

**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 17, 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

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., 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 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 DECEMBER 20, 2011**

Mr. Tocci moved that the minutes from the Regular Monthly Meeting held December 20, 2011 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher

Abstain: Mr. William E. Leonard, Chairman
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

CORRESPONDENCE

Mr. Gianforte reported the following correspondence: First item; letter from Maser Consulting announcing the merger with KZA Engineering P.A. Second Item: letter from the NJDEP notifying the Authority that NJSEA would like to shut down the wastewater collection system for Monmouth Park Racetrack for the winter. Third item; letter notifying the Authority that ECS had made another payment in the amount of \$6,901.14 for the first half of the summer 2011 period of the Power Pay Program.

Mr. Gianforte reported that the Authority will release an RFP for the next period which will include one, two and three year terms and expect to award it in February.

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, 2011. Mr. Kaplan indicated that the report dated December 31, 2011 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 2011 realized revenues from Customer Towns, Member Towns, interest and other fees was 14.2 million. The 2011 Revenue Budget was 13.1 million and the outstanding Authority debt of 32.8 million. Mr. Kaplan reported that 5.5 million of the total debt expires in 2016 and the balance expires in 2020. Mr. Kaplan reported that cash and investments were 22.1 million. The unrestricted net assets were 10.6 million. Total net assets are 68.8 million. Mr. Kaplan reviewed the audit recommendations on page 51. Mr. Kaplan stated that two recommendations of this nature is a very positive statement for an audit as comprehensive as the Authority's and conforms to all standards of the Government Auditing Standard Board and the New Jersey Department of Community Affairs. Discussion ensued.

Mr. Gianforte reported that Mr. Griffin had prepared the Corrective Action Plan that will be considered in February.

Mr. Leonard complimented the staff for a job well done and for only having two recommendations.

Red Zone Presentation

Mr. Seaman introduced the representatives from Red Zone who gave a presentation on the two projects on the agenda. Mr. Seaman stated that the Board expressed an interest to have alternative means to inspect larger interceptors.

The Authority previously used Red Zone to address the inspection of the 48 inch interceptor under Pleasure Bay. Discussion ensued.

Mr. Gianforte read the following resolutions:

**RESOLUTION #2012-01-05
APPROVING WORK ORDER TO
RED ZONE ROBOTICS FOR PILOT PROJECT Y.E.S. PROPOSAL**

Mr. Tocci moved Resolution #2012-01-05 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

**RESOLUTION #2012-01-06
APPROVING WORK ORDER TO
RED ZONE ROBOTICS FOR RESPONDER MULTI-SENSOR INSPECTION**

Mr. Tocci moved Resolution #2012-01-06 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

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

CONTRACT 122C- STATION 12 & 13 BY-PASSES: Mr. Galvin reported that the Authority had a meeting with the contractor and resolved all outstanding shop drawing issues. Project should be moving forward the beginning of March.

CONTRACT 134 - COLLECTION SYSTEM SCADA PHASE 2: Mr. Galvin reported that a close out meeting is scheduled for end of the month to discuss how the project is working as well as future modifications to the SCADA system.

CONTRACT 135 - MPS TAP BOX: Mr. Galvin is waiting for contractor to close out the key issue of the safety of the access to the various panels.

Contract 137 Underground Storage Tank Removal and Above Ground Storage Tank Installation: Mr. Galvin reported that Birdsall has issued a punch list and submitted the close out paper work to the NJDEP. The Authority has added landscaping to screen the above ground tank from the view in the entrance driveway.

CONTRACT 140 - BOILER REPLACEMENT PROJECT: Mr. Galvin stated that operational adjustments are ongoing and there may be problems with the hot water supply and return piping to the heating coils on the roof top units. Birdsall has been requested to investigate the issues.

OTHER-

- 1) **Ivy at Shrewsbury**—T & M Associates have provided a letter report indicating the project is essentially complete with the exception of the submission of record drawings.
- 2) **SeaShore Estates**—the Developer has been advised to provide a Certificate of Insurance and a Deed of Easement. There is also an issue of the Developer proceeding with construction without approved shop drawings.
- 3) **Station 13**—JCP&L has been authorized to run true 3 phase power to the Station at the existing voltage. JCP&L had invited the Authority to training on a lock out/tag out program and Mr. Galvin and an electrician attended.
- 4) **219 Tinton Avenue, Eatontown**—Mr. David Laughlin's office is finalizing the deed for execution by the property owners.

SUBDIVISION /SITE PLAN REVIEW

Weston Landing (Bob's Golf Center)
Block 3701 Lot 1
Borough of Eatontown

Amended TWA Approval—The Applicant has revised the layout of the building units and has requested amended TWA Approval.

