

HMUA MINUTES

ANNUAL
MEETING OF

FEBRUARY 19, 2019

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



ANNUAL MEETING FEBRUARY 19, 2019

JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Kuster at 7:01 P.M.

Also attending: Counselor Michael Selvaggi, Steve Varneckas, Robert McNinch, Counselor Zaiter, Engineer David Klemm, Executive Director Corcoran and Recording Secretary Palma.

Executive Director Corcoran acknowledged receipt of the resolution adopted by the Town of Hackettstown appointing John DiMaio to the Authority for a term of office expiring on February 1, 2024. She stated that since John was unable to attend this meeting they would hold it until next meeting.

Roll call indicated the following members in attendance: Kuster, Jerry DiMaio, Harper and Kunz.

Chairperson Kuster 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.

Chairperson Kuster led a salute of the United States Flag.

Chairperson Kuster indicated approval of the January 8th Regular Meeting to be the next agenda item. A motion to approve the minutes was made by Harper, being seconded by Jerry DiMaio with Kuster, Jerry DiMaio, Harper and Kunz voting yea.

Chairperson Kuster indicated approval of the January 8th Executive Session to be the next agenda item. A motion to approve the minutes was made by Kunz being seconded by Harper with Kuster, Jerry DiMaio, Harper and Kunz voting yea.

Chairperson Kuster 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 2019/2020, Harper nominated Kuster. Jerry DiMaio seconded the nomination. No further nominations were received. There being only one nomination, Kuster was elected as Chairperson. Upon roll call the vote was carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

Chairperson Kuster then declared nominations for the office of Vice Chairperson to be in order. Harper nominated Jerry DiMaio. Kunz seconded the nomination. No further nominations were received. There being only one nomination, Jerry DiMaio was elected as Vice Chairperson. Upon roll call the vote was carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

Chairperson Kuster stated the next agenda item was discussion and possible action to appoint the Risk Management Consultant.



After a brief discussion, the following Resolution #19-3361 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, the Hackettstown Municipal Utilities Authority has previously joined the New Jersey Utility Authorities Joint Insurance Fund, following a detailed analysis; and,

WHEREAS, the bylaws of said Fund requires that each Authority appoint a Risk Management Consultant to perform various professional services as detailed in the bylaws; and,

WHEREAS, the Authority has negotiated a reduced fee in the amount of \$4,000, which represents reasonable compensation for the services required; and,

NOW, THEREFORE, be it resolved, the Hackettstown Municipal Utilities Authority does hereby appoint Otterstedt Insurance Agency as its Risk Management Consultant in accordance with the Fund's bylaws; therefore,

BE IT FURTHER RESOLVED, that the Governing Body hereby authorizes and directs the execution of the Risk Management Consultant's Agreement annexed hereto and to cause a notice of this decision to be published according to NJSA 40A:11-5 (1) (a) (i).

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

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

After a brief discussion, the following Resolution #19-3362 was proposed by Kunz 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 Ferraioli, Wielkotz, Cerullo & Cuva, P.A. as the Authority's Auditor and retaining them to perform audits and other support services for Fiscal Year 2018 in accordance with their January 9, 2019 proposal is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 11, 2020, 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 Jerry DiMaio and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

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

The following Resolution #19-3363 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 Counselor and retaining them to render legal services to the Authority in accordance with their proposal dated January 11, 2019 is herewith authorized without public bidding.

2- The term of said appointment shall be to February 11, 2020, 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: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

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

The following Resolution #19-3364 was proposed by Kunz 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 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 1, 2019 is herewith authorized without public bidding.
- 2- The term of said appointment shall be to February 11, 2020 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.

The Resolution was seconded by Harper and upon roll call vote carried: Ayes; Kuster, Jerry DiMiao, Harper and Kunz voting yea.

Chairperson Kuster stated the next agenda item was discussion and possible action to appoint the Executive Director, Secretary and Treasurer.

The following Resolution #19-3365 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, N.J.S.A. 40:14b-18 provides that the positions of Executive Director, Secretary and Treasurer of a Municipal Utilities Authority are appointed positions; and,

WHEREAS, the members of the Authority are desirous of appointing Kathleen Corcoran to fill the positions of Executive Director, Secretary and Treasurer; therefore,

BE IT RESOLVED, that Kathleen Corcoran is hereby appointed Executive Director, 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 11, 2020 or until her successor has been appointed and qualified.

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

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

Chairperson Kuster stated they would move forward to discussion and possible action to proceed with connection fee rate increases to not hold up Mr. McNinch.

