

09/25/08

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 regular scheduled Public Meeting of September 25, 2008."

Chairman Allmann requested a roll call.

The September 25, 2008 Public Meeting of the Jackson Township Municipal Utilities Authority was called to order at 5:30 P.M. Present were Members Blake, Borys, Clayton, Rickabaugh and Chairman Allmann, Alternate Member Garofano along with the Business Administrator, James Diaz, Administrative Assistant, Joan Haltigan and Executive Director, David Harpell. Also in attendance were Authority Engineer, Jeff Staiger and Authority Counsel, William Hering. Member Lundy was 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.

1. Approval of the Minutes of the Open Session Public Meeting of August 28, 2008.

Mrs. Clayton made a motion to approve the minutes of the Open Session Public Meeting of the August 28, 2008. Mrs. Blake seconded the motion and was passed unanimously. Mrs. Rickabaugh and Mr. Borys abstained.

2. Questions/Comments from the Public

Chairman Allmann opened the floor to the public.

With no other comments, Chairman closed the public portion of the meeting noting he will reopen if someone else should arrive from the public.

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 an employee asked if the Authority would host "Toys for Tots" this season through the U.S. Marine Corps. Mr. Harpell thought it was a very nice idea and wanted to advise the Board of this request. There was no objection from the Board.

- Mr. Harpell stated that Alaimo Group would soon be completing the Sewer Master Plan and would like to know if the entire Board would like to hear the presentation or if it should be presented at the Engineering Committee level. The Board decided they would like to see the presentation at October's Public Meeting.
- Mr. Harpell discussed the RFP issued this month for Ground Water Rule Compliance Services noting that the NJDEP and USEPA are going to make it more stringent on disinfection of ground water sources. It was noted that the Authority's normal procedure is to send out the RFP to a few of select consultants and post it on the Internet. Buchart Horn, Inc. is not on our special projects list but they submitted a very good proposal and the Authority would like to recommend them for the service at \$13,300.00.
- Discussion continued regarding the acquisition of the Legler Water System from the Township. Mr. Harpell stated that one of the wells is pumping sand. The Township hired A.C. Schultes to investigate and televise the well, and it appears as though the well is salvageable. A.C. Schultes wants to do another phase to empty debris from the bottom of the well. It was noted that there is a resolution on the agenda this evening for the original inspection work. The Township will issue a purchase order for approximately \$6,300.00 for the next phase of this investigation. The recommendation will probably be to redevelop the well and replace the pump. Mr. Harpell stated that is good news as it could have been a major issue.
- Discussion continued regarding a leak detection firm on site at Legler for the last few days retained by the Township. This firm was looking for the potential excess usage in the Legler System. There is still no report back. It was noted that there is also a resolution on the agenda this evening to replace the primary meter to verify that is not the source of the high usage. It was noted that the Township will reimburse the Authority.
- The next item discussed was the schedule of Flushing starting in October. The staff informed the Board that a notice will appear on the website so that residents can view where and when flushing will take place.
- The Authority is going to submit for a water allocation permit modification for a monthly increase and follow-up in two or three years to submit for a more comprehensive allocation permit once the NJDEP clarifies how they are going to handle critical area diversions. A resolution is being presented this evening for the payment of this application fee. Commissioner Borys questioned how the monthly increase does not affect the annual increase. Mr. Harpell stated that the NJDEP allows for monthly limits that are higher than would be expected based upon the annual limit to address seasonal variations in usage.
- Mr. Harpell discussed the Jet and Vacuum Truck that went out to bid last month. The Authority received one bid at \$293,080.00 from GranTurk Equipment. It was noted that this vehicle will replace a Jet Truck and a Vacuum Truck from 1990 and 1992, respectively. The bid was for the specified vehicle and the price was within the budget for this purchase. It was also noted that it would be six to seven months before delivery.

