



**REGULAR
MEETING OF**

NOVEMBER 09, 2011

**ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ**



REGULAR MEETING OF NOVEMBER 09, 2011
JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Kelly at 8:00 P.M.

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

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

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

Chairperson Kelly indicated that approval of the October 12th Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Jerry DiMaio being seconded by Harper with Kelly, Jerry DiMaio, Brown and Harper voting yea.

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 #11-2829 was proposed by Brown who moved its adoption:

Resolution #11-2829A

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

Dated:	October 07, 2011	OEA-960	SL-23	\$156,760.05
Dated:	October 21, 2011	OEA-961	SL-24	<u>84,312.37</u>
			Total	\$241,072.42

Resolution #11-2829B

BE IT RESOLVED, that the following Construction Fund Requisition #CF-311 be formally approved:

REQUISITION #CF-311

US Bank	Close Wells Fargo Ckg. Acct.	\$	<u>16.25</u>
	Total	\$	16.25

Resolution #11-2829C

BE IT RESOLVED, that the following Construction Aid Fund Requisition #CAF-348 be formally approved:

REQUISITION #CAF-348

Hatch Mott MacDonald	Engineering Services	\$	<u>3,500.00</u>
	Total	\$	3,500.00



Resolution #11-2829D

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-167 be formally approved:

REQUISITION #RR-167

Hertrich Fleet Services	2012 Ford Fusion Hybrid	\$ 25,465.00
Liberty Construction	Process Aeration Blower-39S	28,464.10
O'Brien & Gere Engineers	Engineering Services	2,450.00
Spectraserv, Inc.	WPCP Improvement-37S	<u>29,630.30</u>
	Total	\$ 86,009.40

Resolution #11-2829E

BE IT RESOLVED, that the following Escrow Sub-account Requisition #ESR-218 be formally approved:

REQUISITION #ESR-218

Hatch Mott MacDonald	HACKHONDA	\$ 516.50
Hatch Mott MacDonald	KLAND51LLC	204.00
Hatch Mott MacDonald	WAL-MART	<u>726.50</u>
	Total	\$ 1,447.00

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

Chairperson Kelly stated the next agenda item was discussion and possible action to grant Tentative and Final Approval for the revised application for Hackettstown Honda project in the Township of Washington.

After a brief discussion, the following Resolution #11-2830 was proposed by Brown who moved its adoption.

WHEREAS, Hackettstown Honda received Tentative and Final Approval on April 12, 2011 for Water and Sewer Utility Service for Block 4, Lot 7 on Route 46 in the Township of Washington; and,

WHEREAS, revised plans were submitted with several changes including a request for utilities service for a Barn, as required by Washington Township; and,

WHEREAS, the plans were reviewed by Hatch Mott MacDonald and the Executive Director and approved in a letter dated November 4, 2011 by Hatch Mott MacDonald; therefore,

BE IT RESOLVED, the Town of Hackettstown Municipal Utilities Authority herein grants Tentative and Final Approval for the revised application for Block 4, Lot 7 on Route 46 in the Township of Washington, and the Executive Director is authorized to reserve sufficient water and sewer capacity for the project and execute any necessary documents to obtain other approvals.



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

Chairperson Kelly stated the next agenda item was discussion and possible action to ratify Budget Line Item Transfers.

After a brief discussion, the following Resolution #11-2831 was proposed by Harper 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 Operations – Distribution Maintenance & Supplies – (64201) is increased by \$1,000.

Water Administration – Professional Services – (67201) is increased by \$2,000.

Water Administration – Health Benefits – (67901) is increased by \$1,000.

Water Operations – Electric & Gas – (63301) is decreased by \$3,000.

Sewer Operations – Treatment–Maint. & Supplies– (70602) is increased by \$2,000.

Sewer Operations – Chemical (73102) is increased by \$3,000.

Sewer Operations – Laboratory – (73402) – is increased by \$1,000.

Sewer Operations – Treatment Sludge Disposal – (73702) is increased by \$36,000.

Sewer Administration – Salaries (70102) is decreased by \$42,000.

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

Chairperson Kelly stated the next agenda item was discussion and possible action to adopt the Water Utility Annual and Capital Budgets for Fiscal Year 2012.

After a brief discussion, the following Resolution #11-2832 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, 2011 and ending November 30, 2012 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, 2011; and

WHEREAS, the Annual Budget and Capital Budget was submitted late due to waiting for Consumer Price Index figures to be released by the United States Bureau of Labor Statistics; 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 introduced reflects Total Revenues of \$2,093,000 Total Appropriations including any Accumulated Deficit, if any, of \$2,963,135, and Total Unrestricted Net Assets utilized of \$870,135; and

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$2,300,000 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, 2011 that the Annual Budget and Capital Budget / Program of the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2011 and ending November 30, 2012 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 Harper and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown and Harper voting yea.

Sewer Utility Budget

The following Resolution #11-2833 was proposed by Brown 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, 2011 and ending November 30, 2012 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, 2011; and,

WHEREAS, the Annual Budget and Capital Budget was submitted late due to waiting for Consumer Price Index figures to be released by the United States Bureau of Labor Statistics; 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 introduced reflects Total Revenues of \$2,514,000 Total Appropriations including any Accumulated Deficit if any, of \$2,552,901 and Total Unrestricted Net Assets of \$38,901; and,

WHEREAS, the Capital Budget as presented for adoption reflects Total Capital Appropriations of \$775,000 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, 2011 that the Annual Budget and Capital Budget / Program of the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2011 and ending November 30, 2012 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 Harper and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown and Harper voting yea.

