

**June 21, 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 June 21, 2007."

Chairman Allmann requested a roll call.

During roll call, Mr. Allmann stated that Members Blake and Rickabaugh were excused from this evening's meeting due to family matters. Mr. Borys made a motion to approve the absences. Mr. Lundy seconded the motion and it was passed unanimously.

The June 21, 2007 Public Meeting of the Jackson Township Municipal Utilities Authority was called to order at 5:30 P.M. Present were Members 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 and Principal Engineer, Peter Canal. Also in attendance were Authority Engineer, Alan Dittenhofer, and Authority Counsel, William Hering.

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 May 24, 2007.

Mrs. Clayton made a motion to approve the minutes of the Open Session Public Meeting of May 24, 2007. Mr. Lundy seconded the motion and was passed unanimously. Mr. Borys abstained.

Questions/Comments from the Public

Chairman Allmann opened the floor to the public.

With no questions from the public, Mr. Borys made a motion to close the public portion of the meeting. Mrs. Clayton seconded it and it was passed unanimously.

At this time, Mr. Douglas Gannon, Representative for Hutchins, Farrell, Meyer & Allison was present to discuss the 2006 Audit. Mr. Gannon discussed the result of the Audit noting that there were no comments and the firm is satisfied with the maintenance of the records. The Authority's total assets as of December 31, 2006 were approximately \$63,800,000.00, representing approximately \$7,800,000 increase in total assets, mostly the result of an increase in capital assets. It was noted there is a decrease on the liability side of approximately

\$600,000.00. The main increase in the Authority's equity, which was approximately \$8,500,000.00 as compared to 2005 was due primarily to an increase in their capital assets noting that \$4,500,000.00 of this increase is contributed capital from developers. Total operating revenues are approximately \$300,000.00 less than 2005 and operating expenses were approximately \$300,000.00 higher. Bottom line is the net income of the Authority decreased approximately \$250,000.00. Mr. Diaz stated that there would be slight change made and final copy will be distributed with some revisions. It was noted that what was reviewed this evening is accurate.

Mr. Allmann commended the employees of the Jackson Township MUA for following the budgets and appreciated the fine work done.

At this time, the Board accepted the Audit Report. Mr. Borys motioned to accept. Mr. Garofano seconded the motion and it was passed unanimously.

With no comments or questions from the Board, Mr. Allmann reopened the meeting to the public for public comment at 5:39.

Mr. Mark Seda spoke regarding the renovations behind the JTMUA property noting that the Township is spending approximately \$1,000,000.00 on the field and is requesting that the MUA clean up the brush line and fence. Mr. Allmann suggested the MUA install slats on the fence so to block the storage facility. Discussion continued regarding the sewer cleanouts at the Jackson Mills Soccer site. At this time, Mr. Seda is looking to have this issued addressed, whether the MUA, Township or developer is responsible. Mr. Seda spoke with Mr. Eric Sambol who is looking to build the park out over the next six months and have the four practice fields completed by the end of the summer. In order to do this, Mr. Seda is seeking the help of the Board in two fashions. One is moving the sewer cleanouts and second, potentially covering two manholes under the surface, grass it over and field mark if ever needed access for an emergency. The quicker the response from this Board, the sooner the Mayor can sit down with Mr. Sambol to finalize numbers. Mr. Allmann stated that he and the Executive Director has discussed these issues have come up with some other ways in order to save some money. Mr. Harpell discussed the original estimates to do these improvements was approximately \$120,000.00. It was noted that some of this work could possibly be done in-house to save some money, for example using some manpower from the DPW. There is meeting set up for tomorrow morning to discuss some options. Mr. Seda stated that DPW is maxed out on manpower. If it could be coordinated with the Township that would be great but shouldn't rely on this. Mr. Allmann stated that the MUA is also lacking in manpower with some employees out on disability. The MUA will work with DPW and look at some other solutions to save some money and time. Mr. Seda is looking to have trucks and equipment on site in the next two weeks, stating that this site is vital to the practice fields next year. Mr. Harpell stressed that it would be better do the work in-house to speed up the process.

