



HMUA MINUTES

ANNUAL
MEETING OF

FEBRUARY 09, 2021

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



ANNUAL MEETING FEBRUARY 09, 2021

JACOB GARABED ADMINISTRATION BUILDING & VIRTUAL MEETING

The meeting was called to order by Chairperson Kuster at 2:00 P.M. over teleconference due to Executive Order No. 107 signed by NJ Governor Murphy and to promote the necessary social distancing to avoid the spread of COVID-19. Executive Director Corcoran announced that adequate notice of this meeting has been given to the area press and the Town of Hackettstown, and the meeting shall be convened and conducted in accord with the requirements of the Open Public Meetings Act.

Executive Director Corcoran acknowledged receipt of the resolution adopted by the Town of Hackettstown appointing Ciro Lala to the Authority for a term of office expiring on February 1, 2022.

Executive Director Corcoran acknowledged receipt of the resolution adopted by the Town of Hackettstown appointing William Kuster, Jr. to the Authority for a term of office expiring on February 1, 2026.

Roll call indicated the following members in attendance: Kuster, Jerry DiMaio, Harper and Lala.

Also attending: Counselor Zaiter, Engineer David Klemm, Executive Director Corcoran, Deputy Director Biank and Recording Secretary Lasch.

Chairperson Kuster led a salute of the United States Flag.

Chairperson Kuster indicated approval of the January 11th, 2021 Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Harper, being seconded by Jerry DiMaio.

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster indicated that the election of officers for the ensuing year would be the next order of business and appointed Counselor Zaiter as Acting Chairperson to conduct the election.

Upon hearing the request for nominations for the office of Chairperson for the Board Year 2021/2022, Harper nominated Kuster. Jerry DiMaio seconded the nomination. No further nominations were received. There being only one nomination, Kuster was elected as Chairperson.

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster then declared nominations for the office of Vice Chairperson to be in order. Jerry DiMaio nominated Harper. Kuster seconded the nomination. No further nominations were received. There being only one nomination, Harper was elected as Vice Chairperson.

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster stated the next agenda item was discussion and possible action to appoint the Risk Management Consultant.



After a brief discussion, the following Resolution #21-3549 was proposed by Jerry DiMaio who moved its adoption:

Resolution #21-3549

WHEREAS, the Hackettstown Municipal Utilities Authority has previously joined the New Jersey Utility Authorities Joint Insurance Fund, following a detailed analysis; and,

WHEREAS, the bylaws of said Fund requires that each Authority appoint a Risk Management Consultant to perform various professional services as detailed in the bylaws; and,

WHEREAS, the Authority has negotiated a reduced fee in the amount of \$4,000, which represents reasonable compensation for the services required for the duration of one year; and,

NOW, THEREFORE, be it resolved, the Hackettstown Municipal Utilities Authority does hereby appoint Otterstedt Insurance Agency as its Risk Management Consultant in accordance with the Fund's bylaws; therefore,

BE IT FURTHER RESOLVED, that the Governing Body hereby authorizes and directs the execution of the Risk Management Consultant's Agreement annexed hereto.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster then indicated that appointments of Authority professionals be the next several agenda items. Chairperson Kuster continued by stating the first appointment will be for the Authority's Auditor.

After a brief discussion, the following Resolution #21-3550 was proposed by Harper who moved its adoption.

Resolution #21-3550

WHEREAS, the Town of Hackettstown Municipal Utilities Authority has a need to retain professional services of an Auditor as a non-fair and open contract pursuant to the provision of N.J.S.A. 19:44A-20.5; and,

WHEREAS, pursuant to N.J.S.A. 40:A-11-5, professional services for the Authority may be retained without public bidding; therefore,

BE IT RESOLVED, by the Board Members of the Town of Hackettstown Municipal Utilities Authority as follows:

- 1- That the appointment of Wielkotz & Company as the Authority's Auditor and retaining them to perform audits and other support services in accordance with their January 4, 2021 proposal is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 08, 2022, or until their successor has been appointed and qualified.



- 3- That the Executive Director of the Authority is hereby authorized and directed to publish this Resolution in the Daily Record pursuant to N.J.S.A. 40A:11-5 (1) (a) (i).

