

**TWO RIVERS WATER RECLAMATION AUTHORITY
ONE HIGHLAND AVENUE
MONMOUTH BEACH, NEW JERSEY 07750**

The Regular Meeting of the Two Rivers Water Reclamation Authority was held on Tuesday, August 21, 2012 at 6:00 PM at One Highland Avenue, Monmouth Beach, New Jersey.

Mr. William E. Leonard, Chairman, presided.

All Resolutions are contained in the Resolutions portion of the minutes.

Members Present: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

Others Present: Mr. Michael A. Gianforte, P.E., Executive Director
Mr. Edward Griffin, Financial Manager
Mr. David Applegate, P.E., Representing Birdsall Services Group
Mr. David Laughlin., Birdsall & Laughlin, LLC

NOTICE OF REGULAR MEETING

Statement is hereby made that adequate Notice of Meetings has been provided by publishing the same in the Asbury Park Press on Sunday, December 25, 2011, and The Atlanticville on Wednesday, December 28, 2011, and mailing the same on Wednesday, December 21, 2011, to the Clerks of the participant municipalities of the Boroughs of Fair Haven, Little Silver, Monmouth Beach, Oceanport, Shrewsbury and West Long Branch, and all customer communities whose geographic boundaries are co-extensive with those of this Authority, and by prominently posting said Notice in the entry way of the Authority's office building on Wednesday, December 21, 2011.

CHAIRMAN RULES OF QUORUM

Mr. Leonard declared that a quorum was present. All present saluted the American Flag.

**APPROVAL OF THE REGULAR MONTHLY MEETING
MINUTES OF JULY 17, 2012**

Mr. Barham moved that the minutes from the Regular Monthly Meeting held July 17, 2012 be approved as submitted. The motion was seconded by Mr. Tocci and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Arno Weber, Assistant Secretary
Mr. Scott Hartman

Abstain: Mrs. Catherine D. LaPorta
Mr. Mr. Brian McPeak

Members Absent: Mr. William W. Nolze

CORRESPONDENCE

Mr. Gianforte reported that there was one item of correspondence. A Thank You note was received from the family of former TRWRA Commissioner George Steneck who passed away. The Authority sent them a Sympathy card for their loss.

PUBLIC COMMENT ON AGENDA

There was no public present.

ENGINEERING COMMITTEE

ENGINEERING MANAGER'S REPORT

Mr. Tocci requested that Mr. Gianforte report to the Board in the absence of Mr. Galvin. Mr. Gianforte stated that everything in the report is pretty much covered in the resolutions and asked if there were any questions. With no questions from the Commissioners, Mr. Gianforte turned the meeting over to Mr. Applegate for the Consulting Engineer's report.

CONSULTING ENGINEER'S REPORT

Mr. Applegate had no additions to his report.

Mr. Baarck asked Mr. Applegate what his scope of activity was pertaining to "Easement 1 – 12" that appears on the bills this month? Mr. Applegate responded it was the Gillespie Avenue gravity sanitary sewer main. Birdsall Services Group did the design; prepared the survey; prepared temporary and permanent easements; prepared the CAFRA Permit, post construction and helped administration through construction.

Mr. Baarck then asked Mr. Gianforte if the Authority already owned an easement at that point running over 907's driveway. Mr. Gianforte stated that there are a lot of easements out there. The easements referred to in the name "1 through 12" are the ones that were along the beach. The Authority had easements that were more water side and had to gain temporary easements that were more on the land

side from the homeowners and those are the easements that the Authority sent the note thanking the homeowners. The Authority is in the process of getting permanent easements in those locations giving the Authority more of the necessary easements than before. Mr. Applegate added that the easements would be more towards the land away from the water.

Mr. Tocci asked if there were any more questions. Mr. Christopher asked Mr. Gianforte who the builder was on one of the Shrewsbury projects. Mr. Gianforte responded that the current builder is DP Ray but it has recently been sold to Toll Brothers. Shrewsbury Meadows is now in the process of changing the name of the development. Further discussion took place on this project.

Mr. Gianforte stated that at the last meeting, there was some discussion about FraMar Enterprises in West Long Branch, where they had not paid the connection fee on one of their homes. They have also not completed a repair to their improperly constructed sewer main. David Laughlin advised that utilization of the Letter of Credit on file with the Authority is a way to get it fixed, since the Authority cannot continue to have these homes connected to a deficient line, and to have the Authority's Emergency Contractor, JF Kiely, do the repair. The Authority would draft on the Letter of Credit. As a requirement, the Board must approve or accept the findings of the Authority's Engineer, Dennis Galvin, that it's deficient. There is a Letter of Findings from Dennis Galvin that says there are deficiencies and it cites the notifications that the Authority gave to FraMar by Certified Mail, and then the resolution accepts the findings of Dennis Galvin and that allows the Authority to draft on the Letter of Credit.