- Discussion continued regarding a resolution on the agenda this evening to adopt a new logo for the Authority. It was noted that the logo was a combination the logos submitted by two Authority employees – Carolann Weisel and Ed Mogila.
- Mr. Harpell stated that this year’s Jackson Day celebration went very well and public response was quite positive. The hydrogeological model was very popular and the Authority is considering purchasing one for the Administration Building’s lobby. This model can be customized to our system and we are presently looking at pricing.
- Discussion continued regarding the report on contamination of private wells sent to the Board this month, noting that it is a interesting report showing that 1 in 8 private wells exceeded at least one drinking water standard. It was also noted that the Authority does recommend that people test their private wells once per year.
- The next item discussed was the settlement agreement with Wawa. Mr. Harpell stated that Mr. Kellenberger, Attorney for Wawa, was present. It was noted that Mr. Kellenberger has been working with Mr. Hierung and the staff and we think this is a good agreement for the Authority and Wawa as well. Mr. Kellenberger stated that he appreciated all the help from the Mr. Harpell and the Authority.
- Mr. Harpell discussed a situation with a resident in Presidential Estates. The resident’s complaint is that he received a mandatory connection letter in 2005 but only two residents in Presidential Estates actually connected. The issue is that the rest of the community was not forced to do so. Mr. Harpell indicated that this was discussed in the Engineering Committee and it is proposed that the Authority reimburse the connection fee to this customer and when connection fees are actively enforced in this development, the customer will repay the 2005 connection fees. This matter will be formalized at the October meeting.
- Discussion ensued regarding sewer repairs in Westlake. The Authority televised sections of the sewer system in Westlake that were installed prior to the televising requirement being instituted and we asked Lennar to correct specific deficiencies based upon these inspections. Lennar is claiming the Authority is holding them to a higher standard since televising the system was not in our Rules and Regulations when they received their original approvals. The Authority would like to present a tentative Settlement Agreement with Lennar, basically where the Authority will take over the work and Lennar will submit a check, which will cover approximately 90% of the cost the repairs, which will done by D&D Utility Contractors. Lennar will get off their performance bond and will give the Authority maintenance bonds for this work. It was noted that the cost for all repairs is estimated to cost approximately \$28,000.00 and Lennar will submit a check for approximately \$25,000.00. Mr. Harpell stated that if the Board concurs, we would present a Settlement Agreement next month.

Engineering Committee Report

The Engineering Committee met on Tuesday, September 23, 2008 and Mr. Harpell discussed the following items this month.

ACTION ITEMS

- Lakeland Shores Water and Sanitary Sewer Systems, Contract No. 05-139, Authorizing Closeout and Release of Performance Bond with Stacey Contracting, Inc. Stacey Contracting, Inc. has fulfilled their contractual obligations and has submitted the required contract closeout documents for this project. We are recommending the contract be closed, retainage paid and the performance bond released.
- Lakeland Shores Pump Station Screening, Contract No. C8-00060, Authorizing Payment to Joseph T. Theibault, Jr. Landscape Designer, Inc. in the Amount of \$3,000.00. The Authority has been asked by the Township to do some screening to conceal the pump station. If this resolution is approved, the Authority will have evergreen trees planted along the exterior perimeter of the Lakeland Shores Pump Station. The price is \$3,000.00.
- Manhattan Street Water Treatment Plant Media Purchase, Contract No. C8-00020, Authorizing Closeout with A.C. Schultes, Inc. A.C. Schultes, Inc. has fulfilled their contractual obligations and has submitted the required contract closeout documents for this project and is recommending that the contract be closed. A.C. Schultes provided the media for the Manhattan Street Plant.
- Miscellaneous Excavation Type Sewer Repairs, Contract No. C6-000158, Authorizing Closeout and Release of Performance Bond to D&D Utility Contractors, Inc. This work is complete and would like to close the project out.
- Manhattan Street Communications Monopole Lease, Contract No. C8-00038, Awarding Contract to Omnipoint Communications, Inc., in the initial amount of \$27,000.00 per year. Sprint/Nextel had backed out of the original contract to build a communications tower at Manhattan Street and this is the rebid of that contract. We would like to award to Omnipoint Communications and Mr. Hiering is still working on trying to recoup the ground rent for the year or two timeframe where Sprint/Nextel should have been paying.
- Radio Meter Conversion Program, Phase I, Contract C8-00045 – Awarding Contract to In-Line Services, Inc. in the Amount of \$461,700.00. The Authority will start changing out some of the very old meters in town. The meters in Three Pence, Crystal Brook and Sixty Acres are all approaching 25 years old and are getting difficult to read. It was also noted that there are approximately 1,350 meters to be changed out as part of this project. The funding source for this work are the 2004 bonds and it was noted that the pricing was very favorable.
- Water/Sewer Emergency Repairs & Service Work, Contract No. C8-00057, Authorizing Extension of the Current Contract to D&D Utility Contractors, Inc. in the amount of \$217,267.20. The contract was awarded to D&D at the beginning of this year and they have exhausted the contract. It was noted that with emergency repair contracts, you never know exactly how much you might need. D&D has agreed to renew the contract for 1 year at the original contract rates plus an increased amount of 3.5%. The Authority has the ability to extend this contract for 1 additional year.

