, which was restricting access to an Authority pipeline. The Executive Director has been working with the Authority’s Professionals and the Applicant to address concerns. The project does not require a sanitary connection. This resolution was essentially granting conditional approval for the project, as a verbal agreement has been provided that addresses all technical items. The final version of the Agreement would be ratified by the Board.

Chairman Gatto mentioned that the Freehold Township Planning Board would require written correspondence from this Board prior to approval of the project.

Mr. Brach further noted that the Applicant was providing an internal inspection of the Authority’s pipeline as part of the Agreement. Mr. Mehr added that the solar panels were not to be installed on top of the pipeline and that this was a matter of access.

Mr. Johnson inquired as to the Authority’s plan of action if defects were found. Particularly, for the rest of the pipeline. Mr. Brach noted that inspection of all of the Authority’s pipelines has been included within the Capital Improvement Program (CIP) and that money was currently available within the fund borrowed from the Monmouth County Improvement Authority (MCIA). Mr. Brach stated that an exact plan of action could be better developed after review of this inspection footage.

ROLL CALL:

AYES: Mr. Daly, Mrs. DeSarno, Mrs. Garcia, Mr. Gartz, Mr. Johnson,
Mrs. McKenna, Mr. Romano, Mr. Tantillo, Chairman Gatto

NAYS: None

ABSTAIN: None

DISQUALIFY: None

ABSENT: Mr. Wilson

REPORTS

ENGINEERING COMMITTEE: Mr. Mehr detailed the current status of the Route 9 Force Main Replacement condemnation procedure and settlements. The Engineering Committee had discussed and recommends authorizing 200% of the appraised values in an effort to close-out easement agreements. Above 200% would require an email to Board and ratification at the next scheduled meeting. Mr. Mehr indicated that this would provide flexibility to avoid court expenditures. No motion was required and the Executive Director was authorized to proceed in this manner.

Let the record reflect that Mr. Gartz questioned why this matter wasn't discussed in an Executive Session. General Counsel, Mr. Mehr, concurred that the matter should have been discussed in Executive Session.

PERSONNEL COMMITTEE: Mrs. DeSarno indicated there was nothing to report.

FINANCE COMMITTEE: Mr. Gartz indicated there was nothing to report.

INSURANCE COMMITTEE: Mr. Daly indicated there was nothing to report.

EXECUTIVE DIRECTOR'S REPORT: Mr. Brach indicated that a new item had been placed on the agenda for a report from the Authority's representative on the Ocean County Utilities Authority (OCUA), Mr. Tantillo. It was anticipated that Mr. Tantillo would report back to the Board on any OCUA items of note in the future.

OCEAN COUNTY UTILITIES AUTHORITY (OCUA) REPORT: Mr. Tantillo reported that the OCUA was nearing the end of a search for a new Executive Director and that a final candidate had been chosen but was not a matter of public record at the moment. The Board would be provided with further details at the next MRRSA meeting.

NEW BUSINESS: None.

OLD BUSINESS: None.

MEMBERS COMMENTS: None.

PUBLIC PORTION: No public present.

There being no further business, a general motion to adjourn the meeting was made. All present were in favor and the meeting was adjourned at 5:57 p.m.

Respectfully submitted,


Olga R. McKenna, Secretary