



HMUA MINUTES

REGULAR
MEETING OF

August 8, 2017

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING August 8, 2017

JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Kuster at 7:05 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, Harper and Kunz.

Also attending: 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 July 11th Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Jerry DiMaio, being seconded by Kunz with Kuster, Jerry DiMaio, Harper and Kunz voting yea.

John DiMaio entered the meeting.

Chairperson Kuster indicated approval of minutes of the July 11th Executive Session to be the next agenda item. A motion to approve the minutes was made by Jerry DiMaio being seconded by Harper with Kuster, Jerry DiMaio, John DiMaio, Harper and Kunz voting yea.

Chairperson Kuster opened the meeting to public participation and noted no members of the public were present.

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 change orders.

Chairperson Kuster stated the next agenda item was to entertain Resolutions approving the Operations Expense Account requisitions #OEA-1110 and #OEA-1111 in the total amount aggregate amount of \$233,843.29.

The following Resolution #17-3229 was proposed by Kunz who moved its adoption:

Resolution #17-3229

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

Dated:	July 07, 2017	OEA-1110	SL-16	\$116,628.38
Dated:	July 21, 2017	OEA-1111	SL-17	<u>117,214.91</u>
			Total	\$233,843.29

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

Chairperson Kuster stated the next agenda item was to entertain a Resolution approving Renewal & Replacement Fund Requisition #RR-236 in the aggregate amount of \$186,600.20.



The following Resolution #17-3230 was proposed by Harper who moved its adoption.

Resolution #17-3230

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-236 be formally approved:

REQUISITION #RR-236

Anka Painting Co.	2.4MG Tank – 46W (#4)	\$ 176,590.13
Fisher Electrical Contractors	Well 5 Disconnect	1,194.39
Gannett Fleming Companies	Engineering Services	3,855.46
Komline-Sanderson	Treatment Plant Equipment	1,785.22
Pumping Services, Inc.	Goulds Pump for Well 7	2,475.00
R & R Construction Co., Inc.	Wet Tap – Seber Road	700.00
	Total	\$ 186,600.20

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

Chairperson Kuster stated the next agenda item was discussion and possible action to award a contract for Engineering Services for Water Main Replacement Project – Phase VIII.

After a brief discussion, the following Resolution #17-3231 was proposed by Kunz who moved its adoption.

WHEREAS, the Town of Hackettstown Municipal Utilities Authority has a need to retain professional engineering services for Design Phase, Bid Phase and Construction Phase for the Water Main Replacement Phase VIII Project, Contract #47W 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 Suburban Consulting Engineering, Inc. to render engineering services to the Authority, in accordance with an, August 3, 2017 proposal, is herewith authorized without public bidding.
2. The term of said appointment shall be to August 3, 2018, or until such time as the project is completed.
3. The said payment to Suburban Consulting shall not exceed \$163,400.
4. That the Executive Director of the Authority is hereby authorized and directed to publish this Resolution in the Star-Gazette within ten days of its adoption and pursuant to N.J.S.A. 40:11-2.

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

Chairperson Kuster stated the next agenda item was discussion and possible action to authorize a license fee payment amendment with Strong Capital X LLC or it's agent, Railroad Management Company IV, LLC.



After a brief discussion, the following Resolution #17-3232 was proposed by John DiMaio who moved its adoption.

WHEREAS, the Town of Hackettstown Municipal Utilities Authority (HMUA) has three license agreements with Strong Capital X LLC (“Strong”), a Texas limited liability company whose address is 5910 N. Central Expressway, Suite 1580, Dallas, TX 75206, and which is successor to Norfolk Southern Railroad Company; and

WHEREAS, Railroad Management Company IV LLC (“RMC”) has been engaged by Strong to perform an extensive audit on a portfolio of railroad licenses, including the HMUA’s ; and

WHEREAS, the audit has determined that an increase in the annual license fee to the market rate is appropriate at the following rates:

- License NS119609 - \$970.00
- License NS120823 - \$485.00;
- License NS119650 - \$3,005.00; and

WHEREAS, the HMUA attorney has made a determination that the proposed increase in annual license fees is legal; and

WHEREAS, Strong has offered a License Fee Payment Amendment for the 20 year discounted prepayment of license fees as follows:

- License NS119609 - \$12,367.50 through 12/31/2037;
- License NS120823 - \$6,183.75 through 7/31/2037;
- License NS119650 - \$38,313.75 through 10/31/2037; and

WHEREAS, the discounted prepayment amounts will result in significant savings to the HMUA for the license fees over the 20 year period.

NOW, THEREFORE, BE IT RESOLVED, that the governing body of the Hackettstown Municipal Utilities Authority in the County of Warren, in the State of New Jersey desires to pay a Discounted License Fee for the three referenced utility crossings; and

BE IT FURTHER RESOLVED, the Executive Director is hereby authorized and directed to execute the License Fee Payment Amendment agreement with one-time payments as detailed herein with Strong Capital X LLC or its agent, Railroad Management Company IV LLC.