Executive Director Corcoran stated that the accounting firm FWCC conducted an evaluation of the Authority's connection fees for water and sewer. She stated that it has been determined that there is a statutory requirement to recalculate the connection fees to be charged on an annual basis. Kathy confirmed that the current connection fee charged per EDU for water is \$1,429.00 and for sewer is \$3,054.00. Generally, the calculation takes the total amount invested in the system and



divides that by a calculated number of EDUs. Based on the findings of FWCC, the calculated connection fee for water is \$5,530.00 and for sewer is \$5,505.00 per EDU.

Robert McNinch stated that after a review of the Authority's records which included audits, interest and principal paid on debt service, and an analysis of water and sewer EDU's for the system, they have found that the HMUA has been undercharging for connection fees. He confirmed the statutory requirement (NJSA 40:14B-21 and 22) that these fees should be recalculated each year. He stated that connection fees for the Authorities he works with are much higher than HMUA's current fees, and most of the Authorities charge the maximum allowed under the statute. He also stated that, in order to adopt new connection fee rates, a notice would need to be published in the paper 20 days prior to the rate hearing.

The Board suggested that Kathy review other Authority's fees for comparison and get back to the Board at the next meeting for their consideration.

Robert McNinch exited the meeting.

Chairperson Kuster stated the next agenda item was discussion and possible action to amend the conditional Tentative and Final approval for the Woodmont Independence Urban Renewal. LLC Residential Complex on Block 6.02, Lot 2 in Independence, NJ.

Counselor Selvaggi and Steve Varneckas approached the Board. Steve began by thanking Kathy for all her help. Steve stated that they received Tentative and Final approval for the Woodmont Project from the Authority. Counselor Zaiter corrected Mr. Varneckas stating that their approval was a conditional approval. Mr. Varneckas corrected himself and agreed with Counselor Zaiter. Mr. Varneckas explained that after speaking with Kathy he understands that the HMUA rules require that connections fees must be posted in order for the Authority to sign off on the TWA and Water Main Extension permits for the DEP. He explained that the connections fees are substantial and to put them up now, before the project has approval from the DEP and the County, would be a lot. He requested that the connection fees and performance guarantees not be required until construction is near. Steve also stated that they have had several meetings with the County to obtain required permits for the project. Steve also stated that part of the conditional approval was the submittal of irrigation system plans, plumbing drawings and fire suppression system drawings. He asked the Board to allow them to hold off on these until the project has its approvals and is closer to construction when the design drawings are finalized.

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

Chairperson Kuster stated he would entertain a motion to convene into Executive Session. Resolution #19-3366 was proposed by Kunz, who moved its adoption.

Resolution #19-3366

BE IT RESOLVED, on this 19th day of February by the Hackettstown Municipal Utilities Authority and pursuant to N.J.S.A. 10:4-1 et. seq., the Authority shall



discuss Attorney Client Communication 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.

The motion to convene into Executive Session was seconded by Harper. Ayes: Kuster, Jerry DiMaio, Harper and Kunz voted yea.

THEREFORE, BE IT RESOLVED, on this 19th day of February, 2019 by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 7:45 PM.

Jerry DiMaio moved to end Executive Session and re-enter Regular Session, said motion being seconded by Kunz and all indicating approval at 8:00 PM. No formal action was taken during Executive Session.

Upon returning from Executive Session the following Resolution #19-3367 was proposed by Kunz who moved its adoption.

WHEREAS, the Hackettstown Municipal Utility Authority granted a conditional Tentative and Final approval to Woodmont Independence Urban Renewal, LLC Residential Complex on November 13, 2018, and

WHEREAS, three of the conditions of approval were as follows:

- Submittal of Irrigation System Plans, including details and flow information
- Submittal of Fire Suppression System Approvals
- Submittal of Plumbing Drawings

WHEREAS, the HMUA Rules and Regulations do not specifically address the requirement to submit irrigation, fire suppression and plumbing drawings, as they are a requirement specific to this project; and

BE IT RESOLVED, the Hackettstown Municipal Utility Authority hereby grants approval that these documents be submitted following such time that the NJDEP and County permits are obtained but prior to issuance of a Permit to Construct by HMUA.

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

Steve then asked the Board how to proceed with the connection fees and Bond. He stated concerns regarding obtaining approval from the County and regarding the environmental sensitivities of the site and the possibility of NJDEP removing the site from the sewer service area or placing the site in the Highlands Preservation Area. He suggested that an agreement could be drawn up that if the connection fees were paid and the project did not get approval from the DEP or the County, connection fee monies would be returned. The Board suggested that he work with his attorney and forward the agreement to Kathy and John Zaiter for their review and they could discuss it at the next meeting.



