

**TOWNSHIP OF OCEAN SEWERAGE AUTHORITY
REGULAR MEETING
DECEMBER 4, 2018**

1. Meeting called to Order
2. Pledge of Allegiance
3. Roll Call - Bernhardt, Galvin, Stubbs, Theodora, Villapiano
4. Let the minutes show this meeting is being held in accordance with the requirements of the Open Public Meetings Act of 1975 and adequate notice has been duly posted where required and mailed to its service communities on February 9, 2018 and published in the Asbury Park Press on February 13, 2018 and the Coaster on February 15, 2018. The minutes of this meeting will be available after Board approval at a subsequent meeting.

2019 CONNECTION FEE HEARING

5. Resolution 18-102: Establishing Connection Fee effective January 1, 2019

2019 BUDGET ADOPTION

6. Resolution 18-103: 2019 Adopted Budget Resolution

WORK SESSION

7. Executive Director's Report
8. Attorney's Report
9. Engineer's Report
10. Operator's Report
11. Review of resolutions on business session agenda
 - a. Board comments
 - b. Public comment

BUSINESS SESSION

12. Communications
13. Review of Bill List
 - a. Board comments
 - b. Public comment

14. Resolution 18-104: Bill List
15. Consent Agenda
 - a. Approval of minutes of November 8, 2018 regular meeting
 - b. Motion to receive and file Operation Manager's Report
 - c. Resolution 18-105: Authorizing permanent adjustments to certain commercial accounts
 - d. Resolution 18-106: Establishing projected flow criteria for connection fee purposes
 - e. Resolution 18-107: Authorizing purchase of Godwin bypass pump from Xylem under State Contract Number A85374
 - f. Resolution 18-108: Authorizing payment in the amount of \$30,380.00 to Weeks Marine Inc. for Ocean Outfall Replacement Project
 - g. Resolution 18-109: Authorizing withdrawal of Resolution 18-95 authorizing grant of conditional preliminary approval for Ocean Town Center - application number 189
 - h. Resolution 18-110: Authorizing award of a professional services contract to Morehouse Engineering, Inc. for engineering services
 - i. Resolution 18-111: Authorizing payment in the amount of \$86,638.86 to Lucas Construction Group, Inc. in the amount of \$86,638.86 for 2013 Collection System Upgrades Project
16. Public Comment
17. Comments by Authority Members
18. Closed Session, if necessary
19. Adjournment

**ESTABLISHING CONNECTION FEE
EFFECTIVE JANUARY 1, 2019**

WHEREAS, The Township of Ocean Sewerage Authority published Notice of proposed adjustments of its Rate Schedule and of the time and place of the public hearing thereon in two newspapers of general circulation in the area serviced by the Authority at least twenty (20) days preceding the aforesaid public hearing; and

WHEREAS, the Authority conducted a public hearing on the proposed adjustments of its Rate Schedule on Tuesday, December 4, 2018 at 6:30 p.m. at the offices of the Authority as indicated in the publication of Notice; and

WHEREAS, the Authority provided evidence at the hearing showing that the proposed adjustments of its Rate Schedule are necessary and reasonable; and

WHEREAS, the Authority provided the opportunity for cross-examination of persons offering such evidence at the public hearing; and

WHEREAS, the Authority ordered that a transcript of the hearing be made and a copy thereof be available upon request to any interested party at a reasonable fee; and

WHEREAS, the Authority has considered the proposed adjustments to its Rate Schedule, as well as all evidence presented through direct and cross-examination, as well as all comments made by those members of the public in attendance at the aforesaid public hearing, as well as any written comments that may have been received; and

WHEREAS, the Authority having been satisfied from all of the evidence and comments presented that the proposed adjustments of the Rate Schedule are in accordance with the Statute and are reasonable and necessary.

