



HMUA MINUTES

REGULAR
MEETING OF

NOVEMBER 9, 2010

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING OF NOVEMBER 9, 2010
JACOB GARABED ADMINISTRATION BUILDING

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

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

Also attending: Dr. John Crow of 19 Reese Avenue, Counselor John 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 October 13th 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.

Board Member John DiMaio entered the meeting.

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

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

Dr. Crow approached the Board stated he was very unhappy with the Construction Company that installed the new water main. He stated that his lawn is still torn up and that when the contractor started the work he had stones in his soil, which he never had before, and that he believes the soil used was not certified by the State of New Jersey. Executive Director Smith explained that samples were taken of the soil and the analyzed forwarded to Dr. Crow. Dr. Crow stated that he believes that the soil does not meet the States standards. Dr. Crow stated that a sample should be done by the LRSP and that we must prove to him that it is certified. He stated that he just wants his lawn repaired and that he will get his own price. Board Member John DiMaio stated that the project was a publicly bid project and that the Authority cannot refuse the lowest bidder. Dr. Crow questioned what happened to the soil that they removed and further stated that it has been months since the land disturbance. Executive Director Smith also reminded Dr. Crow that repairs had begun on his lawn, but that he told them not to use the topsoil material and threatened litigation. Smith stated that he previously requested that Dr. Crow obtain a quote for the lawn restoration work to be done and that upon receipt, the quote would be considered by the HMUA Board. Dr. Crow stated that he would obtain a quote for the work and forward to the HMUA. Dr. Crow also stated that, on a good note, HMUA personnel listened to his water service and discovered a leak. He stated that with the help of HMUA personnel, it was determined that the leak was a toilet inside his residence. They did a great job.

He thanked the Board for their time and exited the meeting.



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

The following Resolution #10-2747 was proposed by Kelly who moved its adoption:

Resolution #10-2747A

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

Dated:	October 08, 2010	OEA-934	SL-23	\$139,304.01
Dated:	October 22, 2010	OEA-935	SL-24	<u>78,864.15</u>
			Total	\$218,168.16

Resolution #10-2747B

BE IT RESOLVED, that the following Construction Aid Fund Requisition #CAF-336 be formally approved:

REQUISITION #CAF-336

Hatch Mott MacDonald	Engineering Services	<u>2,372.00</u>
	Total	\$ 2,372.00

Resolution #10-2747C

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-155 be formally approved:

REQUISITION #RR-155

Camp Dresser & McKee Inc.	Engineering Services	\$ 10,000.00
Princeton Hydro, LLC	Engineering Services	12,559.75
Spectraserv, Inc.	WPCP Improvements-37S	323,355.90
Spectraserv, Inc.	WPCP Improvements-37S	<u>732.00</u>
	Total	\$ 346,647.65

Resolution #10-2747D

BE IT RESOLVED, that the following Escrow Sub-account Requisition #ESR-206 be formally approved:

REQUISITION #ESR-206

Hatch Mott MacDonald	CENTENARY	\$ 1,250.00
Hatch Mott MacDonald	HESSCORP	1,232.00
JNC Realty, Inc.	JNCENTERPR - Refund	<u>2,915.64</u>
	Total	\$ 5,397.64

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

Chairperson Brown stated the next agenda item was discussion and possible action to adopt amendments to HMUA Rules and Regulations.



After a brief discussion the following Resolution #10-2748 was proposed by Jerry DiMaio who moved its adoption.

WHEREAS, pursuant to N.J.S.A. Title 40:14B the Town of Hackettstown Municipal Utilities Authority has developed a comprehensive set of Rules and Regulations for Water and Sewer Service which include fees and service charges; and

WHEREAS, a Public Hearing, being duly noticed and conducted in accordance with N.J.S.A. Title 40:14B-23, was held on November 9, 2010; therefore,

BE IT RESOLVED, that the proposed changes to Sections 111B, 703 and 705 (copy attached) of Hackettstown Municipal Utilities Authority Rules and Regulations for Water and Sewer Service, are hereby formally approved and adopted effective November 9, 2010; and,

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

Chairperson Brown stated the next agenda item was discussion and possible action to ratify budget line item transfers.

The following Resolution #10-2749 was proposed by Kelly who moved its adoption:

BE IT RESOLVED, the Governing Body of the Town of Hackettstown Municipal Utilities Authority hereby ratifies the action of the Executive Director to transfer funds between the individual Expense Accounts as listed below:

Water Administration – PROPERTY TAXES -(68501) is increased by \$8,000.

Water Operations – ELECTRIC & GAS – (663301) is decreased by \$8,000.

Sewer Administration – PROPERTY TAXES – (78502) is increased by \$500.

