

**TOWNSHIP OF OCEAN SEWERAGE AUTHORITY
REGULAR MEETING**

Oakhurst, NJ

December 18, 2018

A meeting of the Township of Ocean Sewerage Authority was held on the above date at the Authority Administration Building, 224 Roosevelt Avenue, Oakhurst, New Jersey.

Present: Bernhardt, Galvin, Stubbs, Theodora, Villapiano
Others: Executive Director William Schmeling,

Chairman Galvin called the meeting to order.

All recited The Pledge of Allegiance.

The Chairman announced that the Meeting was being held in conformance with the Open Public Meetings Act of 1975 and that adequate notice has been duly posted where required and mailed to the Asbury Park Press and the Coaster in accordance with the law.

WORK SESSION

Executive Director's Report. Director Schmeling updated the Board on Hazen's request to use PURE Technology with regard to the repair of the on-land portion of the outfall pipe. He felt that PURE had already identified the area of the repair but would review the PURE report with Bill Gettings of Hazen and report back at the next meeting.

In response to a question from the Board, Mr. Schmeling commented on the need for a new Jet-Vac Truck and the potential issues with fitting a new truck in the existing garage. The Chairman asked if there was a Jet-Vac Truck that would fit in the existing garage and Mr. Schmeling indicated he did not know but would check with the Collection Foreman. The idea of possibly storing the new Jet-Vac Truck at a Township garage was mentioned and Mr. Schmeling said he would follow up.

Review of resolutions. The Executive Director reviewed the resolutions on the agenda and advised Resolution 18-103 was on the agenda again because there was some confusion with the State as to whether the Authority was approved to adopt the 2019 budget. There were no comments from the Board or the Public on the resolutions.

At this time, the Chairman asked Christopher Siciliano, the Mayor of Ocean Township, to enter into a discussion with the Board about the proposed taking of sewage from Asbury Park.

The Chairman began the discussion by commenting on the reports that had been prepared and reviewed by the Board to date. These reports were Greeley and Hanson's on plant re-rating and Maser Consulting's report, subsequently updated, on Asbury Park build-out requirements and possible improvements required at the Authority's Treatment Plant to handle future combined Ocean Township and Asbury Park flow.

The Chairman asked the Mayor if there was a build-out study for Ocean Township. The Executive Director interjected that he had asked the Director of Community Development if there was a plan and he had indicated no. The Mayor advised that there were studies and that the Director, being a new hire, was probably not familiar with them. The Mayor discussed the Township's involvement in COAH litigation and potential settlements which would establish a number assigned to the Township for low- and moderate-housing. The numbers have not been finalized but the Mayor gave the Board a feel for the potential housing impact if the settlement numbers are approved.

The Mayor indicated Council had no real position on the matter since it was not involved in the general discussions. The Council would be concerned about any negative impact on future development within the Township, such as a sewer connection moratorium, if combined flows exceeded the Treatment Plant's capacity. Another concern

would be any increase in the annual service charge resulting from taking on the additional flow.

The Board then discussed the benefits of the arrangement. The benefits to Asbury Park are fairly clear and are set out in the Maser report, but what benefits are there to the Authority. Mr. Villapiano indicated there was no advantage to the Authority entering into the arrangement if there was no economic benefit to the Township residents, specifically with regard to lower annual service charges. Mr. Galvin commented on the potential of permit issues and violations resulting from increased flow and what recourse would the Authority have against Asbury Park and the developer in that situation. Mr. Theodora expressed a concern about the additional space and equipment needed to handle the flow. If all of this was paid for by others than the Authority and the Authority received new equipment to handle its treatment process, it would not be a bad situation; but there were no guarantees. Mr. Bernhardt expressed a concern about the Authority becoming the "bad" guy in the event a sewer moratorium had to be imposed on the Township and Asbury Park because of increased flows. Mr. Stubbs did not see where the Authority, at this time, was gaining any benefit from the arrangement.

An issue was raised by Attorney Bonello as to whether the Authority would collect connection fees on existing units and future units. Mr. Galvin said that should be a consideration because it would be bringing Asbury Park to an equal position with regard to the Authority's capital improvements as Ocean Township residents. Mr. Villapiano mentioned that the issue of connection fees had been raised by the developer's attorney at the prior group meeting of interested parties.

