

October 25, 2007

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 October 25, 2007."

Chairman Allmann requested a roll call.

The October 25, 2007 Public Meeting of the Jackson Township Municipal Utilities Authority was called to order at 5:30 P.M. Present were Members Blake, Borys, Clayton, and Chairman Allmann, Alternate Members Garofano and Lundy along with the Business Administrator, James Diaz, Administrative Assistant, Joan Haltigan, Executive Director, David Harpell. Also in attendance were Authority Engineer, Alan Dittenhofer, and Authority Counsel, William Hierung. Mrs. Rickabaugh was absent.

Administrative Assistant stated that this meeting was in compliance with the provisions of the "Open Public Meetings Act," with adequate notice of the Public Meeting having 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 27, 2007

Mr. Borys made a motion to approve the minutes of the Open Session Public Meeting of September 27, 2007. Mrs. Clayton seconded the motion and was passed unanimously.

Questions/Comments from the Public

Chairman Allmann opened the floor to the public.

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

2. 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 a summons and complaint served to the Authority from Mr. Keith Kugel. This individual has been in the paper regarding suing Jackson Township, Howell Township and Freehold Township about property lines and municipal borders. Mr. Harpell stated that if we would like to discuss this further, we can discuss in closed session but Scibal Associates is handling the case for us.

- Mr. Harpell discussed the updated salary ranges. Mr. Harpell stated that the Authority has been working with the Administrative Committee, Personnel Committee and Finance Committee for a couple of months to update the current salary ranges. Mr. Harpell thanked everyone for their hard work, stating that we have a good proposal this evening for salary ranges. Similarly the organizational chart was updated to reflect the current structure. As the Authority continues to grow, the organizational chart will have to be revisited but this is a good first step.
- Mr. Harpell discussed the water system flushing, noting that about half the flushing was done in the spring and we want to make everyone aware that our employees will be out flushing through the end of November.
- Mr. Harpell discussed some customer correspondence. The Authority received one very nice letter to the editor and one from a resident and we wanted to make the Board of aware of this information.

Engineering Committee Report

Mr. Harpell discussed the following action items this month.

- Lakeland Shores Water and Sanitary Sewer Systems, Contract No. 05-139. This is a Final Quantities Change Order for Stacey Contracting. We are pleased to report this job is to be brought in with a credit of (\$18,119.01). Pete and the Engineering Department did a good job with this project to get it closed out and would like to recommend approval of the Final Quantities Change Order.
- The Sanitary Sewer System Evaluation Phase 4, Contract No. 06-143. The Authority approved a Final Quantities Change Order for D & D Utility Contractors last month and would like to now grant Closeout and Performance Bond Release, contingent upon legal review.

Action Items

- Jackson Development Company, LLC, Jackson Regional Pump Station, Dublin Road – Sewer Facilities Performance Bond Reduction. We recently received ownership of the Dublin Road Pump Station and at this point we would like to give 70% Performance Bond Reduction to the developer. O'Brien and Gere is recommending this in their October 3, 2007 letter from \$2,250,000 million to \$675,000.
- The next item is the Authority Rules & Regulations update. The Rules and Regulations were last updated in June 2003 and there have been a few issues we would like to incorporate in the Rules & Regulations, which were discussed with the Engineering Committee. Essentially, the Authority has a proactive policy to charge developers operations and maintenance costs when they build a pump station in town to cover our cost to run the station. It recently came to the Authority's attention that the way the Rules and Regulations are written, it didn't really apply to regional type facilities. The Authority wants to make this requirement more applicable to the regional type facilities and to have the developers pay their prorated share of the operation and maintenance costs. This change is being proposed at this point.

Mr. Harpell discussed the second issue of irrigation. The Authority is trying to control of the irrigation demands and have proposed several changes. The first change is proposing mandatory odd/even watering in the summer for current customers. The second would be to limit irrigation to three days per week for big commercial accounts in order to control system peaks in the summer. For new developments, we will try to push them away from using our system for irrigation. Present irrigation demands in the summer can be very tough on the system and require extensive capital expenditures.

The last proposed change would be to SCADA, which has been a major system improvement over the last couple of years. There has been some confusion at times with the developers as to what the Authority expects with regards to SCADA at particular stations, mainly sewer pump stations. The Authority is going to adopt a SCADA manual showing exactly what is expected, which should help clarify this issue for the developers.

Mr. Harpell also noted that Mr. Hierung has not yet had an opportunity to review the proposed updates and the requested approval is subject to legal review.

Mr. Borys questioned what would be recommended to the developers to discourage from using public water for irrigation purposes. Mr. Harpell stated shallow wells are an option but the State is now is getting tougher on approving shallow wells noting that it would be left up to the developer as to how they would provide the water. The Authority is asking for a non-potable irrigation plan so we know how they will satisfy this demand. The State is also starting to encourage recycled wastewater for irrigation. The Authority did leave an option that if the developer asked, we could consider assuming ownership of the facility and in the case of a recycled wastewater plant, the MUA would probably have to do so.