BE IT FURTHER RESOLVED, the one-time license fee payments shall be considered pre-paid expenses that will be amortized and applied to the Operating Expense budget proportionately for each license’s 20-year period.

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

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

Pete began by stating that, since his last time before the board, he attended the NJWEA Conference which helped him to attain some TCH credits and search for potential new contract laboratories, in addition to discussions with various equipment vendors.

Pete also stated he continues to work with the Contract 44S contractor on resolving some minor issues that need to be corrected, including problematic door mechanisms, water infiltration at a



wall penetration, and an issue with the non-potable pump system.

Pete also stated that they have worked with Allamuchy on six occasions over the last three months for a total of 16 man hours and 8 jet hours.

Pete continued by stating he recently stopped by Mansfield Village to discuss the completion of the list he gave them regarding the mainline work that needs to be completed.

Pete also stated they continue to work with the turbo blower manufacturer, APG Neuros, as well as Mott MacDonald on the VFD corrosion and other issues. They met with regional field service representatives today and had a productive meeting.

Pete also stated they are about to begin working on some manhole frame change outs in Kenwood as well as frame resets on Mountain Ave. He confirmed that they will be replacing a manhole frame on Maple Ave. prior to DPW paving.

Pete continued by stating they assisted the DPW with their camera on Liberty Street in the area of the municipal parking lot to check the storm drain lines.

Pete also stated the Joint Insurance Fund (JIF) provided a thermographic survey of electrical components at the WPCP. The study found some areas of concern that we are looking into having corrected by our electrician.

Pete concluded by stating they began working with the new lab on August 1st and are currently ironing out some wrinkles with the new set up.

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

Executive Director Corcoran began by stating they are still unable to operate the second turbo blower, but a mild summer and oxygen demand has allowed us to operate with the one turbo blower. H₂S testing was done and results returned to APG.

Kathy also stated Mott MacDonald continues to work on their study of the replacement aeration diffuser system.

Kathy continued by stating, as Pete mentioned, an infrared survey was completed and several major issues were discovered and they will need to be addressed.

Kathy also stated the 2.4 tank rehabilitation project is essentially complete and the tank has been placed back into service. She confirmed that the contractor had minor demobilization and cleanup work remaining.

Kathy also stated that the Well # 7 motor should be installed within the next week.

Kathy also stated she recently received correspondence from the Director of Warren County Department of Land Preservation regarding access to our 1.0 tank road to connect a Morris Canal trail on their property with an existing trail on adjacent State property. She confirmed that she will be meeting with him and a representative of the NJ Natural Lands Trust on August 22nd.

Kathy continued by stating that NJDEP recently imposed additional requirements with regards to the water. They now want more testing for lead and copper, as well as wellhead housing/fencing and fencing around water tanks. Also Senate Bill 2834 Water Quality Accountability Act has passed, which now requires a valve testing and exercise program for our 2,317 valves, and requires replacement of inoperable valves, among other requirements. The Executive Director



will have to certify in writing each year that certain requirements have been met.

Kathy concluded by stating she had discussions with Vinnie Montanino regarding funding available for future projects. She stated he agrees that we need additional revenue to cover operating expenses and future capital projects particularly on the water side. She has requested FWCC to provide the Authority with a proposal to do a rate evaluation.

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 still has not heard back from the Title Company regarding the search for any easements on the Well #8 property.

It was suggested that the Board convene into Executive Session.

Chairperson Kuster stated he would entertain a motion to convene into Executive Session.

Resolution #17-3233 was proposed by Jerry DiMaio, who moved its adoption.

BE IT RESOLVED, on this 8th day of August, 2017, by the Hackettstown Municipal Utilities Authority and pursuant to N.J.S.A. 10:4-1 et. seq., the Authority shall discuss potential litigation in Executive Session.

It is not possible, at this time, for the Authority to determine when and under what circumstances the above referenced items, which are to be discussed in Executive Session, can be publicly disclosed.

The motion to convene into Executive Session was seconded by Kunz. Ayes: Kuster, Jerry DiMaio, John DiMaio, Harper and Kunz.

THEREFORE, BE IT RESOLVED, on this 8th day of August, 2017, by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 7:55 PM.

Harper moved to end Executive Session and re-enter Regular Session, said motion being seconded by Kunz and all indicating approval at 8:25 PM. No formal action was taken during Executive Session.

Upon returning from Executive Session it was suggested that Counselor Zaiter notify the attorney for 10 Claremont of their suggestion.

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 Kunz, seconded by Jerry DiMaio and followed by a unanimous voice vote.

Time – 8:31 P.M.

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