NOW, THEREFORE, BE IT RESOLVED on this 4th day of December 20178 that the proposed adjustments to the Rate Schedule attached to this Resolution be and the same are hereby approved and adopted by the Authority; and

BE IT FURTHER RESOLVED that the revised Rate Schedule shall become effective on January 1, 2019; and

BE IT FURTHER RESOLVED that the provisions of The Township of Ocean Sewerage Authority Rules and Regulations pertaining to the payment of such charges and to the time or times when and the place or places where such charges shall be due and payable, be and the same are hereby incorporated herein by reference; and

BE IT FURTHER RESOLVED that a copy of the Rate Schedule in effect shall at all times be kept on file at the office of the Authority and shall at all reasonable times be open to public inspection.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 4, 2018.

RALPH E. STUBBS, Secretary

THE TOWNSHIP OF OCEAN SEWERAGE AUTHORITY
SEWER CONNECTION FEES

Effective January 1, 2018

CLASS 1: RESIDENTIAL \$6,391.00

Single-family, condominiums, townhouses, apartments, multifamily, duplex, age restricted, trailers, mobile homes (Per unit)

CLASS 2: NON-RESIDENTIAL; HOTEL OR MOTEL \$3,195.50 (per guest room)

This portion of the connection fee applies only to the number of units available for transient occupancy. The connection fee for the non-occupancy portion of the building shall be based upon estimated usage from the remainder of the building, including kitchens, restaurants, taverns, laundries, offices, convention or meeting rooms, sport or athletic facilities, common areas and restrooms, at the Class 3 per gallon per day rate.

CLASS 3: NON-RESIDENTIAL: GENERAL

Per gallon per day	\$ 26.30
Minimum connection fee (per unit)	\$6,391.00

A minimum sewer connection charge for non-residential users shall be imposed, in an amount equal to the residential connection fee regardless of whether the estimated usage is less than the residential rate of usage.

CLASS 4: CERTAIN AFFORDABLE HOUSING PROJECTS

Connection fees for the building affordable housing projects that consist of new connections to the system are to be computed by providing a 50% reduction in the connection fee established in this Rate Schedule.

Connection fees for building affordable housing projects that consist of replacement units for demolished or refurbished units, and for which a connection fee was previously paid, are to be computed by charging the lesser of a) the reduced rate of 50% of the connection fee established in this Rate Schedule, or b) the connection fee established in this Rate Schedule, minus a credit in the amount of a connection fee previously paid for the housing units being replaced, provided the public housing authority and non-profit organization can establish the connection fee previously paid. If the amount of the previous connection fee cannot be established, the reduced rate of 50% of the connection fee established in this Rate Schedule shall apply.

GENERAL REQUIREMENTS APPLICABLE TO SEWER CONNECTION FEES

A. An applicant shall pay a sewer connection fee for each equivalent dwelling unit at the time that a sewer permit is requested, in an amount as established by the Authority's Rate Schedule in effect at the time that service is requested. All sewer connection fees shall be paid in full prior to the issuance of a construction permit for the premises.

B. Connection fees for non-residential users shall be based upon the Authority's calculation of estimated usage multiplied by the rate per gallon per day contained in the Rate Schedule. A minimum sewer connection charge for non-residential users shall be imposed, in an amount equal to the residential connection fee regardless of whether the estimated usage is less than the residential rate of usage.

C. The projected flow criteria contained in N.J.A.C. 7:14A-23.3 shall be used

to determine the estimated sewer usage for non-residential uses, whenever practicable, except as set forth below. In the event that a type of use is not listed in N.J.A.C. 7:14A-23.3, the Authority shall use its best judgment in determining estimated sewer usage. The Authority may adopt additions or exceptions to the flow projections contained in N.J.A.C. 7:14A-23.3 by resolution. For the purpose of this Rate Schedule, any reference to “seat” or “person” in N.J.A.C. 7:14A-23.3 or in any projected flow criteria adopted by the Authority shall be deemed to mean the maximum permitted occupancy established pursuant to the Uniform Construction Code and/or the Uniform Fire Code.

