

The regular meeting of the Eatontown Sewerage Authority was held at 5:00 p.m. on April 12, 2016 in the Borough Hall, 47 Broad Street, Eatontown, New Jersey. The Chairman, Brian Charnick, called the meeting to order by making the following statement: "This is a regular meeting of the Eatontown Sewerage Authority made pursuant to Chapter 291 of the Public Meeting Act by declaring notice thereof at least 48 hours prior to this meeting to The Link News and to the Borough Clerk. Notice has also been posted in the public corridor of this Borough Hall."

ROLL CALL

MEMBERS PRESENT: Brian Charnick
 Ben Caviglia
 Anthony Gaetano
 Peter Berkley

MEMBERS ABSENT: Herman Redd

ALSO PRESENT: Ted Lewis, Executive Director
 John Bonello, Authority Attorney
 John McKelvey, Authority Engineer
 Richard Johnson, Superintendent
 Anita Andrus, Treasurer
 Michelle Hu, Assistant Treasurer

CITIZENS PRESENT Peter Cunha, Realtor Associate of KellerWilliams Realty

APPROVAL OF MINUTES

Mr. Caviglia moved to approve the minutes of the regular monthly meeting held on March 8, 2016 as submitted. The motion was seconded by Mr. Gaetano and adopted on a unanimous voice vote.

REMARKS OF CITIZENS

- **24 Park Avenue**

Mr. Peter Cunha, Realtor Associate of KellerWilliams Realty, on behalf of the buyer, presented at the meeting and asked the Board to consider authorizing the buyer to extend the driveway by putting gravel on the sewer easement to park vehicles. The Authority has an 8" ACP sewer main in an approximately 20' wide sanitary sewer easement on the property. When the house was built, the Authority required the Builder construct the house all the way to the left of the property in case there is an emergency where the main had to be dug up. Mr. Bonello indicated that the easement prohibits any permanent structures which interfere with any access to this area for the purpose of replacement or repair. Mr. Cunha understood that the buyer will need

to sign a Revocable License Agreement, which states that in case of any necessary replacement or repair, the Authority has the right to remove any improvement obstruct with the repair work of the contractor within the easement area, and the Authority is not responsible for any restoration on the property. The Board discussed it and has no objection with gravel being put on the sewer easement. Mr. Bonello referred Mr. Cunha to contact Mr. Lewis for any questions or concerns he may have.

REPORTS OF COMMITTEES, MEMBERS, & ENGINEER

Engineering Committee

- **Acquisition of Portable Bypass Pump**

Mr. Caviglia reported that the Authority received the new portable bypass pump during the week of March 28, 2016 and suggested the other members to look at the equipment. It sits on a 4x6 trailer in the Maintenance Yard. Mr. Johnson and his team are pleased with the new pump.

Executive Director's Report *

Mr. Lewis offered his report with the following additions:

- **Fort Monmouth Golf Course**

Mr. Rick Harrison of FMERA submitted a proposal to the Authority indicating FMERA will compensate ESA for the golf course flow that will get charged by TRWRA. FMERA would meter the golf course flow. The ESA will then bill FMERA based on the flow volume.

- **3 Fieldstone Court**

Regarding the sewer back-up issue at 3 Fieldstone Court, Mr. Lewis met with Mr. Aschettino of American Water Company. Mr. Aschettino will investigate the incident and report to the Authority. Mrs. Wellington, the homeowner, has filed a claim against the Authority. Mrs. Andrus will send the claim to Mr. Bonello and the insurance company for review.

Superintendent's Report *

Mr. Johnson offered his report with the following addition:

- **Industrial Way Pump Station**

Mr. Johnson reported that Industrial Way Pump Station experienced a VFD failure. Mr. Volner changed the unit, but he still couldn't get it to work properly. Municipal Maintenance then re-set and re-programmed the parameters. A few days later, it failed again when the generator exercised. Mr. Johnson finally went on the Mitsubishi website and found out how to copy the program from the existing drive and download it into the new drive. The operation was back to normal.

Engineer's Report *

Mr. McKelvey presented his report with the following additions:

- **Old Deal Road Pump Station**

On March 21, 2016, the pump station experienced a problem in the control panel which damaged one of the starters and one of the pumps. Mr. Charlie Hopkins, the electrical engineer of T&M Associates, performed an inspection and found it was a control issue, not an incoming power issue, which caused the starter to burn out and in turn caused the pump problem.

Mr. McKelvey recommended that the control panel and its associated devices be replaced and a starter be put in a separate enclosure. He also recommended the floats in the wet well be replaced with a level sensing transducer.

