

The regular meeting of the Eatontown Sewerage Authority was held at 5:00 P.M. on October 9, 2018 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
Peter Berkley
Ben Caviglia
Herman Redd

ALSO PRESENT: Ted Lewis, Executive Director
John Bonello, Attorney
Christine Ballard, Authority Engineer
Richard Johnson, Superintendent
Michelle Hu, Treasurer
Gloria Aderton, Assistant Treasurer
Steven Colvell, Auditor, representing Oliwa & Company

CITIZENS PRESENT None

APPROVAL OF MINUTES

Mr. Caviglia moved to approve the minutes of the regular meeting held on September 11, 2018. The motion was seconded by Mr. Charnick and adopted on a unanimous voice vote.

REPORTS OF COMMITTEES, MEMBERS, & ENGINEER

Committee Reports

There were no Committee Reports.

Executive Director's Report *

Mr. Lewis presented his report with no additions.

Change in Order of Agenda Items

Mr. Charnick moved to present the 2017 audit at this point rather than waiting until the New Business portion of the meeting. There were no objections.

- **Presentation of 2017 Audit**

Mr. Colvell presented the 2017 audit, noting these highlights:

- Net income for 2017 is almost \$300k with revenues remaining essentially the same while expenses appeared to be up but mainly as a result from 2016 credit from TRWRA.
- The Authority has a healthy unrestricted net position of approximately \$2M and is sufficient to cover the current capital improvement project of \$500k.
- There was a principal adjustment on the Authority's loan with NJEIT where the debt service was lowered by \$38k due to savings credits from NJEIT.
- The Authority should budget the usual \$2.1M for regional sewerage authority costs for 2019.
- Mr. Lewis mentioned that there are the same two recommendations which the auditing firm makes every year which is to have more people in the office to segregate the handling of funds and also getting the audit completed earlier in the year. Progress was made on the latter recommendation this year.
- Mr. Berkley suggested incorporating due dates for the various components into next year's audit timeline.

Superintendent's Report *

Mr. Johnson presented his report with the following addition:

- **Old Orchard Pump Station**

Mr. Caviglia requested a status update on the monitoring of the damaged wet well at the Old Orchard Pump Station. Mr. Johnson is going to schedule a time when they will measure the water incursion to get a better idea of the severity of the problem and will notify Mr. Caviglia ahead of time as he would like to be present for the testing.

Engineer's Report *

Ms. Ballard presented her report with the following additions:

- **Lining of ACP Sewers**

Ms. Ballard noted that the budget allows for lining of approximately one mile of sewer line and the project will start on Monmouth Road and include Kremer Avenue as this is one of the highest priority areas due to the condition of the existing pipe. Mr. Caviglia asked for a timeframe and Mrs. Ballard said that the project should be out to bid by the end of October.

On a slightly related note, Mr. Johnson advised that he received a call from the Director of DPW who mentioned that there is a problem with grease appearing in the stream behind the Bangkok House restaurant and they are working with the Monmouth County Health Department and the DEP to resolve it. The restaurant has a small grease trap in their basement and they have also configured the manhole to act as a grease trap with a differentiation between the levels of the input and output lines but there is still a problem with excessive grease. Mrs. Ballard requested the DEP case number.

UNFINISHED BUSINESS

- **Geographic Information System Update**

We reached out to the County Shared Services division to see what the County GIS Office can offer and are waiting to hear back.

- **Office Network Upgrade**

No additional progress as the disconnection and reconnection to the new server needs to be done on a weekend and there has not been sufficient free time. On a related note, the Verizon router which handles our network traffic was replaced as it kept dropping traffic and needing to be reset every few days. The replacement router has been much more stable. Mr. Berkley asked if it would be possible to relocate the router to the Authority office but it is part of a router pool and is also providing services for the Borough.

- **NJEIT Application and Asset Management Program**

No additional information and on hold until next year.

- **Upgrade Security Measures at the Thirteen Pump Stations**

Mr. Berkley and Mr. Lewis met with Comcast to get information on providing internet service to the pump stations as a prerequisite to installing cameras or other security measures which would require internet access. Mr. Charnick would like the AEA to be contacted to find out how other authorities protect their pump stations. Mr. Caviglia asked if the state has done any inspections at the pump stations since the vandalism incident and Mr. Johnson indicated that they have not. Mr. Berkley asked about the physical locks which have been installed on the pump switches and made the suggestion of putting Knox boxes at the pump stations. Mr. Johnson noted that there is a Knox box at the garage which the police department can access. Mr. Johnson will talk to the Borough's fire prevention department.