Mr. Christopher asked for detail on the findings by Dennis Galvin also asking if this was all new work. Mr. Gianforte stated that it was all new work when it was installed; FraMar had hired D & D to come in and fix the problem that was created by the original contractor. That work was not performed. Mr. Christopher asked if the line was back-pitching and Mr. Gianforte stated that it is a dip in the line so the sewage just sits there and will cause eventual clogging.

Mr. Gianforte then presented Resolution #2012-08-73 for approval.

**RESOLUTION #2012-08-73
ENDORISING THE FINDINGS OF THE ENGINEER THAT FRAMAR ENTERPRISES LLC.
HAS FAILED TO PAY A CONNECTION FEE AND FAILED TO REMEDY CERTAIN
DEFECTS IN THE SANITARY SEWER MAIN INSTALLED BY FRAMAR ENTERPIRSES LLC.**

Mr. Tocci moved Resolution #2012-08-73 for adoption. The motion was seconded by Mr. Christopher and carried by the following vote on roll call:

AYES:

- Mr. William E. Leonard, Chairman
- Mr. Thomas Barham, Vice Chairman
- Mr. William R. Baarck, P.E., Secretary
- Mr. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. John Bonforte
- Mr. Gregory J. Christopher
- Mrs. Catherine D. LaPorta
- Mr. Brian McPeak
- Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

Mr. Gianforte read the following Resolutions:

RESOLUTION #2012-08-66
AUTHORIZING CHARGES AGAINST THE ENGINEERING INSPECTION ACCOUNT
FOR SHREWSBURY MEADOWS FOR PROPERTY KNOWN AS BLOCK 70.02, LOT 6;
IN THE BOROUGH OF SHREWSBURY, MONMOUTH COUNTY, NEW JERSEY

Mr. Berdahl moved Resolution #2012-08-66 for adoption. The motion was seconded by Mr. Tocci and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

RESOLUTION #2012-08-67
AUTHORIZING THE RELEASE OF THE PERFORMANCE GUARANTEE
FOR SHREWSBURY MEADOWS FOR PROPERTY KNOWN AS BLOCK 70.02, LOT 6;
IN THE BOROUGH OF SHREWSBURY, MONMOUTH COUNTY, NEW JERSEY

Mr. Berdahl moved Resolution #2012-08-67 for adoption. The motion was seconded by Mr. Tocci and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

**RESOLUTION #2012-08-65
AWARDING CONTRACT NO. 138 PAVEMENT RESTORATION**

Mr. Tocci moved Resolution #2012-08-65 for adoption. The motion was seconded by Mr. Barham and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

OPERATION MANAGER'S REPORT

Mr. Seaman had no additions his report.

Mr. Baarck stated that he noticed in the Televising Report that it looks like a dragon's tooth type of business. One month they're televising 8,000 feet, the next month 1,000 feet, I am just wondering why this isn't flatter during the course of the year. Mr. Seaman stated that the most recent downturn, there are some well documented equipment issues which we have rectified through a new transporter and we shouldn't have that problem going forward. Mr. Baarck remarked that it's equipment and not weather. Mr. Seaman confirmed this.

FINANCE AND INSURANCE COMMITTEE

Mr. Berdahl asked Mr. Griffin if the amount of the bills correct in the amount of \$670,023.48. Mr. Griffin confirmed it was a correct amount and Mr. Berdahl moved Resolution #2012-08-68 Authorizing the Payment of Bills in that amount.

Mr. Bonforte questioned why on the paper he signed, it said \$413,000 and Mr. Berdahl and Mr. Gianforte stated that portion was just the General Ledger bills exclusive of those that were authorized to pay between the meetings.

**RESOLUTION #2012-08-68
AUTHORIZING PAYMENT OF BILLS**

Mr. Berdahl moved Resolution #2012-08-68 for adoption. The motion was seconded by Mr. Baarck and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

Mr. Gianforte read the following Resolutions.

**RESOLUTION #2012-08-69
RENEWAL OF MEMBERSHIP IN THE NEW JERSEY
MUNICIPAL UTILITY AUTHORITIES JOINT INSURANCE FUND**

Mr. Berdahl moved Resolution #2012-08-69 for adoption. The motion was seconded by Mr. Baarck and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

2003 BOND ISSUE

Mr. Griffin stated that the Authority has the ability to defeas the 2003 Revenue Bond Issue on November 1, 2013 which is the first month of Fiscal Year 2014; that is why it is just a discussion at this stage.

Basically, if the Authority defeases these bonds, the savings will be approximately \$480,000 predicated upon the Authority's ability to obtain a government investment issue.

Mr. Baarck commented that the savings will be dependent upon the interest rate that is then presently available? Mr. Griffin agreed. Mr. Baarck gave an example of what could happen and that the decision wouldn't be needed until next year. Mr. Griffin said that the investment will happen within the month to determine if the Authority can get this issue so it can mature in a decent amount of time to earn the 20 basis points. There is nothing to be done; all that needs to be done is to buy a Treasury Issue and that hopefully will earn more than it is earning in the Government Money Market Account where it sits now.

Discussion ensued on this issue between Mr. Baarck and Mr. Griffin weighing the pros and cons of investment.

