

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

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

m/Delano s/Johnston adopt Resolution R-33-2019 authorizing employment of Alan Zorzi as Superintendent of Water/Sewer and further authorizing execution of memorandum of agreement for a four year term of employment. m/passed

m/Delano s/Alvarez adopt Resolution R-34-2019 authorizing employment of Debbie Austino as Clerk II and further authorizing execution of memorandum of agreement for a three year term of employment. m/passed

m/Johnston s/Delano adopt Resolution R-35-2019 authorizing employment of Cheryl Santore as Administrative Clerk, Secretary/Treasurer, Finance Officer and further authorizing execution of memorandum of agreement for a three year term of employment. m/passed

m/Johnston s/Delano adopt Resolution R-36-2019 appointing Mary Fenselau to the position of Clerk Typist effective January 1, 2020 through December 31, 2020 at a rate of \$12.68 per hour for a maximum of 25 hours per week per Civil Service rules and regulations. m/passed

m/Delano s/Johnston adopt Resolution R-37-2019 authorizing participation in the SHBP/SEHBP for Dental Plan Coverage. Note: The Borough of Buena Municipal Utilities Authority will only facilitate the plan and will have no contribution to the employee's benefits. All monetary cost will be paid by the employee. m/passed

m/Delano s/Johnston adopt Resolution R-38-2019 confirming acceptance and approval of collective bargaining agreement with Teamster's Local Union #676 and authorizing execution of the same. m/passed

Robert Smith of Remington & Vernick received an email from John Notte of the NJ I-Bank regarding the BBMUA's water bank loan application no. 518-06 requesting a revised cost estimate for the project. Paul Kelley of Remington & Vernick provided the revised estimate to Mr. Notte via email.

Mr. Smith received an email from David Scheidegg of Schaeffer Nassar Scheidegg Consulting Engineers, LLC asking for a copy of the BBMUA's water system map. Mr. Smith did not want to release the map without asking the Board. The Board did not have a problem with that. Mr. Zorzi stated to make sure to tell Mr. Scheidegg not to rely on the map totally because that map is not the most accurate.

Mr. Smith informed the board that he received an email from Dave Parsons Eastern Consultants for the NJDOT. Mr. Parsons provided the NJDEP Application Form for Initial Physical Connection Permit for the Accubrine Building. Mr. Parsons needs the BBMUA Chairman's signature on page 1 section 5 of the application verifying that we concur with the proposed installation and the submission of the application for this project. Once it is signed Mr. Smith asked Secretary/Treasurer Cheryl Santore to include him in the email of the application.

Mr. Smith informed the board that the contractor that installed the Louis Drive Sanitary Sewer is becoming impatient trying to get paid for the remainder of the contract. The contract has not been closed out because there is a problem with the paving near one home owner's driveway causing a drainage issue. The contractor has done some work but it has not corrected the problem. Mr. Smith is trying to work with the contractor to get this matter settled.

m/Delano s/Johnston adopt Resolution R-41-2019 ratifying the late introduction and submission of the 2020 water and sewer operations budget. m/passed

Mr. Steve Testa presented the 2020 sewer and water budget for the BBMUA to the board for introduction. Mr. Testa stated during the initial attempt to put the budget together using the same percentages allocated for water and sewer as in 2018 there was a deficit in the water unrestricted undesignated net assets used to balance the budget. As suggested in the past, Alan Zorzi conducted an internal time study to see if the percentage allocated should be adjusted and distributed differently for water and sewer. It was found that an accurate distribution of percentages should be 70% for sewer and 30% for water.

Therefore, the allocation for 2019 will be adjusted as such and the allocation used to prepare the 2020 budget is the 70% for sewer and 30% for water. This helped the water unrestricted undesignated net assets, however a rate study was also performed for water that will be discussed after the budget presentation because we will be in the same situation in the future if something is not done with the water rates. Keep in mind water rates have never been raised since 1985 when the water service to residents were established. As of now we are not proposing any sewer rate increase or water rate increase for the 2020 budget. This year we will be utilizing \$26,737 of unrestricted undesignated net position to balance the water budget and \$153,022 of unrestricted undesignated net position to balance the sewer budget. Overall both budgets are conservative.

m/Delano s/Johnston to adopt Resolution R-42-2019 a resolution introducing the Sewer and Water Operation Budget for 2020. m/passed

Steve Testa of Romano, Hearing, Testa & Knorr informed the board of the updated calculation of the maximum allowable connection fee to the water system as of December 31, 2018. The computed maximum allowable connection fee in accordance with the formula provided in statute N.J.S.A. 40:14B-21 as of December 31, 2018 is \$2,499.00 per unit.