Counselor Selvaggi and Steve thanked the Board and exited the meeting.

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

Chairperson Kuster stated that Resolutions pertaining to financial transactions were the next order of business.

The following Resolution #19-3368 was proposed by Harper who moved its adoption:

Resolution #19-3368

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

Dated:	January 04, 2019	OEA-1149	SL-03	\$170,406.85
Dated:	January 18, 2019	OEA-1150	SL-04	96,043.84
Dated:	February 01, 2019	OEA-1151	SL-05	<u>90,216.51</u>
			Total	\$356,667.20

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

The following Resolution #19-3369 was proposed by Kunz who moved its adoption:

Resolution #19-3369

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-254 be formally approved:

REQUISITION #RR-254

Duperon	Compactor Screen	\$ 1,315.63
ESRI	ArcGIS Software	2,200.00
Garden State Highway Products	Work Zone Signs	500.00
Mott MacDonald	Engineering Services	4,906.00
T. Slack Environmental Services	Drop tubes for Oil Tanks	<u>4,567.28</u>
	Total	\$ 13,488.91

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

The following Resolution #19-3370 was proposed by Jerry DiMaio, who moved its adoption:

Resolution #19-3370

BE IT RESOLVED, that the following Escrow Subaccount Requisition #ESR-286 be formally approved:



REQUISITION #ESR-286

Capitol Supply Construction	HEATH VILLAGE	\$	239.69
Mott MacDonald	HEATH VILLAGE	\$	2,695.00
Mott MacDonald	LIONGATE (WAWA)		572.00
Mott MacDonald	WOODMONT INDEPENDENCE		<u>3,702.00</u>
	Total	\$	7,208.69

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

Chairperson Kuster stated the next agenda item was discussion and possible action to acknowledge receipt of the Annual Facilities Inspection Report. Executive Director Corcoran requested that the Board acknowledge receipt of the Annual Facilities Inspection Report prepared by Mott MacDonald. Projects Engineer Klemm provided a brief overview of the Report and concluded by stating that the Authority's facilities are well maintained and capably operated. Upon completion of a brief discussion, Kunz made a motion to confirm the Board's receipt of the Annual Facilities Inspection Report as prepared by Mott MacDonald. Jerry DiMaio seconded the motion with Kuster, Jerry DiMaio, Harper and Kunz voting yea.

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

After a brief discussion, the following Resolution #19-3371 was proposed by Harper who moved its adoption:

BE IT RESOLVED: by the Board Members of the Town of Hackettstown Municipal Utilities Authority as follows:

1- The following schedule for the regular meetings of the Authority for the period commencing March 12, 2019 and concluding February 11, 2020 is hereby adopted:

- March 12, 2019
- April 09, 2019
- May 14, 2019
- June 11, 2019
- July 09, 2019
- August 13, 2019
- September 10, 2019
- October 08, 2019
- November 12, 2019
- December 10, 2019
- January 14, 2020
- February 11, 2020

2- All regular meetings will be held at the Jacob Garabed Administration Building at 424 Hurley Drive at 7:00 P.M.



3- A copy of the meeting schedule shall be prominently posted in the Jacob Garabed Administration Building lobby and also be published in the Star-Gazette.

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

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

The following Resolution #19-3372 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, by 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 Kunz and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

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

The following Resolution #19- 3373 was proposed by Kunz 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 Jerry DiMaio and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

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

After a brief discussion, the following Resolution #19-3374 was proposed by Harper 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 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 Kunz and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

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

The following Resolution #19-3375 was proposed by Kunz who moved its adoption:

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 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, M&T Bank, Fulton 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 Jerry DiMaio and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

Chairperson Kuster 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 #19-3376 was proposed by Harper 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; and

WHEREAS, the Authority is desirous of designating Deborah A. Palma as Purchasing Agent and Kathleen Corcoran 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 Kathleen Corcoran is designated as HMUA's Assistant Purchasing Agent.

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

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

The following Resolution #19-3377 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, in accordance with N.J.A.C. 17:27-3.3, 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 Kathleen Corcoran to serve as its Public Agency Compliance Officer; therefore,

BE IT RESOLVED, by the Town of Hackettstown Municipal Utilities Authority that Kathleen Corcoran is designated as HMUA's Public Agency Compliance Officer.

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

Chairperson Kuster stated the next agenda item was discussion and possible action to authorize the check signers of all authority checks.