Mr. Harpell then discussed the intersection of Cooks Bridge Road and Manhattan Street. The MUA has received plans from the County, having three force mains and one water main that would be impacted by lowering the road. Mr. Harpell asked the County if we change the profile so we would not have to lower all the utilities. Mr. Harpell stated it could cost approximately \$50,000.00 to bid the work out. If the road is not cut down as much we do not have any issues with the utilities being impacted. Mr. Seda stated that if the profile has to be changed, and then it would be a redesign on the County side, putting the project out a year and

a half. Mr. Seda stated that if going out to bid were necessary, the Township would absorb this cost in order to be completed this cycle.

Entertain motion to close the public portion. Mr. Borys motions, Mrs. Clayton seconded the motion and it was passed unanimously.

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

Mr. Harpell stated that the MUA has received notice, subsequent to the Executive Director's Report, that we would receive the water allocation permit July 1<sup>st</sup>. It's a good start but it was noted that we should go back in again this year for some more allocation and to get a few more things done. The new permit will provide some relief for the summer but there is still a long-term monthly shortage in the system. Mr. Borys asked if there would be some voluntary restrictions put in place and Mr. Harpell confirmed that these would be instituted by the end of the month. Mr. Allmann stated that it had been discussed that some of the major developments could alternate their irrigation days so not to affect peaks.

Mr. Harpell discussed the following items on the Executive Director's Report, stating that the Engineering Committee met on Tuesday, June 19<sup>th</sup> and the Administrative Committee Meeting was held on Monday, June 18<sup>th</sup>. The Public Relations Committee will meet at the conclusion of the Public Meeting to discuss Jackson Day 2007.

- Mr. Harpell discussed the Public Hearing held on June 8<sup>th</sup> for the NJEIT Project. It was stated that there was some requests for an evening hearing so a second one was scheduled for 6:30 pm. At the 10:00 am hearing there were two attendees with some good dialog but no major issues came out of it and no one showed up for the 6:30 pm hearing. Mr. Harpell stated that the Authority did receive another call from the Tri-Town News regarding the project and may do a follow-up on the hearing stating that there was limited participation.
- The next item discussed were the letters sent to Lakeland Shores regarding connections. Twenty-one residents had committed to connecting in 2004, so the Authority is asking them to connect. Forty-one did not commit so they have the option to tie into the system.
- Oak Tree Mobile Home Park requested a representative from the MUA attend a talk about metering. Oak Tree is only billed for sewage but the park wanted to install water meters. This does not really affect the Authority but they thought it would be helpful to have someone explain it to them. Mr. Harpell stated that he thought it was a productive meeting.
- Mr. Harpell discussed the informational article distributed regarding the Toms River ordinance. This ordinance proposed where the Township will own new water mains and will lease them back to United Water Toms River.

- The next item discussed was Jackson Day 2007. Planning has begun with the Public Relations Committee. There is a Public Relations Meeting scheduled for this evening to discuss some additional information. The idea is to come up with some budgetary recommendations to the Board by next meeting.
- Mr. Harpell then discussed meter testing. The Authority sends out approximately 200 meters a year to be verify their accuracy. The Authority had reached out to Brick MUA a few years back to do the testing but they declined. They are now interested and are willing to enter into an Interlocal Agreement. The Township Council has to approve the Interlocal Agreement. Presently HD Waterworks charges \$25.00 per meter plus shipping, and Brick would be \$15.00 per meter and no shipping, which is very reasonable. It was noted that Mr. Hiering would send a letter to the Township with this proposal. If everything goes through, the draft agreement will be presented to the Board for consideration in July.
- The last item discussed was the water quality issue at Six Flags Great Adventure on May 25<sup>th</sup>. The plant is getting old and needs some work. It was noted that the Engineering and Operations staff put together list of improvements required a few years back. Not all of these improvements have been made and two items on the list caused a problem with the water. It was noted that this was not a health hazard but some pink water did get into the park. Mr. Harpell stated for the record that the Authority's Superintendent and Maintenance Supervisor stayed from 7:00 am to 7:00 am the next morning and did an exemplary job. The Authority and Six Flags Great Adventure both really appreciated the efforts made. Subsequent to this event, there was a meeting with Great Adventure this week, which went well. Six Flags Great Adventure committed to budgeting some funds for 2008 to make improvements since the system is 30 years old and Six Flags is responsible for upgrades.

### **Engineering Committee Report**

Mr. Canal discussed the following action items this month.

