

03/19/09

Chairman Allmann called the meeting to order.

Flag Salute

Administrative Assistant read the following statement: "My name is Joan Haltigan, Administrative Assistant of the Jackson Township Municipal Utilities Authority. It is 5:30 p.m. and we will commence with the public portion of the regularly scheduled Public Meeting of March 19, 2009."

Chairman Allmann requested a roll call.

The March 19, 2009 Public Meeting of the Jackson Township Municipal Utilities Authority was called to order at 5:30 P.M. Present were Members Blake, Borys, Rickabaugh and Chairman Allmann, Alternate Member Garofano, along with the Assistant Executive Director, James Diaz, Administrative Assistant, Joan Haltigan, Executive Director, David Harpell and Principal Engineer, Earl Quijano. Also in attendance were Authority Engineer, Alan Dittenhofer and Authority Counsel, William Hierung. Members Clayton and Lundy were excused.

As Administrative Assistant I publicly announce that in compliance with the provisions of the "Open Public Meetings Act," adequate notice of the Public Meeting has been advertised in the manner prescribed by law, and that this statement would be entered in the minutes of this meeting.

At this time, Chairman Allmann and Mr. Borys noted that Mrs. Garofano would be voting this evening with Mrs. Clayton's absence.

1. Approval of the Minutes of the Open Session Public Meeting of February 26, 2009.

Mrs. Rickabaugh made a motion to approve the minutes of the Open Session Public Meeting of the February 26, 2009. Mr. Borys seconded the motion and was passed unanimously.

2. Questions/Comments from the Public

Chairman Allmann opened the floor to the public. In attendance from the public were Mrs. Bobbie Rivere, Township Council Vice President and Liaison to the JTMUA, along with Mr. Rivere. Chairman Allmann thanked Mrs. Rivere for attending this evening's meeting. With No questions from the public, Chairman Allmann closed the public portion of the meeting noting if someone should arrive, will reopen.

3. Review of Executive Director's Report
Engineering Committee Report
Public Relations Committee Report
Administrative Committee Report

Mr. Harpell discussed the following items from the Executive Director's report.

- Mr. Harpell stated that spring flushing would begin shortly noting that as in past years, it will be undertaken from 10:00 pm to 6:00 am. It was also noted that the tentative

schedule would be published on the JTMUA Website so that a resident may view by street location to get a better idea as to when flushing will begin in their respective neighborhood. This was well received by the public last year.

- The next item discussed was Ground Water Rule, noting there is a new requirement from the EPA and the NJDEP to provide more contact time before it reaches the first customer. This is similar to the way surface water is treated and is much more stringent than the current requirement of 5 minutes of contact time. Essentially, they want to make sure that 99.99% of any pathogens are removed in the groundwater. Mr. Harpell noted there are a few improvements necessary, which include contact tanks and chlorine analyzers. Buchart-Horn submitted a proposal for the design and construction management work associated with the Groundwater Rule. Due to the cost, the Authority asked O'Donnell Stanton & Associates and CMX for proposals. The Authority would like to add to the agenda this evening, the award to O'Donnell Stanton & Associates for \$33,400.00 to design these improvements and certify our removal efficiency to the NJDEP. O'Donnell Stanton & Associates will also be present to oversee the construction. Mr. Harpell stated that the Authority believes this is an excellent price for the scope of work. Mr. Borys questioned the three tanks and Mr. Harpell explained three different sites would have a tank in the ground to basically slow the water down before it leaves the property. This allows more time for the chlorine to react with the water but it doesn't stay in the tank. It was noted the tanks are more of a pass through. It was also noted that it would be one well tank per well. Chairman Allmann noted that initially it was four tanks.
- Mr. Harpell noted that the Financial Disclosure Statements are due to the Township Clerk by April 30, 2009. As a reminder, please send a copy to our office for our records.
- Water Treatment London Drive Access Road. Mr. Harpell stated that improvements have been made in the signage and the striping. It was noted that there is not much traffic there at this time and there have been no complaints. Chairman Allmann noted that the cooperation with the Township has been excellent with regards to improving this access road.
- Mr. Harpell discussed the Mandatory Fluoridation of Water Supplies, which comes up every couple of years. It was noted that most of New Jersey does not fluoridate and that there are some potential adverse health affects. The Authority will keep the Board up to date on this mandatory fluoridation and if the Board concurs, will prepare a resolution to the Assembly opposing this Bill. The Board concurred and a resolution will be prepared for next month's meeting.
- Mr. Harpell discussed irrigation at Four Seasons at Metedeconk Lakes noting that the Authority received a letter from Mr. Hackmeyer who is a trustee of Four Seasons regarding the Authority's fees. Mr. Harpell stated that the Authority had just met with K Hovanian to discuss minimizing irrigation. South Knolls and Metedeconk Lakes requested 26 million gallons per year in 2004 and 2005 for irrigation and they used 78 million gallons in 2008. This has been a problem from an operational standpoint in the summer and the Authority has been in discussions with K. Hovnanian for several years to get the usage down. Mr. Harpell stated that this has been a very timely issue and it will be good for all parties to minimize the usage. There is tentative date of April 20th to meet with the Board of Trustees.

