

**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, January 15, 2013 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. William W. Nolze

Members Absent: Mr. William R. Baarck, PE, Secretary
Mr. John Bonforte

Others Present: Mr. Michael A. Gianforte, P.E., Executive Director
Mr. Gregory Seaman, Operations Manager
Mr. Edward Griffin, Financial Manager
Mr. Dennis J. Galvin, P.E., Engineering Manager
Mr. David Applegate, P.E., Representing the Firm of Birdsall Engineering
Mr. David Laughlin, Esq., Birdsall & Laughlin, LLC
Mr. David Kaplan, DAK CPA

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 Tuesday, December 25, 2012, and The Atlanticville on Thursday, December 27, 2012, and mailing the same on Wednesday, December 19, 2012, 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 19, 2012.

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 DECEMBER 18, 2012**

Mr. Barham moved that the minutes from the Regular Monthly Meeting held December 18, 2012 be approved as submitted. The motion was seconded by Mr. Berdahl and carried by the following vote on roll call:

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

Mr. Leonard turned the meeting over to Mr. David Kaplan, DAK CPA to give a summary of the audit.

Mr. Kaplan stated that the audit was completed for the fiscal year ending October 31, 2012. Mr. Kaplan indicated that the report dated December 31, 2012 coincided with the completion of the audit and the field work. Mr. Kaplan reported that he has given an unqualified opinion. Mr. Kaplan stated that it is the highest level of assurance that the audit is completed in accordance with "general auditing standards". Mr. Kaplan indicated that when an auditor states that the financial statements present fairly, in all material respects, the financial position of the Authority; these are the key words that management and commissioners should be looking for in a summary audit report. This fact is stated in the Audit Report on Page 1, Paragraph 3. Mr. Kaplan also stated that he gave his opinion that all internal controls and compliance issues were also unqualified.

Mr. Kaplan reported that the Authority finished the year in good condition as indicated on page 12.

Mr. Kaplan discussed the change in net assets of the Authority compared to 2011, the total net assets after Fiscal Year ending 2012, 8.4 million of which is unrestricted. Mr. Kaplan reported that on page 22 the Authority had investments at year end of 25.6 million in Wells Fargo Advantage, Government Money Market Fund, Certificates of Deposit and US Treasury Instruments. Page 28 shows that the Authority has two Bond Issues outstanding. The Authority ended the year with 29.3 million in bond indebtedness of which 3.7 million is due in the current year and the remainder 25.7million in long term. Mr. Kaplan stated that the Authority is working to defease the existing 2003 bonds at the first opportunity to do so and that would clearly benefit the Authority.

Mr. Kaplan reviewed in detail the recommendations in the audit:

Mr. Christopher inquired as to what department the responsibility to address the recommendations is. Mr. Gianforte responded that ultimately it's his responsibility but the maintaining of the general ledger and the maintaining the accounts receivable module current is the bookkeeper's responsibility. The Authority is making the necessary changes to address all the comments. Further discussion ensued.

CORRESPONDENCE

Mr. Gianforte reported the following correspondence: First item; a check in the amount of \$32,123.37 for the 2012 dividends from the Joint Insurance Fund. The second item; the Loss Control Report which was

positive and described the storm damage that was throughout the plant and did recommend a commendation for the staff for keeping safety first during the storm.

APPOINTMENT OF NOMINATING COMMITTEE

Mr. Leonard stated that the following Commissioners were appointed to the Nominating Committee:

Mr. John Bonforte, Chairman
Mr. Gregory Christopher
Mr. Scott Hartman
Mr. Richard Tocci
Mr. Barry J. Berdahl
Mr. William E. Leonard

PUBLIC COMMENT ON AGENDA

There was no public present.

ENGINEERING COMMITTEE

ENGINEERING MANAGER'S REPORT

BIOFILTER MEDIA REPLACEMENT: Mr. Galvin reported that on the agenda is a resolution to award the Biofilter Media Replacement contract. The Authority received three bids and the lowest was from D&D Trenchless Solutions. Mr. Galvin indicated that everything is in order according to Mr. Laughlin's office.

Mr. Gianforte reported that in the bid tally, this bid was \$50,000.00 lower than the average of the other two. Discussion ensued.

OTHER-

Outfall—the inspection was completed on January 8, 2013 and showed the last nine diffusers on the end of the outfall have no flow. The blockage is either due to sand ingestion as a result of the storm, or material being flushed through the outfall as a result of the storm. There was no apparent structural damage observed during the dive. The report does recommend the blockage in the end of the outfall be removed. There will also be contracts prepared to obtain quotes to have the diffusers cleaned out. The diver does recommend continuing monitoring of the corrosion that is at the base of the diffuser pipes.

SUBDIVISION /SITE PLAN REVIEW

Carriage Square—Little Silver—the developer is moving forward with this project.

Commvault Corporate Headquarters,
Tinton Avenue and Hope Road
Block 101 Lot, Borough of Tinton Falls

TWA Approval- Mr. Galvin reported on a number of conditions that need to be addressed.