Status Items:

- Manhattan Street Water Treatment Plant Replacement and Southeast Quadrant Tank at Libery High School. We received very competitive bids for the water plant and the low bidder, Eagle, was at \$8,319,514.00, which is approximately what was expected for the project. The Authority is not quite as happy with bids for the tank. The original NJEIT estimate for the tank was \$2,000,000.00. The low bidder was Caldwell Tanks, at \$2,895,000.00. O'Brien & Gere is going to go back and look at the estimates to see why there is such a disparity. All three bids were within about \$200,000.00 and it would appear that the original estimate was erroneous. The Authority will verify this and we are not looking to award these contracts right away, since they are trust projects, which will require State approval first. We will discuss and potentially recommend these awards in October.

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

Chairman Allmann stated that if there were no questions on the Bond Releases, Mr. Staiger would discuss the development reviews on this evening's agenda.

Mr. Jeff Staiger of Remington, Vernick & Vena Engineers discussed the following development applications on the Engineers Report dated September 25, 2008 which are being recommended for approval to the Board.

- Meridian Health Village at Jackson, Block 8101, Lots 5, 6, & 7. We recommend preliminary water and sewer approval. The applicant is proposing a three story medical building at the intersection of Bennetts Mills Road and South Cooks Bridge Road. It was noted that an easement in the back of the property has been acquired for the utilities. It was also indicated that there are some recommendations before tentative approval is considered including extending the water and sewer infrastructure along the project frontage.
- Flaum Associates is proposing to construct a sanitary sewer main extension to service their project in County Line Road. We recommend preliminary approval and authorization to submit the NJDEP permits for this project as it is time sensitive with regards to Ocean County's on-going road reconstruction project.

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. Business Administrator's Report
Finance Committee Report
Personnel Committee

Mr. Diaz stated that the Finance Committee met on Monday, September 22, 2008, discussing and recommending approval of items on the agenda this evening. Mr. Diaz handed out this evening the proposed 2009 Operating/Sewer Budget, requesting that the Board review over the

next two weeks. If there are any questions, please call and a meeting can be set up to discuss in more detail. It was noted that the plan is to proceed and present to the Board next month for approval. The Capital Budget is still being reviewed and will be meeting with the Engineering Committee next week to go over some numbers and will then be sent out to the rest of the Commissioners for their review. The Finance Committee reviewed the bills and the total voucher list amount submitted this evening in the amount of \$867,358.65 with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$37,575.17 for Capital Projects;
2. Construction Fund in the amount of \$19,391.51;
3. Escrow Funds in the amount of \$24,097.65 for Developer Work;
4. Customer Deposit in the amount of \$17,916.00;
5. Revenue General Fund in the amount of \$468,678.32 for Operating Expenses.

Mr. Diaz stated that the operating transfer of \$468,378.32 includes \$180,000.00 for funding the Payroll account.

(Please note there is a correction to the Capital Reserve Fund and the Revenue General Fund. The amount should read \$337,575.17 for the capital Reserve Fund and \$468,378.32 for the Revenue General Fund.)

