

**OWNSHIP OF OCEAN SEWERAGE AUTHORITY
REGULAR MEETING**

Oakhurst, NJ

December 3, 2019

A meeting of the Township of Ocean Sewerage Authority was held on the above date at the Authority Administration Building, 224 Roosevelt Avenue, Oakhurst, New Jersey.

Present: Bernhardt, Galvin, Theodora, Villapiano
Absent: Stubbs
Others: Attorney John Bonello, Auditor David A. Kaplan, Executive Director William Schmeling, Operations Manager Edward Kwityn, Secretary Ruth Finn

Chairman Galvin called the meeting to order and all recited The Pledge of Allegiance.

The Chairman announced that the Meeting was being held in conformance with the Open Public Meetings Act of 1975 and that adequate notice has been duly posted where required and mailed to the Asbury Park Press and the Coaster in accordance with the law.

Auditor David A. Kaplan provided a review of the 2020 budget. He noted that the State reviewed the budget and no changes were required. There are no changes in the rates, and the budget is similar to that of last year. There was some discussion on the new budget.

WORK SESSION

Executive Directors Report. The Director advised that they were hoping to dye test the outfall line today, but the barge had to be removed on Saturday due to bad weather. They expect to bring the barge back tomorrow and plan to dye test on Friday to make sure all the bolts are tight where the spool pieces are connected to the old pipe.

He noted that at the last meeting we voted on the amendment to the service agreement with Ocean Township. Ocean Township will be voting on that on Thursday.

The Director advised that he did have someone comment about a commercial property on Route 35 that has been vacant for over a year. He wanted to know about why they are still paying their sewer bill. Mr. Schmeling did advise that TOSA did adopt a policy whereby commercial properties that have been vacant for one year, starting the second year we declare it inactive. So we will do that at our January meeting.

Attorneys Report. Mr. Bonello said that he had nothing new to report.

Operations Manager Report. Mr. Kwityn gave a review of his written report. There was some discussion about the polymer system.

BUSINESS SESSION

Review of Bill List. The bill list was reviewed and discussed.

Mr. Bernhardt offered the following resolution and moved its adoption. Mr. Theodora seconded the motion.

**RESOLUTION 19 - 107
BILL LIST**

BE IT RESOLVED by the Township of Ocean Sewerage Authority, in the County of Monmouth, New Jersey (not less than three (3) members affirmatively concurring) as follows:

December 3, 2019

1. All bills or claims as reviewed and approved by the Executive Director and as set forth in this Resolution are hereby approved for payment.

2. The authorized signers of checks are hereby authorized and directed to sign checks in the payment of bills and claims, which are hereby approved.

The computer printout of the list of bills will be on file in the Purchasing Agent's Office.

CURRENT FUND	\$ 165,803.41
REVIEW and INSPECTION	1,068.25
RENEWAL and REPLACEMENT	34,300.00
RESERVE for RATE	329,729.00
STABILIZATION	
EIT and CONSTRUCTION	1,132,329.76
PAYROLL ACCOUNT	<u>117,210.78</u>
TOTAL BILLS PAYABLE	\$ 1,780,441.20

Roll Call: Bernhardt, Galvin, Theodora, Villapiano

Yes Yes Yes Yes

CONSENT AGENDA

Mr. Villapiano moved the approval of the Minutes for the November 7, 2019 meeting, the Operation Managers Report and the adoption of Resolutions 19-108, 19-109, 19-110, 19-111 and 19-112 as a Consent Agenda. Mr. Bernhardt seconded the adoption of the Consent Agenda.

- a. Approval of Minutes of November 7, 2019 regular meeting.
- b. Motion to receive and file Operation Manager's Report.

Operations Managers Report December 2019

Collection System:

Line Maintenance

Robin Ct. to West Park, West Park to Robin Ct easement.

Willow Dr. to Rt. 35, Willow Dr. to Raleigh Ct. and Raleigh Ct. to Willow Dr. easement.

Service calls

1201 Birch Ave., backed up basement pipes. Main was good in street told homeowner to call plumber.

1707 Sunset Ave, full cleanout at curb. Jetted line to clear blockage after lateral. Inspected with TV we saw roots growing down line causing the issue. Mark Woszczak dug up and replaced line in street.