A motion was made by Jerry DiMaio that William Harper and Kathleen Corcoran remain as the check signers for all Authority checks. This motion was seconded by Kunz and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voted yea.

Chairperson Kuster stated the next agenda item was discussion and possible action to award Contract #WM-AMR-19 for the supply of water meters with automatic meter reading (AMR) meter modules.

The following Resolution #19-3378 was proposed by Kunz who moved its adoption.

WHEREAS, subsequent to the proper advertisement, one (1) sealed bid for Contract No. WM-AMR-19 for Water Meters and Automatic Meter Reading Devices was received and read aloud at a public bid opening on February 7, 2019 at 3:00 PM at the HMUA Jacob Garabed Administrative Building; and,

WHEREAS, it has been determined that the lowest responsible bid was received



from Water Works Supply Co. of Pompton Plains, NJ with an anticipated value of \$83,563.00; therefore,

BE IT RESOLVED, that the bid for Contract No. WM-AMR-19 be awarded to Water Works Supply Co., Pompton Plains, NJ and the Executive Director is hereby authorized to execute the necessary contract documents.

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

Chairperson Kuster stated the next agenda item was discussion and possible action to award Contract Orthopolyphosphate-19 for the furnishing of Orthopolyphosphate.

The following Resolution #19-3379 was proposed by Kunz who moved its adoption.

WHEREAS, subsequent to the proper advertisement, two (2) sealed proposals for Orthopolyphosphate were received and read aloud at a public bid opening on February 7, 2019 at 2:30 PM at the HMUA Jacob Garabed Administration Building; and,

WHEREAS, it has been determined that the lowest bid was received from Shannon Chemical Corp. of Malvern, PA for the bid price of \$1.424 per dry active phosphate pound; therefore,

BE IT RESOLVED, Contract #AS-19 for Orthopolyphosphate is awarded to Shannon Chemical Corp. of Malvern, PA and the Executive Director is hereby authorized to execute the necessary contract documents.

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

Chairperson Kuster stated the next agenda item was discussion and possible action to pass a Resolution authorizing the purchase of electricity supply services for public use on an online auction website.

The following Resolution #19-3380 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, Hackettstown Municipal Utilities Authority has determined to move forward with the EMEX Reverse Auction in order procure electricity for Hackettstown Municipal Utility Authority; and

WHEREAS, the Local Unit Technology Pilot Program and Study Act (P.L. 2001, c 30) (the "Act") authorizes the purchase of electricity supply service for public use through the use of an online auction service; and

WHEREAS, Hackettstown Municipal Utilities Authority will utilize the online auction services of EMEX, LLC, an approved vendor pursuant to the Act, waiver number EMEX LLC-1, located at www.energymarketexchange.com; and

WHEREAS, EMEX, LLC is compensated for all services rendered through the



participating supplier that a contract is awarded to; and

WHEREAS, the auction will be conducted pursuant to the Act; and

WHEREAS, if the auction achieves a price of \$0.075/kWh or less for a 24 month term; Hackettstown Municipal Utilities Authority may award a contract to the winning supplier.

NOW THEREFORE BE IT RESOLVED, that the Executive Director of the Hackettstown Municipal Utilities Authority be hereby authorized to execute on behalf of the Hackettstown Municipal Utility Authority any electricity contract proffered by the participating supplier that submits the winning bid in the EMEX Reverse Auction if the auction achieves a price of \$0.075/kWh or less for a 24 month term.

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

Chairperson Kuster requested the Sewer Utility Superintendent to proceed with his report.

Pete began by giving an update of the work done for Allamuchy Water and Sewer through December 31, 2018. He confirmed a total of 12 man hours and 6 sewer jet billable hours. He also stated that so far this year they assisted with 14 man hours and 7 sewer jet hours.

Pete continued by stating the DEP/Stevens Institute last performed arsenic study testing on November 13th. He confirmed that there has been no further testing or update by NJDEP on this study.

Pete also stated the DEP did inspections of the underground storage tanks at the WFP and WPCP. He confirmed that all the deficiencies at the WFP have been corrected and they received an email of In Compliance from the DEP. He stated the WPCP inspection identified deficiencies and staff has addressed all the items they could except for correcting/updating the monitoring system. The DEP also contacted the repair contractor for certification of the replacement fills that were supplied and installed on December 14th. Pete said the cost estimate to replace the monitoring system for two 2000 gallon tanks and one 6000 gallon tank is \$20,297.29.

Pete also stated Mansfield Village hired a contractor and addressed eight items of repair following notice by HMUA in May 2018. They forwarded a report copy for HMUA's records.

