



HMUA MINUTES

ANNUAL
MEETING OF

FEBRUARY 8, 2011

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



ANNUAL MEETING FEBRUARY 8, 2011

JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Brown at 8:01 P.M.

Counselor John Zaiter acknowledged receipt of the Resolution adopted by the Town of Hackettstown reappointing Harry Brown to the Authority for a term expiring February 1, 2016. Mr. Brown completed and executed the Oath of Office.

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

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

Chairperson Brown 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 Brown led a salute of the United States Flag.

Chairperson Brown indicated that approval of the January 11th Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Kelly, being seconded by Harper with Brown, Kelly, Jerry DiMaio and Harper voting yea and John DiMaio abstaining.

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

Chairperson Brown 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 2011/2012, Brown nominated Kelly. Jerry DiMaio seconded the nomination. No further nominations were received. Brown moved that nominations be closed. John DiMaio seconded the motion, with Brown, John DiMaio, Jerry DiMaio and Harper voting yea and Kelly abstaining. There being only one nomination, Kelly was elected as Chairperson.

The newly elected Chairperson Kelly then declared nominations for the office of Vice Chairperson to be in order. Brown nominated Jerry DiMaio. Harper seconded the nomination. No further nominations were received. Brown moved that nominations be closed. John DiMaio seconded the motion, with Brown, John DiMaio, Kelly and Harper voting yea and Jerry DiMaio abstaining. There being only one nomination, Jerry DiMaio was elected as Vice Chairperson.

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

After a brief discussion, the following Resolution #11-2765 was proposed by Brown 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 2011 in accordance with their February 4, 2011 proposal is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 14, 2012, 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 Harper and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper voting yea.

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

The following Resolution #11-2766 was proposed by Jerry DiMaio 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 2, 2011 is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 14, 2012, 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 Brown and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper.

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

The following Resolution #11-2767 was proposed by Jerry DiMaio who moved its adoption:



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 Hatch Mott MacDonald as the Authority's Consulting Engineer and retaining them to render engineering service to the Authority in accordance with their proposal dated February 2, 2011 is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 14, 2012, 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 Brown and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper voting yea.

Chairperson Kelly stated the next agenda item was discussion and possible action to appoint the Secretary and Treasurer.

The following Resolution #11-2768 was proposed by Brown who moved its adoption:

WHEREAS, N.J.S.A. 40:14b-18 provides that the positions of 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 Secretary and Treasurer; therefore,

BE IT RESOLVED, that Bruce D. Smith is hereby appointed 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 14, 2012 or until his successor has been appointed and qualified.

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

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

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

The following Resolution #11-2769 was proposed by John DiMaio who moved its adoption:

Resolution #11-2769A

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

Dated:	January 14, 2011	OEA-941	SL-04	\$144,021.37
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Dated: January 28, 2011 OEA-942 SL-05 109,437.58
 Total \$253,458.95

Resolution #11-2769B

BE IT RESOLVED, that the following Construction Aid Fund Requisition #CAF-339 be formally approved:

REQUISITION #CAF-339

AECOM	Engineering Services	\$ 7,204.66
Fisher Electrical Cont.	Service Call	924.63
Hatch Mott MacDonald	Engineering Services	7,190.00
T & T Plumbing & Mech.	Well 2: Pump Installation	<u>4,750.00</u>
	Total	\$ 20,069.29

Resolution #11-2769C

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-158 be formally approved:

REQUISITION #RR-158

Essex Fence Co., LLC	Gate Repair: WFP	\$ 1,250.00
Fisher Electrical Cont.	Service Calls	5,197.85
George's Auto Body	Vehicle Repair	3,061.97
Hatch Mott MacDonald	Engineering Services	900.00
Hayes Pump Inc.	Metering Pumps	7,465.00
Princeton Hydro, LLC	Engineering Services	9,147.90
Spectraserv, Inc.	WPCP Improvements-37S	45,984.05
Suburban Consulting	Engineering Services	3,026.19
Teledyne Isco, Inc.	Refrigerated Sampler	4,738.20
USA Bluebook	Parts for Chemical Piping	<u>1,186.98</u>
	Total	\$ 81,958.14

Resolution #11-2769D

BE IT RESOLVED, that the following Escrow Sub-account Requisition #ESR-209 be formally approved:

REQUISITION #ESR-209

Hatch Mott MacDonald	DONALDSON	\$ 1,135.00
Hatch Mott MacDonald	HACKHONDA	1,272.50
Hatch Mott MacDonald	KLAND51LLC	442.00
Robert Ort	ROBERTORT - Refund	<u>320.00</u>
	Total	\$ 3,169.50

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

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



After a brief discussion, the following Resolution #11-2770 was proposed by Brown 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 08, 2011 and concluding February 14, 2012 is hereby adopted:

March 08, 2011

April 12, 2011

May 10, 2011

June 14, 2011

July 12, 2011

August 09, 2011

September 13, 2011

October 12, 2011 (Wednesday)

November 09, 2011 (Wednesday)

December 13, 2011

January 10, 2012

February 14, 2012

1. All regular meetings will be held at the Jacob Garabed Administration Building at 424 Hurley Drive at 8:00 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 Jerry DiMaio and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper voting yea.