OTPD call TOSA to report a flipped over manhole cover at Sunset and Brielle Ave. When I got on scene OTPD and DPW were on scene as well. No one could find the flipped over manhole cover.

1319 Opdyke Ave., loose CC4 box that covers clean out stack. Dug up and repacked dirt around the box, homeowner was satisfied with the work

218 Alpern Ave, full cleanout at curb causing back up into house. Jetted line and broke the blockage loose. TV inspection we saw roots growing down the pipe. Mark Woszczak dug up and fixed line between curb and sidewalk roots where growing 6ft down into lateral.

Pump Station

Clean all pump stations

Maintenance:

Grit Removal System

10/30/19 – Install new #2 Grit Pump.

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10/31/19 – Found leaking nipple for #2 Grit Tank scouring water system. Replace nipple.

11/8-11/19 – Rebuild Grit Screw #2: Includes remove screw assembly and replace bearing and bearing shaft. NOTE: Screw assembly and tanks are starting to become badly rusted/rotted.

Final Tanks

10/30/19 – Install new motor for Final Tank #1.

Primary Tanks

11/1/19 – Adjust chain on Primary Tank #1.

Aeration Tank

11/4/19 – NOTE: Pilot installed rebuilt #110 mixer motor and gearbox. They pulled #210 to be rebuilt.

Sludge Building

11/6/19 – Replace defective guide wheel on Rotary Drum #2.

PSA

11/4/19 – Switch PSA system to run on one compressor.

Rolling Meadows Pump Station

11/11/19 – Fabricate transducer tube hanging system.

NOTE: Over the last year we have noticed that both pumps run hours are inconsistent. We have been trying to troubleshoot this problem for quite some time.

11/19/19 – Inspect check valves. Both check valves seem to be fully operational. Before disassembly of Check Valve #1 we notice one of the plastic nipples leaking. Remove piping to replace nipple. (The union used is extremely uncommon and we could not source another one. We were able to salvage the union by reaming the only plastic from the center.)

11/20/19 – Install pipe, fitting, and check valve assembly for Pump #1.

11/21/19 – Remove flush valve assembly from Pump #2 and plug outlet. Will monitor hours to see if hours drop.

Truck Maintenance

11/7/19 – Jet Truck – Debris tank leaking. Found hole in bottom of tank. Fabricate steel patch and weld patch to tank.

Electrical:

Disconnected # 1 final tank motor. Reconnected new motor. Checked voltage and amps were ok.

On Nov.1 there was a storm early in the morning tree damage to overhead service to Norwood Pump Station. Worked with EMI on replacing the whole outside service. JCP&L replaced the transformers.

Col - Terrace pump station problem with level controls. Repaired wires from the wet well.

Ran generators at plant for monthly exercise.

Installed new conduits and wire for new welder in shop. Made a 100 ft. Extension cord for the welder.

Replaced fan belts for exhaust fan in the Sludge building.

Repaired Electrical heater in the hypo building.

Disconnected motor in the Grit building for maintenance and reconnected.

Worked with Ed on in putting electrical drawing on the new Lucity server for the pump stations.

Replaced run pilot lights on the Sludge Building MCC Panel.

Ran new conduits for heater in shop and installed a new thermostat.

Put together a temporary din rail and power supply for the T-BOX SCADA SYSTEM for Green Grove Pump Station.

Operations:

Final Tank #3 has been off line waiting outfall pipe project shut down. No problems with process.

Worked on Lucity program uploading files and adding and deleting PMs.

Met with Bio-Air and Evoqua on the odor issues by primary tanks. Evoqua thinks our off-line Grit Building system is all we need. Had Mark Woszczak in to work a price on a pad and moving the unit.

As soon as the budget is set, I will be contacting Design Plastics to start the covers for that area.

Bio-Air was out to check for sludge odors.

Liquid Oxygen system had its yearly inspection. Recommended painting with epoxy paint now little rust.

Interlaken upgrade wet well and valve pit to be installed the week of Thanksgiving. Tank closest to the lake is filled in with concrete. After tanks set piping to begin. Expects to be using new wet well by the end of January 2020. Then start dismantling old building.

