

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

The regular meeting of the BBMUA was held on January 11, 2012 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 John Brunini chairman.

Those present were:

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| J. Brunini | C. Santore |
| R. Baker | A. Zorzi |
| H. Bertonazzi | L. Bermudez |
| C. Mielke | |
| F. Soto | |
| S. Woshnak | |
| J. DuBois | |

Congratulations were given to Frank Soto for his appointment of another five year term to the BBMUA board.

Chairman Brunini explained that the compliance statement from Level 1 Construction pertaining to the 2011 treatment plant upgrade project is a list of items that are needed for the project. The preconstruction meeting will be held on Wednesday, January 18, 2012 at 2 p.m. at The Borough of Buena Municipal Building at 616 Central Avenue, Minotola.

m/Baker s/Soto to appropriate payment not to exceed the amount of \$6,500.00 to be paid to Remington, Vernick & Walberg for the completion of the NJPDES Residual Permit renewal that must be filed prior to the expiration of our current permit which will expire on 06/30/12. m/passed

Mr. Luis Bermudez of 204 W. Flower Street attended the meeting during the public portion to inquire about the sewer rate increase that was discussed, adopted and approved at the December 14, 2011 public hearing. Chairman Brunini explained the reasoning behind the increase so that Mr. Bermudez had a better understanding as to why the increase was implemented. Mr. Bermudez suggested that next time a public hearing is being conducted that we make a notation on the billing cards issued prior to the meeting because a majority of the customers were not aware of the public hearing that was previously advertised as required by law.

The chairman suggested that the next step of the BBMUA will be to begin working on another well due to the increased capacity of water usage for future development and our current limited firm capacity allowance with the State of New Jersey Department of Environmental Protection Division of Water Supply and Geoscience.

m/Baker s/Mielke adopt resolution R-1-2012 authorizing the employment of Cheryl Santore as Senior Clerk, Secretary/Treasurer, Finance Officer of the BBMUA and further authorizing execution of the agreement for a one year term of employment effective January 1, 2012 through December 31, 2012.

m/passed

m/Baker s/Soto adopt resolution R-2-2012 appointing Cheryl Santore as the Fund Commissioner for the NJ Utility Authorities Joint Insurance Fund.

m/passed

m/Soto s/Mielke adopt resolution R-3-2012 adopting a new Cash Management plan for the calendar year 2012.

m/passed

m/Baker s/Soto adopt resolution R-4-2011 designating Secretary/Treasurer, Cheryl Santore as an authorized signatory on all banking accounts of the BBMUA

m/passed

m/Baker s/Soto adopt resolution R-5-2012 designating Plant Superintendent, Alan Zorzi as an authorized signatory on all banking accounts of the Authority in the absence of any of the previously authorized signators.

m/passed

The following individuals, Member Charles Mielke, Alternate Jim DuBois and Secretary Cheryl Santore met on Friday, January 6, 2012 at 10 a.m. to review the (RFQ's) Request for Qualifications for Professional services as advertised in the official newspapers of the BBMUA on December 21, 2011. All the RFQ packages were received within the timeframe and the recommendations to the board members were set forth after their review and discussion.

Alan Zorzi the BBMUA's plant superintendent received a letter from Dan McGinnis, the Assistant Engineer for the Atlantic County Department of Regional Planning and Development regarding roadway safety concerns with the existing utility manholes on Central Avenue from Rout 40 to Oak Road. Alan contacted and met with Jay Steinmetz and a unit supervisor for Atlantic County and determined that the manholes in question do not belong to the BBMUA but belonged to Einhorn Construction and the EPA. The BBMUA's engineer Remington, Vernick & Walberg was contacted to confirm that an inspector from their firm as well as an inspector from the County were on site when the collection system and roadwork was performed. Our Engineer confirmed this to be the case. Therefore, Atlantic County was going to contact the owners of the manholes in regard to the repairs that are necessary.

Alan Zorzi, the BBMUA's Plant Superintendent, also informed the Board that the septage for December was 365,000 Gallons. This is down roughly 169,000 gallons from the prior year when Cifialoglio was bringing in a lot of septage. On a good note it appears that the septage is beginning to pick up with our existing and new septage haulers.

