



HMUA MINUTES

REGULAR
MEETING OF

MARCH 13, 2018

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING March 13, 2018

JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Kuster at 7:01 P.M. Chairperson Kuster 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.

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

Also attending: Paul Cuva, Robert McNinch, Counselor John Zaiter, Projects Engineer Klemm, Executive Director Corcoran and Recording Secretary Palma.

Chairperson Kuster led a salute of the United States Flag.

Chairperson Kuster indicated approval of minutes of the February 13th Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Jerry DiMaio, being seconded by Harper with Jerry DiMaio and Harper voting yea, and Kuster abstaining.

Chairperson Kuster indicated approval of minutes of the February 13th Executive Session to be the next agenda item. A motion to approve the minutes was made by Harper, being seconded by Jerry DiMaio with Jerry DiMaio and Harper voting yea, and Kuster abstaining.

Chairperson Kuster opened the meeting to public participation and noted members of the public present.

Executive Director Corcoran introduced Paul Cuva and Robert McNinch of Ferraioli, Wielkotz, Cerullo & Cuva as the auditors representing the Authority following Vinny Montanino's recent and untimely passing. Vinny worked with the Authority for many years, was well known by several of the Board members, and he will be missed. Vinny had prepared a presentation for discussion with the Board with regard to revenues and potential rate increase needs that he planned to put forward at this meeting. Kathy stated that Mr. Cuva and Mr. McNinch have been working diligently to review Vinny's files and the Authority's records to come up to speed with the current situation.

Paul Cuva began by stating they have begun the review of the Authority's budgets and financial records, and understand the concerns of the Authority with regards to Renewal and Replacement (R&R) and the Construction Aid Fund (CAF) capital budgets for water. He understands that there was a bid for a water main replacement project that came in a little higher than anticipated, but he feels the Board can approve a \$300,000 amendment to the capital budget for 2018 and still be in good condition. Paul stated he has prepared a Resolution for the Board's consideration. Paul also stated that he knows Vinny was working on a rate study for the Board's review and he confirmed that this will have to be looked at in order for the Authority to maintain sustainable funds for capital projects on the water side. He confirmed he will be working on this with Kathy.

Chairperson Kuster stated that there are a number of factors the Board will need to review in order to make a decision on the water main project. Mr. Cuva assured the Board that making the transfer would not be a problem.

Mr. Cuva and Mr. McNinch thanked the Board for their time and exited the meeting.



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

Chairperson Kuster stated the next agenda item was to entertain Resolutions approving the Operations Expense Account requisitions #OEA-1125 and #OEA-1126 in the total amount aggregate amount of \$242,211.85.

The following Resolution #18-3287 was proposed by Harper who moved its adoption:

Resolution #18-3287

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

Dated:	February 02, 2018	OEA- 1125	SL-05	\$159,585.80
Dated:	February 16, 2018	OEA- 1126	SL-06	<u>82,626.05</u>
			Total	\$242,211.85

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

Chairperson Kuster stated the next agenda item was to entertain a Resolution approving Construction Aid Fund Requisition #CAF-411 in the amount of \$2,792.62. The following Resolution #18-3288 was proposed by Jerry DiMaio who moved its adoption:

Resolution #18-3288

BE IT RESOLVED, that the following Construction Aid Fund Requisition #CAF-411 be formally approved:

REQUISITION #CAF-411

Suburban Consulting	Engineering Services	\$	<u>2,792.62</u>
	Total	\$	2,792.62

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

Chairperson Kuster stated the next agenda item was to entertain a Resolution approving Renewal & Replacement Fund Requisition #RR-243 in the aggregate amount of \$21,438.01. The following Resolution #18-3289 was proposed by Harper who moved its adoption.