Mr. Gianforte read the following resolutions:

**RESOLUTION #2013-01-01
AWARDING CONTRACT NO. 142C
BIOFILTER MEDIA REPLACEMENT**

Mr. Tocci moved Resolution #2013-01-01 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. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. Gregory J. Christopher
- Mr. Scott Hartman
- Mrs. Catherine D. LaPorta
- Mr. Brian McPeak
- Mr. William W. Nolze

Members Absent:

- Mr. William R. Baarck, PE, Secretary
- Mr. John Bonforte

**RESOLUTION #2013-01-02
AUTHORIZING THE EXECUTIVE DIRECTOR TO
ADVERTISE FOR RECEIPT OF BIDS FOR PUMP AND MOTOR REPAIRS**

Mr. Tocci moved Resolution #2013-01-02 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. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. Gregory J. Christopher
- Mr. Scott Hartman
- Mrs. Catherine D. LaPorta
- Mr. Brian McPeak
- Mr. William W. Nolze

Members Absent:

- Mr. William R. Baarck, PE, Secretary
- Mr. John Bonforte

**RESOLUTION #2013-01-03
APPROVING A WORK ORDER TO
BIRDSALL SERVICES GROUP TO PROVIDE PROFESSIONAL SERVICES
FOR PREPARATION OF BID DOCUMENTS AND SPECIFICATIONS FOR THE REMOVAL AND
REPLACEMENT OF BLOWER #1**

Mr. Barham moved Resolution #2013-01-03 for adoption. The motion was seconded by Mr. Berdahl and carried by the following vote on roll call:

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

Members Absent: Mr. William R. Baarck, PE, Secretary
Mr. John Bonforte

**RESOLUTION #2013-01-04
AUTHORIZING THE EXECUTIVE DIRECTOR TO
EXECUTE A TREATMENT WORKS APPROVAL APPLICATION
FOR COMM VAULT CORPORATE HEADQUARTERS
FOR PROPERTY KNOWN AS BLOCK 101, LOT 1
(PORTION) IN THE BOROUGH OF TINTON FALLS**

Mr. Tocci moved Resolution #2013-01-04 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. William W. Nolze

Members Absent: Mr. William R. Baarck, PE, Secretary
Mr. John Bonforte

Mr. Gianforte notified the Board that the Authority is about to go out bid for the debris removal in accordance with FEMA requirements. There were no objections.

CONSULTING ENGINEER'S REPORT

Mr. Applegate gave a brief summary on the following; there will be pre-bid walk through for the HVAC on the three roofs that were replaced. There will also be pre-bid walk through for the first phase of the

administration building rehab. And the second phase will follow shortly thereafter. The draft reports for the annual inspection and corrosion reports were submitted to the Authority.

OPERATION MANAGER'S REPORT

Mr. Seaman had no additions to his report.

FINANCE AND INSURANCE COMMITTEE

RESOLUTION #2013-01-05 AUTHORIZING PAYMENT OF BILLS

Mr. Berdahl asked Mr. Griffin if the bills were correct in the amount of \$1,137,803.02. Mr. Griffin responded that the correct total for the payment of bills is \$1,137,820.72. Mr. Berdahl moved Resolution #2013-01-05 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. William W. Nolze

Members Absent: Mr. William R. Baarck, PE, Secretary
Mr. John Bonforte

RESOLUTION #2013-01-06 ACCEPTING ANNUAL AUDIT REPORT FOR THE FISCAL YEAR ENDING OCTOBER 31, 2012

Mr. Berdahl moved Resolution #2013-01-06 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. Brian McPeak
Mr. William W. Nolze

Members Absent: Mr. William R. Baarck, PE, Secretary
Mr. John Bonforte

**RESOLUTION #2013-01-07
AUTHORIZING THE UTILIZATION OF A FLEET
GAS CARD FOR GASOLINE AND DIESEL FUEL**

Mr. Berdahl moved Resolution #2013-01-07 for adoption. Mr. Gianforte gave a brief summary of the gas card for gasoline and diesel fuel to the Board. 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. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. Gregory J. Christopher
- Mr. Scott Hartman
- Mrs. Catherine D. LaPorta
- Mr. Brian McPeak
- Mr. William W. Nolze

Members Absent:

- Mr. William R. Baarck, PE, Secretary
- Mr. John Bonforte

PERSONNEL COMMITTEE

There was no Personnel business to report.

LEGAL AFFAIRS

Mr. Gianforte gave a brief summary of the FEMA and the potential project to clean Sea Bright Lines before the downstream lines are cleaned. Further discussion ensued on this matter.

OLD BUSINESS

Mr. Gianforte reported on the passing of Authority's employee Frank Pinho. Mr. Gianforte stated that Frank Pinho was the Authority's electrician. There was a unanimous motion by the Board acknowledging Frank Pinho for all of his service

NEW BUSINESS

There was no new business to report.

There was a unanimous motion to go into Closed Session to discuss Legal Matters.

**RESOLUTION #2013-01-08
TO GO INTO EXECUTIVE SESSION AND CLOSE THE
MEETING TO THE PUBLIC FOR THE DISCUSSION OF LEGAL MATTERS**

Mr. Barham moved Resolution #2013-01-08 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. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. Gregory J. Christopher
- Mr. Scott Hartman
- Mrs. Catherine D. LaPorta
- Mr. Brian McPeak
- Mr. William W. Nolze

Members Absent:

- Mr. William R. Baarck, PE, Secretary
- Mr. John Bonforte

The meeting went into Executive Closed Session at 6:30 p.m. The meeting was reopened to the public at approximately 6:45 p.m. by motion of Mr. Tocci. The motion was seconded by Mr. Barham and carried by voice vote.

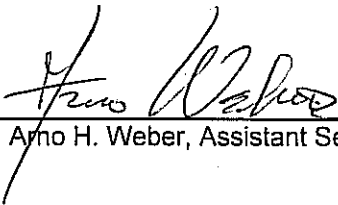
OPEN TO THE PUBLIC

There was no public present.

Mr. Barham moved that the Meeting adjourn at approximately 6:50 p.m. The motion was seconded by Mr. Tocci 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,



Mr. Arno H. Weber, Assistant Secretary