19 - 108

**AUTHORIZING APPOINTMENT OF CONNER STRONG & BUCKELEW AS RISK
MANAGEMENT CONSULTANT FOR 2020**

WHEREAS, the Township of Ocean Sewerage Authority is a member of the New Jersey Utility Authority Joint Insurance Fund ("Fund"); and

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WHEREAS, the bylaws of the Fund require the Authority to obtain a Risk Management Consultant to perform various professional services required by the Fund and the Authority; and

WHEREAS, the judgmental nature of the Risk Management Consultant's duties render comparative bidding impractical; and

WHEREAS, Conner Strong & Buckelew has submitted a proposal for risk management services to the Authority; and

WHEREAS, Conner Strong & Buckelew, through its representative Michael C. Avalone, has provided the Authority with quality risk management consulting services; and

WHEREAS, the Authority's Executive Director has determined and certified in writing that the value of the services as risk management consultant will not exceed \$17,500; and

WHEREAS, the term of this contract is for one (1) year from January 1, 2020 to December 31, 2020; and

WHEREAS, the services to be performed are "professional services" as defined in the Local Public Contracts Law, N.J.S.A. 40A:11-2(6) and therefore are excepted from the Local Public Contracts Law requirements for competitive bidding pursuant to N.J.S.A. 40A:11-5(1)(a)(i); and

WHEREAS, the Authority's Executive Director has certified that funds are available for this contract in general insurance (50-500-318), fees are included in the Authority's 2019 NJUA JIF assessment.

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Sewerage Authority as follows:

1. Conner Strong & Buckelew is hereby appointed as Risk Management Consultant for the Authority in accordance with the attached proposed contract for the period January 1, 2020 to December 31, 2020.

2. This contract is awarded without competitive bidding as a professional service under the provisions of the Local Public Contracts Law because the services involved are of such a qualitative nature and are not readily susceptible or subject to competitive bidding and further, that the above named firm has been determined to have expertise in this area and, in the opinion of the Authority Members, this firm can best provide the appropriate risk management services required.

3. A notice of this action shall be published according to law.

19 - 109

CONFIRMING THE SALE AND DETAILS OF THE \$685,000 SEWER REVENUE BONDS, SERIES 2019 OF THE TOWNSHIP OF OCEAN SEWERAGE AUTHORITY AND THE SALE THEREOF TO THE MONMOUTH COUNTY IMPROVEMENT AUTHORITY, AND DETERMINING VARIOUS RELATED MATTERS

WHEREAS, on June 14, 1985, The Township of Ocean Sewerage Authority (the "Authority") adopted a resolution entitled "Sewer Revenue Bond Resolution (as amended and supplemented from time to time, the "General Bond Resolution"); and

WHEREAS, pursuant to the terms of the General Bond Resolution, as supplemented on November 7, 2019 by a resolution entitled "Tenth Supplemental

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Sewer Revenue Bond Resolution Authority Authorizing \$825,000 Sewer Revenue Bonds, Series 2019 of The Township of Ocean Sewerage Authority, and Determining Various Matters Pertaining Thereto” (the “Tenth Supplemental Resolution”), the Authority has heretofore authorized, in accordance with the provisions of the General Bond Resolution, the issuance and delivery of not to exceed \$825,000 of Bonds to be designated as “Sewer Revenue Bonds, Series 2019” (the “Series 2019 Bonds”) to provide for (1) the financing of all or a portion of the costs of a capital project consisting of the replacement and rehabilitation of collection system lines, and aeration tank concrete rehabilitation, and (2) the payment of costs associated with the issuance of such bonds pursuant to the Tenth Supplemental Resolution (collectively referred to herein as the “2019 Project”); and

WHEREAS, the Tenth Supplemental Resolution contemplated that the Series 2019 Bonds would be sold by the Authority to The Monmouth County Improvement Authority (the “MCIA”) as part of the MCIA’s 2019 Governmental Loan Program; and

WHEREAS, on November 13, 2019, the New Jersey Local Finance Board (the “LFB”) issued positive findings in respect of (i) the issuance by the MCIA of its revenue bonds (the “2019 MCIA Bonds”) and (ii) the issuance by the Authority of the Series 2019 Bonds, in each case in order to, inter alia, finance the cost of the 2019 Project; and

WHEREAS, the Authority has received a proposal from the MCIA to purchase the Series 2019 Bonds as part of the MCIA’s 2019 Governmental Loan Program, and has requested that the Authority enter into a Bond Purchase Agreement and a Continuing Disclosure Agreement, as previously authorized by the Tenth Supplemental Resolution, in connection therewith; and

WHEREAS, pursuant to and in accordance with the Tenth Supplemental Resolution, the Authority now desires to determine the terms of the Series 2019 Bonds, and to make other related determinations.

