



HMUA MINUTES

REGULAR
MEETING OF

NOVEMBER 07, 2016

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



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JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Harper at 7:35 P.M. Chairperson Harper 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: Harper, Jerry DiMaio, John DiMaio and Kunz.

Also attending: Vincent Montanino, Yolanda Flecha, Mark Kwiatkoski, Counselor John Zaiter, Projects Engineer Klemm, Executive Director Corcoran and Recording Secretary Palma.

Chairperson Harper led a salute of the United States Flag.

Chairperson Harper indicated approval of the October 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 Harper, John DiMaio and Kunz voting yea and Jerry DiMaio abstaining.

Chairperson Harper opened the meeting to public participation and noted that there were members of the public present.

Mark Kwiatkoski approached the Board and explained that he was the owner of Rita's on Main Street and that he recently received a very large bill. He passed out a spread sheet indicating how much water he uses to make Italian ice. He stated that he knows that an employee had left the water running for a time period without his knowledge. He also stated that since most of the water is to make the ice, it does not go in the sewer. He would like relief from his current bill and a discount on the sewer fee. The Board explained to him that there are many businesses in Hackettstown that use water to produce their products and the Authority does not discount their sewer charges. The Board told Mr. Kwiatkoski they would discuss this later in the meeting and get back to him.

He thanked them and exited the meeting.

Yolanda Flecha approached the Board and explained that she would like to get approval to connect to the sanitary sewer at her property. Executive Director Corcoran stated that she could approve her application without the Board approval. Engineering plans are required unless waived by the Executive Director. Typically a meeting is set up to determine whether plans are necessary and to go over the specifics of the proposed connection and application requirements. Corcoran and Ms. Flecha agreed on a meeting time for the following day.

Ms. Flecha thanked her and exited the meeting.

Chairperson Harper then acknowledged Vincent Montanino. He explained that he



was asked to attend this meeting to go over the finances of the Authority. Chairperson Harper asked if Vincent felt that the current Quick Books that the Authority was using provided them with a good system for monitoring the budget. Vincent stated that Quick Books was a good system and meets the Authority's needs. He stated that Edmunds was a good system for bookkeeping, with more bells and whistles, but the Authority's bookkeeping system does not need to be as complex as a Municipality with multiple departments would require.

Chairperson Harper asked if he felt the investments of the Authority were being done the best way. Vincent stated that Executive Director Corcoran does the investing for the Authority into bonds and CDs from varying banks that mature on varying dates, and she checks to be sure there are enough funds available for projects. Vincent assured the Board that the Authority has one of the best investment plans. He confirmed that the return the Authority receives is very good relative to other similar agencies.

Chairperson Harper asked how monies go into the R&R and CAF funds. These accounts are funded by user charges and connection fees. Vincent stated that monies are transferred by the Trustee (US Bank) as requested by the Authority to pay for project costs paid through R&R or CAF funds. He confirmed that there may come a time when the Authority may want to look at raising the rates or fees for connecting to the HMUA.

Chairperson Harper thanked Vincent for his time and help in understanding more about the finances of the Authority. He exited the meeting.

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

The following Resolution #16-3171 was proposed by Kunz who moved its adoption:

Resolution #16-3171A

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

Dated:	October 14, 2016	OEA-1091	SL-23	\$113,258.57
Dated:	October 28, 2016	OEA-1092	SL-24	<u>109,841.26</u>
			Total	\$223,099.83

Resolution #16-3171B

BE IT RESOLVED, that the following Construction Aid Fund Requisition #CAF-403 be formally approved:

REQUISITION #CAF-403

CMS Construction Inc.	WPCP: Contract 44S (#3)	\$	<u>500.00</u>
	Total	\$	500.00



Resolution #16-3171C

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-227 be formally approved:

REQUISITION #RR-227

CMS Construction Inc.	WPCP: Contract 44S (#2)	\$ 197,950.00
Fleet Pump & Service Group	UV Channel Circuit Board	2,669.00
Gannett Fleming Inc.	Engineering Services	25,067.90
MSP Construction Corp.	Contract 45W (#4)	18,532.57
WanderLogic Inc.	Slide Gate Upgrade	<u>5,227.24</u>
	Total	\$ 249,446.71

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

Chairperson Harper stated the next agenda item was discussion and possible action to adopt the Annual and Capital Budgets for the fiscal year 2017.

The following Resolution #16-3172 was proposed by Kunz, who moved its adoption.

