

11/20/08

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 November 20, 2008."

Chairman Allmann requested a roll call.

The November 20, 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, Jeff Staiger 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 October 23, 2008.

Mrs. Rickabaugh made a motion to approve the minutes of the Open Session Public Meeting of the October 23, 2008. Mrs. Clayton seconded the motion and was passed unanimously.

2. Questions/Comments from the Public

Chairman Allmann opened the floor to the public.

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

3. Manhattan Street Facility Assessment Presented by CMX.

At this time, David Clark, of Ronald A. Sebring Associates and Patrick Westhoven, of CMX, reviewed the Manhattan Street Facility Assessment Report 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 Legler Water System Acquisition noting that a meeting was held with the residents on November 13th. Five residents attended the meeting and

essentially they indicated that they wanted the Authority to take over the system but did not want a rate increase. There is a meeting scheduled at the Township for November 25th with the Township Council. It was noted that if there is a lot of opposition regarding the rate increase, the Township may offer to subsidize the rates for a short time. Mr. Harpell stated that the average increase would be \$38.00 per quarter, noting there has not been a rate increase in 28 years. It was also noted that this was explained to the residents at the November 13th Meeting and they requested that another letter go out further explaining the proposed rate increase. Chairman Allmann had suggested that the five or ten residents who were initially involved in the lawsuits be subsidized for five years. Some of the concerns were regarding irrigation and the Authority will look into the possibility of the residents using on-site wells for non-potable purposes.

Mr. Harpell continued to discuss Well #3, which is pumping sand. The Township has agreed to reduce the acquisition price by \$140,000.00, which is the estimated cost to put an insert in the well. The other option would be access to another well on-site. Discussion continued with regard to T&M's survey work to try and get some easements in place to make sure this is taken care of before the acquisition, noting the Township is funding this work. It was noted that the acquisition is still scheduled for January 2009.

- Mr. Harpell commented on CMX's Manhattan Street Facility Assessment Report stating that the most important improvement may be providing additional handicap accessible parking in the front of the Administration Building.
- The next item discussed was the Potassium Permanganate Pilot Study with Hungerford and Terry, Inc. for which a resolution on the agenda this evening. Potassium Permanganate is used at the Hyson Road Water Plant and the Great Adventure Water Plant. It has been recommended by several engineers that we consider eliminating it at the new plant by using additional sodium hypochlorite. The Authority is recommending that we retain Hungerford & Terry to conduct a study on eliminating this chemical, which would be a cost savings for the Authority. It was noted that potassium permanganate is a very expensive and difficult chemical to work with.
- The next item discussed was the replacement of an AUMA Actuator for \$2,592.20. A Resolution on the agenda this evening. It was noted that water got into one of the valves at the Hyson Road Water Treatment Plant and it needs to be replaced. JTMUA's staff will replace the actuator.
- Mr. Harpell discussed the updated Water Rate Evaluation noting the Authority did not raise rates in 2008 and many of the local utilities did. At this time, the Authority's rates are more than 24% below the average. At this time, Mr. Diaz stated that the Authority is reviewing the rates for both water and sewer and will look to present to the Board a draft copy of the proposed rates for 2009 with the understanding of advertising and conducting a rate hearing at the January 2009 Public Meeting.

Engineering Committee Report

The Engineering Committee met on Monday, November 17, 2008 and Mr. Harpell discussed the following items this month.

CAPITAL PROJECTS

- 1-MG Elevated Storage Tank – NJEIT Project No. 1511001-004/005, Contract No. C7-00016 – Awarding Contract to Caldwell Tanks, Inc. in the amount of \$2,985,000.00. The bids came in a bit higher than expected. An agreement has been worked out with Caldwell where the Authority will do a value-engineering change order shortly after this job is awarded and in the next month or two will do a \$200,000.00 change order to remove some items that are not necessary. It was noted that the Engineering Department did a really nice job with this cost reduction effort.
- Removal of Ground Storage Tank No. 1 and Associated Facilities, Contract No. C8-00066 Authorizing Award of Engineering Services to Remington, Vernick & Vena Engineers in the amount of \$17,016.00. This tank has not been in service in over 20 years and is considered a liability. It will never be put in the system because of the height of the tank.
- Well No. 16 Well House and Pumping Equipment, Contract No. C8-00059, Awarding Contract to EDC Electrical Design & Construction Corp in the amount of \$568,000.00. We received seven bids for this project ranging in price from \$568,000.00 to \$969,000.00. This is to install a well house and pumping equipment as a back up to Hyson Road Water Treatment Plant in case there is ever a problem with one of the wells.
- Well No 16 Well House and Pumping Equipment, Contract No. C8-00067 – Authorizing an Agreement and Payment to JCP&L for the Installation of Electric Distribution Facilities, in the amount of \$18,595.19, of which \$14,999.75 could be refunded in the future. This was originally in the contract awarded to EDC for them to pay for the JCP&L improvements. However, several contractors indicated that JCP&L was not forthcoming with the pricing so the Authority will pay it directly.

