

10/23/08

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 regularly scheduled Public Meeting of October 23, 2008."

Chairman Allmann requested a roll call.

The October 23, 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 Members Garofano and Lundy, along with the Business Administrator, James Diaz, Administrative Assistant, Joan Haltigan and Executive Director, David Harpell. Also in attendance were Authority Engineer, Alan Dittenhofer and Authority Counsel, William Hering.

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 September 25, 2008.

Mr. Borys made a motion to approve the minutes of the Open Session Public Meeting of the September 25, 2008. Mrs. Clayton seconded the motion and was passed unanimously. Mrs. Clayton expressed her appreciation on the professional work the Administrative Asst does on the translation of the minutes each month

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. Sewer Master Plan Presentation by Alaimo Group

At this time, Russell Trice and Chris Warren, Alaimo Group, reviewed the Sewer Master Plan for the Board.

4. 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 discussed the progress on the potential acquisition of the Legler Water System from the Township. The investigation for leaks in the system has been completed and there were no major issues. The Township has retained T&M Associates to conduct survey work to determine if any additional easements are required. Mr. Harpell discussed one issue with Well #3 in that it is pumping sand. Based upon the original video it did not appear to be much of an issue but A.C. Schultes has been looking more closely at this situation and it could now be a more sizeable problem. Mr. Harpell stated that a cost estimate to repair should be obtained sometime next week. It was noted that the Township is aware this situation. Mr. Harpell requested approval from the Board to reach out to the residents of the Legler System in mid November and schedule a public relations presentation to discuss their options, rate impacts and some of the benefits the Authority will bring to them. If the Board concurs, a public information session will be held in mid to late November.
- The next item discussed was the Tri Party Agreement with Toms River MUA and JRJ Properties. JRJ Properties is one of the big developers in the central sewer service area. At present there is no flow coming out of central service area and this is scheduled to change in the next month or two when the Whitesville Industrial Park and Megan's Run Pump Stations come on line. The projected build-out could be 1 millions gallons per day, noting that at present the Authority has approval for 300,000 gallons per day through TRMUA and this is not enough capacity. Alaimo conducted an investigation and looked at the force main that goes through Toms River and we have close to 600,000 per day capacity and the Authority would like Toms River to increase our capacity through their system as long as there are no problems downstream. TRMUA is planning to hire an engineer to look at the system, which would be funded by the developers, and that is the basis for the Tri Party Agreement. It was noted that there will be no cost to the Authority to enter into this Agreement.
- Mr. Harpell discussed the present agreement with JRJ Properties for sewer service, which is quite outdated. The developer is requesting assurances that if there is extra capacity, as determined by the Toms River MUA flow study, that a portion will be reserved for JRJ's projects since they funded the study and paid for the infrastructure. It was stated that the proposed Amendment No. 1 has been discussed with the Engineering Committee and it is believed to be very favorable for the Authority.
- Another positive step for the Authority is the proposed partnership with Home Service USA to provide water and sewer line insurance. Mr. Harpell stated that three (3) references have been contacted and all came back with high recommendations and that Home Service, USA has a very good reputation. If the customer takes the insurance, it would cost \$173.76 per year, which would provide up to \$14,000 coverage in the event there is any water or sewer line break. It was also noted that Home Service USA would insure the entire town and not just the newer communities. Mr. Harpell stated that most private utilities who partner with this firm receive a portion of the revenues. The Authority is not looking to earn money from this project. Home Service USA could not lower their rates but offered a charitable contribution back, which could be given to Jackson Charities at the Board's discretion. The estimated contribution could be up to \$17,000.00, which would be offered on the year anniversary of the contract.
- The next item discussed was the purchase of Safety Equipment from Arasmo, Inc. Mr. Harpell stated that the new Safety Coordinator has been reviewing the present equipment and the confined space equipment needs to be upgraded especially with the

new pump stations coming on line, which have very deep wet wells. The Authority would like to upgrade the tripod harness and winch.

- Mr. Harpell discussed the irrigation meters in Metedeconk Lakes noting that a representative petitioned the Authority to waive winter service charges. After discussing this matter with the Engineering Committee, the Authority would like to offer them the option of installing a smaller meter at their cost. The service charge would be 2/3 less and a smaller meter would provide less flow during the high usage months, which is a benefit to the Authority.

### **Engineering Committee Report**

The Engineering Committee met on Tuesday, October 21, 2008 and Mr. Harpell discussed the following items this month.