- Mr. Diaz discussed the renewal of the Authority's membership with the New Jersey Joint Insurance Fund. This is a three-year renewal beginning January 1, 2009 and ending January 1, 2012. The JIF works very well and offer a good premium. The Finance Committee is recommending approval for this contract.

PERSONNEL

The Personnel Committee met this evening and there are a couple of items on the agenda:

- Mr. Diaz stated that there is a new hire this month, Mr. Barry Hutchins. Mr. Hutchins has accepted an Operators position, which is a budgeted position at \$17.00 per hour. The Personnel Committee is recommending approval this evening.
- The next item discussed was held over from last month. The State Health Benefits Waiver Compensation Policy. The Authority reached out to the employees to see if there was any additional interest and are looking to raise to 40% of the lowest plan offered, which was previously offered at 30%. The maximum allowable is 50%. The only change will be the extra percentage and are hoping that more employees will take this opportunity and opt out of the benefits.

At this time, Chairman Allmann entertained a motion to accept all the reports this evening. The Board approved.

5. Consent Resolutions 2008-192 to-2008-200

2008-192 Resolution Ratifying Cash Management Report for August 2008.

- 2008-193 Resolution Granting Preliminary Sewer Application Review to Flaum Associates and Authorizing Execution of State Permits for County Line Road Sanitary Sewer Extension Within the Township of Jackson.
- 2008-194 Resolution Granting A Performance Bond Release for Water to K. Hovnanian at Jackson, LLC for Four Seasons at Metedeconk, Section 1, Phase 2.
- 2008-195 Resolution Granting A Performance Bond Release for Water to K. Hovnanian at Jackson, LLC for Four Seasons at Metedeconk, Section 1, Phase 3.
- 2008-196 Resolution Granting A Performance Bond Release for Water to K. Hovnanian at Jackson, LLC for Four Seasons at Metedeconk, Section 1, Phase 4.
- 2008-197 Resolution Granting Preliminary Water & Sewer Approval to Meridian Health Village at Jackson, Block 8101, Lots 5, 6 & 7, on the Tax Map of the Township of Jackson.
- 2008-198 Resolution Granting Performance Bond Release for Sewer to Toll Brothers Land Development for Westlake Village, Section 4A.
- 2008-199 Resolution Granting a Performance Bond Release for Sewer to Toll Brothers Land Development for Westlake Village, Section 4B.
- 2008-200 Resolution Granting a Performance Bond Release for Water & Sewer to Toll Brothers Land Development for Westlake Village, Sections 6A through 6F

Mrs. Rickabaugh made a motion to approve Resolutions 2008-192 through 2008-200. Mrs. Blake seconded the motion and it was passed unanimously.

6. Resolutions Offered:

- 2008-201 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll.

Mrs. Blake made a motion to approve Resolution 2008-201. Mrs. Borys seconded the motion and it was passed unanimously.

- 2008-202 Resolution Authorizing Closeout and Release of Performance Bond for Lakeland Shores Water and Sanitary Sewer Systems, Contract No. 05-139 with Stacey Contracting, Inc

Mrs. Rickabaugh made a motion to approve Resolution 2008-202. Mr. Borys seconded the motion and it was passed unanimously.

- 2008-203 Resolution Authorizing Contract for Manhattan Street Communications Monopole Lease, C8-00038 to Omnipoint in the Amount of \$27,000.00 per annum.

Mrs. Blake made a motion to approve Resolution 2008-203. Mrs. Clayton seconded the motion and it was passed unanimously.

2008-204 Resolution Authorizing Closeout and Release of Performance Bond for the Manhattan Street Water Treatment Plant Media Purchase, Contract No. C8-00020 with A.C. Schultes, Inc.

Mrs. Blake made a motion to approve Resolution 2008-204. Mr. Borys seconded the motion and it was passed unanimously.

2008-205 Resolution Awarding the Extension of the Sewer/Water Emergency Repairs and Service Work, Contract C8-00057 to D&D Utility Contractors, Inc. in the Amount of \$217,267.20.