Resolution #18-3289

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-243 be formally approved:

REQUISITION #RR-243

Dell Marketing L.P.	Computer Equipment	\$	1,393.01
Envirosight	Main Line Camera Repair		2,010.00
Licon Lighting	Breaker for WPCP AB		1,800.00
Water Works Supply Co.	5/8" Meters w/Ert's		<u>16,235.00</u>
	Total	\$	21,438.01



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

Chairperson Kuster stated the next agenda item was to entertain a Resolution approving Escrow Subaccount Requisition #ESR-275 in the amount of \$8,803.40.

The following Resolution #18-3290 was proposed by Jerry DiMaio, who moved its adoption:

Resolution #18-3290

BE IT RESOLVED, that the following Escrow Subaccount Requisition #ESR-275 be formally approved:

REQUISITION #ESR-275

All Seasons Gen'l Contracting	ALL SEASONS (Refund)	\$	687.45
Mott MacDonald	HEATH VILLAGE INC.		87.50
Mott MacDonald	LIONGATE		3,818.50
Mott MacDonald	WOODMONT INDEPENDENCE		3,601.50
R&J Control, Inc.	HOGS		<u>608.45</u>
	Total	\$	8,803.40

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

John DiMaio entered the meeting.

Chairperson Kuster stated the next agenda item was discussion and possible action to amend the Capital Budget for Fiscal Year 2017-2018.

Bud stated that after reviewing the bids, he feels that the cost is in line and that postponing the project would also hold up the Town from doing their pavement projects. In some cases, paving would be completed anyway and due to moratorium, it would hold up the HMUA from water main replacement for another five years. He explained that there have been a number of water main breaks on several of these streets, and to complete this project will likely save the Authority future time and expense. He also confirmed that within this project area three of the ditches which the County wanted redone are to be done by the contractor.

After a brief discussion, the following Resolution #18-3291 was proposed by John DiMaio who moved its adoption.

WHEREAS, the Authority's Fiscal Year 2018 Water Capital Budget for the year ending November 30, 2018 was adopted on the 14th day of November, 2017; and

WHEREAS, N.J.A.C. 5:31-2.8 provides that all amendments to the Fiscal Year 2018 Water Capital Budget shall be approved and adopted by Resolution of the Authority, passed by not less than a majority of the full membership.

THEREFORE, BE IT RESOLVED, that the following amendments be made to the Fiscal Year 2018 Water Capital Budget of the Hackettstown Municipal Utilities Authority for its year ended November 30, 2018:



	<u>FROM</u>	<u>TO</u>
Funding Sources:		
Water		
Future Capital Projects	\$ -0-	\$ 300,000
Total Proposed Water Capital	\$2,460,000	\$2,760,000
<u>Water</u>		
Estimated Total Cost Water Main Replacement	\$1,300,000	\$1,600,000
Total Proposed Water Capital	\$2,460,000	\$2,760,000

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

Chairperson Kuster stated the next agenda item was discussion and possible action to award Contract 47W Water Main Replacement Phase VIII.

Executive Director Corcoran reiterated that the bids came in higher than she had hoped. She stated that she had anticipated a bid of approximately \$1.15 to \$1.2 million based on price per linear foot from the prior project. However, ten bids were received with the low bid at \$1,358,977.95 and second lowest at \$1,465,768, so pricing was competitive. All contractor experience and references evaluated by the design engineer were good, and the design engineer has recommended award. However funding the project significantly reduces available funds for future capital projects, which will have to be addressed, as discussed previously. Kathy continued by discussing the options and positive and negatives associated with each, including award, rebidding with reduced scope, rejecting bids and putting off until more capital funds are available.

A lengthy discussion ensued with all Board Members participating. The following Resolution #18-3292 was proposed by Harper who moved its adoption.

WHEREAS, subsequent to the proper advertisement, ten (10) sealed proposals for the Water Main Replacement Project Phase VIII were received and read aloud at a public bid opening on March 8, 2018 at 2:00 PM at the HMUA Jacob Garabed Administration Building; and

WHEREAS, it has been determined that the lowest responsible bid was received from Pillari Brothers Construction Corp. of Farmingdale, New Jersey in the amount of \$1,358,977.95; therefore

BE IT RESOLVED, Contract #47W for the Water Main Replacement Project Phase VIII be awarded to Pillari Brothers Construction Corp. of Farmingdale, New Jersey and, subject to approval of required documents by the HMUA attorney, the Executive Director is hereby authorized to execute the necessary contract documents.