- Bennetts Mills Road Water Transmission Main, Contract 05-113 – Closeout and Performance Bond Release to B&B Construction. B&B had completed all the work and is ready for closeout and performance bond release upon acceptance of the maintenance bond in the amount of \$894,704.12. This was a tough project and I would like to commend Earl Quijano of our staff and Hatch Mott MacDonald on their efforts in bringing this difficult contract to closure.
- Lakeland Shores Water and Sanitary Systems, Contract No. 05-139 to approve Change Order No. 2 to Stacey Contracting, Inc., in the amount of \$32,033.14. The Township Engineer required the base paving thickness be increased from 2 ½ inches to 4 inches. This cost is for the material only. The Authority is in dispute with the contractor for the labor portion of the contract work but is obligated to pay last year's material cost, increasing the revised contract amount of \$1,174,970.78 to \$1,207,003.92.
- Miscellaneous Excavation Type Sewer Repairs, Contract No. C6-00158 – Approve Change Order No. 1 to D & D Utility Contractors, Inc., in the amount of \$11,900.00. This is for additional scope work that is required throughout the Township. We found

some castings that were broken and authorized the work and added to their contract. This increases the contract amount from \$99,636.00 to \$111,536.00.

- SCADA System Improvements – Phase III, Contract No. C6-00141 – Approve Task Change Order No. 1 to Montgomery Watson Harza, Inc. in the amount of \$24,300.00. Back in February, the Authority rejected all bids for SCADA because we believed the prices came in too high. We were advised to go to competitive contracting to give us some more tools to work with in selecting contractors. This format will open up the bidding a little more and make it more competitive and we believe this will bring in significantly lower costs and save the Authority money. This is just the beginning of all of our sewer pump stations, which is why it was important to address during this phase being the beginning of the sewer project. This particular phase will include 5 sewer pump stations and this task order is for Montgomery Watson Harza to re-bid the job.
- Water System Master Plan Contract No. C6-00120 to approve Task Order Change No. 2 to O'Brien & Gere Engineers in the amount of \$7,000.00. We are experiencing some operational issues out in the system with our Vista and Bartley Tanks and need to do some modeling and field calibrations to determine what those problems are and get some recommendations for fixing those problems. Mr. Allmann stated that the Authority is using some in-house personnel to do all the fieldwork and the engineering and modeling through O'Brien & Gere.
- Authorizing the Award of Professional Services to Princeton Hydro for a Habitat Suitability Assessment for the proposed Manhattan Street Water Treatment Plant Replacement and the Southeast Quadrant IMG Elevated Water Storage Sites. – Contract No. C7-00026 in the amount not to exceed \$2,090.00. As part of the loan program the State came back and had a natural heritage program report prepared which indicated that there are some threatened and/or endangered species potentially, within a quarter mile of both sites. To date, the State has not made a determination on how we should proceed. We believe at a minimum, we need to do a phase I site assessment of what is there. Princeton Hydro is highly recommended. The study should be completed by the August deadline for the State trust loan program.
- Mr. Canal gave an update on the Jackson Township Board of Education Proposal. As discussed last month, we issued a written proposal for the land acquisition in exchange of connection fee waivers. The Authority also met with the Board on June 4, 2007, which went well. There is a Board of Education Meeting on June 26<sup>th</sup> where it is anticipated action will be taken. Again, we would like to give thanks to our Chairman for his assistance with this matter.

### **Other Matters**

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

Mr. Alan Dittenhofer of Remington, Vernick & Vena Engineers discussed the following development applications for this evening and requesting approval from the Board.

Citgo Gas Station, Block 54, Lot 1. This application is granting preliminary & Tentative Sewer and Water approval. The applicant is proposing to construct a gas station and retail store at the intersection of Whitesville Road and Hope Chapel Road in the southeast corner. The applicant is applying for water and sewer approval at this time and proposing to connect to the existing main in Hope Chapel and install service to the building. The applicant is also proposing to connect to an existing cleanout and a sanitary sewer diagonal in the vicinity. We recommend that preliminary and tentative approval be granted to this project and we further recommend that final water and sewer not be granted for this application until such time as the downstream sewer facilities are constructed.

South Knolls, Section 3, Block 111.03, Lot 1. The applicant, K Hovnanian, is proposing to construct section 3 of South Knolls, which is located off country line road off of Cooks Bridge Road. Section 3 contains 53 of the total build units of 884. The applicant is applying for final water and sewer at this time. We recommend this approval be granted to this project in our June 11, 2007 letter to the Board.

