



HMUA MINUTES

ANNUAL  
MEETING OF

FEBRUARY 10, 2015

ADMINISTRATION BUILDING  
424 Hurley Drive  
Hackettstown, NJ



ANNUAL MEETING FEBRUARY 10, 2015

JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Kelly at 8:00 P.M.

Executive Director Smith acknowledged receipt of the resolution adopted by the Town of Hackettstown reappointing William L. Harper, to the Authority for a term expiring February 1, 2020. Mr. Harper completed and executed the Oath of Office.

Also attending: Counselor Zaiter, Engineer David Klemm, Executive Director Smith, and Recording Secretary Palma.

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

Chairperson Kelly announced that adequate notice of this meeting has been given to the area press and the Town of Hackettstown, and shall be convened and conducted in accord with the requirements of the Open Public Meetings Act.

Chairperson Kelly led a salute of the United States Flag.

Chairperson Kelly indicated that approval of the January 13<sup>th</sup> Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Jerry DiMaio, being seconded by Harper with Kelly, Jerry DiMaio, Harper and Kuster voting yea.

Chairperson Kelly indicated that approval of the January 13<sup>th</sup> Executive Session be the next agenda item. A motion to approve the minutes was made by Harper, being seconded by Jerry DiMaio with Kelly, Jerry DiMaio, Harper and Kuster voting yea.

Chairperson Kelly 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 2015/2016, Kelly nominated Harper. Jerry DiMaio seconded the nomination. No further nominations were received. There being only one nomination, Harper was elected as Chairperson. Upon roll call the vote was carried: Ayes: Harper, Jerry DiMaio, Kelly and Kuster voting yea.

The newly elected Chairperson Harper then declared nominations for the office of Vice Chairperson to be in order. Kelly nominated Jerry DiMaio. Kuster seconded the nomination. No further nominations were received. There being only one nomination, Jerry DiMaio was elected as Vice Chairperson. Upon roll call the vote was carried: Ayes: Harper, Jerry DiMaio, Kelly and Kuster voting yea.

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



After a brief discussion, the following Resolution # 15-3047 was proposed by Jerry DiMaio who moved its adoption:

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; 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 and to cause a notice of this decision to be published according to NJSA 40A:11-5 (1) (a) (i).

This Resolution was seconded by Kelly and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, Kelly and Kuster voting yea.

Chairperson Harper then indicated that appointments of Authority professionals be the next several agenda items.

After a brief discussion, the following Resolution #15-3048 was proposed by Kelly who moved its adoption.

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 VM Associates, Inc. as the Authority's Auditor and retaining them to perform audits for Fiscal Year 2015 in accordance with their February 5, 2015 proposal is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 09, 2016, 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 Star-Gazette pursuant to N.J.S.A. 40:11-2.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, Harper and Kuster voting yea.

John DiMaio entered the meeting.

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

The following Resolution #3049 was proposed by Kelly who moved its adoption:

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 Counselors and retaining them to render legal service to the Authority in accordance with their proposal dated February 3, 2015 is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 09, 2016, 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 Star-Gazette pursuant to N.J.S.A. 40:11-2.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Harper and Kuster voting yea.

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

At this time, the Board has decided to defer this agenda item to a future meeting.

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

The following Resolution #15-3050 was proposed by Kelly who moved its adoption:

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 reappointing Bruce D. Smith to fill the positions of Executive Director, Secretary and Treasurer; therefore, BE IT RESOLVED, that Bruce D. Smith 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 09, 2016 or until his successor has been appointed and qualified.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Harper and Kuster voting yea.

Chairperson Harper opened the meeting to public participation and noted that there were no members of the public present.

Chairperson Harper stated the next agenda item was discussion and possible action regarding any project change orders.

Executive Director Smith stated that during the project there were a number of mismarked water services.

After a brief discussion, Resolution #15-3051 was proposed by Jerry DiMaio who moved its adoption.

WHEREAS, due to mismarked water services during the water main project in the College View Section, additional work was needed, therefore;

BE IT RESOLVED, the Hackettstown Municipal Utilities Authority authorizes Change Order #8 Items # CR9, CR11, CR12, CR13 and CR22 to Contract #43W in the amount of \$9,923.22 for material, labor and equipment associated with the repairs to water services in the College View Area.

This Resolution was seconded by Kelly and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

Chairperson Harper stated that Resolutions pertaining to financial transactions to be the next order of business.