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

The next agenda item was the discussion and possible action to appoint the Authority's Counselor.

The following Resolution #21-3551 was proposed by Jerry DiMaio who moved its adoption:

Resolution #21-3551

WHEREAS, the Town of Hackettstown Municipal Utilities Authority has a need to retain professional services of a Counselor as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and,

WHEREAS, pursuant to N.J.S.A. 40:A-11-5, professional services for the Authority may be retained without public bidding; therefore,

BE IT RESOLVED, by the Board Members of the Town of Hackettstown Municipal Utilities Authority as follows:

- 1- That the appointment of the firm Broschious, Fischer & Zaiter as the Authority's Counselor and retaining them to render legal services to the Authority in accordance with their proposal dated January 7, 2021 is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 08, 2022, or until their successor has been appointed and qualified.
- 3- That the Executive Director of the Authority is hereby authorized and directed to publish this Resolution in the Daily Record pursuant to N.J.S.A. 40A:11-5 (1) (a) (i).

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

The next item was the discussion and possible action to appoint the Authority's Consulting Engineer as noted by Chairperson Kuster.

The following Resolution #21-3552 was proposed by Harper who moved its adoption:

Resolution #21-3552

WHEREAS, the Town of Hackettstown Municipal Utilities Authority has a need to retain professional services of a Consulting Engineer as a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.5; and,

WHEREAS, pursuant to N.J.S.A. 40:A-11-5, professional services for the Authority may be retained without public bidding; therefore,

BE IT RESOLVED, by the Board Members of the Town of Hackettstown Municipal Utilities Authority as follows:



- 1- That the appointment of Mott MacDonald as the Authority's Consulting Engineer and retaining them to render engineering service to the Authority in accordance with their proposal dated January 26, 2021 is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 08, 2022 or until their successor has been appointed and qualified.
- 3- That the Executive Director of the Authority is hereby authorized and directed to publish this Resolution in the Daily Record pursuant to N.J.S.A. 40A:11-5 (1) (a) (i).

The Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMiao, Harper and Lala.

Chairperson Kuster stated the next agenda item was discussion and possible action to appoint the Executive Director, Secretary and Treasurer.

The following Resolution #21-3553 was proposed by Jerry DiMaio who moved its adoption:

Resolution #21-3553

WHEREAS, N.J.S.A. 40:14b-18 provides that the positions of Executive Director, Secretary and Treasurer of a Municipal Utilities Authority are appointed positions; and,

WHEREAS, the members of the Authority are desirous of appointing Kathleen Corcoran to fill the positions of Executive Director, Secretary and Treasurer; therefore,

BE IT RESOLVED, that Kathleen Corcoran is hereby appointed Executive Director, Secretary and Treasurer of the Town of Hackettstown Municipal Utilities Authority; and,

BE IT FURTHER RESOLVED that the term of said appointment shall be to February 08, 2022 or until her successor has been appointed and qualified.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster opened the meeting to public participation and noted that no members of the public announced their presence.

Chairperson Kuster stated the next agenda item was discussion and possible action regarding any project change orders. Executive Director Corcoran stated that there were no project change orders.

Chairperson Kuster stated that Resolutions pertaining to financial transactions were the next order of business.

The following Resolution #21-3554 was proposed by Harper who moved its adoption:

Resolution #21-3554

BE IT RESOLVED, that the following Operations Expense Requisitions be formally approved:

Dated: January 01, 2021 OEA-1201 SL-03 \$170,295.93



Dated:	January 15, 2021	OEA-1202	SL-04	\$134,224.98
Dated:	January 29, 2021	OEA-1203	SL-05	<u>\$123,120.85</u>
			Total	\$427,641.76

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

The following Resolution #21-3555 was proposed by Jerry DiMaio who moved its adoption:

Resolution #21-3555

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-278 be formally approved:

REQUISITION #RR-278

Harper control Solutions, Inc.	Float Valves	\$ 11,404.00
Mott MacDonald	UV System Replacement	9,550.00
Teledyne Instruments	Distributor Assembly	<u>1,802.60</u>
	Total	\$ 22,756.60

The Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

The following Resolution #21-3556 was proposed by Harper who moved its adoption.