Mrs. Rickabaugh made a motion to approve Resolution 2008-205. Mr. Borys seconded the motion and it was passed unanimously.

2008-206 Resolution Authorizing Closeout and Release of Performance Bond for Miscellaneous Excavation Type Sewer Repairs, Contract No. C6-00158 with D&D Utility Contractors, Inc.

Mrs. Clayton made a motion to approve Resolution 2008-206. Mr. Borys seconded the motion and it was passed unanimously.

2008-207 Resolution Awarding Radio Meter Conversion Program Phase I, Contract No. C8-00045 to In-Line Services, Inc. in the Amount of \$461,700.00

Mrs. Rickabaugh made a motion to approve Resolution 2008-207. Mr. Borys seconded the motion and it was passed unanimously.

2008-208 Resolution Authorizing the Payment for Landscaping at the Lakeland Shores Water Sewer Project Site, Contract No. C8-00060 to Joseph J. Theibault, Jr. Landscape Designer, Inc., in the Amount of \$3,000.00.

Mrs. Clayton made a motion to approve Resolution 2008-208. Mrs. Blake seconded the motion and it was passed unanimously.

2008-209 Resolution Authorizing the Award of Engineering Services to Buchart Horn, Inc. for Ground Water Rule Compliance Services, Contract No. C8-00056, in an Amount Not to Exceed \$13,300.00.

Mrs. Rickabaugh made a motion to approve Resolution 2008-209. Mr. Borys seconded the motion and it was passed unanimously.

2008-210 Resolution Authorizing Payment to the Treasurer of the State of NJ in the Amount of \$19,585.00 as the Permit Fee for the Major Modification of Water Allocation Permit No. 5075

Mr. Borys made a motion to approve Resolution 2008-210. Mrs. Blake seconded the motion and it was passed unanimously.

2008-211 Resolution Awarding a Contract for a 2008 or Newer Vactor Model 2110 on Peterbuilt 340 Tandem Chasis to Granturk C8-00049, for \$293,080.00.

Mrs. Blake made a motion to approve Resolution 2008-211. Mr. Borys seconded the motion and it was passed unanimously

2008-212 Resolution Authorizing Renewal of Membership in the NJ Utility Authorities Joint Insurance Fund (JIF)– Contract No. C8-00058

Mrs. Blake made a motion to approve Resolution 2008-212. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2008-213 Resolution Authorizing the Execution of an Agreement with Wawa Corporation in for their Facility Located at East Veterans Highway and South Hope Chapel Road.

Mrs. Blake made a motion to approve Resolution 2008-213. Mrs. Clayton seconded the motion and it was passed unanimously.

2008-214 Resolution Authorizing Payment to J.T. Seeley & Company, Inc. in the Amount of \$2,280.00 for Replacement Meter for the Legler Water System, Contract No. C8-00061

Mrs. Clayton made a motion to approve Resolution 2008-214. Mrs. Blake seconded the motion and it was passed unanimously.

2008-215 Resolution Authorizing the Payment to A.C. Schultes, Inc. in the Amount of \$2,400.00 for Removal and Inspection of Legler Well #3, Contract No. C8-00062

Mr. Borys made a motion to approve Resolution 2008-215. Mrs. Blake seconded the motion and it was passed unanimously.

2008-216 Resolution Amending State Health Benefit Program Waiver Compensation Policy

Mrs. Rickabaugh made a motion to approve Resolution 2008-216. Mrs. Blake seconded the motion and it was passed unanimously.

2008-217 Resolution Ratifying the Provisional Hire of a Classified Employee, Barry Hutchins.

Mrs. Clayton made a motion to approve Resolution 2008-217. Mrs. Blake seconded the motion and it was passed unanimously.

2008-218 Resolution Adopting an Official Logo or Symbol for the Utility Authority

Mr. Borys made a motion to approve Resolution 2008-218. Mrs. Blake seconded the motion and it was passed unanimously.

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 September 25, 2008 Public Meeting adjourned.

End of Minutes

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