Mr. Testa also informed the board of the updated calculation of the maximum allowable connection fee to the sewer system as of December 31, 2018. The computed maximum allowable connection fee in accordance with the formula provided in statute N.J.S.A. 40:14B-22 as of December 31, 2018 is \$8,286.00 per unit.

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

Secretary/Treasurer Cheryl Santore presented a copy of the 2020 Edmunds GovTech Invoice for the annual software maintenance and support. The cost increased slightly in 2020 from \$5,624.00 to \$5,800.00. This is the first increase since 2009.

m/Delano s/Alvarez to approve the Edmunds GovTech annual software maintenance and support invoice in the amount of \$5,800.00. m/passed

Ms. Santore informed the board that she and Tim Kiel from Romano, Hearing, Testa & Knorr prepared an analysis of water rates as requested by the Board. There were 2 scenarios for a water rate adjustment presented to the board. They used the 2018 water information so they would have a full year's worth of data to analyze. One scenario reduces the allowable gallons per quarter. The other scenario reduces the allowable gallons per quarter and increases the excess charge from \$1.50/1,000 gallons to \$2.00/1,000 gallons. If the board chooses to go with one of these options a rate hearing

can be advertised and held. The board asked to present this to the board again in the beginning of 2020 so a public hearing can be held and they will make a decision at that time. Mr. Testa stated they could do a 2 year rate schedule and change the minimum the 1st year and change the excess over the second year and could also change the connection fee amount at the same time.

A memo was received from PERMA Risk Management Services advising us that our 2019 Dividend will be in the amount of \$6,395.00. This is a decrease of \$1,733.00 from last year's awarded amount. Every year we purchase safety incentive gift certificates for the employees with a portion of this dividend. Ms. Santore asked if the board wants to approve the purchasing of the gift certificates again this year. The board agreed to purchase the gift certificates again this year.

Ms. Santore received an email from Frank Scangarella of Winne Banta providing the resolutions necessary to amend the previous resolution adopted in March 2019 for the NJ I-Bank project increasing the amount from \$1,250,000.00 to \$1,500,000.00.

m/Delano s/Johnston adopt resolution R-39-2019 Authorizing Engineering Planning and Design Services previously approved at the March 20, 2019 meeting. m/passed

m/Delano s/Alvarez adopt resolution R-40-2019 Amending the Bond Resolution R-15-2019 adopted on March 13, 2019 in order to revise the amounts referred to therein. m/passed

m/Alvarez s/Delano to approve the minutes of the regular meeting held on October 23, 2019. m/passed

m/Johnston s/Delano to approve the minutes of the last closed executive session meeting held on October 23, 2019. m/passed

m/Delano s/Johnston to approve the 2020 Healy Ruff/Eaton service contract in the amount of \$4,745.00 by M & S Service Company, Inc. M & S Service Company is the only company in the surrounding area that can service our equipment. m/passed

Plant Superintendent Alan Zorzi informed the board when the NJDEP was drafting the new permit they asked Mr. Zorzi and Monica Bell from Remington & Vernick to review the draft. The NJDEP was saying there were no nondetects for phosphorus and B.O.D.s and certain things in the last 12 months' worth of data. Mr. Zorzi states that he always

has nondetects. Mr. Zorzi was instructed by the last Southern Enforcement Officer to report the maximum detection limit for a nondetect. The State is now saying they want a less than limit on the DMRs. Mr. Zorzi went back and did an entire year's worth of the DMRs to comply with the requirement. Mr. Zorzi contacted AllMax which is the software company he uses to complete his DMR reports to see how he can easily comply with the requirements. In order for AllMax to update the software it will cost \$700.00.

m/Delano s/Formisano to file all correspondence sent out for review without reading number 1 through number 21. m/passed

m/Alvarez s/Delano to pay all bills presented. m/passed

The next regular meeting will be held on November 27, 2019 if necessary. If not the next meeting will be December 11, 2019 at 7:00 p.m.

m/Delano s/Johnston to adjourn the meeting 7:49 p.m. m/passed

Submitted by
Cheryl Santore-BBMUA Secretary