- Mr. Harpell noted that the Authority has planned the Groundbreaking Ceremony for the new water treatment plant for April 29th at 10:00 am, with a potential rain date of April 30th. The Engineering Committee met and will invite the Township Council and other representatives from the Township. Invitations will go out in the next couple of weeks. It was noted that local senator and assemblymen would also be invited as well as the DEP. Mr. Harpell also noted that Mr. Dittenhofer and Remington, Vernick & Vena Engineers would be supplying silver plated shovels for the event.
- Motor Repair for Well No. 6. Mr. Harpell stated that the motor recently failed and have received prices from William Stothoff Company and A.C. Schultes to repair. William Stothoff Company will repair the motor for a price of \$3,190.00 and the contractors will provide a temporary motor while it is in for service.
- The last item discussed was the line insurance by Home Service. Mr. Harpell stated that there has been very good feedback from customers about this product noting that by April, the Authority will start to receive reports from Home Service on the number of customers signed up and if there have been any repairs, complaints, etc. Updates will go out in each month's package to keep everyone informed. Chairman Allmann noted that he has spoken with some residents who are pleased with Home Service's product. It was also noted that any money the Authority may receive back from Home Service would go to local charities.

Engineering Committee Report

The Engineering Committee met on Tuesday, March 17, 2009 and Mr. Quijano discussed the following items this month.

Action Items

- Brookwood III Sanitary Sewer Replacement ó Award of Professional Engineering Design and Construction Management to Gravatt Consulting Group in an amount not to exceed \$65,755.00. The Authority received nine (9) proposals on Tuesday, January 20, 2009 and after further review, the Authority is recommending the award to Gravatt Consulting Group. Chairman Allmann noted that all the concerns from the last meeting have been addressed noting that this part of the engineering services for which the Authority is trying to get some of the stimulus money from the State.
- The Approval of Final Quantities Change Order No. 2 to D&D Utility Contractors, Inc. in the decreased amount of (\$9,536.00). This change order is for the Hampshire Hills Pump Station Renovation, Contract No. C7-00027. It was noted that this change order is necessary in advance of the contract closeout for next month. Chairman Allmann noted that the Authority is waiting on the release of a lien and will then release the check.
- The next item discussed was the Award of Task Order Change No. 1 to French & Parrello Associates, P. A. for Special Inspection Services in the amount of \$30,000.00. This task order change is for the Manhattan Street Water Treatment Plant Replacement and New 1-MG Southeast Quadrant Elevated Storage Tank, Contract C8-00022. In November 2008, the Department of Community Affairs required Specialty Inspections for building construction classified as Class 1, and the new water treatment plant falls under this category. Since the specialty inspections are not included in our consultant's scope of work, a task order change is necessary. The Authority is recommending this award to French & Parrello in the amount of \$30,000.00, which will revise the current contract amount from \$489,884.00 to an increased

contract amount of \$519,884.00. Chairman Allmann noted that this only increases the inspection fees. Mr. Harpell also noted that the Town allowed the Authority to have a professional engineer sign off on these inspections rather than specialty inspectors and thanked the Township for their help.

- The last item discussed is the Closeout and Release of Performance Bond to D&D Utility Contractors, Inc. to D&D Utility Contractor. This is for the Closeout of the Sewer/Water Emergency Repairs and Service Work, Contract No. C8-00004. It was noted that D&D Utility Contractors, Inc. has submitted all of their closing documents and have fulfilled their contractual obligations. The Authority is recommending that the contract be closed.

