

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

The regular meeting of the BBMUA was held on October 23, 2019 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	A. Zorzi
R. Delano	R. Smith
J. Santagata	R. Casella
J. Alvarez	S. Testa

Chairman Santagata informed the board that a letter was received from Michael Capizola of Capizola, Pancari, Lapham & Fralinger regarding the sewer billing for the property owned by Central Atlantic Realty (the old Minotola Bank). Mr. Capizola would like the BBMUA to make an adjustment to his sewer bill because apparently there was a leaking toilet in the unoccupied building and the water sprinklers were being utilized and he was unaware that Commercial establishments sewer bills were calculated on the amount of water they use. The board decided that there is no adjustment that can be made because the water went through the meter and therefore we must treat him just like any other customer.

m/Baker s/Delano to deny any adjustment to the bill as requested by Mr. Capizola for his property located in the Borough of Buena located at 709 Central Avenue, Minotola, NJ 08341.

m/passed

Robert Smith of Remington & Vernick informed the board that in working with Bond Counsel on the NJ I-Bank funding for the Pump Station & Grit System Rehabilitation project Dennis Yoder has found that some of the cost estimates that are coming in have increased from what were received initially. The original construction cost estimate was about \$1,000,000.00 with about \$200,000.00 in soft costs and what he is being told now is that the construction costs now have increased to about \$1,300,000.00 with a total project cost of about \$1,500,000.00. The original cost estimates were prepare when we did the pump station study a few years back and Dennis came up with some of the reasons why the costs are more. The pump sizes for pump station #2 were increased

which impacted the electrical service and equipment. The original budget for the generators for pump stations #1 & #2 was about \$29,000.00. Now they are proposing to install natural gas generators which is double the initial estimate for the diesel generators. Also, they are having issues with replacing the original 1968 grit system and finding similar components to meet within the footprint. This may require building modifications and may have to be installed outside under a canopy. They are still working through the design process. The additional plant utility water needed for the septage receiving station may possibly be able to be put under the septage receiving station project. What this all boils down to is whether or not the board wants to proceed with the original budget. Dennis can prepare a base bid and alternate bids so we can make sure the project comes in under the budget the only issue is if the project comes in higher than anticipated some of the alternates may not be awarded. The question he proposes to the board is whether they want to leave the budget in place or increase the budget and request the I-Bank to increase the budget to \$1,500,000.00. They will still prepare a base bid with alternates anyway to make sure we have a project that comes in within budget. It would be nice to increase the budget so that we could get as many of the alternates as possible that are beneficial to the system. If the board wants to increase the project budget the board will have to adopt new resolutions that will have to be submitted to the Bond Counsel and they will have to reach out to the NJ I-Bank and request an increase in the project to the \$1,500,000.00. The only question that Mr. Smith wanted to ask the BBMUA Auditor is if we increase the project cost to \$1,500,000.00 will the BBMUA be able to cover the debt service. Mr. Testa said that you will have to set the rates to cover any debt service anyway and it is on the sewer side so it should not be a big problem so he thinks we will be alright there. Mr. Testa stated that the bigger issue is that not only do we have to adopt the resolution but the Borough of Buena will have to approve the project. Therefore, we would have to go before the Borough again with a higher amount. Another issue is the fact that NJEIT is working now on a priority plan basis. His concern is if we go back to them will we get knocked down on the priority list. Mr. Smith stated that was one of his concerns as well and when he spoke with Mr. Scangarella in our bond counsel office he said it would have no bearing on our position on the priority list. Chairman Santagata asked what Mr. Smith's opinion is. Is the opinion to go for the \$1,500,000.00? Mr. Smith stated yes he thinks we should go for the increased amount because we can still try to get the project to fit within the budget but we don't want to have a situation where we can't award the project because we don't have sufficient funds. Before you can award a contract you have to have the increase approved first. Mr. Testa said that we cannot award a contract until we have the State's approval for a bond issue because we have to certify funds to award a contract. The board is in agreement to go to Bond Counsel and ask for the resolution to increase the project budget cost from \$1,250,000.00 to \$1,500,000.00.

Mr. Smith asked the Board their preference on having a meter placed on the fire suppression line on the proposed Tractor Supply. The Board decided that they want to keep everything uniform and want a meter placed on the fire line so the water can be monitored.

Steve Testa of Romano, Hearing, Testa & Knorr gave the board an update as to where we are with being able to introduce the 2020 budget. The BBMUA will have to adopt a late introduction resolution that explains why we needed additional time to submit the budget. The budget will be introduced at the November 13, 2019 meeting.

m/Baker s/Alvarez adopt Resolution R-32-2019 authorizing the meeting of the Borough of Buena Municipal Utilities Authority closed to the public to discuss matters of personnel pursuant to N.J.S.A. 10:4-12(b)(8). m/passed

m/Baker s/Alvarez to open the executive closed session meeting at 7:34 pm. m/passed

m/Baker s/Delano to close the executive closed session meeting and return to regular session at 7:50 pm. m/passed

m/Baker s/Alvarez to accept the Memorandum of Agreement as discussed in the closed session meeting. m/passed

m/Baker s/Delano to approve the minutes of the regular meeting held on October 9, 2019. m/passed

m/Baker s/Delano to approve the minutes of the last closed executive session meeting held on October 9, 2019. m/passed

Plant Superintendent Alan Zorzi explained to the Board that Dennis Yoder sent an email to Anthony Esochaghi of Atlantic County informing him that he and Dennis would be attending the meeting of Atlantic County regarding the amendment of the Atlantic County Water Quality Management Plan. At this meeting the resolution was passed approving the amendment to the Water Quality Management Plan. The preliminary NJDEP draft was issued to us. Some of the limits are going to be pretty stringent and he is working on them with Monica Bell and will address them by November 1, 2019.

Mr. Zorzi presented the board with the budgetary membrane replacement proposal that was prepared and given to our board last year. Matt Stapleford of Suez was in the area today and came to the plant. Alan discussed this proposal with Mr. Stapleford and asked how we can take advantage of the proposal without going out to bid. If we cannot take advantage of the proposal by 2022 the reduced pricing will not be available. The pricing will be 40% higher. Steve Testa stated that we may be able to bid it in 2020 or 2021 or look into the GG exception which is part of the Local Public Contracts Law. The professionals will have to look into this. Steve's suggestion is to have it put in the Capital Budget for 2020 or 2021 while they research this.

m/Baker s/Delano to file all correspondence sent out for review without reading number
1 through number 6. m/passed

The next regular meeting will be held on November 13, 2019 at 7:00 p.m.

m/Delano s/Alvarez to adjourn the meeting 8:17 p.m. m/passed

Submitted by
Cheryl Santore-BBMUA Secretary