NOW THEREFORE, BE IT RESOLVED BY THE TOWNSHIP OF OCEAN SEWERAGE AUTHORITY AS FOLLOWS:

Section 1 Amount of the Series 2019 Bonds. The Series 2019 Bonds in the principal amount of \$685,000 are hereby issued and sold in accordance with the provisions of the Tenth Supplemental Resolution and the provisions of this resolution (this “Confirming Resolution”). The Series 2019 Bonds shall constitute a single issue and shall be designated “Sewer Revenue Bonds, Series 2019”.

Section 2. Description of the Series 2019 Bonds.

a. Terms of the Series 2019 Bonds. The Series 2019 Bonds shall be dated and shall bear interest from December 23, 2019 at the rates, and shall mature, subject to redemption and early payment as herein provided, on December 1 in the years and in the principal amounts set forth in Exhibit A attached hereto.

b. Payment of Principal of the Series 2019 Bonds. The Series 2019 Bonds, as to principal, will be payable on the November 15 prior to each December 1 principal payment due date therefor, commencing on December 1, 2020, at the corporate trust office of U.S. Bank National Association, in its capacity as trustee for the 2019 MCIA Bonds (the “MCIA Trustee”).

c. Payment of Interest on the Series 2019 Bonds. The Series 2019 Bonds, as to interest, will be payable on the May 15 and November 15 prior to each June 1 and December 1, respectively, commencing on June 1, 2020, at the corporate trust office of the MCIA Trustee.

d. Form of the Series 2019 Bonds. The Series 2019

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Bonds shall be in substantially the form attached as Exhibit A to the form of Bond Purchase Agreement (as hereinafter defined) attached hereto as Exhibit B, which form of the Series 2019 Bonds is by this reference incorporated in full as if set forth herein, with such omissions, insertions and variations as are properly required and which are not contrary to any of the provisions of the General Bond Resolution, the Tenth Supplemental Resolution or this Confirming Resolution (collectively, the "Resolutions").

Section 3. Redemption of the Series 2019 Bonds.

a. Redemption of the Series 2019 Bonds. The Series 2019 Bonds shall be subject to redemption by prepayment prior to their stated maturities on the terms and in the manner set forth in MCIA's 2019B Pooled Governmental Loan Revenue Bond Resolution, adopted on November 7, 2019 (the "MCIA Bond Resolution").

b. Notice of Redemption. Notice of redemption in respect of the 2019 MCIA Bonds shall be given as set forth in the MCIA Bond Resolution. Notice having been given in respect of the 2019 MCIA Bonds, no additional notice in respect of the Series 2019 Bonds shall be required, except as may be required by the MCIA Bond Resolution.

Section 4. Award of the Series 2019 Bonds; Ratification and Approval of Bond Purchase Agreement. The sale and award of the Series 2019 Bonds to the MCIA as authorized by the Tenth Supplemental Resolution, at a purchase price of \$827,679.85 (par amount of \$685,000, plus a net original issue premium of \$142,679.85), and subject to netting to reflect the Authority's share of the costs of issuance of the MCIA (including but not limited to the County guaranty premium and the underwriters' discount), is hereby authorized, ratified and confirmed. The terms and conditions of such offer are set forth in a Bond Purchase Agreement, dated on or about December 3, 2019 (the "Bond Purchase Agreement"), in substantially the form attached hereto as Exhibit B (modified to reflect the final pricing terms and other conforming changes) and which by this reference is made a part hereof as if set forth in full herein. Settlement for the Series 2019 Bonds will be made in immediately available funds on December 23, 2019, or on such other date as may be agreed to by the Authority and the MCIA. The execution and delivery by the Executive Director of the Bond Purchase Agreement on behalf of the Authority is hereby authorized, ratified and confirmed, and such execution and delivery shall constitute the acceptance by the Authority of the MCIA's offer to purchase the Series 2019 Bonds.