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

The following Resolution #11-2771 was proposed by Jerry DiMaio 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, 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 Brown and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper voting yea.

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



The following Resolution #11-2772 was proposed by John DiMaio 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 Harper and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper voting yea.

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

After a brief discussion, the following Resolution #11-2773 was proposed by Brown 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 the 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 Harper and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper voting yea.

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

The following Resolution #11-2774 was proposed by Harper who moved its adoptions:

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 the 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, Skylands Community 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 Brown and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper.

Chairperson Kelly 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 #11-2775 was proposed by John DiMaio 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 Jerry DiMaio and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper voting yea.

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

After a brief discussion, the following Resolution #11-2776 was proposed by Brown 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 Compliance Officer.

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

Chairperson Kelly stated the next agenda item was discussion and possible action to release Hunter's Brook Performance Bonds.

The following Resolution #11-2777 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, K. Hovnanian at Hackettstown II, L.L.C. has requested release of Performance Bonds #5016958 (Water) and #5016959 (Sewer) required for the Hunter's Brook project; and



WHEREAS, the construction of water and sewer improvements for the Hunter's Brook project have been completed; and

WHEREAS, K. Hovnanian at Hackettstown II, L.L.C. has submitted As-Builts as required and said As-builts have been reviewed and approved; and

WHEREAS, K. Hovnanian at Hackettstown II, L.L.C. has indicated that upon receipt of an official resolution from the Authority they will provide the required Maintenance Bond; therefore

BE IT RESOLVED, the Town of Hackettstown Municipal Utilities Authority, acknowledges completion of the water and sewer improvements and that upon receipt, review and approval of the required Maintenance Bond, does herein authorize release of the Performance Bonds.

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

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

Smith began by stating that the Sewer Utility staff installed new chemical feed pumps during the last month as required for the Chemically Assisted Phosphorus Removal Study. It was a very professional job and saved the Authority thousands of dollars.

Smith also stated that he emailed information to the Board regarding the property reassessments for the Mount Olive Reservoir properties. The properties are located in the Highlands Preservation Area. Smith stated that he met with the assessor's representative on January 11th. Subsequent to the January 11th meeting, the tax assessor reduced the appraisal from \$1,536,100 to \$1,280,100. After a lengthy discussion, the Board agreed that they would like the Executive Director to obtain a proposal from a firm to assist in a possible tax appeal.

Smith continued by stating that the electronic email billing is going well and that the Authority has approximately 270 customers signed up for it.

Smith also stated that he had a meeting yesterday with the Highlands Council to discuss the Water Allocation permit and he felt that the meeting went very well. He explained that the Highlands Council understands what the Authority is trying to do and supports them. He stated that they would like the HMUA to write a protocol on how they would operate the wells.

Smith concluded by stating AECOM submitted the Water Allocation Permit to the DEP and it was returned for 3 small deficiencies and they are preparing for resubmission of their portion. The Authority is still working with Maser on their portion associated with the Claremont Well.

Chairperson Kelly noted the completion of the Executive Director's report and requested Counselor Zaiter to proceed with his report.

At this point, it was suggested to allow Project Engineer Klemm to proceed with his report as not to detain him. The Board was in agreement.

Chairperson Kelly then requested the Projects Engineer to proceed with the Engineer's report. Projects Engineer Klemm discussed the report, which was submitted to the Board prior to the meeting (attached).

Noting the completion of the Engineers Report it was suggested that the Board Convene into Executive Session.



Project Engineer Klemm exited the meeting.

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

Resolution #11-2778 was proposed by Brown who moved its adoption.

BE IT RESOLVED, on this 8th day of February 2011, by the Hackettstown Municipal Utilities Authority and pursuant to N.J.S.A. 10:4-1 et. Seq., the Authority shall discuss issues concerning Litigation and Personnel issues 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.

A motion to convene into Executive Session was made by Brown and seconded by Harper. Ayes: Kelly, Jerry DiMaio, Brown, John DiMaio and Harper.

THEREFORE, BE IT RESOLVED, on this 8th day of February 2011, by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 8:50 PM.

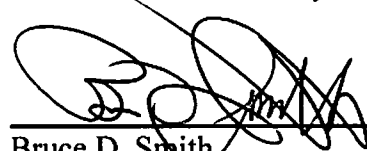
Brown moved to end Executive Session and re-enter Regular Session, said motion being seconded by Jerry DiMaio and all indicating approval at 10:10 PM. No formal action was taken during Executive Session.

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

Executive Director Smith stated he received a call from the Town of Hackettstown that someone has requested that the Authority put their meeting schedule on their Website. Smith stated that he would work on putting the schedule on the Website.

There being no additional comments or discussion, Chairperson Kelly 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 – 10:15 P.M.



Bruce D. Smith
Executive Director & Secretary