The following Resolution #15-3052 was proposed by Kelly who moved its adoption:

Resolution #15-3052A

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

Dated:	January 09, 2015	OEA-1045	SL-03	\$150,086.84
Dated:	January 23, 2015	OEA-1046	SL-04	<u>118,104.46</u>
			Total	\$268,191.37

Resolution #15-3052B

BE IT RESOLVED, that the following Construction Aid Fund Requisition #CAF-387 be formally approved:

REQUISITION #CAF-387



DeMaio Electrical Co.	Contract 41W (#13)	\$ 72,962.96
	Total	\$ 72,962.96

Resolution #15-3052C

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-206 be formally approved:

REQUISITION #RR-206

ESRI, Inc.	ArcGIS Software	\$ 4,173.41
Gannett Fleming Inc.	Engineering Services	9,182.00
Reivax Contracting Corp.	Contract No. 43W (#13/#8)	<u>10,112.83</u>
	Total	\$ 23,468.24

Resolution #15-3052D

BE IT RESOLVED, that the following Escrow Sub-account Requisition #ESR-249 be formally approved:

REQUISITION #ESR-249

Hatch Mott MacDonald	NJDOT Rt. 46 Bridge	\$ 871.50
	Total	\$ 871.50

The Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

Chairperson Harper stated the next agenda item was discussion of the proposed "Annual Meeting Schedule" for the next year.

After a brief discussion, the following Resolution #15-3053 was proposed by Kelly who moved its adoption:

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

The following schedule for the regular meetings of the Authority for the period commencing March 10, 2015 and concluding February 09, 2016 is hereby adopted:

- March 10, 2015
- April 14, 2015
- May 19, 2015
- June 09, 2015
- July 14, 2015
- August 11, 2015
- September 08, 2015



October 13, 2015

November 10, 2015

December 08, 2015

January 12, 2016

February 09, 2016

1. All regular meetings will be held at the Jacob Garabed Administration Building at 424 Hurley Drive at 7:30 PM.
2. A copy of the meeting schedule shall be prominently posted in the HMUA Administration Building lobby and also be published in the Star-Gazette.

This Resolution was seconded by Kuster and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

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

The following Resolution #15-3054 was proposed by Kelly who moved its adoption:

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

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

The Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

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

The following Resolution #15-3055 was proposed by Kelly who moved its adoption:

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 John DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

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



After a brief discussion, the following Resolution #15-3056 was proposed by Kelly who moved its adoption:

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: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

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

The following Resolution #15-3057 was proposed by Kelly who moved its adoption:

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, Hudson City Savings 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 Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

Chairperson Harper 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.

The following Resolution #15-3058 was proposed by Kelly who moved its adoption:

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

WHEREAS, the Authority is desirous of designating Deborah A. Palma as Purchasing Agent and Bruce D. Smith as Assistant Purchasing Agent;

BE IT RESOLVED, by the Town of Hackettstown Municipal Utilities Authority that Deborah A. Palma is designated as HMUA's Purchasing Agent and Bruce D. Smith is designated as HMUA's Assistant Purchasing Agent.

This Resolution was seconded by Kuster and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

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

After a brief discussion, the following Resolution #15-3059 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, in accordance with N.J.A.C. 17:27-3.5, 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 Bruce D. Smith to serve as its Public Agency Compliance Officer; therefore,

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

This Resolution was seconded by Kelly and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

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

After a brief discussion, the following Resolution #15-3060 was proposed by Kelly who moved its adoption.

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 and Executive Director Bruce D. Smith are the Authority's check signers.



This Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

Chairperson Harper stated the next agenda item was discussion and possible action to authorize execution of Statements of Consent for MARS Treatment Works Approval.

Executive Director Smith explained that the permit has been reviewed by Hatch Mott MacDonald and all is in order. Smith confirmed that he has emailed with MARS engineer regarding additional laboratory testing as recommended in the Hatch Mott MacDonald's February 3<sup>rd</sup> review letter.

Contingent on MARS agreeing to perform the additional testing, the following Resolution #15-3061 was proposed by John DiMaio who moved its adoption.

WHEREAS, MARS Chocolate North America is proposing to construct a new, on-site wastewater pretreatment facility to replace the existing facility, which has reached the end of its useful life; and,

WHEREAS, the NJDEP requires that a Treatment Works Approval Permit Application be submitted for review and approval; and,

WHEREAS, The Hackettstown Municipal Utilities Authority is required to endorse the application and sign the Statements of Consent (for WQM-003); and,

WHEREAS, Hatch Mott MacDonald and HMUA Sewer Utility staff have reviewed the Application Package and Project Plans and Specifications and have recommended approval of the application; therefore,

BE IT RESOLVED, that upon receipt of agreement to perform additional testing from MARS Chocolate North America, the Town of Hackettstown Municipal Utilities Authority herein authorizes and directs the Executive Director to execute the Treatment Works Approval Permit Application to be submitted to the DEP and any other documents necessary to obtain approvals for the project.

