



HMUA MINUTES

REGULAR
MEETING OF

September 10, 2024

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING September 10, 2024
JACOB GARABED ADMINISTRATION BUILDING & VIRTUAL MEETING

The meeting was called to order by Vice Chairman Harper at 3:30 P.M. in person and over teleconference to promote the necessary social distancing to avoid the spread of COVID-19 and other viruses. 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 accordance with the requirements of the Open Public Meetings Act.

Roll call indicated the following members in attendance: Harper (in person); Kuster, Jerry DiMaio and John DiMaio (over teleconference).

Also attending: Executive Director Corcoran, Deputy Director Pizarro and Recording Secretary Lasch (in person); Accountant Robert McNinch, Engineer Klemm and Counselor Zaiter (over teleconference).

Vice Chairman Harper led a salute of the United States Flag.

Vice Chairman Harper indicated approval of the August 13, 2024 Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Jerry DiMaio, being seconded by Bill Kuster.

Ayes: Harper, Kuster and Jerry DiMaio
Abstain: John DiMaio

Vice Chairman Harper indicated approval of the August 13, 2024 Executive Session to be the next agenda item. A motion to approve the minutes was made by Bill Kuster, being seconded by Jerry DiMaio.

Ayes: Harper, Kuster and Jerry DiMaio
Abstain: John DiMaio

Vice Chairman Harper opened the meeting to public participation. Director Corcoran stated that Robert McNinch was present to discuss the proposed budget and overall financials of the HMUA. Robert McNinch presented a handout on screen and went over the 2025 operating and capital budgets, in addition to the 2026 – 2030 proposed capital budgets. This was followed by very conservative bar chart presentation of projected fund diminishment over time, assuming all capital projects are completed and not accounting for future connection fee revenue. Director Corcoran pointed out that we can anticipate receipt of significant connection fees in the near future if proposed major residential projects move ahead to completion; however, this is a moving target and not guaranteed. There was some discussion regarding options for funding capital projects.

Robert McNinch recommended a rate increase of 5% on the water side and 2% on the sewer side for FY2025, which was endorsed by Director Corcoran. It was stated that a rate hearing must be held in October or November to increase rates as proposed effective December 1, 2024. Additional rate increases would then be re-evaluated in a year.

Vice Chairman Harper stated the next agenda item was to entertain a resolution approving the Authority Budget for fiscal year 2024-2025. Director Corcoran provided an overview of the budget increases, noting overall increases of 5.59% on the water side and 6.18% on the sewer side.



The Consumer Price Index change was 4.08% and applied for base salary increases, and performance increases were based on rating reviews by supervisory personnel. Major increases in operations categories included insurance, chemicals, sludge disposal, electricity and natural gas, and PERS. There was some discussion among board members, Director Corcoran and McNinch regarding increased costs relative to revenues.

The following resolution was proposed by John DiMaio who moved its adoption:

Resolution #24-7892

WHEREAS, the Annual Budget Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2024 and ending November 30, 2025 has been presented before the governing body of the Hackettstown Municipal Utilities Authority at its open public meeting of September 10, 2024; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$5,698,000.00. Total Appropriations, including any Accumulated Deficit, if any, of \$6,798,000.00 and Total Unrestricted Net Position utilized of \$1,100,000.00; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$7,879,000.00 and Total Unrestricted Net Position planned to be utilized as funding thereof of \$0.00; 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 Hackettstown Municipal Utilities Authority, at an open public meeting held on September 10, 2024 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2024 and ending November 30, 2025 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 Hackettstown Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for Adoption on October 8 2024.



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

Ayes: Harper, Kuster, Jerry DiMaio and John DiMaio

Vice Chairman Harper stated the next agenda item was to entertain a resolution approving the Operations Expense Account Requisitions #OEA-1295 and #OEA-1296 in the total aggregate amount of \$232,288.62. The following resolution was proposed by Kuster who moved its adoption:

Resolution #24-7893

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

Dated:	August 9, 2024	OEA-1295	SL-19	\$133,884.80
Dated:	August 23, 2024	OEA-1296	SL-20	<u>\$ 98,403.82</u>
		Total		\$232,288.62

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

Ayes: Harper, Kuster, Jerry DiMaio and John DiMaio

Vice Chairman Harper stated the next agenda item was to entertain a resolution approving Renewal & Replacement Fund Requisition #RR-321 in the aggregate amount of 6,340.28. The following resolution was proposed by Kuster who moved its adoption.

Resolution #24-7894

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

REQUISITION #RR-321

Glasco UV LLC	Ultraviolet Lamps for WPCP	\$	4,200.00
Spectrum Communications	New Radios in New Vehicles		<u>2,140.28</u>
	Total	\$	6,340.28

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

Ayes: Harper, Kuster, Jerry DiMaio and John DiMaio

Vice Chairman Harper stated the next agenda item was to entertain a Resolution approving Escrow Subaccount Requisition #ESR-352 in the amount of \$6,520.50. The following resolution was proposed by Jerry DiMaio who moved its adoption.

Resolution #24-7895

BE IT RESOLVED, that the following Escrow Subaccount Requisition be formally approved:

REQUISITION #ESR-351



Hackettstown MUA	Jade Hackettstown Assoc – Const. Monitor	\$2,164.50
Hackettstown MUA	NVR, Inc.- Meter Setting & Water Turn Ons	1,800.00
Mott MacDonald	Russo HT Urban Renewal – Vermella	1,480.00
Mott MacDonald	St. Fra Willow Grove	<u>1,076.00</u>
	Total	\$ 6,520.50

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

Ayes: Harper, Kuster, Jerry DiMaio and John DiMaio

Vice Chairman Harper stated the next agenda item was discussion and possible action to grant tentative and final approval to St. Fra Willow Grove, LLC for a warehouse building at Block 44, Lot 3.02, 999 Willow Grove Street in the Town of Hackettstown. The following resolution was proposed by John DiMaio who moved its adoption.