WHEREAS, the Annual Budget and Capital Budget/Program for the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2016 and ending November 30, 2017 has been presented for adoption before the governing body of the Town of Hackettstown Municipal Utilities Authority at its open public meeting of November 7, 2016; and

WHEREAS, the Annual Budget and Capital Budget as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services; and

WHEREAS, the Annual Budget as presented for adoption reflects Total Revenues of \$4,866,000, Total Appropriations, including any accumulated Deficit, if any, of \$4,926,000 and Total Unrestricted Net Position utilized of \$60,000; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$1,975,000 and Total Unrestricted Net Position planned to be utilized of \$0; and

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Town of Hackettstown Municipal Utilities Authority, at an open public meeting held on November 7, 2016 that the Annual Budget and Capital Budget/Program of the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning, December 1, 2016 and, ending, November 30, 2017 is hereby adopted and shall constitute appropriations for the purposes stated; and



BE IT FURTHER RESOLVED, that the Annual Budget and Capital Budget/Program as presented for adoption reflects each item of revenue and appropriation in the same amount and title as set forth in the introduced and approved budget, including all amendments thereto, if any, which have been approved by the Director of the Division of Local Government Services.

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

Chairperson Harper stated the next agenda item was discussion and possible action to pass a Resolution authorizing participation in the New Jersey State Health Benefits Program Act for SHBP Dental Plan coverage.

After a brief discussion, the following Resolution #16-3173 was proposed by Jerry DiMaio who moved its adoption.

BE IT RESOLVED, the Hackettstown Municipal Utilities Authority a participating employer in the State Health Benefits Program, hereby elects to participate in the SHBP Employee Dental Plans provided by the New Jersey State Health Benefits Act of the State of New Jersey (N.J.S.A. 52:14-17.25et seq.) and to authorize coverage for all the employees and their dependents thereunder in accordance with the statute and regulations adopted by the State Health Benefits Commission.

As a participating employer, we will remit to the State Treasury all charges due on account of employee and dependent coverage and periodic charges in accordance with the requirements of the statute and the rules and regulations duly promulgated thereunder.

As the employer I understand that the employer is responsible for at least 50% of the dental premium.

We hereby appoint the office manager Deborah Palma to act as Certifying Officer in the administration of this plan.

This resolution shall take effect immediately and coverage shall be effective as of January 1, 2017 or as soon thereafter as it may be effectuated pursuant to the statutes and regulations.

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

Chairperson Harper stated the next agenda item was discussion and possible action to pass a Resolution authorizing the purchase of electricity supply services for public use on an online auction website.

The following Resolution #16-3174 was proposed by Kunz who moved its adoption:

WHEREAS, Hackettstown Municipal Utilities Authority has determined to move forward with the EMEX Reverse Auction in order procure electricity for Hackettstown Municipal Utilities Authority; and



WHEREAS, the Local Unit Technology Pilot Program and Study Act (P.L. 2001, c 30) (the “Act”) authorizes the purchase of electricity supply service for public use through the use of an online auction service; and

WHEREAS, Hackettstown Municipal Utilities Authority will utilize the online auction services of EMEX, LLC, an approved vendor pursuant to the Act, waiver number EMEX LLC-1, located at www.energymarketexchange.com; and

WHEREAS, EMEX, LLC is compensated for all services rendered through the participating supplier that a contract is awarded to; and

WHEREAS, the auction will be conducted pursuant to the Act; and

WHEREAS, if the auction achieves a price of \$0.0775/kWh or less for a 24 month term; Hackettstown Municipal Utilities Authority may award a contract to the winning supplier.

NOW THEREFORE BE IT RESOLVED, that the Executive Director of the Hackettstown Municipal Utilities Authority be hereby authorized to execute on behalf of the Hackettstown Municipal Utilities Authority any electricity contract proffered by the participating supplier that submits the winning bid in the EMEX Reverse Auction if the auction achieves a price of \$0.0775/kWh or less for a 24 month term.

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

Chairperson Harper stated the next agenda item was discussion and possible action to pass a Resolution authorizing a purchasing agreement with the Town of Hackettstown for providing a fuel depot storage and supply of gasoline and diesel fuel.

After a brief discussion, the following Resolution #16-3175 was proposed by Jerry DiMaio who moved its adoption.

WHEREAS, the Hackettstown Municipal Utilities Authority previously executed agreements with the Town of Hackettstown for providing fuel depot storage and supply of gasoline and diesel fuel; and

WHEREAS, it has been determined to be in the best interest of the Hackettstown Municipal Utilities Authority to extend the agreement for another 5 year period; therefore

BE IT RESOLVED, the Hackettstown Municipal Utilities Authority herein authorizes the Executive Director to execute the attached agreement with the Town of Hackettstown.

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

Chairperson Harper requested that the Sewer Utility Superintendent proceed with



his report. Pete began by stating since his last report the Sewer Utility has performed a total of 11 man hours and 5.5 equipment hours for Allamuchy.