Tentative and final Water Approval for M & J Real Estate Holdings, for Tiger Distributor Warehouse, Block 154.32, Lot 21.03. M & J is proposing to construct a 20,000 sq ft distribution warehouse on the west side of Cosmo Lane off 195. The applicant wishes to install an 8-inch DEP dry water main across the project frontage and install services for water protection for future use. We recommended this approval be granted in our June 11, 2007 letter to the Board.

The final development application is the Jackson Mews Partial Off-site Water and Sewer Extensions. The applicant is proposing to construct partial off site water and sewer extensions for the Jackson Mews along Cedar Swamp Road and Jackson Mills Road west of Freehold. The applicant is applying for final water and sewer service at this time. The applicant proposes to connect to an existing water main on East Commodore and also connect to the existing 15-inch gravity sewer. We recommended this approval be granted in our June 11, 2007 to the Board.

Bond Reduction for South Knolls, Sections 2E & 2 G, Sewer & Water. We performed the inspections and recommend a 70% performance Bond Reduction in our June 11, 2007 letter to the Board.

Bond Reduction to Paramount Homes for Premier at Whispering Grove. We recommend that reduction in our letter of June 11, 2007 to the Board.

### **Public Relations Committee Report**

Mr. Harpell stated that the Public Relations Committee met on May 24, 2007 and are scheduled to meet again this evening following the Public Meeting. Mr. Harpell discussed the newsletter and that the Committee is still looking into a budget for a newsletter, noting there is not a lot of money in the Public Relations for 2007. The second item is Jackson Day. The Authority spent approximately \$3,000.00 on Jackson Day 2006. There are not many items left over for handouts this year and the Committee will discuss some ideas for giveaways this year and arrive at a budget.

## **Administrative Committee Report**

Mr. Harpell stated that the Administrative Committee met on Monday, June 18, 2007 discussing the Mission Statement for the Authority. Mr. Harpell noted that we have a Mission Statement to present to the Board next month. The next item discussed was organizational chart. We have been working on updating our organizational chart and will have a copy for the different committees by next month, showing where the Authority is and where we want to be in terms of future growth. The last item discussed is putting together a financial policy manual which the Committee will address over the next few months.

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

Mr. Diaz stated that the Finance Committee met on Monday, June 18, 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 \$739,206.86 with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$345,680.12 for capital projects;
2. Escrow Funds in the amount of \$58,963.08 for developer work;
3. Revenue General Fund in the amount of \$334,563.66 for operating expenses.

Mr. Diaz stated that the total operating expenses of \$334,563.66 includes \$160,000.00 for funding the Payroll account

Mr. Diaz discussed the following items:

1. The Maple Glen Rate Hearing. Every year there is a review of the Maple Glen Rate and that process has been completed. The proposed rate has been distributed. Mr. Diaz requested permission from the Board to advertise the rates and conduct a rate hearing at the next public meeting. The Board approved.
2. Mr. Diaz discussed a document he received from the NJBIA regarding family paid leave, which the State is looking to pass by June 30, 2007. Mr. Diaz stated there could be a cost factor on the Authority involved, which is why he has brought to the Board's attention. Mr. Allmann requested that an email be sent noting the Authority's discontent with this proposed bill.

## **Personnel**

The Personnel Committee met this afternoon and there are a few items on the agenda this evening. The first deals with two promotions. Mr. Jeffrey O'Prandy and Mr. Stephen Colon to go from Water Meter Reader/Water Meter Repair to Sewer Repair/Water Repair. Both individuals have been employed for several years and the Authority feels they will do well in these new roles. The Personnel Committee is recommending approval of these two promotions.

Mr. Diaz discussed a new hire to fill one of the above positions. The individual is Nicholas Lefkovich for a Meter Reader/Meter Repair position. Starting salary is \$10.00 per hour with benefits and Mr. Lefkowitz will start on Monday, June 25, 2007. The Personnel Committee is recommending approval for this new hire.

Mr. Diaz stated that a representative from AFLAC sat with employees on June 13<sup>th</sup> and came back two days following to discuss supplemental insurance. They are scheduled to come back on Wednesday, June 20<sup>th</sup> for both employees and Commissioners if interested. In order to implement this plan, three people need to sign up. At this time, no one has committed to this.