Resolution #21-3556

BE IT RESOLVED, that the following General Fund Requisition #GF-10 be formally approved:

REQUISITION #GF-10

Mott MacDonald	1.0 MG Water Tank/Water Main	<u>\$ 35,880.00</u>
	Total	\$ 35,880.00

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

The following Resolution #21-3557 was proposed by Jerry DiMaio, who moved its adoption:

Resolution #21-3557

BE IT RESOLVED, that the following Escrow Subaccount Requisition #ESR-309 be formally approved:



REQUISITION #ESR-309

Mott MacDonald	Residences at Bilby Rd	\$	409.58
	Total	\$	409.58

The Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster stated the next agenda item was approval of the proposed Annual Meeting Schedule for the period of March 2021 through February 2022.

After a brief discussion, the following Resolution #21-3558 was proposed by Harper who moved its adoption:

Resolution #21-3558

BE IT RESOLVED: by the Board Members of the Town of Hackettstown Municipal Utilities Authority as follows:

1- The following schedule for the regular meetings of the Authority for the period commencing March 09, 2021 and concluding February 08, 2022 is hereby adopted:

- March 09, 2021
- April 13, 2021
- May 11, 2021
- June 08, 2021
- July 13, 2021
- August 10, 2021
- September 14, 2021
- October 12, 2021
- November 09, 2021
- December 14, 2021
- January 11, 2022
- February 08, 2022

2- All regular meetings will be held at the Jacob Garabed Administration Building at 424 Hurley Drive at 7:00 P.M.

3- In accordance with Executive Order No. 107 signed by NJ Governor Murphy in February 2020 and to promote the necessary social distancing to avoid the spread of COVID-19, meetings of the HMUA will be held virtually at 6:00PM on the meeting dates above until Executive Order No. 107 is revoked or modified by the Governor.

4- A copy of the meeting schedule shall be prominently posted in the Jacob Garabed Administration Building lobby and also be published in the official newspaper of the Authority.

The Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.



The next agenda item as noted by Chairperson Kuster was the discussion and possible action to designate the official newspapers for the Authority.

The following Resolution #21-3559 was proposed by Jerry DiMaio who moved its adoption:

Resolution #21-3559

WHEREAS, the Authority desires to designate official newspapers in which to publish official public notices;

NOW, THEREFORE, BE IT RESOLVED, by the Town of Hackettstown Municipal Utilities Authority that the Express Times, Daily Record and New Jersey Herald are the official newspapers of the Authority.

The Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster stated the next agenda item was discussion and possible action to readopt the Cash Management Plan.

The following Resolution #21-3560 was proposed by Harper who moved its adoption:

Resolution #21-3560

WHEREAS, it is in the best interests of the Hackettstown Municipal Utilities Authority to earn additional revenue through the investment and prudent management of its cash receipts; and,

WHEREAS, N.J.S.A. 40A:5-14 requires each local government unit to readopt the Cash Management Plan; therefore,

BE IT RESOLVED, the Board Members of the Town of Hackettstown Municipal Utilities Authority hereby readopts the Cash Management Plan as presented.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster stated the next agenda item was discussion and possible action to designate depositories for Authority Revenue Funds.

After a brief discussion, the following Resolution #21-3561 was proposed by Harper who moved its adoption:

Resolution #21-3561

WHEREAS, the Authority desires to designate a financial institution as the depository for Authority revenues; and,

WHEREAS, said revenues are to be transferred from the depository to the Trustee, currently U.S. Bank, for deposit into the Revenue Fund and subsequent distribution and investment in other Funds as designated by HMUA's Bond Resolution.



NOW, THEREFORE, BE IT RESOLVED, that the Town of Hackettstown Municipal Utilities Authority does herein formally authorize and direct the Authority revenues be deposited into an interest bearing account in First Hope Bank, said bank being designated as the official depository of Authority revenues and further authorizes the Chairperson or Executive Director to direct the Trustee to make investments in securities as previously approved by the Authority or to authorize transfers to other Authority accounts.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster stated the next agenda item was discussion and possible action to designate depositories of the Authority's Construction Aid Fund.