DEVELOPER PROJECT

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

Mr. Jeff Staiger of Remington, Vernick & Vena Engineers stated there were three developer applications on the agenda this evening and two applications for release of bonds.

- A&A Truck Parts Truck Terminal. Block 2401, Lot 8. Proposing to construct a truck terminal with 81 parking spaces and security offices on the south side of Progress Place. They are requesting preliminary approval at this time for onsite well and septic. We recommend preliminary water and sewer approval for this application.
- Flaum Associates – County Line Road Sewer Extension. Proposing to construct a sanitary sewer main to extend to 14 existing single family homes, 44 existing mobile homes and existing warehouses on County Line Road, east of Jackson Mills Road. Applying for tentative sewer at this time to extend the sewer along County Line Road. We recommend tentative sewer be granted at this time.
- RG2 Major Subdivision Phase I. The applicant is proposing 44 units within Phase I and is proposing to extend the sanitary sewer throughout the phase and to link to a pump station in the force main located on Grawtown Road, which are not part of the phase. We recommend granting tentative sewer.

- Spectrum Court. Recommend release of the water performance guarantee.
- South Knolls Section I - We recommend release of the water performance guarantee.

Mr. Harpell discussed Beth Zion Synagogue, which was held from last month. Mr. Harpell spoke with the Township with regard the CO for the existing building and is recommending release of the performance bond.

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 he passed out the Financial Reports to the Board this evening for their review.

Mr. Diaz stated that the Finance Committee met on Monday, November 17, 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 \$1,308,926.78 with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$176,337.13 for Capital Projects;
2. Manhattan Street Project Fund in the amount of \$12,002.04 for NJEIT Projects;
3. Escrow Funds in the amount of \$12,492.65 for Developer Work;
4. Customer Deposit in the amount of \$2,702.70 for Deposit Fund;
5. Revenue General Fund in the amount of \$1,105,392.26 for Operating Expenses.

Mr. Diaz stated that the operating transfer of \$1,105,392.26 includes \$200,000.00 for funding the Payroll account and \$731,055.00 for OCUA's 4th quarter 2008 installment.

- Mr. Diaz discussed the Annual Chemical Bids on the agenda this evening. The Authority is looking to award to various vendors from Contract No. C9-00005 to C9-00011, which is slightly different than the resolution that was included in the meeting packet. The total amount is \$315,906.70. The Authority is not going to award the caustic soda chemical which came in above budget, noting that it will be reviewed in order to bring it back into budget.

The next item is the annual transfer from the General Fund account to the Capital Funds, which is permitted by our 1996 A & B bond documents. The end of year flows have been completed this week and he is requesting permission from the Board this evening to process the annual transfer of funds prior to December's meeting in order to stay in compliance with the Bond deadline of November 30th. The funds would be used to support the Authority's water/sewer capital budget for next year. The transfer would be ratified in December along with a

resolution to restrict the funds to support the 2009 capital. Mr. Diaz informed the Board that he would follow up with them on the details of the transfer.

- Mr. Diaz stated that the State has signed off on the 2009 Budget and the Authority can proceed to adopt the budget on the agenda this evening.
- Elected Official Seminars. Mr. Diaz stated that those who did not attend the recent Atlantic City Seminar could attend one of the future dates on the list distributed this evening.

PERSONNEL

The Personnel Committee met this evening and there are two items on the agenda:

- Promotion for Robert Smith who has worked for the Authority since 2000. Mr. Smith is under the title of Sewer Repair/Water Repair/Water Treatment Plant Operator. The promotion title would be Water Treatment Plant Operator. The Committee is recommending approval this evening.
- New Hire for triple title. Mr. Anthony Cappa will fill the third shift slot with a starting salary of \$17.00 per hour. The Committee recommending approval this evening.

Mr. Harpell added one late addition to the agenda this evening. Mr. Hiering has been working with the Board of Education trying to finalize the agreement where they will give the Authority property for the new water treatment plant and elevated storage tank and the Authority will waive connection fees for Switlik Elementary School, Memorial High School, Liberty High School, the Administration Building and the Transportation Garage. With the Board's consent, we would like to add this to the agenda this evening.