Sewer Operations – ELECTRIC & GAS – (73602) is decreased by \$500.

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

Chairperson Brown stated the next agenda item was discussion and possible action to adopt Water Utility Annual and Capital Budgets for fiscal year 2011.

After a brief discussion, the following Resolution #10-2750 was proposed by Jerry DiMaio who moved its adoption.

Water Utility Budget

WHEREAS, the Annual Budget and Capital Budget for Water for the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2010 and ending November 30, 2011 has been presented for adoption before the governing body of the Town of Hackettstown Municipal Utilities Authority at its open public meeting of November 09, 2010; and

WHEREAS, the Annual 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 introduced reflects Total Revenues of \$2,094,000, Total Appropriations including any Accumulated Deficit, if any, of \$2,079,135 and Total Unrestricted Net Assets utilized of \$0; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$1,705,000 and Total Unrestricted Net Assets planned to be utilized of \$0;

NOW THEREFORE BE IT RESOLVED, by the governing body of the Town of Hackettstown Municipal Utilities Authority at its Open Public Meeting of November 09, 2010 that the Annual Budget and Capital Budget / Program of the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2010 and ending November 30, 2011 is hereby adopted and shall constitute appropriations for the purposes stated; and,

BE IT FURTHER RESOLVED, that the Annual Budget and Capital / Program as presented for adoption reflects each item of revenue and appropriation is 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 Kelly and upon roll call vote carried: Brown, Kelly, John DiMaio, Jerry DiMaio and Harper voting yea.

Chairperson Brown stated the next agenda item was discussion and possible action to adopt the Sewer Utility Annual and Capital Budget for fiscal year 2011.

Sewer Utility Budget

The following Resolution #10-2751 was proposed by Jerry DiMaio who moved its adoption.

WHEREAS, the Annual Budget and Capital Budget for Sewer for the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2010 and ending November 30, 2011 has been presented for adoption before the governing body of the Town of Hackettstown Municipal Utilities Authority at its Open Public Meeting of November 09, 2010; and,

WHEREAS, the Annual 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 introduced reflects Total Revenues of \$2,482,000 Total Appropriations including any Accumulated Deficit if any, of \$2,467,880 and Total Unrestricted Net Assets of \$0; and,

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$2,750,000 and Total Unrestricted Net Assets 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 its Open Public Meeting of November 09, 2010 that the Annual Budget and Capital Budget / Program of the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2010 and ending November 30, 2011 is hereby adopted and shall constitute appropriations for the purposes stated;



BE IT FURTHER RESOLVED, that the Annual Budget and Capital / 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: Brown, Kelly, John DiMaio, Jerry DiMaio and Harper voting yea.

Chairperson Brown stated the next agenda item was discussion and possible action to grant a two-year extension of the Treatment Works Approval for the proposed Greenbriar Riverview Project in Washington Township.

After a brief discussion, the following Resolution #10-2752 was proposed by Kelly who moved its adoption.

WHEREAS, the Hackettstown Municipal Utilities Authority has received a request for a 2-year extension of the Treatment Works Approval (permit # 06-0636) for the Greenbriar Riverview project located on Lots 5, 6 and 7 Block 19, on Schooley's Mountain Road in the Township of Washington, Morris County, New Jersey; therefore,

BE IT RESOLVED, the Town of Hackettstown Municipal Utilities Authority, herein authorizes and directs the Executive Director to request a 2-year extension of Treatment Works Approval (Permit #06-0636) as originally issued by the NJDEP on December 6, 2006, and to execute any necessary documents.

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

Chairperson Brown stated the next agenda item was discussion and possible action to appoint a Qualified Purchasing Agent and adjust the Bid Threshold.

After a brief discussion, the following Resolution #10-2752 was proposed by John DiMaio who moved its adoption.

WHEREAS, the recent changes to the Local Public Contracts Law gave local contracting units the ability to increase their bid threshold up to \$36,000; and

WHEREAS, N.J.S.A. 40A:11-3a, permits an increase in the bid threshold if a Qualified Purchasing Agent is appointed as well as granted the authorization to negotiate and award such contracts below the bid threshold; and

WHEREAS, N.J.S.A. 5:34-5 et seq. establishes the criteria for qualifying as a Qualified Purchasing Agent; and

WHEREAS, Deborah A. Palma possesses the designation of Qualified Purchasing Agent as issued by the Director of the Division of Local Government Services in accordance with N.J.A.C. 5:34-5 et seq.; and

WHEREAS, the Hackettstown Municipal Utilities Authority desires to take advantage of the increased bid threshold;

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 hereby increases its bid threshold to \$36,000; and



BE IT FURTHER RESOLVED, that the governing body hereby appoints Deborah A. Palma as the Qualified Purchasing Agent to exercise the duties of a purchasing agent pursuant to N.J.S.A. 40A:11-2(30), with specific relevance to the authority, responsibility, and accountability of the purchasing activity of the contracting unit; and

BE IT FURTHER RESOLVED, that in accordance with N.J.A.C. 5:34-5.2 the Executive Director is hereby authorized and directed to forward a certified copy of this resolution and a copy of Deborah A. Palma's certification to the Director of the Division of Local Government Services.