- (1) Factories/Warehouse/Flex space - 0.035 gpd per square foot
- (2) Day care centers - 0.25 per square foot
- (3) Laundromats:
 - 18 pound washing machine - 136 gpd per machine
 - 35 pound washing machine - 267 gpd per machine
 - 50 pound washing machine - 425 gpd per machine
- (4) Bed and Breakfast Inns - 100 gpd per bedroom
- (5) Churches - 1 EDU per 750 seats, or part thereof
- (6) Fitness Centers - 0.01 gpd per square foot
- (7) Combined Gym and Banquet Facility - 8 gpd per seat

D. In the event that an application is made for sewer service to a non-residential building or unit for which the types or sizes of the uses therein have not been determined by the applicant, or are subject to change in the future, a connection fee shall be assessed based upon the maximum potential estimated sewer usage in the building or unit. The Authority, in its discretion, may enter into a deferred connection fee agreement under which an initial connection fee would be imposed only for those uses that are initially contemplated, and which would defer the payment of the balance of the connection fee until such time as a use for which the initial connection fee was paid is changed to a use that will generate additional sewer usage. Any connection fee paid under a deferred connection fee agreement shall be paid at the connection fee rate then prevailing at that time that payment is made.

E. A non-residential user shall be entitled to use the amount of sewer capacity, in gallons per day, that was obtained through the payment of connection fees, as well as such additional capacity actually used by its building or unit without having undergone a physical or operational change for which a building permit, site plan, subdivision, variance or other municipal approval was required. An application for additional capacity shall be made by any existing non-residential user whenever there is an increase in the estimated, projected sewer usage for any existing building or unit resulting from any physical or operational change for which a building permit, site plan, subdivision, variance or other municipal approval is required. A connection fee shall be charged to the user based upon the increase in estimated sewer usage associated with the aforesaid physical or operational change.

F. In the event that an application is made to reinstate sewer service to a residential structure that was previously abandoned or terminated when the prior structure was demolished or substantially totally destroyed, no additional connection fee shall be due provided that the application for service is made within seven (7) years of the date of the prior termination of service.

G. In the event that an application is made to reinstate sewer service to a non-residential structure that was previously abandoned or terminated when the prior structure was demolished or substantially totally destroyed, no additional connection fee shall be due, provided that: (1) the applicant has continued to pay sewer service charges for the property on a regular basis as those charges became due, and (2) there is no change in the estimated sewer usage of the building. In the event that condition (1) herein has been satisfied, and there will be an increase in the estimated sewer usage of the building, then the applicant shall pay a connection fee only on the amount of the increase in the estimated sewer usage.

**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.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 4, 2018.

RALPH E. STUBBS, Secretary

RESOLUTION 18 - 104

BILL LIST

**AUTHORIZING PERMANENT
ADJUSTMENTS TO CERTAIN COMMERCIAL
ACCOUNTS**

WHEREAS, Kane Brewing Company operates at 1750 Bloomsbury Avenue, sewer account number 18828-1; and

WHEREAS, Kane Brewing Company estimates that fifty percent (50%) of the water consumption results in finished product or is absorbed and retained in malted barley during the brewing process; and

WHEREAS, an article in the December 2012 WE&T magazine states that craft brews consume an average of 5 to 6 gallons of water for every gallon of beer produced; and

WHEREAS, commercial account numbers 18538 -0 and 18718-0 have received annual water usage adjustments as a result of sprinkler systems which resulted in zero excess usage.

NOW, THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby authorizes that the annual water usage for account number 18828-1 be reduced to seventy percent (70%) of the annual water usage for purposes of determining an annual excess usage charge; and

BE IT FURTHER RESOLVED account number 18538-0 be flat-billed for one (1) unit and account number 18718-0 be flat-billed for two (2) units; and

BE IT FURTHER RESOLVED that the Authority reserves the right to charge excess water usage for these accounts should the circumstances giving rise to this Resolution change in the future.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Meeting held on December 4, 2018.