Mr. Bonforte brought up the fact that all of these positive savings should be promoted and well documented in the event the Member or Customer towns come to us with all of the things they do not like about the Authority or the way management is handling certain issues. Mr. Gianforte can then go down a list of all of the things that the Authority's management is doing that says the Authority runs a tight and efficient operation. Mr. Leonard asked for a show of hands in support of this idea; all raised their hands.

Mr. Gianforte introduced the Budget Resolution.

**RESOLUTION #2012-08-70
2013 AUTHORITY BUDGET APPROVAL**

Mr. Berdahl moved Resolution #2012-08-70 for adoption. The motion was seconded by Mr. Bonforte and carried by the following vote on roll call:

AYES:	Mr. William E. Leonard, Chairman Mr. Thomas Barham, Vice Chairman Mr. William R. Baarck, P.E., Secretary Mr. Arno Weber, Assistant Secretary Mr. Barry J. Berdahl, Ph. D, Treasurer Mr. Richard Tocci, Assistant Treasurer Mr. John Bonforte Mrs. Catherine D. LaPorta Mr. Brian McPeak Mr. Scott Hartman
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NOES:	Mr. Gregory J. Christopher
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Members Absent:	Mr. William W. Nolze
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There was discussion on the Budget on decreases and increases in headcount and it was stated that there were no increases. Mr. Gianforte mentioned that the decreases are not incorporated here.

PERSONNEL COMMITTEE

Mr. Bonforte introduced Resolution #2012-08-71 to appoint an Employee Consulting Associate for Employee Assistance Program. This goes to the issue of some employee issues that the Authority had which were not discussed in public forum but it's a positive move. Mr. Gianforte stated that this is ratifying approximately a \$585.00 expenditure to carry us from August, 2012 through to February, 2013. And, as most municipalities do, they appoint their Employee Assistance Program Coordinator at their

reorganization which would be in February. We can reconsider it again then. The Board discussed proposals from a large agency, the UMDNJ and also a proposal, which is the one recommended which is Michael Kahn and Michael Kahn had some real good recommendations.

Mr. Bonforte stated that aside from the money, which I think we can say in public, this agency will counsel employees on the proper conduct as it relates to sexual harassment, harassment and all the different things that the people that run the Authority are legally liable for if they're not proactive and don't have a program of Zero Tolerance for a lot of the rules and regulations that are in effect. This is chump change for any well managed business and if you don't have it and there's a problem; the Feds come in and they want to know why you didn't do what you were supposed to do to prevent it.

The Board continued to discuss the benefits to employees and the operation of the Authority. Commissioner LaPorta asked for clarification of the \$17,500 limit cited in the resolution which relates to the pay to play limits.

**RESOLUTION #2012-08-71
RATIFYING APPOINTMENT OF EMPLOYEE CONSULTING ASSOCIATES
FOR AUTHORITY EMPLOYEE ASSISTANCE PROGRAM**

Mr. Baarck moved Resolution #2012-08-71 for adoption. The motion was seconded by Mr. Tocci and carried by the following vote on roll call:

AYES: Mr. William E. Leonard, Chairman
Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, P.E., Secretary
Mr. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. Scott Hartman

Members Absent: Mr. William W. Nolze

LEGAL AFFAIRS COMMITTEE

Mr. Baarck brought up the visit by Shrewsbury to the Authority. Mr. Berdahl told the Board and Managers that the Borough of Shrewsbury wishes to thank Mr. Gianforte and Mr. Seaman for conducting a great tour for the Board of Health; there were 5 people in addition to the Mayor. They were all very impressed with this facility and its cleanliness.

Mr. Gianforte provided the Board with an update on Customer Town issue status.

Mr. Baarck inquired if the Authority is still charging interest on the unpaid Seaview Avenue bill. Mr. Gianforte stated that the most recent bill includes the interest from all three payments that they have not made yet. Mr. Christopher asked, what is the interest amount? Mr. Griffin answered \$833.59 per month.

Mr. Laughlin informed the commissioners of the state of the case with Siemens.

OLD BUSINESS

There was no old business to report

NEW BUSINESS

There was no new business to report.

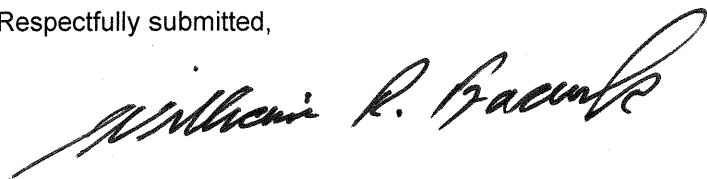
OPEN TO THE PUBLIC

There was no public present.

Mr. Baarck moved that the Meeting adjourn at approximately 6:36 p.m. The motion was seconded by Mr. Berdahl and carried by voice vote.

The Chairman stated that final copies of approved Resolutions will be available in the main office during the Authority's regular hours of business.

Respectfully submitted,

A handwritten signature in black ink, reading "William R. Baarck". The signature is written in a cursive style with a large, sweeping initial "W".

Mr. William R. Baarck, Secretary