- **Revise Sewer Connection Fees in the ESA's Rules and Regulations**

Mr. Bonello noted that the change to the ESA's Rules and Regulations to reflect the new state statute was authorized at the last meeting and the engineer has completed the actual verbiage change.

NEW BUSINESS

- **Presentation of 2017 Audit**

Previously discussed with Mr. Colvell.

- **Document Scanning Project (added by Mr. Berkley)**

Mr. Berkley took two sample boxes from the storage trailer to scan, one containing bank statements and one containing cash receipt reports. One box took approximately 3.5 hours to scan while the other took about 5 hours, mainly as a result of all the staples which needed to be

removed. There are approximately 160 boxes in the storage trailer which calculates out to about 4 months to scan all archived documents, which is probably not as important as scanning current documents going forward. There is an ongoing discussion as to whether the Authority should join the County shared services for document storage as the \$3,300 annual fee includes unlimited space which can also be used for off-site network backup and recovery. Mr. Charnick requested that Mr. Berkley develop a budget plan to present at the next meeting to provide a basis for further discussion.

- **Resolution #2018-10-01: Group Affidavit for 2017 Audit**

The 2017 audit has been completed and the Board members are able to certify that they have reviewed and are familiar with the contents of the audit.

Mr. Charnick offered a Resolution to execute the group affidavit for the 2017 audit. The resolution was seconded by Mr. Caviglia and adopted on the following roll call vote:

ROLL CALL

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

- **Resolution #2018-10-02: Approving the 2017 Audit**

The 2017 audit has been completed, reviewed by the Board members, and they are prepared to approve and submit the audit to the State Finance Board.

Mr. Charnick offered a Resolution certifying the 2017 audit. The resolution was seconded by Mr. Redd and adopted on the following roll call vote:

ROLL CALL

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

- **Resolution #2018-10-03: Lidl Development, 136 Highway 35, Block 1401 Lot 14 (Releasing Existing Performance Bond and Requiring Maintenance Bond)**

The Authority Engineer conducted an inspection of the property located at 136 Highway 35, Block 1401, Lot 14, and found that the sanitary sewer improvements have been completed in accordance with the approved site plan. The Authority agrees to release the performance bond in the amount of \$25,008.40 and Lidl Development shall, simultaneously with the release of the performance bond, post a two-year maintenance bond in the amount of \$2,500.84 representing 10% of the total cost of improvements.

Mr. Charnick offered a Resolution releasing the existing performance bond for Lidl Development and requiring a maintenance bond as recommended by the Authority Engineer. The resolution was seconded by Mr. Caviglia and adopted on the following roll call vote:

ROLL CALL

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

- **Security Cameras for ESA Maintenance Garage**

Mr. Johnson suggested coordinating with the Police Department as they have been looking into additional security for the impound yard which is behind the Authority's garage. Mr. Lewis will talk to the police department's technical contact. Mrs. Ballard mentioned that the camera feeds could go to the police department for monitoring as part of a shared service agreement, in addition to sharing the cost of hardware purchasing.

BILLS

Resolution to authorize paying the bills in the amount of \$547,209.60 as submitted from the operating account in Kearny Bank was offered by Mr. Charnick, seconded by Mr. Redd, and adopted on the following roll call vote:

ROLL CALL

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

APPROVAL OF TRANSFERS FROM THE FOLLOWING ACCOUNTS

TD Revenue Trust to Kearny Bank Operating Account and Payroll Account:

(October, 2018 Operating Expenses)	\$ 547,209.60
(November, 2018 Salaries)	+ \$ 33,993.67

Total Transfers: \$ 581,203.27

Resolution to authorize the monthly transfers from the TD Bank revenue trust account to Kearny Bank operating account to pay the bills in the amount of \$547,209.60, to Kearny Bank payroll account for the payroll of November, 2018 in the amount of \$33,993.67 was offered by Mr. Charnick, seconded by Mr. Caviglia, and adopted on the following roll call vote:

ROLL CALL

AFFIRMATIVE: Brian Charnick, Ben Caviglia, Herman Redd, Peter Berkley
NEGATIVE: None

ABSTENTION: None
ABSENT: None

While on the subject of banking, Mr. Charnick asked if there had been any additional information regarding the possibility of changing banks to obtain better interest rates and also given that Kearny Bank has indicated that they will eventually stop paying the Authority's payroll fees, which total approximately \$6,000 per year. Mr. Lewis mentioned he did contact one bank which had expressed interest in obtaining the Authority's business but they would not be willing to cover the payroll fees. At this point, the Authority will maintain the status quo while also being on the lookout for better banking offers.

ADJOURNMENT

With no further business to address, Mr. Charnick moved to adjourn the meeting at 5:44 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.***