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

Mr. Alan Dittenhofer of Remington, Vernick & Vena Engineers discussed the following development applications on the Engineers Report of October 22, 2007 and requesting approval from the Board.

- Granting Preliminary Water & Sewer Approval. The applicant, CNLRS Development is proposing to construct commercial center with a 4,600 ft bank and a second building that will contain a 1,200 ft restaurant and 5,600 sq ft of retail space. The project site is located at the intersection of North County Line Road and Harmony Road. The site contains a total of 14.19 acres. The applicant is applying for preliminary utility services at this time and proposing to connect to the existing water main along Harmony Road and extend domestic water and fire services to the building. We recommend approval in our October 22, 2007 letter to the Board.
- Approval for a Performance Bond Release for water and placing a maintenance bond into affect to Toll Brothers, Inc. for Westlake Village Section 2B. There are some contingencies with this approval, basically executing easements on the properties.

Public Relations Committee Report

Mr. Harpell stated that there was no Public Relations Committee this month.

Administrative Committee Report

Mr. Harpell stated that the Administrative Committee met on October 22, 2007 and discussed the organizational chart being presented to the Board this evening. The Committee also discussed developing a Sick Time Policy, a Financial Policy Manual and establishing criteria for what is "hardship" with relation to the five year payment plan for connection fees adopted by the Township a few months ago.

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

Mr. Diaz stated that the Finance Committee met on Monday, October 22, 2007, discussing and recommending approval of items on the agenda this evening, as well as the Total Voucher list amount submitted this evening in the amount of \$652,918.53 with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$55,520.60 for capital projects;
2. Construction Fund in the amount of \$156,671.37 for bond projects;
3. Escrow Funds in the amount of \$44,897.42 for developer work;
3. Revenue General Fund in the amount of \$344,775.15 for operating expenses.

Mr. Diaz stated that the total operating expenses of \$344,775.15 includes \$150,000.00 for funding the Payroll account. Additionally, the Capital Reserve fund was reduced by \$51,053.99 due to funds that were transferred previously to cover a capital expense that was later voided and reissued the next month. This will readjust the Operating Expense Fund carry over balance to approximately \$26,000.00.

Mr. Diaz discussed the following items:

- Mr. Diaz discussed the 2008 Water & Sewer Operating and Capital Budgets, noting that we have been working on the budgets over the past few months with the Finance Committee. There are two resolutions this evening, which have been transferred to the State form. Mr. Diaz stated that the information that had been previously provided was on a spreadsheet that was converted to the State form. This form is more consolidated but the numbers do not change. The Finance Committee has recommended approval on the 2008 Budgets. If approved this evening, Mr. Diaz will send to the State tomorrow for their approval. If there are no issues, the Authority will look to adopt in November. Mr. Diaz thanked the Finance Committee for their help with this budget and stated that the entire process went very well and was very productive.
- Mr. Diaz stated there were two purchases this evening. The first capital purchase is for a replacement engine for truck #4. The engine is at a point where it is more cost

effective to replace than it is to rebuild. The vehicle is in good shape and it is recommended that we replace the engine from Freehold Ford for \$2,204.00.

The second purchase is an operating expense for \$2,500.00 from Applied Analytic, Inc. This company will go to six locations and recalibrate the sewer master meters, which is important for accuracy in billing. The locations are Goetz School, Jackson Memorial High School, Fountainhead Mobile Home Park, Oak Tree Mobile Home Park and Great Adventure. This is something that would be incorporated as a yearly type of service.

- Mr. Diaz discussed the 2007 Tax Liens for year-ending 2006. The Tax Sale was held on October 19th, 2007, and the total amount sold consisted of 36 accounts totaling \$23,511.00. The Authority received the check from the Tax Collector on October 24, 2007 and next month an expense check to the Township will be presented with the fees involved for doing the Tax Sale on our behalf.
- Mr. Diaz stated that resident Mrs. Eleanor Traina has accepted the Authority's settlement offer and she has withdrawn her claim under Title 59. Chairman Allmann stated that the Authority has worked very hard to get this issue resolved and has saved the Authority quite a bit of money that would have been spent on legal expenses.
- Mr. Diaz discussed the presentation from AFLAC noting that there was a fairly good turnout this time and the Authority did meet the minimum requirement of three people signing up. It was stated that next month there would be a resolution presented to the Board to approve AFLAC as a supplemental insurance, noting that this is strictly voluntary and there is no cost to the Authority. Mr. Diaz stated that this does not go through open enrollment and that employees can join at any time.

Personnel

Mr. Diaz discussed one item on the agenda this evening, which deals with Mr. Richard Quigley who has held the title of Laborer since December 2005. Basically, the Authority is looking to promote Mr. Quigley from Laborer to Engineering Aide. It was stated that there is no salary increase involved due to the fact that Mr. Quigley is earning a wage comparable to the position. The Personnel Committee met this evening and discussed this particular item and is recommending approval.