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

4. Consent Resolutions 2007-108 to 2007-114:

- 2007-108 Resolution Ratifying Cash Management Report for May 2007
- 2007-109 Resolution Granting Preliminary & Tentative Sewer and Water Approval to Citgo Gas Station, Block 54, Lot 1, on the Tax Map of the Township of Jackson.
- 2007-110 Resolution Granting Final Sewer & Water Approval to South Knolls Section 3, Block 111.03, Lot 1, on the Tax Map of the Township of Jackson.
- 2007-111 Resolution Granting Tentative and Final Water Approval to Tiger Distributors Warehouse – Block 154.32, Lot 21.03, on the Tax Map of the Township of Jackson.
- 2007-112 Resolution Granting Final Sewer and Water Approval to Jackson Mews Partial Off-site Water and Sewer Extensions, West Freehold and Cedar Swamp Roads, on the Tax Map of the Township of Jackson.
- 2007-113 Resolution Granting a Performance Bond Release to Paramount Homes for the Premier at Whispering Grove, Block 83, Lots 1 & 8, and Block 108, Lots 3.03, 5 & 8 on the Tax Map of the Township of Jackson.
- 2007-114 Resolution Granting a Sewer and Water Performance Guarantee Reduction to Jackson Development Company, LLC for South Knolls Sections 2E-2G, on the Tax Map of the Township of Jackson.

Mr. Borys made a motion to approve Resolutions 2007-108 through 2007-114. Mr. Lundy seconded the motion and it was passed unanimously.

7. Resolutions Offered:

- 2007-115 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll

Mrs. Clayton made a motion to approve Resolution 2007-115. Mr. Borys seconded the motion and it was passed unanimously.

2007-116 Resolution Approving Change Order No. 2 for Lakeland Shores Water and Sanitary Sewer Systems, Contract No. 05-139 to Stacey Contracting, Inc., in the Amount of \$32,033.14

Mr. Borys made a motion to approve Resolution 2007-116. Mrs. Clayton seconded the motion and it was passed unanimously.

2007-117 Resolution Granting a Closeout & Performance Bond Release to B and B Construction Company, LLC for Bennetts Mills Road Water Transmission Main Contract No. 05-113.

Mrs. Clayton made a motion to approve Resolution 2007-117. Mr. Borys seconded the motion and it was passed unanimously.

2007-118 Resolution Approving Change Order No. 1 for Miscellaneous Excavation Type Sewer Repairs, Contract C6-00158 to D&D Utility Contractors, Inc., in the Amount of \$11,900.00.

Mr. Borys made a motion to approve Resolution 2007-118. Mr. Garofano seconded the motion and it was passed unanimously.

2007-119 Resolution Authorizing the Award of Task Order Change No. 1 to Montgomery Watson Harza Americas, Inc. for SCADA Systems and Control/Instrumentation Improvements – Phase 3, Contract C6-00120, in an Amount Not To Exceed \$24,300.00.

Mr. Lundy made a motion to approve Resolution 2007-119. Mr. Garofano seconded the motion and it was passed unanimously.

2007-120 Resolution Authorizing the Award of Task Order Change No. 2 to O'Brien & Gere Engineers, Inc. for Water System Master Plan, Contract No. C6-00120, in the Amount of \$7,000.00.

Mr. Borys made a motion to approve Resolution 2007-120. Mr. Lundy seconded the motion and it was passed unanimously.

2007-121 Resolution Certifying that the 2006 Audit has been Reviewed by the Board

Mrs. Clayton made a motion to approve Resolution 2007-121. Mr. Borys seconded the motion and it was passed unanimously.



5. Other Matters

Mr. Allmann stated that he received an email from Frank Holman who is being honored at the Loyal Buffalo Award. This is the highest honor from the Boy Scouts. There is a reception at 11:30, ceremony at 12:00, luncheon at 12:30. It was stated that Mr. Holman has worked very hard for this award. Mr. Allmann will be attending and if anyone else is interested in attending, please advise.

With no further matters to discuss, Mr. Lundy made a motion to adjourn. Mr. Garofano seconded the motion and it was passed unanimously. Chairman Allmann declared the June 21, 2007 Public Meeting adjourned.

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End of Minutes

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