After discussing each of the points raised, the Board was of the opinion the benefits to the Authority and the Township do not outweigh the potential liabilities. The Executive Director was instructed to prepare a letter to Asbury Partners/iStar that the Authority was not interested in continuing its involvement in the process. Prior to sending out the letter, it would be circulated among the Board members for their comments.

BUSINESS SESSION

Communications. There were no communications.

Review of Bill List. There were no questions on the bill list from the Board or the Public.

BUSINESS SESSION

Resolution

Mr. Stubbs offered the following resolution and moved its adoption. Mr. Bernhardt seconded the motion.

**RESOLUTION 18 - 112
BILL LIST**

BE IT RESOLVED by the Township of Ocean Sewerage Authority, in the County of Monmouth, New Jersey (not less than three (3) members affirmatively concurring) as follows:

1. All bills or claims as reviewed and approved by the Executive Director and as set forth in this Resolution are hereby approved for payment.

2. The authorized signers of checks are hereby authorized and directed to sign checks in the payment of bills and claims which are hereby approved.

The computer print-out of the list of bills will be on file in the Purchasing Agent's Office.

CURRENT FUND

	\$ 205,935.09
REVIEW and INSPECTION	4,032.89
RENEWAL and	0.00

REPLACEMENT	
EIT and CONSTRUCTION	16,078.44
PAYROLL ACCOUNT	<u>52,558.89</u>
TOTAL BILLS PAYABLE	\$278,605.31

On a roll call vote, all voted in favor.

Resolution

Mr. Bernhardt offered the following resolution and moved its adoption. Mr. Theodora seconded the motion.

18 - 103
2019 ADOPTED BUDGET RESOLUTION
TOWNSHIP OF OCEAN SEWERAGE AUTHORITY
JANUARY 1, 2019 TO DECEMBER 31, 2019

WHEREAS, the Annual Budget and Capital Budget/Program for the Township of Ocean Sewerage Authority for the fiscal year beginning January 1, 2019 and ending December 31, 2019 has been presented to the governing body of the Township of Ocean Sewerage Authority at its open public meeting of December 4, 2018; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget, as presented for adoption, reflects Total Revenues of \$7,329,221, Total Appropriations, including any Accumulated Deficit, of \$7,329,221 and Total Unreserved Net Position utilized of \$0.00; and

WHEREAS, the Capital Budget, as presented for adoption, reflects Total Capital Appropriations of \$18,607,500 and Total Unreserved Net Position planned to be utilized as funding thereof of \$90,000.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Township of Ocean Sewerage Authority at an open public meeting held on December 4, 2018 that the Annual Budget and Capital Budget/Program of the Township of Ocean Sewerage Authority for the fiscal year beginning January 1, 2019 and ending December 31, 2019 is hereby adopted and shall constitute appropriations for the purposes stated; and

BE IT FURTHER RESOLVED that the Annual Budget and Capital Budget/Program as presented for adoption reflect each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

On a roll call vote, all voted in favor.

Resolution

Mr. Villapiano offered the following resolution and moved its adoption. Mr. Stubbs seconded the motion.

18 - 113
AUTHORIZING AMENDMENT TO 2018 BUDGET

WHEREAS, on December 5, 2017 the Township of Ocean Sewerage Authority adopted its Budget for the year ending December 31, 2018; and

WHEREAS, N.J.A.C. 5:31-2.8 provides that the Director of the Division of Local Government Services may, at the request of, or with the consent of, the governing body of an Authority, make such correction of the title, text or amount of any appropriation appearing in the budget as may be necessary to make the item of appropriation available for the purpose or purposes required for the needs of the Authority; and

WHEREAS, the Authority desires to add an item of revenue “Connection Fees” and to increase “Investment Interest” with a corresponding increase in expenditures.

NOW, THEREFORE, BE IT RESOLVED that in accordance with N.J.A.C. 5:31-2.8, the Township of Ocean Sewerage Authority hereby requests the Director of the Division of Local Government Services to make the following corrections in the 2018 budget; and

AND BE IT FURTHER RESOLVED that the attached correction is, in the opinion of the Authority, warranted and authorized by the above statute and is necessary for the orderly operation of the Authority for the following reason: Increase in revenue with corresponding increase in budgeted costs

AND BE IT FUTHER RESOLVED that two (2) copies of this Resolution be filed with the Director of the Division of Local Government Services.

On a roll call vote, all voted in favor.

Resolution

Mr. Stubbs offered the following resolution and moved its adoption. Mr. Bernhardt seconded the motion.