RALPH E. STUBBS, Secretary

ESTABLISHING PROJECTED FLOW CRITERIA FOR CONNECTION FEE PURPOSES

WHEREAS, the rate schedule of the Township of Ocean Sewerage Authority provides that sewer connection fees for non-residential uses are to be based on the projected flow from the unit; and

WHEREAS, the Authority has determined to use the projected flow criteria contained in N.J.A.C. 7:14A-23.3 in determining the projected flow from non-residential uses, whenever practicable, as a basis for determining projected flow; and

WHEREAS, N.J.A.C. 7:14A-23.3(a) provides that the criteria contained therein is not mandated to be used as a basis for establishing connection fees; and

WHEREAS, the projected flow criteria contained in N.J.A.C. 7:14A-23.3 either do not address certain uses, or contain flow projections that have been determined by the Authority to be inconsistent with actual flows; and

WHEREAS, the Authority intends to specify projected flows for the uses that are not addressed by N.J.A.C. 7:14A-23.3, and for uses that have been determined by the Authority to be inconsistent with actual flows, in order to provide a uniform basis for determining projected flows and connection fees within the Township of Ocean.

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

1. The projected flow criteria contained in N.J.A.C. 7:14A-23.3 shall be used by the Authority in determining projected sewage flows for non-residential uses, whenever practicable, unless exceptions to the criteria are adopted by the Authority.
2. In the event that a type of use is not listed in N.J.A.C. 7:14A-23.3, the Authority shall use its best judgment in determining the criteria for projected sewage flow.
3. For the purpose of determining projected sewage flow, any reference to “seat” or “person” in this Resolution or in N.J.A.C. 7:14A-23.3 shall be deemed to mean the maximum permitted occupancy established pursuant to the Uniform Construction Code and/or the Uniform Fire Code.
4. The following projected sewage flow criteria is hereby adopted by the Authority as additions or exceptions to those contained in N.J.A.C. 7:14A-23.3 and added to those additions or exceptions set forth in Resolution 11-27 adopted April 5, 2011:

Type	Unit of Measure	GPD or EDU
Indoor Tennis Center without restaurant	per tennis court	0.125

5. Sewage connection fees for all non-residential uses shall be subject to the minimum sewer connection fee established for single-family residential unit pursuant to the current rate schedule

6. This Resolution supersedes all prior resolutions establishing projected flow criteria and is effective immediately.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 4, 2018.

RALPH E. STUBBS, Secretary

AUTHORIZING PURCHASE OF GODWIN BYPASS PUMP FROM XYLEM UNDER STATE CONTRACT NUMBER A85374

WHEREAS, the Authority is desirous of purchasing a bypass pump and accessories for use its pump stations; and

WHEREAS, the Authority has a Qualified Purchasing Agent; and

WHEREAS, Xylem has a State contract for a Godwin Bypass Pump under State contract number A85374 for the price of \$35,896.00; and

WHEREAS, certain accessories totaling \$8,760.14 are required to make the Bypass Pump operational at all the Authority's pump stations; and

WHEREAS, the Authority’s Executive Director has certified that funds are available for this contract in GL line items Bypass Connections (01-500-00-009), Pump Replacements (01-500-00-025) and Collection System Improvements (01-500-00-23).

NOW, THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby authorizes the purchase of a Godwin Bypass Pump from Xylem under State contract number A85374 with accessories for a total purchase price with delivery of \$44,906.41.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Meeting held on December 4, 2018.

 RALPH E. STUBBS, Secretary

AUTHORIZING PAYMENT IN THE AMOUNT OF \$30,380.00 TO WEEKS MARINE INC. FOR OCEAN OUTFALL REPLACEMENT PROJECT

WHEREAS, the Authority awarded a contract for its Ocean Outfall Replacement Project to Weeks Marine Inc. in the amount of \$5,324,150.00 (the “Project”) on September 8, 2018; and

WHEREAS, the Weeks Marine requested payment for Pay Item No. 2 (Performance and Payment Guaranty Insurance); and

WHEREAS, by letter dated November 29, 2018 the Authority’s engineer has recommended payment in the amount of \$30,380.00 pursuant to its Payment Application No. 1.

THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby approves payment in the amount of \$30,380.00 to Weeks Marine Inc. for the Ocean Outfall Replacement Project in accordance with Payment Application No. 1.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Meeting held on December 4, 2018.

RALPH E. STUBBS, Secretary

AUTHORIZING WITHDRAWAL OF RESOLUTION 18-95

WHEREAS, Resolution 18-95 proposed authorizing the grant of conditional preliminary approval for Ocean Town Center - application number 189;

WHEREAS, the Board failed to act on Resolution 18-95 at the Authority's meeting on November 8, 2018; and

WHEREAS, circumstances may change regarding the scope and size of the Ocean Town Center; and

WHEREAS, the Authority prefers not to act on an application that may not be built as submitted.

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Sewerage Authority that Resolution 18-95 authorizing the grant of conditional preliminary approval for Ocean Town Center - application number 189 is withdrawn.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Regular Meeting held on December 4, 2018.

RALPH E. STUBBS, Secretary

AUTHORIZING AWARD OF A PROFESSIONAL SERVICES CONTRACT TO MOREHOUSE ENGINEERING, INC. FOR ENGINEERING SERVICES

WHEREAS, the Township of Ocean Sewerage Authority has a need to acquire engineering services to review and set up its pump station alarm system; and

WHEREAS, Skylar Morehouse, P.E. of Morehouse Engineering, Inc. is a recognized expert in the field of pump station alarm communications; and

WHEREAS, the appointment is subject to Morehouse Engineering, Inc. completing and submitting a Business Entity Disclosure Certification certifying that it has not made any reportable contributions to a political or candidate committee in the Township of Ocean during the previous year, and the contract will prohibit the making of any reportable contributions during the term of the contract; 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 exempted 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 term of this contract is for one (1) year from December 1, 2018 to November 30, 2019; and

WHEREAS, the Authority’s Purchasing Agent has determined and certified in writing that the value of the engineering services will not exceed \$17,500; and

WHEREAS, the Authority’s Executive Director has certified that funds are available for this contract under the GL line for SCADA Improvements (01-500-00-018).

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Sewerage Authority that

1. Skylar Morehouse, P.E. of the firm Morehouse Engineering is hereby appointed an Authority Engineer in accordance with the attached proposed contract for the period December 1, 2018 to November 30, 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 legal services required.
3. Notice of this appointment shall be published in the Authority’s official newspaper within twenty (20) days of the appointment.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Meeting held on December 4, 2018.

RALPH E. STUBBS, Secretary

AUTHORIZING PAYMENT IN THE AMOUNT OF \$86,638.86 TO LUCAS CONSTRUCTION GROUP, INC. FOR 2013 COLLECTION SYSTEM UPGRADES PROJECT

WHEREAS, the Authority awarded a contract for its 2013 Collection System Upgrades project to Lucas Construction Group, Inc. in the amount of \$4,575,575.00 (the “Project”) on December 6, 2016; and

WHEREAS, Lucas has performed work and provided equipment and material for the Project; and

WHEREAS, by letter dated November 30, 2018, the Authority’s engineer has recommended payment in the amount of \$86,638.86 pursuant to its Payment Estimate No. 12.

THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby approves payment in the amount of \$86,638.86 to Lucas Construction Group for the 2013 Collection System Upgrades Project in accordance with Payment Estimate No. 12.

	Motion	Second	Aye	Nay	Abstain	Absent
Bernhardt						
Galvin						
Stubbs						
Theodora						
Villapiano						

I hereby certify the above to be a true copy of a Resolution duly adopted by the Township of Ocean Sewerage Authority at its Meeting held on December 4, 2018.

 RALPH E. STUBBS, Secretary