The following Resolution #21-3562 was proposed by Kunz who moved its adoption:

Resolution #21-3562

WHEREAS, there exists a continuing need for the Town of Hackettstown Municipal Utilities Authority to reinvest funds which have been deposited in financial institutions; and,

WHEREAS, the Authority desires to designate a financial institution as the depository for the Construction Aid Fund and to designate additional financial institutions for investment of funds so the Authority can obtain the most favorable investment rates;

NOW, THEREFORE, BE IT RESOLVED, by the Town of Hackettstown Municipal Utilities Authority that:

1. The Authority does herein formally designate First Hope Bank as the official depository for the Construction Aid Fund.
2. The Authority also formally designates Ameriprise Financial, Bank of America, Chase Bank, Edward Jones, First Hope Bank, M&T Bank, Fulton Bank, State of New Jersey Cash Management Fund, PNC Bank, Raymond James Financial Services, TD Bank, U.S. Bank, Valley National Bank, and Wells Fargo Bank as financial institutions which the Chairperson or Executive Director are authorized to make deposits and transfer funds for investment in the Securities as previously approved by the Authority.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster stated the next agenda item was discussion to authorize the Purchasing Agent and Assistant Purchasing Agent to implement the requirements of the HMUA purchasing manual. Director Corcoran stated that Deputy Director Biank has been taking classes and will take the QPA exam this year. She recommended that Deputy Director Biank be designated as purchasing agent.

The following Resolution #21-3563 was proposed by Harper who moved its adoption:

Resolution #21-3563



WHEREAS, it is necessary to authorize the Purchasing Agent and Assistant Purchasing Agent to implement the requirements of the HMUA Purchasing Manual; and

WHEREAS, the Authority is desirous of designating Frank Biank as Purchasing Agent and Kathleen Corcoran as Assistant Purchasing Agent;

BE IT RESOLVED, by the Town of Hackettstown Municipal Utilities Authority that Frank Biank is designated as HMUA's Purchasing Agent and Kathleen Corcoran is designated as HMUA's Assistant Purchasing Agent.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster noted the next agenda item was discussion and possible action to designate the Public Agency Compliance Officer.

The following Resolution #21-3564 was proposed by Jerry DiMaio who moved its adoption:

Resolution #21-3564

WHEREAS, in accordance with N.J.A.C. 17:27-3.3, each public agency shall designate an individual to serve as its Public Agency Compliance Officer.

WHEREAS, the members of the Authority are desirous of designating Frank Biank to serve as its Public Agency Compliance Officer; therefore,

BE IT RESOLVED, by the Town of Hackettstown Municipal Utilities Authority that Frank Biank is designated as HMUA's Public Agency Compliance Officer.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala.

Chairperson Kuster stated the next agenda item was discussion and possible action to authorize the check signers of all authority checks.

The following Resolution #21-3565 was proposed by Jerry DiMaio who moved its adoption:

Resolution #21-3565

WHEREAS, the Authority has avoided the cost of new check stamps each year by utilizing prior stamps as long as the Board member continues on the Authority Board; therefore,

BE IT RESOLVED, William Harper, Jr. and Executive Director Kathleen Corcoran are the Authority's check signers.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, Jerry DiMaio, Harper and Lala

Chairperson Kuster requested Executive Director Corcoran and Deputy Director Biank to proceed with their reports.



Executive Director Corcoran began by stating that the Authority revenues have remained generally flat since last year, with the rate increase making up for the decrease in overall system usage and excess delinquent payments due to the COVID pandemic. Executive Director Corcoran continued her report of revenues by stating that Commercial/College/Business accounts show a decline in overall usage by approximately 20%. Executive Director Corcoran anticipates most delinquent payments will be collected eventually and that payment plans will need to be implemented to help those impacted by the COVID pandemic. She added that the HMUA recently sold over \$2,400 of old equipment on govdeals.com.

Executive Director Corcoran continued to report that the Authority is operating normally with COVID protocols in place. Some of the Authority's employees have been vaccinated and the utilities continue daily morning screening & afternoon cleaning along with wearing masks and social distancing.