Section 5. Approval of Preliminary and Final Official Statement. The Authority hereby approves and deems final the information concerning the Series 2019 Bonds, the Authority and the Authority's constituent municipalities as contained in the MCIA's Preliminary Official Statement dated November 25, 2019 and the MCIA's final Official Statement to be dated on or about December 3, 2019, each as prepared and circulated by the MCIA in connection with the offering of the 2019 MCIA Bonds.

Section 6. Additional Acts. On behalf of the Authority, the Chairman, Vice Chairman or the Executive Director are authorized and directed to take all steps which are necessary or convenient to effectuate the terms of the Tenth Supplemental Resolution and this Confirming Resolution with respect to the issuance, sale and delivery of the Series 2019 Bonds, including, but not limited to, any determinations required by the Resolutions, and the execution of closing documentation.

Section 7. Effective Date. This Confirming Resolution shall take effect upon adoption hereof.

**Exhibit A
Terms of the Series 2019 Bonds**

The Series 2019 Bonds shall bear interest at the respective interest rates per annum, which are set forth below from December 23, 2019, payable on each June 1 and December 1, commencing on June 1, 2020. The Series 2019 Bonds will mature on December 1 in each year of maturity. Principal shall be payable to the MCIA Trustee, in its capacity as trustee for the 2019 MCIA Bonds, on the November 15 prior to each December 1 principal payment date, and interest shall be payable to the MCIA Bond Trustee on the May 15 and November 15 prior to each June 1 and December 1 interest payment date:

<u>Maturity</u>	<u>Principal</u>	<u>Rate</u>
12/1/2020	\$ 20,000	4.00%
12/1/2021	20,000	5.00
12/1/2022	25,000	5.00
12/1/2023	25,000	5.00
12/1/2024	30,000	5.00
12/1/2025	30,000	5.00
12/1/2026	30,000	5.00
12/1/2027	35,000	5.00
12/1/2028	35,000	5.00
12/1/2029	35,000	5.00
12/1/2030	40,000	5.00
12/1/2031	40,000	5.00
12/1/2032	40,000	5.00
12/1/2033	40,000	4.00
12/1/2034	40,000	4.00
12/1/2035	40,000	4.00
12/1/2036	40,000	4.00
12/1/2037	40,000	4.00
12/1/2038	40,000	4.00
12/1/2039	<u>40,000</u>	4.00
	\$ 685,000	

19 - 110

AUTHORIZING REFUND FOR ACCOUNT NUMBER 1383-0

WHEREAS, on November 7, 2019 account number 1383-0 was declared inactive as of October 10, 2019 because the property was disconnected from the Authority's collection system and the residential structure demolished; and

WHEREAS, the amount of \$12.50 was determined to be due a portion of the fourth quarter 2019 annual service charge; and

WHEREAS, a direct debit for the fourth quarter annual service charge in the amount of \$115 was directly debited from the owner's bank account on or about November 15, 2019.

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Sewerage Authority that a refund in the amount of \$102.50 be paid to 62 Monmouth Road, LLC.

19 – 111

**AUTHORIZING RETURN OF MAINTENANCE GUARANTEE AND ESCROW MONEY FOR
FINDERNE STREET EXTENSION - APPLICATION NUMBER 171**

December 3, 2019

WHEREAS, the performance guarantee for the Finderne Street Extension project was released in 2014 subject to posting a maintenance guarantee in the amount of \$6,434.70; and

WHEREAS, there have been no issues with the maintenance of the collection system installed as part of the Finderne Street Extension project since the posting of the maintenance guarantee.

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Sewerage Authority that the maintenance guarantee in the amount of \$6,434.70, plus interest, be returned to Bevin Irvin Builders, Inc., the developer of the Finderne Street Extension; and

BE IT FURTHER RESOLVED that any escrow held by the Authority for the Finderne Street Extension project be returned to Bevin Irvin Builders, Inc.