### **ACTION ITEMS**

- Manhattan Street Water Treatment Plant – NJEIT Project, Contract No. C7-00015 – Awarding Contract to Eagle Construction Services, Inc., in the amount of \$8,319,514.00. This is the new water treatment plant behind Holman School. The Authority has had some good experience with Eagle Construction Services. The contract needs to be awarded in order to stay within the 60-day period. This award is contingent upon trust approval, which is essentially a formality. The Engineering Committee will request approval from the Board this evening. It was noted that the Authority would hold off on the Tank at this point to look for some value engineering opportunities. The tank contractor authorized a 30-day extension to award the contract.
- Rehabilitation of Wells No. 1, 3, 13 & 15, Contract No. C7-00012 Authorizing Closeout and Release of Performance Bond to Uni-Tech Drilling, Co., Inc. This release is for a 2007 rehabilitation project and additional redevelopment work for Well No. 15 which was pumping sand. This job is complete and would like to release the performance bond.
- Westlake Village Settlement Agreement – Authorizing Execution of an Agreement with Lennar, in the amount of \$25,500.00. This is in lieu of pursuing the bonds and is a very reasonable settlement for the Authority.

### **DEVELOPER PROJECTS**

- Investors Savings Bank, Block 5301, Lot 10 – Granting a Cash Maintenance Release. This was brought to the Board because it exceeds \$2,000.00. The amount is \$2,702.70 and the Authority is recommending that the Maintenance Bond Guarantee be released.
- Mad Science of Central Jersey, Block 11801, Lot 77 – Granting a Water Performance Bond Release. The project is complete and requesting release of performance bond release.

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

Mr. Alan Dittenhofer of Remington, Vernick & Vena Engineers stated that there are no development applications on the agenda this evening noting that this is the first time in 27 months .

Chairman Allmann asked if Mr. Dittenhofer was fine with the Bond Releases on the agenda this evening. Mr. Dittenhofer had no concerns.

Commissioner Borys requested the location request for bond release on Resolution No. 2008-220. It was noted that there were some concerns with the building permit for the referenced synagogue. The Board voted to hold this bond release for a month.

### **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.

5. Business Administrator's Report  
Finance Committee Report  
Personnel Committee

Mr. Diaz stated that the Finance Committee met on Monday, October 20, 2008, discussing and recommending approval of items on the agenda this evening. The Finance Committee reviewed the bills and the total voucher list amount submitted this evening in the amount of \$753,291.71 with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$260,801.21 for Capital Projects;
2. Construction Fund in the amount of \$23,056.25;
3. Escrow Funds in the amount of \$48,391.04 for Developer Work;
4. Revenue General Fund in the amount of \$421,043.21 for Operating Expenses.

Mr. Diaz stated that the operating transfer of \$421,043.21 includes \$200,000.00 for funding the Payroll account.

- Mr. Diaz discussed the repair of two pumps for the Emerald Woods. The Authority received a quote from Pumping Services, in the amount of \$4,261.10. The Finance reviewed and is recommending approval this evening.
- Mr. Diaz discussed the approval of the 2009 Water/Sewer Operating and Capital Budgets. The Finance Committee has been working on the budgets since July. Copies of the proposed Water/Sewer budgets have been distributed to the Board for review. Mr. Diaz informed the Board that there have been no comments or changes on the 2009 proposed Budgets and the Finance Committee is recommending approval this evening.

Mr. Diaz stated the Executive Director usually signs on behalf of the Secretary for the Authority and requested if there were no objections, would continue with this process with the Board's approval. Commissioner Borys asked if there was a line item budgeted for additional security. Mr. Diaz confirmed there was capital money budgeted for this category for 2009. Mr. Diaz further informed Commissioner Borys that if the need arises for additional money we would evaluate the capital spending to determine if would be able to transfer some funds into this category.

- The Tax Sale took place on October 17<sup>th</sup> and there was a total of 51 customers, totaling \$30,483.21. The Authority has already received payment.

**PERSONNEL**

The Personnel Committee met this evening and there is one item on the agenda:

- The promotion of Earl Quijano to Principal Engineer. The Personnel Committee has reviewed and is recommending approval.

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

6. Consent Resolutions 2008-219 to-2008-225

- 2008-219 Resolution Ratifying Cash Management Report for September 2008.
- 2008-220 Resolution Granting a Performance Bond Release to Beth Zion Messianic Synagogue, Block 11801, Lot 79 on the Tax Map of the Township of Jackson for Water Improvements.
- 2008-221 Resolution Granting a Cash Maintenance Guarantee Release to Investors Savings Bank, Block 5301, Lot 10 (formerly known as Block 135.01, Lot 27).
- 2008-222 Resolution Granting a Performance Bond Release to Mad Science of Central Jersey, Block 11801, Lot 77 (a/k/a Block 85, Lot 17.04) for Water System Improvements.
- 2008-223 Resolution Granting a Performance Bond Release to Toll Brothers Land Development for Westlake Village, Section 1 Water Systems Improvements
- 2008-224 Resolution Granting a Performance Bond Release to Lennar for Westlake Mews Water and Sewer System and Pump Station.
- 2008-225 Resolution Granting a Performance Bond Release to Lennar for Westlake Village, Section 3A (Model Park) Water and Sewer Systems.