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

Chairperson Kuster requested the Water Utility Superintendent to proceed with his report.



Bud began by stating that the numbers for our usage are looking very good. The usage for 2017 was 37 million gallons less than in 2016. He also confirmed that the unaccounted for water numbers are coming down. He also stated, so far this year, there have been 3 water main breaks and no service leaks. In 2017 there were 10 main breaks and 7 service leaks, and 2 of the main breaks were on private property.

Bud also stated that, with regard to the Water Quality Accountability Act (WQAA), the Authority is in pretty good shape. He confirmed that the hydrant markers have been ordered and he continues to look into purchasing the equipment necessary to do the exercising of the valves as per the WQAA. He is hoping to get more information next week when he attends the NJAWWA Conference in Atlantic City. He also stated he is working on trying to establish the age of our water mains on Main Street, Grand Ave., High St., and Mountain Ave which he thinks are some of the oldest. He also stated that they have begun working on upgrades to the computer system for the SCADA and Operator 10.

Bud continued by stating the Authority made out good with the snow storms, with only a minor loss of power and some tree damage. He stated the Authority assisted the Town DPW with snow plowing vehicles and the DPW helped us with chipping equipment for downed tree branches.

Bud also stated that the meter change out program is going very well. He estimated there are about 600 of the old meters to still be replaced and stated that the office staff has been doing a great job with setting up appointments.

Bud also stated the Authority has met all the requirements for the Safety Incentive Program and has been accident free for the past 7 years.

Bud concluded that they are looking to replace the dump truck body, as it is rusting, has holes in the bed and we have had many issues with the rear gate. The chassis is in good shape and the truck only has 35,000 miles on it. He stated he will keep the Board informed.

Chairperson Kuster requested Executive Director Corcoran to proceed with her report.

Kathy began by stating that Bud had nicely covered the water side of things. She stated that they will be having a meeting with Wawa on site tomorrow and believes construction will begin soon. She also confirmed that they have submitted their performance bond.

Kathy also stated Mott MacDonald is working on the review for Heath Village West and the Quick Check applications.

Kathy continued by stating APG continues to work to resolve the issues with the blowers at the WPCP. APG has been monitoring remotely and calling in slight modifications to the controls. They will be sending out a technician tomorrow to monitor in person and to review the settings. Mott MacDonald is also working on preparing the 90% contract documents for the replacement diffusers and related work, which will require additional future coordination with APG for blower operation settings.

Kathy also stated the Authority received a letter from the NJDEP regarding the adjudicatory hearing stating that a Deputy Attorney General will soon be assigned and encouraging us to consider alternative dispute resolution. Kathy confirmed that she intends to wait until we hear from NJDEP again before taking any action, since we already have a stay on the Mercury limit and are taking quarterly influent samples.



Kathy also stated the arsenic treatability study at the WPCP is also very slow moving. She confirmed that the NJDEP has indicated a draft work plan has been prepared and is under review.

Kathy concluded by stating she is currently working on an RFP for the UV disinfection facilities design. She stated the existing Trojan 3000 UV system is no longer manufactured and replacement parts are becoming difficult to find.

Upon the completion of the Executive Director's report, Chairperson Kuster requested Projects Engineer Klemm to proceed with his report. (See Attached)

Chairperson Kuster requested Counselor Zaiter to proceed with his report.

Counselor Zaiter stated he had nothing further to add.

Chairperson Kuster requested whether anyone had business of a general nature to discuss. There being no additional comments or discussion, Chairperson Kuster declared a motion to adjourn would be in order and was so moved by John DiMaio, seconded by Harper and followed by a unanimous voice vote.

Time – 8:06 PM

Kathleen Corcoran, PE, PP, PMP
Executive Director & Secretary