

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

The regular meeting of the BBMUA was held on September 13, 2017 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	J. Alvarez
R. Delano	C. Santore
J. Formisano	A. Zorzi
J. Johnston	S. Testa
J. Santagata	

Chairman Santagata informed the board that the BBMUA was copied on an email sent by Mayor David Zappariello of the Borough of Buena to Hans Lampart regarding a reduction of fees for Buena Garden Apartments. Mayor Zappariello suggests that Mr. Lampart kindly address the issue with the BBMUA Board and try to work together for a resolution.

A letter was received addressed to Alan Zorzi, Superintendent, from Charles W. Gabage of Eisenstat, Gabage & Furman Attorneys at Law regarding a letter that was sent to the Mayor on behalf of Hans Lampart requesting a meeting regarding the reduction of fees for Buena Garden Apartments. This letter is requesting that Mr. Zorzi be a participant in that meeting. Chairman Santagata stated this is an old issue and if you read the Mayor's response to Mr. Lampart he feels it is spelled out clearly. The Chairman asked the members if anyone is interested in meeting with him and the response was that there was no interest in meeting. Chairman Santagata feels there probably is no way we can resolve that issue.

Robert Smith of Remington, Vernick & Walberg received an email from Alan Workman of the NJDEP notifying him that he received the responses to the Department's Technical Deficiency letter dated July 24, 2017. Those documents will be added to our permit application and a pre-draft of the permit should be available soon for informal review.

A letter was received from Robert Smith of Remington, Vernick & Walberg by Chairman Santagata along with the application package for Liberty Village requesting signatures where indicated.

Robert Smith of Remington, Vernick & Walberg sent a letter to Chairman Santagata transmitting three sets of contract documents to our office for execution and return for the furnishing and delivery of the sludge composting screening system.

Robert Casella of Testa, Heck, Testa & White sent a letter to John Lillie providing him with the executed agreement of sale for the property located at 501 Plymouth Road, Block 121, Lot 13 for his records along with a copy of the resolution adopted by the BBMUA authorizing the execution. Mr. Casella informed Mr. Lillie that it is necessary to extend the closing date due to the length of time it will take to have the Phase 1 inspection completed. Mr. Casella prepared an addendum to the agreement which was signed by both parties and a copy was returned to Mr. Lillie for his records.

Steve Testa of Romano, Hearing, Testa & Knorr presented the Audit for the BBMUA for the period ending December 31, 2016 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 2016 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 next year 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/Delano to adopt Resolution R-27-2017 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, 2016 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, 2016 can be found on the BBMUA website.

During the discussion of the audit Plant Superintendent Alan Zorzi asked how important is our septage revenue is and how dependent are we on that revenue. Mr. Zorzi stated that this year was the first time in 24 years that we had to turn people away because our septage receiving station needs to be upgraded. It will cost a lot of money to upgrade this station and if the station has to be down long term, what effect will this have on our budget? The BBMUA Auditor stated that on a budgetary perspective the BBMUA is conservative. None the less this is a pretty significant revenue source that the BBMUA depends on. It may come to increasing the septage rates in the future to provide for the upgrade of the septage receiving station as well as possibly implementing an electronic system to provide access to the haulers after hours. The board asked what the budget numbers would be to upgrade the septage station. Mr. Zorzi stated that the figures for the equipment would cost close to what we collect in septage revenue for the year and that doesn't include the cost to install it or electrical work.

An email was received from Maryann Coraluzzo, Clerk for the Borough of Buena providing a copy of the Issuance of Final Swimming Pool Discharge B6 General Permit NJ01 28589 for our information.

Newfield National Bank sent a copy of the Governmental Unit Deposit Protection Act Certificate as of June 30, 2017 for our records.

The Board members received an invitation from the Cumberland County Board of Trustees inviting the members to attend the Distinguished Alumni Gallery Induction Ceremony and Reception in honor of Mr. Stephen P. Testa on Thursday, October 5, 2017 at 7:00 pm at the George P. Luciano Sr. Theater Frank Guaracini Jr. Fine and Performing Arts Center. Congratulations were extended to Mr. Testa on this honor.

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

m/passed

m/Baker s/Delano to adopt resolution R-26-2017 amending Resolution R-22-2017 adopted at our last regular meeting held on August 23, 2017 for the award of the Solar Project and Execution of the Power Purchase Agreement to include Buena Solar, LLC as the assigned provider in the Power Purchase Agreement.

m/passed

A copy of the 2017 Continuing Disclosure Agreement for Agent Services and appointment as Independent Registered Municipal Advisor from Phoenix Advisors, LLC to conduct the continuing disclosure review and survey in connection with the SEC's MCDC initiative in the amount of \$950.00 was provided to the board for their approval.

A copy of the ad placed in the Daily Journal and Atlantic County Record for the RFP for Risk Management Consultant Services was provided to the board. The bids will be received on September 20, 2017 at 10:30 am and the results will be presented to the Board at the regular meeting to be held on September 27, 2017 for their review and award.

m/Baker s/Delano to approve the minutes of the regular meeting held on August 23, 2017.

m/passed

Plant Superintendent Alan Zorzi informed the board that Alan Workman from the NJDEP will be at the plant to perform a residual inspection on September 14, 2017 prior to issuing our draft residual permit.

Mr. Zorzi also informed the board that Scalfo has been doing a lot of repairs at the plant in the past month.

Mr. Zorzi received a call from a councilmember from the Borough of Buena asking the status of Louis Drive. Mr. Zorzi stated that we are waiting for Remington, Vernick & Walberg to prepare the bid and advertise. The councilmember stated that they spoke with the engineer at Remington, Vernick & Walberg and he stated that he was told the project was not a viable project. Mr. Zorzi called Robert Smith and Mr. Smith stated that he was told by a person at the Borough of Buena that this particular person didn't think the project was going to go through. Mr. Zorzi told Mr. Smith that the BBMUA Board did not give permission to put the project on hold or that the project wasn't going through. Therefore, he still needs to work on the bid. Mr. Smith stated that he still wants to meet with the residents and is waiting on the Borough Administrator to set up a meeting so that any of their concerns can be added to the bid specs if necessary. Mr. Zorzi informed the

councilmember of the conversation that he had with Robert Smith and the councilmember said he would stay on top of it on his end and make sure the meeting gets set up and the BBMUA is aware of when that meeting will take place so a representative(s) can be in attendance.

m/Baker s/Formisano to file all correspondence sent out for review without reading number 1 through number 15. m/passed

m/Baker s/Delano to pay all bills presented for the month of September 2017. m/passed

The next regular meeting will be held on September 27, 2017 at 7:00 p.m.

m/Delano s/Johnston to adjourn the meeting 7:55 p.m. m/passed

Submitted by
Cheryl Santore-BBMUA Secretary