Chairperson Kelly stated the next agenda item was discussion and possible action to authorize curtailment services agreement.

Executive Director stated he would prefer to defer this agenda item until next month to review it in more detail.

Chairperson Kelly stated the next agenda item was discussion and possible action to authorize an auction of used equipment.

The following Resolution #11-2834 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, the Hackettstown Municipal Utilities Authority is the owner of certain surplus property which is no longer needed for public use; and,

WHEREAS, the Board Members are desirous of selling said surplus property in an "as is" condition without express or implied warranties,

NOW, THEREFORE, be it resolved by the Hackettstown Municipal Utilities Authority, as follows:

1. The sale of the surplus property shall be conducted through GovDeals pursuant to State Contract A-70967/T2581 in accordance with the terms and conditions of the State Contract. The terms and conditions of the agreement entered into with GovDeals are available online at govdeals.com and also available from the HMUA.



2. The sale will be conducted online and the address of the auction site is www.govdeals.com.
3. The sale is being conducted pursuant to Local Finance Notice 2008-9.
4. Listed below is the surplus property to be sold.
 - 2001 Ford Explorer – Vin # 1FMZU72E01ZA45137
5. The surplus property as identified shall be sold in an “as is” condition without express or implied warranties with the successful bidder required to execute a Hold Harmless and Indemnification Agreement concerning use of said surplus property.
6. The HMUA reserves the right to accept or reject any bid submitted.

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

At this point, Chairperson Kelly requested Deputy Director Perry to proceed with his report.

Perry stated he has concluded his investigation and has submitted a requisition for the purchase and installation of three pressure transmitters. These will be installed at Mt. Olive Booster Station, Independence Booster Station and Well #2. He confirmed that NB Controls would be doing the work within the next two weeks.

Perry also stated that the Lead and Copper sampling has been completed and the Authority had five (5) samples that exceeded the lead action levels. However, he confirmed that the sampling did meet guidelines and also stated that the number of samples will be reduced to 30 samples per year starting in 2012.

Perry continued by stating he met with FEMA and detailed all the expenses the Authority incurred from the storm. He stated that a FEMA representative would be back to conduct an inspection. Perry indicated that he will keep the Board informed as to the results.

Upon completion of the Deputy Director’s report, Chairperson Kelly requested the Executive Director to proceed with his report.

Executive Director Smith began by stating he has spoken with Counselor Zaiter regarding the Employee sick time and they have developed an updated Draft for consideration by the Board. The draft provides for a future year change in the sick time from 15 days to 10 days.

A motion was made by Harper confirming the Board’s approval to change the sick time from 15 days to 10 days as discussed at the last meeting. This motion was seconded by Brown and upon roll call vote carried: Ayes: Kelly, Jerry DiMaio, Brown and Harper voting yea.

Smith also stated that he and members of his staff have spent a number of hours reviewing Health Care Plans for the Authority. He stated that there are a number of plans with high deductibles, which could be funded by a Health Saving Account



(HSA). Smith stated that there are a number of factors that need to be carefully considered in selecting new health plan options and this is certainly a sensitive issue. The options were reviewed with help from John Perry and Debbie Palma. Although new plans should continue to be considered, the group feels that the NJ State Health Benefit Plans provide the best option at this time.

Smith stated that 8 houses that were thought to have sump pumps connected. They were sent letters requesting internal inspections and the disconnection of any connected sump pumps. Smith confirmed that inspections have been completed and all sump pumps have been disconnected from the sanitary sewer.

Smith also stated that he received a letter from the NJDEP regarding the Water Allocation Permit and he is continuing to work on moving this forward. He confirmed that he has had a conference call with AECOM.

Smith concluded by stating that discussion continues with Kaplan for the reduction of the Bond for the Woodfield project.

Chairperson Kelly requested Counselor Zaiter to proceed with his report.

Counselor Zaiter stated that he had nothing further to add.

Chairperson Kelly requested the Project 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).

Projects Engineer Klemm exited the meeting.

At this point it was suggested that the Board convene into Executive Session.

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

Resolution #11-2835 was proposed by Brown who moved its adoption.

BE IT RESOLVED, on this 9th day of November 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 contract negotiations and legal matters 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 Jerry DiMaio. Ayes: Kelly, Jerry DiMaio, Brown and Harper.

THEREFORE, BE IT RESOLVED, on this 9th day of November 2011, by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 9:05 PM.



Jerry DiMaio moved to end Executive Session and re-enter Regular Session, said motion being seconded by Harper and all indicating approval at 9:20 PM. No formal action was taken during Executive Session.

Upon returning from Executive Session a motion was made by Jerry DiMaio authorizing the Executive Director to forward a letter to the Contract #36S and #37S Contractors putting them on notice. They will be advised that unless the project the issues are corrected, the Authority will be notifying the Bonding companies.

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

Kelly stated that the article in the AEA Magazine written by Fletcher Platt on the Authority was very well done.

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

Time - 9:28 P.M.



Bruce D. Smith
Executive Director & Secretary