



HMUA MINUTES

REGULAR
MEETING OF

September 8, 2020

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING September 8, 2020

JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Kuster at 2:00 P.M over teleconference due to Executive Order No. 107 signed by NJ Governor Murphy and to promote the necessary social distancing to avoid the spread of COVID-19. Executive Director Corcoran 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: Chairman Kuster, John DiMaio and William Harper.

Also attending: Counselor John Zaiter, Engineer Dave Klemm, Executive Director Kathy Corcoran, Deputy Director Frank Biank and Recording Secretary Lasch.

Chairperson Kuster led a Salute of the United States Flag.

Chairperson Kuster indicated approval of minutes of the August 11, 2020 Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Harper, being seconded by John DiMaio.

Ayes: Kuster, John DiMaio and Harper

Chairperson Kuster opened the meeting to public participation and noted that no members of the public announced their presence.

Chairperson Kuster stated the next agenda item was discussion and possible action regarding any project change orders. Executive Director Corcoran stated there were no change orders.

Chairperson Kuster stated the next agenda item was to entertain a resolution approving the Operations Expense Account Requisitions #OEA-1191, and #OEA-1192 in the total aggregate amount of \$240,712.44. The following Resolution #20-3512 was proposed by John DiMaio who moved its adoption:

Resolution #20-3512

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

Dated: August 14, 2020	OEA-1191	SL-19	\$116,556.69
Dated: August 28, 2020	OEA-1192	SL-20	<u>\$124,155.75</u>
	Total		\$240,712.44

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, John DiMaio and Harper

Chairperson Kuster stated the next agenda item was to entertain a resolution approving Renewal & Replacement Fund Requisition #RR-273 in the aggregate amount of \$42,825.50. The following Resolution #20-3513 was proposed by Harper who moved its adoption.



Resolution #20-3513

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-273 be formally approved:

REQUISITION #RR-273

Albright Electric LLC	LED Lighting AB Building	\$ 5,017.00
Applied Analytics, Inc.	Calibration Services	\$ 4,795.00
Mott MacDonald	Culvert Water Main Break	\$ 18,143.50
Mott MacDonald	Peracetic Acid	\$ 1,500.00
Mott MacDonald	UV System Replacement	<u>\$ 13,370.00</u>
	Total	\$ 42,825.50

This Resolution was seconded by John DiMaio and upon roll call vote carried:

Ayes: Kuster, John DiMaio and Harper.

Chairperson Kuster stated the next agenda item was to entertain a Resolution approving Escrow Subaccount Requisition #ESR-304 in the amount of \$1,926.25. The following Resolution #20-3514 was proposed by John DiMaio who moved its adoption.

Resolution #20-3514

BE IT RESOLVED, that the following Escrow Subaccount Requisition #ESR-304 be formally approved:

REQUISITION #ESR-304

Mott MacDonald	Residences at Bilby Rd	\$ 214.25
Mott MacDonald	19 Brantwood Terrace	<u>\$ 1,712.00</u>
	Total	\$ 1,926.25

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, John DiMaio and Harper.

Chairperson Kuster stated the next agenda item was to entertain a Resolution to approve the FY 2020/2021 Budget. Kathy provided a brief overview of the proposed operating and capital budgets, and after a discussion, the following Resolution #20-3515 was proposed by John DiMaio who moved its adoption.

Resolution #20-3515

WHEREAS, the Annual Budget and Capital Budget for the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2020 and ending November 30, 2021 has been presented before the governing body of the Town of Hackettstown Municipal Utilities Authority at its open public meeting of September 8, 2020; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$4,998,020, Total Appropriations, including any Accumulated Deficit if any, of \$5,398,020 and Total Unrestricted Net Position utilized of \$400,000; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of



\$3,300,000 and Total Unrestricted Net Position planned to be utilized as funding thereof of \$0; Total Renewal and Replacement funds planned to be utilized of \$2,315,000; Total Debt Authorization planned to be utilized of \$200,000; Total Other Sources (Construction Aid Fund) planned to be utilized of \$785,000; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Town of Hackettstown Municipal Utilities Authority, at an open public meeting held on September 8, 2020 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2020 and ending November 30, 2021 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Town of Hackettstown Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on October 13, 2020.

The Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, John DiMaio, Harper



Chairperson Kuster stated the next agenda item was discussion and possible action to authorize engineering services for new Water Storage Tank and Water Main Replacement Projects in Independence Township.

The following Resolution #20-3516 was proposed by Harper who moved its adoption:

WHEREAS, pursuant to N.J.S.A. 40:A-11-5, professional services for the Authority may be retained without public bidding; and

WHEREAS, the Hackettstown Municipal Utilities Authority has the need for engineering services for new 1.0 MG Water Storage Tank and Water Main Replacement projects; 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 Mott MacDonald to render engineering services to the Authority, in accordance with a September 3, 2020 proposal is herewith authorized without public bidding.
2. The term of said appointment shall be until such time as the work is completed.
3. The said payment to Mott MacDonald shall not exceed \$256,500 for Tasks 1 through 5 of the September 3, 2020 proposal.