The plant superintendent also informed the board that on January 1, 2012 there was a saddle failure on Weymouth Road. The employees were called out and they were able to fix this without calling in a contractor to make the repair. By going out and doing a repair ourselves we are saving a considerable amount of money versus bringing in a contractor.

m/Baker s/Mielke accept the treasurer's report as read. m/passed

m/Baker s/Mielke accept the minutes of the last regular meeting held on December 14, 2011. m/passed

Roll Call Vote Baker-yes Bertonazzi-yes Mielke-yes Soto-yes Brunini-yes

The following paragraphs are an amendment to the BBMUA's regular meeting minutes held on December 14, 2011. These paragraphs will replace paragraph 3 of the minutes dated December 14, 2011.

A sewer rate hearing was held on December 14, 2011 at 7:00pm in accordance with N.J.S.A 40:14B-23 and was advertised in the Daily Journal, Atlantic County Record, the BBMUA's website and conspicuously posted in the Buena Municipal building. Chairman John Brunini informed the board that the proposed \$120 annual sewer rate increase is necessary to fund the cost of the mandated upgrades to the existing BBMUA plant. This upgrade was the result of the signing of a Memorandum of Agreement (MOA) between the Pinelands Commission, the BBMUA and Buena Vista Township in order to construct the new Middle School adjacent to the existing Buena Regional High School. If the BBMUA did not agree to the terms of the MOA the Pinelands Commission would not approve construction of the new middle school or any expansion of the BBMUA existing plant which are both located in the Pinelands. After several months of talks, negotiations and a failed legal attempt by the Board of Education the BBMUA, with the consent of Buena Vista and Buena Borough governing body, decided it was in the best interest of the Communities for the BBMUA to agree and sign the MOA.

This MOA agreement forced the BBMUA to remove the discharge from the Deep Run Stream. After spending several months and thousands of dollars testing the only promising parcel of ground (Donato property) for a land discharge site, the Pinelands and the Engineers ultimately decided that the property would not be suitable. At this point with no other suitable sites for land discharge the Pinelands decided it would change their regulations to allow stream discharge within the Pinelands and allow us to stay in the stream if we used a new hi-tech Bio Membrane system process. So again after several

months of research, engineering, meetings and public hearings the BBMUA reached the best agreement it could under the circumstances and signed the amended agreement. The BBMUA qualified for a low interest USDA \$4,600,000 loan and grant with approximately \$3,600,000 in loan and \$1,000,000 in grant. The total project cost is approximately \$4,500,000 not including any contingency or ongoing maintenance on the membranes that must be replaced every 7 to 10 years at an estimated cost of \$800,000 to a \$1,000,000 in today's dollars. The \$120 rate increase will raise approximately \$260,000 per year of which approximately \$150,000 per year will pay the debt service for the project construction and the other \$110,000 per year will pay for the maintenance on the membranes. Even with the increase in rates we are still lower than other MUA's our size within the Pinelands such as Egg Harbor (\$600 per year) and Medford Lakes (\$700 per year).

The BBMUA has run a very frugal operation for several years and will continue to do so as long as there are no other costly regulations, which we have no control over, shoved down our throat. We have not raised Water rates in over 25 years and we have not raised sewer rates in over 15 years. In fact we have even lowered rates twice over the last 15 years. Our sewer rates in 1997 were \$494 per year. After the new increase they will be \$545 per year. That is a \$51 increase over a 15 year period. Our plant work force has not increased over the past 7 years and their raises were very modest. With the employment of part time personnel and shared services with the Borough we have been able to cut over \$40,000 from last year's budget.

m/Baker s/Soto pay all bills presented.

m/passed

m/Baker s/Soto file all correspondence sent out for review without reading number 1 through number 25.

m/passed

The next regular meeting will be held on January 25, 2012 at 7 p.m.

m/Mielke s/Bertonazzi adjourn the meeting 7:55 p.m.

m/passed

Submitted by
Cheryl Santore-BBMUA Secretary