Executive Director Corcoran informed the Board of a new hire at the water utility who started yesterday, 02/08/2021. The new hire is the first female operator employed by the HMUA.

Executive Director Corcoran continued the water utility report by informing the Board that the meter reading system is now fully upgraded to radio read with the exception of a few vacant homes.

The water utility operated Well No. 4 recently to ensure the pump and motor are operational. The well has been out of operation for approximately ten years. The HMUA plans to reconnect the well after motor control upgrades and completion of water quality testing in order to maintain the water allocation for this well. To date, the raw water analytical test results are within NJDEP drinking water standards.

Executive Director Corcoran added that the water and sewer utility assisted the Hackettstown DPW in clearing snow during the recent snow storm, using the mason dump and our F-250 trucks. The Hackettstown DPW assisted the sewer utility with plowing more difficult areas of the WPCP.

Regarding the USDA loan application for the 1.0 MG storage tank and water main replacement project, the preliminary application for the USDA loan was submitted and the USDA has indicated that this project will not be fundable through the USDA. At this time, the USDA has determined that the rate payers can afford higher rates (affordability is considered 2% of the median household income for water and sewer payments), and because the HMUA rates are lower than the prescribed percentage, USDA funding is not possible. In order to obtain USDA funding, the HMUA is required to document that it is unable to finance the project from its own resources or commercial credit. The numbers show that HMUA customers can afford to pay more for water and sewer, and the USDA is only permitted to provide grants and funding to communities that can't afford to fund the work themselves. Due to this determination, the HMUA move ahead with the proposed NJ IBank loan to fund the project.

The water utility continues leak detection by putting the bugs out every night. Staff has attended several on-line safety classes, and continues working on our Service Line Inventory for the new LCR Regulations. Staff also recently rebuilt the chlorinator at Well No. 8.



Kathy reported that there were no water main breaks to date this year, but the water utility has responded to four calls for frozen lines and/or meters. Due to the large volume of snow fall, the water utility has repaired two fire hydrants damaged by outside contractors during snow removal. Another hydrant was repaired due to damage caused by a motor vehicle.

Executive Director Corcoran began the sewer utility report by stating that the utility continues with mainline camera work looking for inflow & infiltration. From this work, the sewer utility identified cracks allowing groundwater into the sewers as well as an illegal sump pump connection into the sewer main. The HMUA received quotes from two sewer repair contractors to grout cracks and is scheduling the work with the low quote contractor. Over the past month, the sewer utility responded to IHOP and Hastings Plaza for service line blockages caused by the customer's discharge.

Executive Director Corcoran also commented that the sewer utility moved a lot of snow around the plant and the pump stations.

Deputy Director Biank reported on the status of the natural gas service for the WPCP. Elizabethtown Gas is pushing for the ABB easement acquisition. The easement agreement and separate HMUA agreement with Mr. Shoop was executed.

Jerry DiMaio thanked Deputy Director Biank for the list of hydrant locations used for volunteer snow clearing and Kuster commented how well the Town of Hackettstown and the Authority worked together during the snow storm.

Chairperson Kuster, requested Consulting Engineer Klemm to proceed with his report.

Consulting Engineer Klemm asked whether there were any questions from the Engineer's Report. He stated that the 1.0 tank project is moving along and an alternatives analysis report is anticipated to be submitted shortly for Authority review.

Klemm further reported that the preparation of the UV System Upgrades bid documents were completed on 01/26/2021 and the project is currently out for bid. As of this date, there are nine bid document holders, with the bid opening scheduled for 02/25/2021 and anticipated award at the March meeting.

Chairperson Kuster requested Counselor Zaiter to proceed with his report. Counselor Zaiter stated there was nothing to report.

Chairperson Kuster asked whether anyone had business of a general nature to discuss with no response. Chairperson Kuster declared a motion to adjourn would be in order and was so moved by Jerry DiMaio and seconded by Harper and followed by a unanimous voice vote.

Time -3:10 P.M.

Kathleen Corcoran
Executive Director & Secretary