This Resolution was seconded by John DiMaio and upon roll call vote carried:

Ayes: Kuster, John DiMaio and Harper.

Chairperson Kuster stated the next agenda item was discussion and possible action to authorize the Hackettstown Municipal Utilities Authority to become a member of The North Jersey Wastewater Cooperative Pricing System.

The following Resolution #20-3517 was proposed by John DiMaio who moved its adoption:

WHEREAS, the Hackettstown Municipal Utilities Authority desires to become a member of the North Jersey Wastewater Cooperative Pricing System, NJWCPS, effective September 8, 2020 and, that such membership shall be for a period ending November 24, 2020, and each renewal, thereafter of the system, unless the Hackettstown Municipal Utilities Authority elects to formally withdraw from the system;

NOW, THEREFORE BE IT RESOLVED, that the Executive Director, Kathleen Corcoran, is hereby authorized to execute the agreement for such membership.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Kuster, John DiMaio and Harper.

Chairperson Kuster stated the next agenda item was discussion and possible action to authorize participation in the On-Line Auction of Surplus Equipment.



The following Resolution #20-3518 was proposed by Harper 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, no longer of use by the HMUA, shall be conducted through GovDeals pursuant to N.J.S.A. 40A:11-36 and guidance set forth in the Division of Local Government Services’ Local Finance Notice 2019-15. 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. Attached is the surplus property to be sold.
4. 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.
5. The HMUA reserves the right to accept or reject any bid submitted.

This Resolution was seconded by John DiMaio and upon roll call vote carried:

Ayes: Kuster, John DiMaio and Harper.

Chairperson Kuster stated that the next agenda item was to enter into a settlement agreement with Moudro Corporation. Counselor John Zaiter stated that it would be discussed in Executive Session.

Chairperson Kuster requested the Executive Director and Deputy Director to proceed with their reports.

Kathy started by inviting all the Board Members to the retirement luncheon for Debbie Palma, stating that it will be held outdoors with CDC recommended COVID procedures in place. She then went on clarify a question from the last board meeting that all utility authority employees are included in the NJUA Blanket Bond Policy and that no positions in the Utility Authorities are required to be separately bonded. She further stated that the automobile fleet is composite rated. The NJUA JIF does not make adjustments to assessments as members add or remove underwriting data, including vehicles.

The Authority is continuing to operate under the COVID procedures put in place. One employee traveled to a NJ travel advisory state and had to quarantine until negative COVID test results came back. The employee returned to work once the COVID results were confirmed negative.

The WPCP received and installed the gearbox and drive head assembly for the Duperon mechanical influent screen. A significant amount of overtime was expended with the operators coming in to rake the static screen while the mechanical screen was out of operation. The static screen allowed rags to pass throughout the plant, which led to a lot of extra work cleaning them out of downstream tanks. The sewer utility also received and deployed the portable



collection system flow meter in the Diamond Hill development, and re-installed the rebuilt Raw Sewage Pump No. 1.

Regarding the 1.0 MG Tank, the land swap agreement was prepared by the Warren County attorney. Kathy and John Zaiter have reviewed the agreement and are preparing comments to send to the County.

On the water utility side, Kathy stated there was one main break in August for a total of eight main breaks and one repair clamp leak to date this year. There were two service leaks in August—one on Main Street and one on Mill Street. Both service lines were replaced.

August water usage was up compared to last year. The water utility continues to exercise valves with a total of 1,410 valves exercised to date with little issue encountered. Leak detection continues with the nightly deployment of the leak detection correlators. The water utility also continues to paint fire hydrants throughout the distribution system.

Kathy stated the last item is her memo regarding pavement reimbursement. Kuster suggested that they meet to discuss the issues within the next month.

Frank discussed the status of the Esna Drive easements and gas service for the WPCP. Frank has been in discussion with ABB for terms to come to an agreement for the easements as well as ABB's interest in utilizing the gas main proposed to be installed in Esna Drive for their facility.

Chairperson Kuster requested Counselor Zaiter to proceed with his report. Counselor Zaiter suggested the Board convene into Executive Session.

Chairperson Kuster stated he would entertain a motion to convene into Executive Session. Resolution #20-3519 was proposed by Harper who moved its adoption. The motion to convene into Executive Session was seconded by John DiMaio.

Ayes: Kuster, John DiMaio and Harper

Resolution #20-3519

BE IT RESOLVED, on this 8th day of September, 2020 by the Hackettstown Municipal Utilities Authority and pursuant to N.J.S.A. 10:4-1 et. seq., the Authority shall discuss potential litigation and contract negotiations in Executive Session.

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

THEREFORE, BE IT RESOLVED, on this 8th day of September, 2020 by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 2:42 PM.

John DiMaio moved to end Executive Session and re-enter Regular Session, said motion being seconded by Harper and all indicating approval at 2:58 PM. No formal action was taken during Executive Session.

Chairperson Kuster asked whether anyone had business of a general nature to discuss with no response.

Chairperson Kuster declared a motion to adjourn would be in order and was so moved by



Harper, seconded by John DiMaio and followed by a unanimous voice vote.

Time – 3:00P.M.

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