Status Items

- Mr. Quijano stated that the main SCADA System Antenna is currently located on the Manhattan Street Elevated Storage Tank, noting that since the tank is scheduled to be demolished, the antenna will be moved to the new monopole being built by T Mobile. Per the agreement, they will install the antenna for the Authority. The Authority will provide the new antenna and associated cable in the amount of \$1,508.97.
- County Line Road Sewer from the terminal manhole on North County Line Road running westerly approximately 575 feet. The reason for the elimination of the sewer main is due to conflicts with the Ocean County's Road Reconstruction Project construction schedule. Chairman Allmann stated that since one developer pulled out of the contract in the middle of the work, the Authority appreciated the County and Utilities working this out.

With no questions, Mr. Quijano concluded the Engineering Report.

DEVELOPER PROJECT

Mr. Alan Dittenhofer of Remington, Vernick & Vena Engineers stated there were three developer applications and two performance guarantee releases on the agenda this evening.

- Chase Bank, Block 4901, Lot 11 & 12, requesting final water and sewer approval. This project was previously known as CNLRS, received tentative approval under that name. The applicant is proposing to construct a commercial center with a 4,600 sq ft bank building the second building will contain a restaurant and 5,600 sq ft of retail space. The project site is at the intersection of North County Line Road and Harmony Road. The applicant proposes to connect to the existing water main on Harmony and install a 20" force main for the sewer service. Mr. Dittenhofer noted the developments are located on the development map in blue.
- Grawtown Estates, Phase I 6 Block 19301, Lot 4. The applicant, Raymond Shea, Jr. is proposing to construct Phase I of the Grawtown Estates Project on the west side of Grawtown Road. A total of 70 units are proposed in Phase I. The applicant is applying for sewer service at this time. The applicant proposes to install all sections of an 8" PVC Sanitary Sewer Main along the roads in the subdivision. A total of 70 units in various parts of the subdivision will be considered Phase I. Mr. Dittenhofer stated that in Remington's review letter that the applicant proposes 70 units in Phase I, however the design for the entire gravity sewer system that will service all 493 units proposed in

the subdivision. Chairman Allmann noted that the Authority does not approve any development, just the water and sewer for it. The applicant has to obtain Township approval.

- Final Sewer Application Review for the County Line Sewer Extension. The applicant 526 LLC is proposing to construct a sanitary sewer main extension to service fourteen (14) existing single-family homes, forty-four (44) existing mobile homes and four (4) existing warehouses on North County Line Road, east of Jackson Mills Road. The applicant proposes to connect to the existing system located on Jackson Mills Road and extend approximately 3960 linear feet of sewer main east of County Line Road. This approval was recommended in our March 9, 2009 letter to the Board.

AUTHORITY APPROVALS

- Down to Earth Landscaping Inc. is a water performance guarantee and have recommended approval in our March 9, 2009 letter to the Board.
- South Knolls Section 2A-2D ó Block 111 Various Lots. This is a water and sewer performance guarantee release and has recommended approval in our March 9, 2009 letter to the Board.

Mr. Borys requested confirmation on the first developer approval that it was Chase Bank noting that an approval for PNC Bank has not yet been approved by the Planning Board.

Public Relations Committee Report

Mr. Harpell stated that the Public Relations Committee did not meet this month.

Administrative Committee Report

Mr. Harpell stated that the Administrative Committee did not meet this month.

4. Assistant Executive Director's Report
Finance Committee Report
Personnel Committee

Mr. Diaz stated that the Finance Committee met on Monday, March 16, 2009, discussing and recommending approval of items on the agenda this evening. The total dollars presented on the bill list was \$1,416,877.67. The funds were drawn from the following accounts:

1. Capital Reserve Fund in the amount of \$399,871.10 for Capital Projects;
2. Construction Fund in the amount of \$178,036.60 for Bond Projects;
3. NJEIT Project Fund in the amount of \$474,087.88 for NJEIT Projects;
4. Escrow Funds in the amount of \$25,017.60 for Developer Work;
5. Revenue General Fund in the amount of \$339,864.49 for Operating Expenses.

Mr. Diaz stated that the operating transfer of \$339,864.49 includes \$175,000.00 for funding the payroll account.

- Mr. Diaz discussed the resolution for the purchase of hydrants on the agenda this evening, noting this purchase if for four (4) hydrants in town. One is for Great Adventure, which

will be reimbursed, and the other three are for the Brookwoods section. The purchase is from Waterworks Supply Company under Contract No. C9-00028.

