

BOROUGH OF BUENA
MUNICIPAL UTILITIES AUTHORITY
P. O. BOX 696
MINOTOLA, NEW JERSEY 08341

The regular meeting of the BBMUA was held on August 22, 2018 at 7 p.m. This meeting notice was provided to The Daily Journal and the Atlantic County Record which are the BBMUA's official newspapers. Notices are also posted on the bulletin boards within the Municipal Building as well as the Borough of Buena and BBMUA's websites. The meeting took place in the large meeting room located in the Municipal Building, Minotola.

The meeting was called to order by Chairman Joseph Santagata.

Those present were:

R. Baker	M. Testa
J. Formisano	S. Testa
J. Santagata	
C. Santore	
A. Zorzi	

m/Baker s/Formisano to adopt resolution R-13-2018 authorizing employment of Mary Ann Chalow as a consultant for the Borough of Buena Municipal Utilities Authority for the period beginning September 1, 2018 through August 31, 2019 in the amount of \$5,000.00. m/passed

A Copy of an email that was sent by Robert Smith of Remington, Vernick & Walberg to the Borough of Buena Mayor and Council members regarding the restoration of Louis Drive was received. This email was notifying council that the BBMUA will still be allocating the \$42,000.00 that was in the original bid for the restoration of the roadway. Mr. Smith also sent an email to Bill Tomasello of Jersey Construction, Inc., the contractor for the Louis Drive project confirming with Mr. Tomasello how the Borough and the BBMUA would like to proceed with the restoration and asking for confirmation on pricing. Mr. Smith will be meeting with Mr. Tomasello on site to review everything once he returns to the office on Thursday, August 23, 2018.

At the last regular meeting held on July 25, 2018 Chairman Santagata asked Robert Smith of Remington, Vernick & Walberg to check into the Pinelands Infrastructure Trust Fund and see if there are any regional growth areas in the Borough of Buena. Mr. Smith looked into the matter thoroughly and verified that there are NO regional growth areas in the Borough and therefore, the BBMUA is not eligible for any funding through this program.

Robert Smith of Remington, Vernick & Walberg sent an email to Frank Carpino regarding the Liberty Village project. Through this email Mr. Smith is notifying Mr. Carpino that he spoke to Mr. Carpino's engineer who will be submitting revised plans to Mr. Smith for review. This email also confirms that the only work that is permitted to be done on site is the stripping of topsoil and minor rough grading. Mr. Smith also advised Mr. Carpino in this email that site work should not commence until final plans are approved, copies of all permits from all outside agencies are received and all performance guarantees and inspection fees are posted.

Michael Testa Jr. of Testa, Heck, Testa & White addressed the board regarding the email that was sent to him by Secretary/Treasurer Cheryl Santore in regard to Teligent, Inc. water discharge results for the strength factor billing. At the last regular meeting held on July 25, 2018 the board wanted Ms. Santore to recalculate the strength billing without the water usage from the 10" fire line that is still in the testing phase. Ms. Santore recalculated that figure based on the discussion, removing the 557,000 gallons for the 10" meter for this quarter. Mr. Testa stated it is up to the board to decide what the fairest way to bill Teligent is for their strength. The strength bill based on the total water usage without the 10" fire line usage would be \$15,945.98 for the strength of 3.558 or \$58,940.29 for the strength of 10.445. While these are still significant bills they are less than the \$28,875.38 and \$106,730.56 respectively for the 1,244,000 gallons that were used in total. Ms. Santore also pointed out to the board that since the last meeting our meters for the 3rd quarter have been read and the usage on the 10" fire line for this quarter is 734,000 gallons. They will be testing this line again on Friday August 24, 2018. Mr. Testa said that legally the board has right to charge them on the full amount of water used. The Chairman stated that this is a lot of water and questioned where it is going? One of the options would be to grant them a one-time grace period with their strength factor on that 10" fire line and send them a letter with the strength bill informing them that once they have official start up on August 31, 2018 all water usage will be billed for strength. The board decided to give Teligent a grace period on the 10" line only for their strength billing to be fair. Therefore, Chairman Santagata asked if a motion should be made and an official vote recorded and Mr. Testa said that would be a good idea. The strength bill for the July 2018 billing will be billed at the strength of 3.558 in the amount of \$15,945.98 because the other strength test was outside of the holding time allowed. Mr. Testa stated on record that this board has always been fair, open, and transparent.

m/Baker s/Formisano The BBMUA board agrees to give Teligent a grace period for their strength factor billing for the 10" fire line water usage through their 11/1/18 reading which will be billed in January 2019. This means that beginning with the April 2019 billing all usage on all meters will be eligible for a strength factor billing.

m/passed

Steve Testa of Romano, Hearing, Testa & Knorr presented the Audit for the BBMUA for the period ending December 31, 2017 to the board for approval. Mr. Testa explained in detail the report for their review and discussion. Mr. Testa explained that GASB 68 Statement is for the accounting and financial reporting for Pensions and became effective in 2015 for the Authority and for all of the State and Local Governmental Units in the country. There were no major changes or restatements necessary in the 2017 financial statements although the GASB 68 is going to continue to be felt. However when preparing the 2018 Audit there will be a similar transaction because anyone in the State Health Benefits plan will be required to perform a restatement to record the liability for future health benefits as well. Mr. Testa informed the board that the Authority received a clean opinion on its financial statements. There were no material weaknesses or significant deficiencies in connection with internal control and there were no instances of non-compliance required to be reported under government auditing standards or standards promulgated by the Division of Local Government Services in the State of New Jersey. As a result there were no findings and recommendations in the audit report and therefore, no corrective action is needed. Mr. Testa commended the Authority and the administrative and financial staff, specifically Cheryl Santore, Alan Zorzi, Jonathan Erber, Mary Ann Chalow, and Debbie Austino for a job well done in regard to the audit report. Mr. Testa did suggest that we should look into doing a cost study in the near future to see if the water and sewer expenses are being allocated accordingly. If the current percentages are correct, we may have to look into a rate increase for the water in the next few years.