Resolution #24-7896

WHEREAS, St. Fra Willow Grove, LLC has requested Tentative and Final Approval for water and sewer utility service for a proposed warehouse building at Block 44, Lot 3.02, 999 Willow Grove Street in the Town of Hackettstown, New Jersey; and

WHEREAS, the application and project plans have been reviewed by Mott MacDonald and determined to be in accordance with the Authority’s Rules and Regulations as per their letter dated August 19, 2024 with noted contingencies; now therefore

BE IT RESOLVED, the Hackettstown Municipal Utilities Authority herein grants Tentative and Final Approval, with contingencies as noted in the August 19, 2024 letter referenced, for the St. Fra Willow Grove, LLC project at Block 44, Lot 3.02 in the Town of Hackettstown, NJ.

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

Ayes: Harper, Kuster, Jerry DiMaio and John DiMaio

Vice Chairman Harper stated the next agenda item was discussion and possible action to grant tentative and final approval to Ariya Realty of Route 57 LLC for a Dunkin Mansfield commercial building at Block 1102, Lot 4.02 in Mansfield Township. The following resolution was proposed by Kuster who moved its adoption.

Resolution #24-7897

WHEREAS, Ariya Realty of Route 57 LLC has requested Tentative and Final Approval for water and sewer utility service for a proposed Dunkin Mansfield commercial building at Block 1102, Lot 4.02 in Mansfield Township, New Jersey; and

WHEREAS, the application and project plans have been reviewed by Mott MacDonald and determined to be in accordance with the Authority’s Rules and Regulations as per their letter dated August 30, 2024 with noted contingencies; now therefore

BE IT RESOLVED, the Hackettstown Municipal Utilities Authority herein grants Tentative and Final Approval, with contingencies as noted in the August 30, 2024 letter referenced, to Ariya Realty of Route 57 LLC for a proposed Dunkin Mansfield commercial building at Block 1102, Lot 4.02 in Mansfield Township, NJ.



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

Ayes: Harper, Kuster, Jerry DiMaio and John DiMaio

Vice Chairman Harper stated the next agenda item was discussion and possible action to authorize Foley Power Systems to install a new emergency generator system under NJ State approved cooperative bid. Director Corcoran explained that this to install the previously ordered natural gas generator at the WPCP.

Jerry DiMaio exited the meeting. The following resolution was proposed by Kuster who moved its adoption.

Resolution #24-7898

WHEREAS, the HMUA has purchased a new natural gas generator for the water pollution control plant that will require professional installation on the site; and

WHEREAS, the HMUA has received a quote from Foley Power Systems in the amount of \$284,026 plus permitting and testing costs through the NJ State approved cooperative Bid #ESCNJ 22/23-46; now therefore

BE IT RESOLVED, that the Executive Director is hereby authorized to execute the necessary documents for the authorization of Foley Power Systems to turnkey installation of the previously ordered Caterpillar Emergency Generator System.

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

Ayes: Harper, Kuster and John DiMaio

Jerry DiMaio rejoined the meeting. Vice Chairman Harper requested Director Corcoran to proceed with her report.

Corcoran stated that August system usage was a much lower than 2023 and a little lower than 2022. We have had three service leaks since the last board meeting, and are currently fixing a main break on Mitchell Rd. The water utility continues to put the leak correlators out every night.

Since the last meeting, staff dug up and repaired 3 curb boxes, replaced 3 service lines on Ashley Ave to the new main installed last year, restored the cul-de-sac area on 3rd street from lateral repairs we completed recently.

In addition, staff installed vent in chlorine room door at Well 4. This was an item resulting from the EPA inspection earlier this year.

With regard to the police report filed for theft of water NJSA 2C:20-8 on Aug. 9, the police detective stated that they are working on the investigation, but have had higher priority cases.

With regard to the 1.0 MG tank project, we have had difficulty obtaining approval from Warren County and mostly the requirements for the driveway. They want the driveway significantly wider, the ability to turn around outside of the roadway ROW, and as close to perpendicular as possible. They may consider mitigating alternatives, so we are preparing documents to show signs for no public access, removal of our gate, and right turn only out of the site. It also must be demonstrated on paper how their requirements can't be met. Mott MacDonald will prepare the documents and then we will request a meeting with them. Engineer Klemm concurred with



Corcoran's assessment of the situation.

Director Corcoran stated that Deputy Director Pizarro will report on the sewer side.

Deputy Director Pizarro stated, aside from routine maintenance, the sewer utility paved sewer repair areas of Laurie and College View Drives. In addition, they completed mortar repairs on manholes in Diamond Hill to help prevent I/I. Staff completed the chronic toxicity testing and biosolids testing. In addition, raw sewage pump #2 out of service to have the check valve repaired.

Vice Chairman Harper requested Engineer Klemm to proceed with his report. Mott MacDonald will work on preparation of the materials required for Warren County, as discussed earlier. In addition, Klemm stated that he has initiated the Diamond Hill water main replacement project. He also provided an update on developer review submittals.

Vice Chairman Harper requested Counselor Zaiter to proceed with his report. Zaiter stated that he has no report.

Vice Chairman Harper asked whether anyone had business of a general nature to discuss with no response.

Vice Chairman Harper declared a motion to adjourn would be in order and was so moved by Kuster and followed by a unanimous voice vote.

Time –4:55 PM

Kathleen Corcoran
Executive Director & Secretary