T&M Associates proposed an engineering fee that will not exceed the amount of \$7,300 for the design of the improvements and for contract administration and inspection. Mr. Hopkins estimated the construction cost is approximately \$25,000. Mr. McKelvey will require the contractor to provide a two-year maintenance bond for the repair.

The Old Deal Road Pump Station is currently operating on one pump due to the electrical issues at the panel. The Board discussed and determined that there is an emergency situation with a failure of the panel and the remaining pump that could result in backups or overflows.

Mr. Caviglia offered a resolution declaring an emergency authorizing the Authority Engineer to proceed with his proposal and to secure a contractor expeditiously to proceed with the repair work without going out to bid pursuant to the statute without exceeding the Authority Engineer's estimated construction cost of \$25,000. If the cost is above the estimated, the engineer should report back to the Board. The Resolution was seconded by Mr. Charnick and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Anthony Gaetano, and Peter Berkley

NEGATIVE: None

ABSTENTION: None

ABSENT: Herman Redd

- **Year 3 Manhole Rehabilitation**

T&M Associates submitted a services proposal to the Board for engineering design, contract administration, and construction observation services for Year 3 Sanitary Sewer Manhole Rehabilitation. The engineering fee will not exceed an amount of \$35,950. The Authority budgeted \$200,000 for this repair.

Mr. Caviglia offered a Resolution authorizing the Authority Engineer to proceed with Year 3 Sanitary Sewer Manhole Rehabilitation. T&M will start preparing a construction plan and specifications to get ready for request authorization to advertise the project for bids. The Resolution was seconded by Mr. Charnick and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Anthony Gaetano, and Peter Berkley

NEGATIVE: None

ABSTENTION: None

ABSENT: Herman Redd

UNFINISHED BUSINESS

- **Route 35/Mall Jug Handle Repair Issue**

As requested by the NJDOT, J.F. Kiely Construction Company performed a follow-up pavement repair on March 29, 2016. Mr. Ron Roberts of NJDOT inspected the pavement and advised that the paving has been approved. He will close out the permit and return any remaining funds to the Authority.

- **Additional Space Issue**

With regard to the additional space issue, Mr. George Jackson, the Borough Administrator, is concerned that if moving the ESA office to the Court Clerk area does not match the Master Plan for the building, the Authority would have to move again when the plan is executed in the future. There would be extra costs involved for the moving. Mr. Lewis told Councilwoman Virginia East the Authority would be willing to pay for all the related costs for the moving. Mr. Caviglia suggested the Authority set up a meeting with the Mayor and Council to discuss it further.

- **Purchase of New Truck #31**

Mr. Johnson has submitted a Purchase Order to Cherry Hill Winner Ford and is waiting for the new vehicle to arrive.

NEW BUSINESS

- **2016 Lawn Maintenance Contract**

T.A.D. Landscape and Design has been working for the Authority over five years. Based on the good work T.A.D. Landscape and Design performed in the previous years, the Board agreed to renew the existing contract with T.A.D. Landscape & Design.

Mr. Charnick offered a motion to extend the existing lawn maintenance contract with T.A.D. Landscape & Design for an additional year, the period commencing April 15, 2016 and continuing through November 15, 2016 based upon previous terms and conditions. The Resolution was seconded by Mr. Caviglia and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Anthony Gaetano, and Peter Berkley
NEGATIVE: None
ABSTENTION: None
ABSENT: Herman Redd

- **Tort Claim Resolution**

The New Jersey Tort Claims Act, N.J.S.A. 59:8-6 provides that a public entity must adopt a form to be completed by claimants seeking to file a Notice of Tort Claim against a public entity. Applicants have to file the Notices of Claim within 90 days. The Eatontown Sewerage Authority is a public entity covered by the provisions of the New Jersey Tort Claims Act. All persons who are making claims against the ESA pursuant to the New Jersey Tort Claims Act are required to complete the form adopted as a condition of compliance with the notice requirement of the New Jersey Tort Claim Act.

Mr. Charnick offered a Resolution adopting a form required to be used for the filing of Notices of Tort Claim against the Eatontown Sewerage Authority in accordance with the provisions of the New Jersey Tort Claim Act, N.J.S.A. 59:8-6. The Resolution was seconded by Mr. Caviglia and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Anthony Gaetano, and Peter Berkley
NEGATIVE: None
ABSTENTION: None
ABSENT: Herman Redd

- **Two Rivers Water Reclamation Authority Meeting**

Mr. Charnick reported that Mr. Lewis and he had a meeting with Mr. Gianforte, the Executive Director of TRWRA, to discuss the 2016 billing. Mr. Charnick presented a summary of the meeting to the Board. There are some issues that need to be followed up:

(1) Eatontown Map: After the meeting with Mr. Gianforte, the ESA was provided a copy of an original map showing Eatontown sewer mains maintained by TRWRA. The ESA has its own sanitary sewer collection system and also has to transmit the sewage from its own system to the sewer treatment plant using the sewer mains maintained by TRWRA. The ESA gets charges from TRWRA for allocating a share of the cost of maintaining the sewer mains. Mr. Charnick indicated that the Authority staff should learn how to decipher the TRWRA bills and check if any hours or labor work related to the cost of maintaining the mains has been added to our bill correctly.