Pete continued by stating the Lab Audit Report from the October onsite NJDEP inspection was received by the Authority on December 3rd. He confirmed that all the deficiencies noted were addressed with a written course of action. He stated that they received an acceptance of our corrective action plan and notice of the audit closure.



Pete also stated they have completed and reported all their testing results for the yearly drinking water proficiency samples. He stated the Authority would be notified with the results by the end of March so they can continue to be certified to test and report these parameters to NJDEP.

Pete also stated that a class from the County College of Morris has requested a tour of the facility, which has been scheduled for April 13th.

Pete also stated all required annual testing and inspection for 2018 have been completed.

Pete concluded by stating on December 29th and again on January 11th they experienced a blower fault on one of the APG Turbo Blowers. Working with APG it was determined to be a faulty temperature sensor. APG sent out a replacement sensor free of charge. The staff changed out the sensor and all seem to be running well to date.

Chairperson Kuster requested Executive Director Corcoran to proceed with her report.

Executive Director Corcoran began by stating the new rates took effect with the February 1st bills. So far there have been no issues and minor inquiries.

Kathy also stated that the Deputy Director position is advertised on our website, Facebook, AEA, AWWA, NJWEA and LOM websites, and published in the Daily Record. Kathy stated she has received 4 resumes and 1 phone call. She hopes to review all applications and set up interview in the coming weeks.

Kathy continued by stating WaWa is completed and we are just waiting on revised As-Built drawings. She also stated that Heath Village installed the insertion valve and there was an emergency issue with a gasket that put approximately 400 customers in Hasting Square area out of water for about one hour mid afternoon. The Authority did robocalls to notify customers, and was able to reach over 350 customers, which helped tremendously.

Kathy stated the Nitrification System Diffusers are on order and scheduled for delivery on March 11th.

Kathy stated she and John Zaiter had a conference call with Corey Tierney and the County Attorney. She confirmed that the County is agreeable to purchase of the 1.0 tank property and providing easements to HMUA for accessing the proposed new tank site. This is desirable for HMUA from a liability standpoint; however the County has indicated they want the existing 1.0 tank removed at the Authority's cost. She stated Mott MacDonald received quotes for the demolition, which were on the order of \$300,000. Kathy also stated the County has stated that they would be willing to pay fair market value and noted that the tax assessment is \$30,000.

A motion was made by Jerry DiMaio authorizing Kathy and John Zaiter to negotiate with the County regarding the selling price and the expense of removing



the 1.0 tank. This was seconded by Harper and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

Kathy stated that there have been no main breaks so far this year. She did want to clarify that there have been a number of freeze ups in homes, which Nixel reports as “main breaks”.

Kathy concluded by stating that the water main project is complete except for a few punch list items.

At this point, Executive Director Corcoran suggested that the Board convene into Executive Session.

Chairperson Kuster stated he would entertain a motion to convene into Executive Session. Resolution #19-3381 was proposed by Kunz, who moved its adoption.

Resolution #19-3381

BE IT RESOLVED, on this 19th day of February by the Hackettstown Municipal Utilities Authority and pursuant to N.J.S.A. 10:4-1 et. seq., the Authority shall discuss Attorney Client Communications, Potential Ligation 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 items, which are to be discussed in Executive Session, can be publicly disclosed.

The motion to convene into Executive Session was seconded by Harper. Ayes: Kuster, Jerry DiMaio, Harper and Kunz voted yea.

THEREFORE, BE IT RESOLVED, on this 19th day of February, 2019 by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 9:00 PM.

John Zaiter exited the meeting at 9:20PM

Kunz moved to end Executive Session and re-enter Regular Session, said motion being seconded by Jerry DiMaio and all indicating approval at 9:30 PM. No formal action was taken during Executive Session.

Upon return from Executive Session, a motion was made by Kuster, as per Arthur Russo’s February 19, 2019 letter to Kathleen Corcoran, authorizing any and all modifications to the agreement with Heath Village to be subject to Arthur Russo’s legal approval and Executive Director Corcoran’s approval on behalf of the Board, and authorizing Executive Director Corcoran to execute a final agreement and release with Heath Village on behalf of the Board. This motion was seconded by Harper and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio and Harper voting yea and Kunz voting no.

Chairperson Kuster, requested Project Engineer Klemm to proceed with his report. (See Attached)



Chairperson Kuster noted Counselor Zaiter had exited the meeting so there would be no report.

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

Time –9:43 P.M.

Kathleen Corcoran
Executive Director & Secretary