This Resolution was seconded by Kelly and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

Chairperson Harper stated the next agenda item was discussion and possible action to award Contract #AS-15 for the furnishing of Liquid Aluminum Sulfate.

The following Resolution #15-3062 was proposed by Kelly who moved its adoption.

WHEREAS, subsequent to the proper advertisement, two (2) sealed proposals for Liquid Aluminum Sulfate were received and read aloud at a public bid opening on February 5, 2015 at 2:30 PM at the HMUA Jacob Garabed Administration Building; and,

WHEREAS, it has been determined that the lowest bid was received from Chemtrade Chemicals US, LLC of Parsippany, New Jersey; therefore,



BE IT RESOLVED, Contract #AS-15 for Aluminum Sulfate is awarded to Chemtrade Chemicals US, LLC of Parsippany, New Jersey and the Executive Director is hereby authorized to execute the necessary contract documents.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

Chairperson Harper stated the next agenda item was discussion and possible action to grant tentative and final approval for the CVS project in the Town of Hackettstown.

After a brief discussion, the following Resolution #15-3063 was proposed by Kelly who moved its adoption.

WHEREAS, the application and project plans have been reviewed and approved and are in accordance with the Authority's Rules and Regulations; therefore,

BE IT RESOLVED, the Town of Hackettstown Municipal Utilities Authority herein grants Tentative and Final Approval for the CVS in the Town of Hackettstown, and the Executive Director is authorized to reserve sufficient water and sewer capacity for the project and execute any necessary documents to obtain other approvals.

This Resolution was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio, Kelly and Kuster voting yea.

Chairperson Harper requested the Sewer Utility Superintendent to proceed with his report.

Pete Tynan began by thanking the Board for approving the purchase of the replacement Polymer System. He confirmed that the purchase is now in the design drawing stage.

Pete also stated that as of December 31<sup>st</sup> the replacement digester boiler is up and working as designed.

Pete continued by stating that each year the Water Pollution Control Plant must complete certain regulatory inspections and testing. He confirmed that they have completed the yearly boiler inspections, yearly backflow preventer permit testing, yearly storm water permit renewal and the yearly US EPA Sludge report.

He also stated that the yearly fire inspection has been completed and the fire alarm system will need to be updated. He is currently working on receiving pricing to have this work completed.

Pete also stated that every two years a DEP Laboratory audit is conducted. He confirmed that there were a few minor deficiencies that have been corrected and they recently received their compliance notification on January 30<sup>th</sup> from the DEP.

Pete concluded by stating that Aaron Armstrong passed his Commercial Drivers License (CDL) exam on December 9<sup>th</sup>. Artie Klein passed his Collections System Operator (C-1) license exam. Mike Brady is actively working to pass the S-4 exam.



Chairperson Harper requested Executive Director Smith to proceed with his report.

Executive Director Smith stated that he has been doing some consulting work for Allamuchy Township Water and Sewer. He suggested that the Authority may wish to consider entering into a shared services agreement with Allamuchy Township for Sewer Cleaning and Sewer TV Inspection. HMUA has the equipment and Allamuchy Township has a need to have the services performed. The Authority would be compensated for the services rendered. The Board indicated that they would consider further discussion on Shared Services with the Township.

Smith continued by stating that the Authority did receive confirmation that the additional insurance monies received for the sinkhole repairs could be deposited.

Smith also stated that two of the Water Utility trucks have been auctioned on GovDeals. A third vehicle, a Ford Ranger, was auctioned for \$3,500. However, immediately after the auction closed, the high bidder called and stated he bid that high by accident. Smith confirmed that this truck would soon be auctioned again.

Smith concluded by stating the Authority has begun working with Edmunds for a new billing system and hopes to have it up and running by June 1<sup>st</sup>.

Chairperson Harper requested Counselor Zaiter to proceed with his report.

Counselor Zaiter stated today he received a call from Michael Lavery stating that Mr. Scott has filed a complaint against the Authority. Once he receives it, it should be turned over to our insurance carrier.

Chairperson Harper requested Project Engineer Klemm to proceed with his Engineer's Report. Project Engineer Klemm discussed the punch list items for the water main project and the startup and testing of Well #9.

Chairperson Harper requested whether anyone had business of a general nature to discuss.

There being no additional comments or discussion, Chairperson Harper declared a motion to adjourn would be in order and was so moved by John DiMaio, seconded by Jerry DiMaio and followed by a unanimous voice vote.

Time – 9:18 P.M.

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Bruce D. Smith  
Executive Director & Secretary