Mr. Gianforte read the following resolutions:

**RESOLUTION #2012-01-01
AUTHORIZING CHARGES AGAINST THE
ENGINEERING INSPECTION ACCOUNT FOR IVY AT SHREWSBURY
FOR PROPERTY KNOWN AS BLOCK 2, LOTS 1 AND 13; IN THE BOROUGH OF SHREWSBURY,
MONMOUTH COUNTY, NEW JERSEY**

Mr. Tocci moved Resolution #2012-01-01 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

**RESOLUTION #2012-01-02
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. Tocci moved Resolution #2012-01-02 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

**RESOLUTION #2012-01-03
GRANTING AUTHORIZATION TO SIGN A TREATMENT WORKS APPROVAL
FOR A MAJOR SITE PLAN TO PULTE HOMES OF NJ, FOR PROPERTY KNOWN
AS BLOCK 3701, LOT 1; IN THE BOROUGH OF EATONTOWN**

Mr. Tocci moved Resolution #2012-01-03 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

CONSULTING ENGINEER'S REPORT

Mr. Applegate had no additions to his report. Mr. Applegate responded to a question on the issues to the boiler involving the roof top units and also some of the duct work. The duct work was not part of the boiler project but there will be a representative from Birdsall to go out and review the current lay out of the duct work and report back to the Authority.

Mr. Berdahl inquired about a five year Action Plan. Mr. Gianforte stated that the Authority has a Corrective Action Plan. Discussion ensued.

Mr. Tocci moved to accept the 2011 Annual Inspection Report. The motion was seconded by Mr. Weber and carried by the following vote on roll call:

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

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

OPERATION MANAGER'S REPORT

Mr. Seaman had no additions to his report.

Mr. Gianforte read the following resolution:

**RESOLUTION #2012-01-04
AUTHORIZING THE EXECUTION OF A
MUNICIPAL ASSISTANCE/SHARED SERVICES AGREEMENT
WITH THE COUNTY OF MONMOUTH**

Mr. Tocci moved Resolution #2012-01-04 for adoption. The motion was seconded by Mr. Berdahl. Mr. Gianforte reported that in order to cut costs, some municipalities are bringing some of their equipment to the Monmouth County Motor Pool for major services. Mr. Gianforte stated that motor pool is available for use and will provide a price prior to choosing who services the vehicle. The motion was carried by the following vote on roll call:

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

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

Mr. Gianforte reported that the Authority received a letter from a Site Development Specialist regarding a cell tower installation at 10 Highland Avenue, Monmouth Beach. Discussion ensued.

FINANCE AND INSURANCE COMMITTEE

Mr. Berdahl read the following Resolution.

**RESOLUTION #2012-01-07
AUTHORIZING PAYMENT OF BILLS**

Mr. Berdahl moved Resolution #2012-01-07 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. Arno Weber, Assistant Secretary
Mr. Barry J. Berdahl, Ph. D, Treasurer
Mr. Richard Tocci, Assistant Treasurer
Mr. John Bonforte
Mr. Gregory J. Christopher
Mr. Scott Hartman
Mrs. Catherine D. LaPorta
Mr. William W. Nolze

Members Absent: Mr. Thomas Barham, Vice Chairman
Mr. William R. Baarck, PE, Secretary
Mr. Brian McPeak

Mr. Gianforte read the following resolution:

**RESOLUTION #2012-01-08
ACCEPTING ANNUAL AUDIT REPORT FOR
THE FISCAL YEAR ENDING OCTOBER 31, 2011**

Mr. Berdahl moved Resolution #2012-01-08 for adoption. The motion was seconded by Mr. Nolze and carried by the following vote on roll call:

AYES:

- Mr. William E. Leonard, Chairman
- Mr. Arno Weber, Assistant Secretary
- Mr. Barry J. Berdahl, Ph. D, Treasurer
- Mr. Richard Tocci, Assistant Treasurer
- Mr. John Bonforte
- Mr. Gregory J. Christopher
- Mr. Scott Hartman
- Mrs. Catherine D. LaPorta
- Mr. William W. Nolze

Members Absent:

- Mr. Thomas Barham, Vice Chairman
- Mr. William R. Baarck, PE, Secretary
- Mr. Brian McPeak

PERSONNEL COMMITTEE

Mr. Gianforte reported that the Authority is the first in the Joint Insurance Fund to approve the recommended changes to the Authority Policy Manual in December.

LEGAL AFFAIRS

Mr. Gianforte reported that he, along with Mr. Leonard, Mr. Barham, Mr. Laughlin and potentially the Legal Committee Chairman, will meet with the attorney for the customer towns in February.

OLD BUSINESS

Mr. Gianforte responded to a question about allowing the Boroughs of Rumson and Sea Bright make payments with interest over the next 5 years for the Seaview project. Mr. Gianforte stated that the Borough of Rumson has not responded and the Borough of Sea Bright is considering it at their meeting. Mr. Christopher does not agree with this. Discussion ensued.

NEW BUSINESS

There was no new business to report.

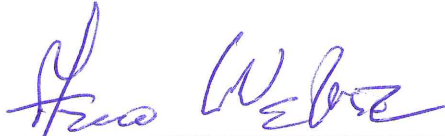
OPEN TO THE PUBLIC

There was no public present

Mr. Tocci moved that the Meeting adjourn at approximately 7:19p.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,



Mr. Arno Weber, Assistant Secretary