(2) Debt Service Billing: Capital equipment purchased with bonds is depreciated over 30 years, but the bonds are for 15 years. The Board would like to know whether or not the ESA will get any billing benefits from depreciation disparity if the ESA bills are based on the calculations of 30-year depreciation or a 15-year loan agreement.

(3) Connection Fee Calculations: As a customer town, the ESA pays a part of TRWRA's debt. Mr. Gianforte suggested that maybe ESA's portion of regional debt obligation should be included in the ESA Auditor's connection fee calculation. The Board has interest in knowing how much the connection fee would be if the calculation includes the ESA portion of the regional debt. Mr. Lewis will contact Mr. Oliwa regarding the issue.

(4) 2016 Bills: Mr. Lewis reported that under the new settlement agreement, the 2016 Customer Town bills are supposed to be based on the TRWRA's 2015 audit. However, their audit has not been completed due to the State requirement to include liability for future benefits in the audit. Since the State has not provided them with the information yet, the 2016 Customer Town bills were based on the TRWRA's draft audit.

Mr. Charnick indicated that the ESA's 2016 bill is adjusted to account for last year's estimate vs. the actual charges so we are getting a credit for the 2016 bill. After applying the credit, the 2016 annual bill is divided by 4 quarters. The 2017 bill will not include such a credit because 2016 quarterly bills have been adjusted from estimated to actual. In the settlement, TRWRA changes their billing practice from yearly estimate to quarterly. The new billing will be based on actual meter readings. ESA will be getting a quarterly bill. If the bill is estimated, it will get adjusted in the next quarter by actual meter readings. This will become effective on the 2017 bills.

Mr. Lewis also pointed out that ESA will be getting bills based on TRWRA's time-record system. 2016 is a transition year for the billing. The 2017 bills will utilize the 2016 time-record percentage. The Board would like ESA find a way to track actual operator hours worked on collection sewers. These hours should be separated from operator hours worked on the regional system.

Mr. Charnick and Mr. Berkley would like to spend time working with the Authority staff to review and understand the bills.

BILLS

Resolution to authorize paying the bills in the amount of \$510,475.98 including 1st quarter and 2nd quarter of 2016 TRWRA disposal charges as submitted from the operating account in Central Jersey Bank was offered by Mr. Charnick, seconded by Mr. Gaetano, and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Anthony Gaetano, and Peter Berkley
NEGATIVE: None
ABSTENTION: None
ABSENT: Herman Redd

APPROVAL OF TRANSFERS FROM THE FOLLOWING ACCOUNTS

TD Revenue Trust to Central Jersey Bank Operating Account: (April, 2016 Operating Expenses)	\$ 510,475.98
TD Revenue Trust to Central Jersey Bank Payroll Account: (May, 2016 Salaries)	+ \$ 34,410.12
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Total Transfers:	\$ 544,886.10

Resolution to authorize the monthly transfers from TD revenue trust account to Central Jersey Bank operating account to pay the bills in the amount of \$510,475.98, and to Central Jersey Bank payroll account for the payroll of May, 2016 in the amount of \$34,410.12 was offered by Mr. Charnick, seconded by Mr. Gaetano, and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Anthony Gaetano, and Peter Berkley
NEGATIVE: None
ABSTENTION: None
ABSENT: Herman Redd

Resolution to authorize payments for capital improvements from Central Jersey Bank operating account to T&M Associates for Year 2 sanitary sewer improvements in the amount of \$1,072.45 and for Highway 35 sewer repair contract administration and inspection in the amount of \$867.00 was offered by Mr. Charnick, seconded by Mr. Gaetano, and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Anthony Gaetano, and Peter Berkley
NEGATIVE: None
ABSTENTION: None
ABSENT: Herman Redd

EXECUTIVE SESSION

A motion to go into Executive Session at 6:00 p.m. for the purpose of discussing legal matters was offered by Mr. Charnick and adopted on a unanimous voice vote.

Upon completion, the Executive Session was closed. The board members returned to the Regular Session at 6:03 p.m. No action was taken during the Executive Session.

ADJOURNMENT

With no further business to address, Mr. Charnick adjourned the meeting at 6:04 p.m.

Assistant Treasurer

**** All reports of Committees, Members & Engineer are available for the public to review in the Authority's office and can also be reviewed online.***