Mr. Borys questioned whether the Township and MUA would eventually be forced to go away from Blue Cross/Blue Shield as of January 1, 2008. Mr. Diaz responded that the State has gone out to an RFP for healthcare services and has locked in their rate until June 30th 2008, noting that they are going through a re-evaluation of the companies. These companies have not been released as to whom the providers will be but as of June 2008 there will be a new open enrollment. Mr. Diaz stated that we should know by the June 2008 open enrollment who the provider will be. . One of the rumors is that the traditional plan will be eliminated; possibly New Jersey Plus but at this time there is no confirmation on that.

Chairman Allmann entertained a motion to accept all the reports discussed this evening from all the Committees. Mrs. Borys made a motion to approve. Mrs. Blake seconded the motion and it was passed unanimously.

4. Consent Resolutions 2007-187-2007-190:

- 2007-187 Resolution Ratifying Cash Management Report for September 2007
- 2007-188 Resolution Granting Preliminary Sewer and Water Approval to CNLRS Development Site Plan, Block 136, Lots 10 & 11 on the Tax Map of the Township of Jackson.
- 2007-189 Resolution Granting a Performance Bond Reduction to Jackson Development Company, LLC/Vista Center Associates for Jackson Regional Pump Station, Dublin Road, Block 147.02, Lot 61.01, on the Tax Map of the Township of Jackson
- 2007-190 Resolution Granting Water Performance Bond Release to Toll Brothers Inc. for Westlake Village Section 2B – Water, on the Tax Map of the Township of Jackson.

Prior to voting on Consent Resolutions, Chairman Allmann questioned if Westlake Residents can vote on 2007-190. Mr. Hiering confirmed yes, since there is no personal gain involved.

Mrs. Clayton made a motion to approve Resolutions 2007-187 through 2007-190. Mrs. Blake seconded the motion and it was passed unanimously.

5. Resolutions Offered:

- 2007-191 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll

Mrs. Blake made a motion to approve Resolution 2007-191. Mrs. Clayton seconded the motion and it was passed unanimously.

- 2007-192 Resolution Approving Final Quantities Change Order No. 4 to Stacey Contracting, Inc. for Lakeland Shores Water and Sanitary Sewer Systems, Contract No. 05-139, in the Credit Amount of (\$18,119.01).

Mrs. Clayton made a motion to approve Resolution 2007-192. Mrs. Blake seconded the motion and it was passed unanimously.

- 2007-193 Resolution Granting Closeout and Release of Performance Bond to D&D Utility Contractors, Inc. for Sanitary Sewer System Evaluation – Phase V, Contract No. C6-00143.

Mrs. Blake made a motion to approve Resolution 2007-193. Mrs. Clayton seconded the motion and it was passed unanimously.

- 2007-194 Resolution Authorizing the Payment to Freehold Ford in the Amount of \$2,204.00 for One New 30V6 Replacement Motor for Truck Number 4.

Mrs. Blake made a motion to approve Resolution 2007-194. Mrs. Clayton seconded the motion and it was passed unanimously.

2007-195 Resolution Authorizing the Approval of the 2008 JTMUA Sewer Operating Capital Budget.

Mr. Borys made a motion to approve Resolution 2007-195. Mrs. Blake seconded the motion and it was passed unanimously.

2007-196 Resolution Authorizing the Approval of the 2008 JTMUA Water Operating Capital Budget.

Mrs. Blake made a motion to approve Resolution 2007-196. Mr. Borys seconded the motion and it was passed unanimously.

2007-197 Resolution Authorizing the Award of a Contract to Applied Analytics, Inc. in the Amount of \$2,500.00 for the Evaluation and Calibration of Six (6) Electromagnetic Sewer Flow Meters Within the Authority's Sewer System.

Mr. Borys made a motion to approve Resolution 2007-197. Mr. Borys seconded the motion and it was passed unanimously.

2007-198 Resolution Authorizing Salary Range Changes of Authority Titles.

Mr. Borys made a motion to approve Resolution 2007-198. Mrs. Blake seconded the motion and it was passed unanimously.

2007-199 Resolution Authorizing Promotion of Richard Quigley to Engineering Aide.

Mrs. Blake made a motion to approve Resolution 2007-199. Mr. Borys seconded the motion and it was passed unanimously.

2007-200 Resolution Adopting Revised Rules and Regulations and Specifications for Construction

Mrs. Blake made a motion to approve Resolution 2007-200. Mr. Borys seconded the motion and it was passed unanimously.

There was no closed session.

6. Other Matters

With no further matters to discuss, Mr. Borys made a motion to adjourn. Mrs. Blake seconded the motion and it was passed unanimously. Chairman Allmann declared the October 25, 2007 Public Meeting adjourned.

End of Minutes

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