m/Baker s/Formisano to adopt Resolution R-12-2018 a resolution whereas, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made, and whereas, the annual report for the fiscal year ended December 31, 2017 has been completed and filed with the Borough of Buena Municipal Utilities Authority pursuant to N.J.S.A. 40A:5A-15. m/passed

The adopted Audit of the BBMUA for the period ending December 31, 2017 can be found on the BBMUA website.

m/Baker s/Formisano to approve the treasurer's report as read. m/passed

Secretary Cheryl Santore sent an email to Councilman Jorge Alvarez and Police Chief Brian Zimmer regarding a dispatch problem that occurred on August 5, 2018 with a resident that had a sewer back up. Chief Zimmer spoke with the head of dispatch to make sure they have all of the proper phone numbers for the BBMUA for emergencies that arise during the hours the plant is closed. Dispatch assured the Chief that they do have the numbers and hopefully if a problem arises in the future after hours dispatch will contact the appropriate MUA personnel who can attend to the problem and the residents will not be left without help.

m/Baker s/Formisano to accept the minutes of the last regular meeting held on July 25, 2018. m/passed

Plant Superintendent Alan Zorzi received a letter from Patricia Gardner, Director of the State of New Jersey DEP Division of Water Supply & Geoscience regarding the Federal Lead and Copper Rule with proposed changes to its source water or treatment. The letter states that an evaluation is required to be submitted to the Division in advance of any change in source and in advance of treatment modifications which might affect the corrosivity of the water.

Mr. Zorzi received an email from Steve Testa of Romano, Hearing, Testa & Knorr regarding the Water Quality Accountability Act. Mr. Testa wanted us to be aware that the DEP informed the Division of Local Government Services of the infrastructure and cybersecurity requirements that are being imposed with the WQAA. Mr. Zorzi doesn't feel this is required of the BBMUA due to the fact that no Scada or internet controlled based systems are part of our drinking water operations.

Alan Zorzi had meetings with the NJ Water Association and Remington, Vernick & Walberg in regards to the Water Quality Accountability Act. NJ Water Association provided pricing to the BBMUA for the GPS work required to be done to comply with the WQAA. One option is for NJ Water Association to perform the service in the amount of \$10,750.00 to GPS up to 400 valves & hydrants and map them. Another choice would be to purchase a unit for \$11,575.00 and purchase an iPad or tablet separately to record the data which would be an additional cost. If we purchase the unit they would come out and help us set it up and show us how to work it and we wouldn't have to pay for them to do the 400 valves & hydrants. Remington, Vernick & Walberg proposed a price of \$43,650.00 to locate the valves and to map them was an additional \$21,000.00. Mr. Zorzi feels this would be a good thing to purchase because we could eventually GPS all of our manholes and lines etc. If we go with NJ Water or we purchase the unit and NJ Water helps us with this the only remaining portion to bring us in to compliance with the WQAA would be the Asset Management Plan which Remington, Vernick & Walberg would have to do prior to April 2019. Remington was supposed to send revised pricing after the meeting Mr. Zorzi had with them but he had not received it prior to the meeting. Mr. Zorzi wanted to know if we have the money to either have NJ Water begin and order the equipment. Steve Testa stated that the service cost of \$10,750.00 would be a water expense and it would be considered a professional service. If you were to purchase the equipment it could be a capital expense that could be split between water and sewer since the equipment could be used to map both water and sewer. Mr. Zorzi also stated that NJ Water is approximately 2 months out. Mr. Testa said if you could wait to do it until January 1, 2018 it would be easier so it could be budgeted but if not we would have to work something out. Cheryl Santore is going to look at what money is available in professional services in the water budget and advise every one of the amount available at the next regular meeting.

Mr. Zorzi received an email from Peter Gallagher of Teligent regarding their water discharge results. Teligent is still trying to identify what may have caused the high results in late June. At this time they still have not been able to pinpoint what caused this. Teligent has contacted their lab to perform additional tests so they can get better trend data for their third quarter submission to us. Teligent also sent Mr. Zorzi and the BBMUA board members an invitation to their facility expansion ribbon cutting on Friday, August 31, 2018. Anyone that would like to attend please let Alan know so he can RSVP. Chairman Santagata stated he would like to attend.

Ed Wengrowski of the Pinelands Commission sent an email to Alan Zorzi asking him if it would be possible to arrange a brief presentation to the Commission at one of their upcoming meetings. Mr. Wengrowski asked Mr. Zorzi if he would be available to attend the meeting and assist him with the presentation and take a bow for the BBMUA's excellent performance. Chairman Santagata commended Alan Zorzi on this honor.

A letter was received by Alan Zorzi from Katrina Angarone of the State of NJ DEP Division of Water Supply & Geoscience regarding an emergency response plan per the NJ Water Supply Allocation Rules. Mr. Zorzi began working on the plan and hopefully it will not take too long to complete.

Mr. Zorzi informed the board that on August 9, 2018 he had a meeting with the NJDEP regarding the permitting for the effluent flow increase. It looks very promising that they will grant the BBMUA extra flow but we will see where it goes.

m/Baker s/Formisano to file all correspondence sent out for review without reading number 1 through number 16. m/passed

m/Baker s/Formisano to pay all bills presented for the month of August 2018. m/passed

The next regular meeting is scheduled for September 12, 2018 at 7:00 p.m.

m/Baker s/Formisano to adjourn the meeting 7:50 p.m. m/passed

Submitted by
Cheryl Santore-BBMUA Secretary