Mrs. Rickabaugh made a motion to approve Resolutions 2008-219, 2008-221, 2008-222, 2008-223, 2008-224 and 2008-225. Mrs. Blake seconded the motion and it was passed unanimously. The Board voted to hold approval on Resolution 2008-220 until next month due to some concerns regarding permits.

7. Resolutions Offered:

- 2008-226 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll.

Mrs. Rickabaugh made a motion to approve Resolution 2008-226. Mrs. Blake seconded the motion and it was passed unanimously.

- 2008-227 Resolution Awarding Manhattan Street Water Treatment Plant, Contract No. C7-00016 to Eagle Construction Services, Inc. in the Amount of \$8,319,514.00.

Mr. Borys made a motion to approve Resolution 2008-227. Mrs. Clayton seconded the motion and it was passed unanimously.

2008-228 Resolution Authorizing Closeout and Release of Performance Bond for Rehabilitation of Wells 1, 3, 13 and 15, Contract No. C7-00012 with Uni-Tech Drilling Company, Inc.

Mrs. Blake made a motion to approve Resolution 2008-228. Mr. Borys seconded the motion and it was passed unanimously.

2008-229 Resolution Authorizing the Return of a Water Connection Fee Based upon an Agreement with the Property Owner in Presidential Estates Known as Block 19701, Lot 28, Jackson Township.

Mrs. Rickabaugh made a motion to approve Resolution 2008-229. Mr. Borys seconded the motion and it was passed unanimously.

2008-230 Resolution Authorizing the Execution of an Agreement with the Toms River Municipal Utilities Authority and JRJ Properties Authorizing the Funding of a Professional Evaluation of the Ability of the TRMUA Sewer Lines to Accept Additional Waste Water Flow.

Mrs. Blake made a motion to approve Resolution 2008-230. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2008-231 Resolution Authorizing a Settlement Agreement By and Between the Authority and Lennar Corporation in Connection with Maintenance Bonds Covering Sections 2A, 3B, 3C, 3D, 3E, 5A, 5B, 5C, 7A, 7B, 7C and 7D within Westlake Village and Release of Water and Sewer Performance Bonds for Section 3A, Westlake Village and Westlake Mews upon Condition and Further Authorizing the Assumption of Operation of the Westlake Mews Pump Station.

Mrs. Rickabaugh made a motion to approve Resolution 2008-231. Mrs. Blake seconded the motion and it was passed unanimously.

2008-232 Resolution Authorizing a Letter of Introduction by the Authority for Home Service USA Corp, to Provide Coverage for Water and Sewer Facilities on Private Residential Properties and Outside of the Authority's Area of Responsibility.

Mr. Borys made a motion to approve Resolution 2008-232. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2008-233 Resolution Authorizing Amendment No. 1 to the Sewer Service Agreement between the Authority and JRJ Properties in Anticipation of the Proposed Tri Party Agreement between the Jackson Township MUA, Toms River MUA and JRJ Properties.

Mrs. Blake made a motion to approve Resolution 2008-233. Mr. Borys seconded the motion and it was passed unanimously.

2008-234 Resolution Awarding a Contract to Pumping Services, Inc. Under Contract No. C8-00064 in an Amount Not to Exceed \$4,261.10 for the Repair of Two Pumps at the Emerald Woods Sewer Pump Station.

Mrs. Rickabaugh made a motion to approve Resolution 2008-234. Mrs. Clayton seconded the motion and it was passed unanimously.

2008-235 Resolution Awarding a Contract to Aramsco, Inc. under Contract No. C8-00063 in the Amount of \$3,486.17 for Confined Space Entry Tripod and Winch.

Mr. Borys made a motion to approve Resolution 2008-235. Mrs. Clayton seconded the motion and it was passed unanimously.

2008-236 Resolution Authorizing the Approval of the 2009 JTMUA Sewer Operating Capital Budget.

Mr. Borys made a motion to approve Resolution 2008-236. Mrs. Rickabaugh seconded the motion and it was passed unanimously

2008-237 Resolution Authorizing the Approval of the 2009 JTMUA Water Operating Capital Budget.

Mrs. Clayton made a motion to approve Resolution 2008-237. Mr. Borys seconded the motion and it was passed unanimously.

2008-238 Resolution Authorizing Promotion to Earl Quijano to Principal Engineer

Mrs. Rickabaugh made a motion to approve Resolution 2008-238. Mrs. Blake seconded the motion and it was passed unanimously.

## 8. Other Matters

Due to some scheduling conflicts, the Board voted to reschedule the December 18<sup>th</sup>, 2008 Public Meeting to December 11, 2008. The Authority will advertise this change in local newspapers.

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 October 23, 2008 Public Meeting adjourned.

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End of Minutes