19 - 112

AUTHORIZING EXECUTION OF JERSEY CENTRAL POWER & LIGHT AGREEMENT FOR INSTALLATION OF ELECTRIC DISTRIBUTION FACILITIES

WHEREAS, the Authority awarded a contract for the Interlaken Pump Station Reconstruction project to DeMaio Electrical Company, Inc. on September 4, 2018; and

WHEREAS, the reconstruction requires the installation of new electric distribution facilities to serve the Pump Station; and

WHEREAS, Jersey Central Power & Light requires the Authority to enter into an agreement for installation of electric distribution facilities; and

WHEREAS, it is in the interest of the Authority to enter into such an agreement with Jersey Central Power & Light.

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Sewerage Authority that it hereby authorizes its Chairman, Vice Chairman, Secretary, Assistant Secretary and Executive Director to execute the Jersey Central Power & Light agreement for installation of electric distribution facilities, a copy of which is attached.

VOTE ON CONSENT ITEMS:

Roll Call: Bernhardt, Galvin, Theodora, Villapiano

Yes Yes Yes Yes

Resolution

Mr. Bernhardt offered the following Resolution and moved its adoption. Mr. Theodora seconded the motion.

19 - 113

AUTHORIZING PAYMENT IN THE AMOUNT OF \$718,817.83 TO WEEKS MARINE INC. FOR OCEAN OUTFALL REPLACEMENT PROJECT

WHEREAS, the Authority awarded a contract for its Ocean Outfall Replacement Project to Weeks Marine Inc. in the amount of \$5,324,150.00 (the "Project") on September 8, 2018; and

WHEREAS, the Weeks Marine requested payment for materials and equipment purchased and work performed under the contract; and

WHEREAS, by letter dated November 27, 2019 the Authority's engineer has recommended payment in the amount of \$455,967.71 pursuant to its Payment Application No. 8.

December 3, 2019

THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby approves payment in the amount of \$455,967.71 to Weeks Marine Inc. for the Ocean Outfall Replacement Project in accordance with Payment Application No. 8.

Roll Call: Bernhardt, Galvin, Theodora, Villapiano

Yes Yes Yes Yes

Resolution

Mr. Bernhardt offered the following Resolution and moved its adoption. Mr. Theodora seconded the motion.

19 - 114

AUTHORIZING PAYMENT IN THE AMOUNT OF \$584,461.96 TO DeMAIO ELECTRICAL COMPANY, INC. FOR INTERLAKEN PUMP STATION RECONSTRUCTION PROJECT

WHEREAS, the Authority awarded a contract for the Interlaken Pump Station Reconstruction project to DeMaio Electrical Company, Inc. (“DeMaio”) in the amount of \$3,265,000 (the “Project”) on September 4, 2018; and

WHEREAS, the DeMaio has provided equipment and material for the Project and performed work at the site; and

WHEREAS, the Authority’s engineer has prepared Payment Certificate No. 10 in the amount of \$584,461.96.

THEREFORE, BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby approves payment in the amount of \$62,230.07 to DeMaio Electrical Company, Inc. for the Interlaken Pump Station Reconstruction project in accordance with Payment Certificate No. 10.

Roll Call: Bernhardt, Galvin, Theodora, Villapiano

Yes Yes Yes Yes

Resolution

Mr. Theodora offered the following Resolution and moved its adoption. Mr. Villapiano seconded the motion.

19 - 115

AUTHORIZING TRANSFER OF AVAILABLE SURPLUS FUNDS TO THE TOWNSHIP OF OCEAN PURSUANT TO N.J.S.A. 40A:5A-12.1

WHEREAS, by resolution dated October 10, 2019, the Township of Ocean requested the Authority appropriate \$329,729 from available surplus reserves.

BE IT RESOLVED that the Township of Ocean Sewerage Authority hereby appropriates \$329,729.00 from its available surplus reserves to the Township of Ocean.

Roll Call: Bernhardt, Galvin, Theodora, Villapiano

Yes Yes Yes Yes

There being no further business to come before the Authority, Mr. Villapiano moved that the meeting be adjourned. Mr. Bernhardt seconded the motion and all voted in favor of adjournment.

Respectfully submitted,

RALPH E. STUBBS, Secretary