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

At this point, Chairperson Brown requested the Executive Director to proceed with his report.

Executive Director Smith began by stating that the Electronic Billing is going well and he confirmed that there have been 134 customers who have signed up so far. He also stated that there have been some requests from customers to pay with credit cards. Smith stated that at the present time the fees associated with receiving credit card payments are prohibitively high. He confirmed that 22% of the customer payments are being received from customer's banks via online bill payment.

Smith continued by stating there would be a meeting on Friday with PM Construction to discuss all the restoration work that still needs to be completed along with the final punch list.

Smith continued by stating he is still waiting to hear from PVSC regarding the changes to the contract for the biosolids treatment. More information should be available for the next meeting.

Smith also stated that the Dorlan case is still an ongoing issue and at present, Mr. Dorlan has amended his complaint to now include Mrs. Palmer and Robert Burd.

Smith also stated that a meeting was held earlier today with the DEP regarding the HMUA's proposed changes to the Water Allocation Permit. The proposed changes include increased capacity of the Diamond Hill Well and the addition of the Proposed Heath Well #9. The meeting went well and Maser Consulting will be providing additional information regarding the Aquifer Test conducted on the Diamond Hill well several years ago.

Smith also stated that the DEP has been very helpful with regard to issues with the Highlands. Smith explained that approval is needed from the Highlands before other approvals can be obtained. Smith plans to speak with Nancy Brown regarding this. Nancy has been very helpful. He also stated that a DEP representative came out approximately five weeks ago to do an inspection and sampling of Diamond Hill replacement Well #1R. Approval has not yet been received.

Smith continued by stating he received a call on Saturday from the DEP regarding samples that were taken from HMUA Well 2. The samples tested positive for E.Coli and Coliform. He confirmed that the Well was shut down and re-sampling is being conducted. This well is the only well that pumps water to HMUA's 1.0 million gallon storage tank. The tank provides fire protection for M&M. Smith has been in contact with M&M on this matter.

Smith also stated that the Janda's water service line has been replaced with a new copper service.



Smith also stated that the Water Pollution Control Plant Project is continuing to move forward. The piping modifications from Primary Clarifier #1 to Trickling Filter #1 have been completed.

Smith stated that he is still awaiting the updated report from O'Brien & Gere regarding the CEPT study.

Smith also stated he should have the plans from Princeton Hydro for the decommissioning of the Lower Mine Hill Reservoir Dam within a few weeks.

Smith continued by stating the application was submitted to the Highlands last week for the Solar Project. He stated that he would also speak with Nancy Brown regarding this matter.

Smith concluded by stating he spoke with Mike Knetzger (HelioSage) regarding the Storm Water Permit for the Solar Project. He stated that this has been determined that it is not needed. If no DEP Permits are necessary, a Highlands approval will not be necessary unless it is required by Washington Township. Washington Township has previously requested a fee of \$7,500 for their review.

Chairperson Brown stated that the tour, which was given by Executive Director Smith and the HMUA personnel, was very comprehensive and professional. He stated it was good to see how the changes will affect us.

The following motion was made by Harper and seconded by Kelly.

The Board of the Hackettstown Municipal Utilities Authority would like to recognize the members of the Authority who took part in the Tour of the facilities for their outstanding professionalism. These employees also demonstrated great respect and pride for the work they do for the Authority.

Chairperson Brown requested Counselor Zaiter to proceed with his report.

Counselor Zaiter stated he was not sure the issue with Dr. Crow has been resolved. He stated that the contractor and not the Authority should address these issues. He suggested that a meeting be scheduled with Dr. Crow and the contractor.

Counselor Zaiter also suggested that the Board request Attorney Bell to come to the next Board Meeting to give the Board an update on the Dorlan Case.

Chairperson Brown 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).

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

Chairperson Brown reminded everyone if they would be attending the AEA conference to be sure to go to the NJUA JIF training. Executive Director Smith stated that he would forward the locations of the training via email.

Board Member Jerry DiMaio stated that he would also like to comment on the great job the Water Utility did on the main break on Main Street.

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



Time – 10:45 P.M.

A handwritten signature in black ink, appearing to read 'Bruce D. Smith', is written over a horizontal line.

Bruce D. Smith
Executive Director & Secretary