18 - 114

AUTHORIZING PAYMENT IN THE AMOUNT OF \$4,729.05 TO SWERP INCORPORATED FOR BERKELEY AVENUE, LAKEVIEW AVENUE AND LINCOLN DRIVE SANITARY SEWER REPLACEMENT PROJECT

WHEREAS, the Authority awarded a contract for its Berkeley Avenue, Lakeview Avenue and Lincoln Drive Sanitary Sewer Replacement project to SWERP Incorporated (“SWERP”) in the amount of \$373,630.00 (the “Project”) on March 7, 2017; and

WHEREAS, the Project has been completed and SWERP has provided a two-year maintenance bond as required by Resolution 18-61; and

WHEREAS, the Authority presently is holding \$4,729.05 as retainage on the Project.

NOW, THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority authorizes payment in the amount of \$4,729.05 to SWERP Incorporated representing the return of retainage for the Project.

On a roll call vote, all voted in favor.

Resolution

Mr. Theodora offered the following resolution and moved its adoption. Mr. Villapiano seconded the motion.

18 - 115

AUTHORIZING APPOINTMENT OF CONNER STRONG & BUCKELEW AS RISK MANAGEMENT CONSULTANT FOR THE YEAR 2019

WHEREAS, the Township of Ocean Sewerage Authority is a member of the New Jersey Utility Authority Joint Insurance Fund (“Fund”); and

WHEREAS, the bylaws of the Fund require the Authority to obtain a Risk Management Consultant to perform various professional services required by the Fund and the Authority; and

WHEREAS, the judgmental nature of the Risk Management Consultant’s duties render comparative bidding impractical; and

WHEREAS, Conner Strong & Buckelew has submitted a proposal for risk management services to the Authority; and

WHEREAS, Conner Strong & Buckelew, through its representative Michael C. Avalone, has provided the Authority with quality risk management consulting services; and

WHEREAS, the Authority’s Executive Director has determined and certified in writing that the value of the services as risk management consultant will not exceed \$17,500; and

WHEREAS, the term of this contract is for one (1) year from January 1, 2019 to December 31, 2019; and

WHEREAS, the services to be performed are “professional services” as defined in the Local Public Contracts Law, N.J.S.A. 40A:11-2(6) and therefore are excepted from the Local Public Contracts Law requirements for competitive bidding pursuant to N.J.S.A. 40A:11-5(1)(a)(i); and

WHEREAS, the Authority’s Executive Director has certified that funds are available for this contract in general insurance (50-500-318), fees are included in the Authority's 2019 NJUA JIF assessment.

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Sewerage Authority as follows:

1. Conner Strong & Buckelew is hereby appointed as Risk Management Consultant for the Authority in accordance with the attached proposed contract for the period January 1, 2019 to December 31, 2019.
2. This contract is awarded without competitive bidding as a professional service under the provisions of the Local Public Contracts Law because the services involved are of such a qualitative nature and are not readily susceptible or subject to competitive bidding and further, that the above named firm has been determined to have expertise in this area and, in the opinion of the Authority Members, this firm can best provide the appropriate risk management services required.
3. A notice of this action shall be published according to law.

On a roll call vote, all members voted in favor except Mr. Stubbs who voted "no".

Resolution

Mr. Bernhardt offered the following resolution and moved its adoption. Mr. Stubbs seconded the motion.

18 – 116

AUTHORIZING PURCHASE OF STANDBY GENERATOR FOR WHALEPOND PUMP STATION FROM WARSHAUER GENERATOR, LLC UNDER STATE CONTRACT NUMBER T2871

WHEREAS, the Authority needs to replace the standby generator at the Whalepond Pump Station; and

WHEREAS, the Authority has a Qualified Purchasing Agent; and

WHEREAS, Warshauer Generator, LLC has a State contract for a 125Kw stationary standby generator under State contract number T2871 for the price of \$80,000.00; and

WHEREAS, the Authority's Executive Director has certified that funds are available for this contract in GL line item Generator (01-500-00-021).

NOW, THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby authorizes the purchase of a 125Kw stationary standby generator from Warshauer Generator, LLC under State contract number T2871 for \$80,000.00.

There being no further business to come before the Authority, Mr. Bernhardt moved that the meeting be adjourned. Mr. Stubbs seconded the motion and all voted in favor of adjournment.

Respectfully submitted,

RALPH E. STUBBS, Secretary