- The next item discussed was renewing the Authority's agreement with the Ocean County Energy Cooperative Pricing System (OCECPS). This is an organization that gathers government units together and look to research pricing for utilities, more specifically electric, although they do handle others. It was noted that there hasn't been a lot of activity over the last few years but they are looking to meet again on March 30th. Mr. Diaz will attend this meeting if the Board approves this agreement. In this meeting, OCEPS will basically supply any updates and if they are looking to go out to bid for electric services.
- Mr. Diaz discussed the main breaker failure at the Hyson Water Treatment Plant. ABS Electric repaired at a cost of \$3,202.00. The plant ran on generator for a day and a half to insure adequate water supply. Mr. Diaz noted that typically the Authority requests Board approval for a purchase of \$2,000.00 or greater but in this case the purchase was necessary to avoid any disruption of service.
- Mr. Diaz discussed Legler Billing and Accounts Receivable Purchase. The Authority will be preparing to read Legler customers at the end of this month and process their first bill. The Legler accounts will be incorporated with the Authority's first cycle billing. The readings will take place at the end of March and the bills will be sent out at the end of April. The item on tonight's bill list includes \$5,335.95 for the purchase of their accounts receivable which have been posted to the Authority's Legler accounts. The Authority will now take responsibility for collecting those funds from the Legler customers.
- Bank of New York. Mr. Diaz noted discussions last month that the Authority needs to look at the restriction of our funds, more specifically our bonds and what we need to address such as the interest rate that is being offered by Bank of New York. Mr. Diaz stated that he met with representatives, Sharon Jaffe-Gosser and Vanessa Mesa, from Bank of New York along with Chairman Allmann and Dave Harpell. This was a very productive meeting looking at a better understanding of what the restriction requirements were and how we can make this best fit the Authority's cash flow needs. After discussion, it was found that our restrictions are not increasing as we originally thought, therefore, there is really no action to be taken. With regards to the interest being earned on the accounts, in excess of \$5 million dollars, they gave us information on different options the Authority has, such as investments or utilizing New Jersey Cash Management Fund. These options are being reviewed and will be making a recommendation at the next public meeting as to what should be done to get a better yield on our investments with Bank of New York. Mr. Borys asked if we knew what the return interest rate would be, and it looks like it would go close to 1%.
- Mr. Diaz discussed the salary range guide, which was distributed to the Board this evening, noting that this guide is addressed on an annual basis so we may be competitive with salaries. When the resolution was passed last year for the revised salary guide, included in the resolution was that the Authority would increase the salary ranges based on CPI. This does not mean that employees are getting increases; it is increasing the salary ranges. When the Authority is looking to hire, the range will be competitive. For 2009 the CPI is 1 ½% and will be revisited each year. Chairman Allmann noted with this mechanism the ranges do not have to be changed by resolution each year.
- Mr. Diaz discussed a request from another resident in Presidential Estates for the return of their connection fee. A few months back, a customer approached the Authority with the

same request. Presidential Estates connected with the Authority's system but there was a situation where residents felt they were not properly notified as far as mandatory hook up when the line became active. It was decided that the Authority would return the connection fee on a temporary basis and when the Authority reaches 30% connections in that development, we will reach out to these customers to return that connection fee. Chairman Allmann further discussed the fact that as more residents in this development install sprinklers, pools, etc., there will more hook-ups into the system.

- Mr. Diaz informed the Board that there would be some changes on the resolutions in relation to budget codes for the purpose of tracking projects. One of the items added will be a project number and there will be a description with the budget code assigned. The contract numbers will also change to include part of the project code.

PERSONNEL

The Personnel Committee met earlier this evening Mr. Diaz discussed the following:

- Mr. Diaz discussed the hiring of a Sewer Repair/Water Repair/Water Treatment Plant Operator. The individual's name is Gerald R. Brusco who is scheduled to start on March 23rd and will be filling the third shift budgeted position. The Personnel Committee is recommending approval this evening.

At this time, Chairman Allmann explained to Mrs. Rivere, how the individual committees work, noting that two members and one alternate is assigned to each committee. The Finance and Engineering Committees meet prior to the public meeting (PR, Personnel and Admin when needed) and make recommendations to the Board. Those who attend the Committee Meetings bring recommendations back to the Board and the Public Meeting runs more efficiently. Chairman Allmann explained the meeting packages sent one week prior to meetings and Mrs. Rivere, as Liaison, will start receiving packages. Councilman Scott Martin will also be receiving this information. Mr. Harpell also noted that we presently send the Executive Director's report (non-confidential matters) and the agenda to Mr. Del Turco.