Pete also stated that he and his staff continue to work with the Contractor to relocate the lab, office and SCADA equipment under Contract 44S.

Pete also stated Kathy and he were approached by Mars with regards to accepting emergency untreated industrial waste. Pete confirmed that HMUA has previously studied accepting stronger waste from Mars and it was determined that it was not feasible because it could negatively affect the collection system and the plant process.

Pete also stated that he and Kathy attended WEFTEC in September. He stated one of the main topics of interest was evaluating UV technologies, as well as anything to deal with arsenic removal. He confirmed that there were a number of UV vendors and that him and Mike will be taking a tour of the UV manufacturing facility in Mahwah on October 26th.

Pete continued by stating he met with Mansfield Village regarding their private sanitary lines and provided them a list of various areas in need of repair or maintenance. He confirmed that they seem to be working on completing the repairs.

Pete concluded by stating that the current UV manufacturer will no longer support the current system within the next few years. There is a need for a new UV system due to not being able to purchase parts. He stated that on October 1st there was a UV malfunction, half of the system would not activate, and they worked with Fisher Electric to bypass a defective circuit board. He confirmed that they were able to order a new one and installed it on October 31st. The UV system is in the capital budget for 2017 – 2018.

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

Executive Director Corcoran began by stating that she would like the Board's approval to go out to bid for the Rehabilitation of the 2.4 Water Storage Tank. She confirmed that Mott MacDonald was previously approved to prepare contract plans and specifications and the design is completed.

After a brief discussion, the following Resolution #16-3176 was proposed by Kunz who moved its adoption.

WHEREAS, Mott MacDonald was previously authorized to prepare the plans and specifications for the bidding of Contract #46W, Rehabilitation of 2.4 Water Storage Tank; therefore,

BE IT RESOLVED, the Town of Hackettstown Municipal Utilities Authority hereby authorizes the advertisement for the acceptance of bids for Contract 46W, Rehabilitation of 2.4 Water Storage Tank.



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

Corcoran also stated that the Water Main Project has substantially been completed. There are some punch list items that still need to be addressed, but working with MSP Construction and getting the remaining work scheduled has been very difficult.

Corcoran also stated she has been working with John Smith at the Energy Market Exchange to do a reverse auction for electricity on November 8th. She confirmed that she would forward the link for the auction to the Board. She also stated that the current rate is 0.08382 through Champion Energy and the new contract would start in June of 2017.

Corcoran continued by stating that they are going to have the 1.0 tank cleaned and then return it to service to see how the system works so that it will work in the best possible manner during the 2.4 tank construction. They plan to start construction on the 2.4 tank in the Spring.

Corcoran also stated that in evaluating the roof for the Well #4 building they found an old pitched roof hidden underneath the flat roof. They are going to remove the top flat roof and see what is left. Also, asbestos was found within the roof material and we are obtaining prices to have it removed. She also stated that, if feasible, the water utility staff may fix the roof ourselves.

Corcoran stated that she had a meeting with AVS Technology, which is a security company and, based on the information discussed, we are anticipating a cost of \$70-\$100 thousand for the recommended upgrades. She confirmed that Debbie is researching other less expensive options.

Corcoran concluded by stating Debbie recently reviewed the Edmunds Finance program with Danette from the Town and found it to be much more complex than working with Quick Books.

Upon the completion of the Executive Director's report, Chairperson Harper requested Project Engineer Klemm to proceed with his report. Mr. Klemm stated that he has completed the plans and specifications for the 2.4 tank, and they will have a pre-bid meeting on November 8th. He also stated that the Annual Inspection of the facilities will be completed next week. He also stated that the water main on Route 46 seems to be in good shape and does not recommend the replacement of it. He suggested that the water services seem to be the biggest problem and that the Authority may possibly want to replace them.

Chairperson Harper requested Counselor Zaiter to proceed with his report. Counselor Zaiter stated he had nothing further to add.

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

Chairperson Harper inquired as to whether some relief should be given to Rita's for



the sewer portion of his bill.

The Board discussed Mr. Kwiatkoski's request to receive a discount on the sewer portion of his bill. The Board was in agreement that there are many other businesses which receive no discount and any leaks are the owner's responsibility.

A motion was made by John DiMaio that no relief will be given to Rita's for excessive water charges or the sewer portion of the bill. This was seconded by Kunz and upon roll call vote carried: Ayes: Harper, Jerry DiMaio, John DiMaio and Kunz voting year.

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

Time – 9:15 P.M.

Kathleen Corcoran, PE, PP
Executive Director & Secretary