6. Consent Resolutions 2008-239 to-2008-245

- | | |
|----------|---|
| 2008-239 | Resolution Ratifying Cash Management Report for October 2008. |
| 2008-240 | Resolution Granting Preliminary Sewer & Water Approval to A&A Truck Parts Terminal, Block 2401, Lot 8 on the Tax Map of the Township of Jackson. |
| 2008-241 | Resolution Granting a Performance Bond Release to Beth Zion Messianic Synagogue Block 11801, Lot 79 for Water Improvements. |
| 2008-242 | Resolution Granting Tentative Sewer Approval to Flaum Associates for County Line Road Sewer Extension. |
| 2008-243 | Resolution Granting Tentative Sewer Approval to RG2 Associates Major Subdivision Phase I, Block 19403, Lots 6, 7, 10 & 12 (a/k/a Block 53, Lots 30, 31.02, 32.01 and 33) on the Tax Map of the Township of Jackson. |
| 2008-244 | Resolution Granting a Performance Bond Release for Water to South Knolls – Section 1. |
| 2008-245 | Resolution Granting a Performance Bond Release for Water to Spectrum Court, Block 20201, Lots 17 through 29 (a/k/a Block 66.09, Lots 30.01 through 30.13). |

Mrs. Rickabaugh made a motion to approve Resolutions 2008-239 to 2008-245. Mr. Borys seconded the motion and it was passed unanimously.

7. Resolutions Offered:

2008-246 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll.

Mr. Borys made a motion to approve Resolution 2008-246. Mrs. Clayton seconded the motion and it was passed unanimously.

2008-247 Resolution Awarding 1-MG Elevated Storage Tank, Contract No C7-00016 to Caldwell Tanks, Inc. in the Amount of \$2,985,000.00.

Mrs. Rickabaugh made a motion to approve Resolution 2008-247. Mr. Borys seconded the motion and it was passed unanimously.

2008-248 Resolution Authorizing the Award of Engineering Services to Remington, Vernick & Vena Engineers for the Removal of Ground Storage Tank No. 1 and Associated Facilities, Contract No. C8-00066, in the Amount of \$17,016.00.

Mrs. Blake made a motion to approve Resolution 2008-248. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2008-249 Resolution Awarding Well No. 16 Well House and Pumping Equipment, Contract No. C8-00059 to EDC Electrical Design & Construction Corp, in the Amount of \$568,000.00.

Mr. Borys made a motion to approve Resolution 2008-249. Mrs. Blake seconded the motion and it was passed unanimously.

2008-250 Resolution Approving an Agreement with Jersey Central Power & Light for the Installation of Required Electric Distribution Facilities for New Well Number 16 and Further Authorizing Payment in the Amount of \$18,595.19 Under the Pay Now Option with \$14,999.75 Being Refundable Subject to Conditions.

Mrs. Blake made a motion to approve Resolution 2008-250. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2008-251 Resolution Awarding Chemical Supply Contract C9-00005 Through C9-00011 in the Total Award Amount of \$315,906.70.

Mr. Borys made a motion to approve Resolution 2008-251. Mrs. Blake seconded the motion and it was passed unanimously.

2008-252 Resolution Authorizing Award of Contract No. C8-00069 for Onsite Pilot Study with Hungerford & Terry, Inc. in the Amount of \$2,100.00 to Switch Operation to Catalytic Oxidation at the Hyson Road Water Treatment Plant.

Mrs. Blake made a motion to approve Resolution 2008-252. Mr. Borys seconded the motion and it was passed unanimously.

2008-253 Resolution Authorizing Award of Contract No. C8-00068 to Flow Control, Inc. in the Amount of \$2,592.20 to Replace Complete Actuator for Filter Number 4 Rinse at the Hyson Road Water Treatment Plant.

Mrs. Clayton made a motion to approve Resolution 2008-253. Mrs. Blake seconded the motion and it was passed unanimously.

2008-254 Resolution Ratifying Provisional Hire of a Classified Employee.

Mrs. Clayton made a motion to approve Resolution 2008-254. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2008-255 Resolution Authorizing the Promotion of Robert Smith Water Treatment Plant Operator.

Mrs. Blake made a motion to approve Resolution 2008-255. Mrs. Clayton seconded the motion and it was passed unanimously.

2008-256 Resolution Authorizing the Execution of an Agreement Between the Authority and the Jackson Township Board of Education Covering the Waiver of Various Connection Fees and the Transfer of Certain Properties of the Authority for Water Facilities.

Mrs. Rickabaugh made a motion to approve Resolution 2008-256. Mr. Borys seconded the motion and it was passed unanimously

2008-257 Resolution Adopting 2009 JTMUA Sewer Operating Capital Budget – State Version.

Mrs. Blake made a motion to approve Resolution 2008-257. Mr. Borys seconded the motion and it was passed unanimously.

2008-258 Resolution Adopting 2009 JTMUA Water Operating Capital Budget – State Version.

Mrs. Blake made a motion to approve Resolution 2008-258. Mr. Borys seconded the motion and it was passed unanimously.

8. Other Matters

Chairman Allmann noted that the next Public Meeting is scheduled for December 11, 2008. With no further matters to discuss, Mrs. Rickabaugh made a motion to adjourn. Mr. Borys seconded the motion and it was passed unanimously. Chairman Allmann declared the November 20, 2008 Public Meeting adjourned.

End of Minutes