5. Consent Resolutions 2009-65 to 2009-69

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| 2009-65 | Resolution Granting Final Sewer & Water Approval to Chase Bank, Block 4901, Lots 11 & 12 (f/k/a Block 136, Lots 10 & 11) on the Tax Map of the Township of Jackson. |
| 2009-66 | Resolution Granting Final Sewer Approval to 526 LLC for County Line Road Sewer Extension. |
| 2009-67 | Resolution Granting Water Performance Bond Release to Down to Earth Landscaping, Inc., Block 154.32, Lot 24. |
| 2009-68 | Resolution Granting Tentative Sewer Approval to Grawtown Estates Phase I, Block 19301, Lot 4 (f/k/a Block 32.01, Lot 23) on the Tax Map of the Township of Jackson. |
| 2009-69 | Resolution Granting a Water & Sewer Performance Bond Release to Leigh Realty Company for South Knolls ó Section 2A-2D, Block 111, Lots 21-23, 25.01, 25.02, 26, 29, 30 & 32. |

Mrs. Rickabaugh made a motion to approve Resolutions 2009-65 to 2009-69. Mr. Borys seconded the motion and it was passed unanimously.

6. Resolutions Offered:

2009-70 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll.

Mrs. Blake made a motion to approve Resolution 2009-70. Mr. Borys seconded the motion and it was passed unanimously.

2009-71 Resolution Awarding of Engineering Services for Brookwood III Sanitary Sewer Replacement, Contract No. C9-83817 to Gravatt Consulting Group, for Professional Engineering Design and Construction Management, in an Amount Not to Exceed \$65,755.00.

Mrs. Blake made a motion to approve Resolution 2009-71. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2009-72 Resolution Approving Final Quantities Change Order No. 2 to D&D Utility Contractors, Inc. for Hampshire Hills Pump Station Renovations, Contract No. C7-00027, in the Decreased Amount of (\$9,536.00).

Mr. Borys made a motion to approve Resolution 2009-72. Mrs. Blake seconded the motion and it was passed unanimously.

2009-73 Resolution Authorizing Closeout and Release of Performance Bond for Sewer/Water Emergency Repairs and Service Work, Contract No. C8-00004 with D&D Utility Contractors, Inc.

Mrs. Garofano made a motion to approve Resolution 2009-73. Mr. Borys seconded the motion and it was passed unanimously.

2009-74 Resolution Authorizing Award of Task Order Change No. 1 to French & Parrello Associates, P.A. for Special Inspection Services for The Manhattan Street Water Treatment Plant Replacement and New 1-MG Southeast Quadrant Elevated Storage Tank, Contract No. C8-00022, in the Amount of \$30,000.00.

Mrs. Rickabaugh made a motion to approve Resolution 2009-74. Mr. Borys seconded the motion and it was passed unanimously.

2009-75 Resolution Authorizing the Payment to Water Works Supply Company, Inc. in the Amount of \$7,175.81 for Four (4) Replacement Hydrants Per Contract No. C9-00028.

Mrs. Blake made a motion to approve Resolution 2009-75. Mrs. Garofano seconded the motion and it was passed unanimously.

2009-76 Resolution Authorizing the Payment to William Stothoff Company, Inc. in the Amount of \$3,190.00 for Motor Repair including Loaner Motor for Well #6 under Contract No. C9-00029.

Mr. Borys made a motion to approve Resolution 2009-76. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2009-77 Resolution Authorizing the Renewal of an Agreement with the Ocean County Energy Cooperative Pricing System.

Mrs. Blake made a motion to approve Resolution 2009-77. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2009-78 Ratifying Provisional Hire of Classified Employee

Mrs. Rickabaugh made a motion to approve Resolution 2009-78. Mr. Borys seconded the motion and it was passed unanimously.

2009-79 Resolution Awarding Groundwater Rule Design and Construction Management Services, Contract No. C9-84230 to O'Donnell, Stanton & Associates, Inc., in an Amount Not to Exceed \$33,400.00.

Mrs. Blake made a motion to approve Resolution 2009-79. Mrs. Garofano seconded the motion and it was passed unanimously.

There was no closed session.

7. Other Matters

With no further matters to discuss, Mrs. Rickabaugh made a motion to adjourn. Mrs. Blake seconded the motion and it was passed unanimously. Chairman Allmann declared the March 19, 2009 Public Meeting adjourned.

End of Minutes