



HMUA MINUTES

REGULAR
MEETING OF

July 09, 2019

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING July 09, 2019

JACOB GARABED ADMINISTRATION BUILDING

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

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

Also attending: Robert McNinch, Counselor John Zaiter, Executive Director Corcoran, Deputy Director Biank, David Klemm of Mott MacDonald and Recording Secretary Palma.

Chairperson Kuster led a salute of the United States Flag.

Chairperson Kuster indicated approval of the June 11th Regular Meeting minutes as the next agenda item. A motion to approve the minutes was made by Jerry DiMaio, being seconded by Harper with Kuster, Jerry DiMaio, Harper and Kunz voting yea.

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

John DiMaio entered the meeting.

Robert McNinch of PWCC approached the Board and began by explaining the results of the audit prepared by his firm. Rob stated that everyone should have received a draft of the audit. He indicated that he had been waiting on the state to furnish the required numbers for the other post-employment benefit obligation (GASB 75), which have still not been issued, but it was decided to not hold up the audit any longer. He stated that this will not affect the overall audit numbers relevant to the Authority. He stated that the Authority has made vast improvements to prior financial recording practices, and that they will now just need to post the escrow accounts to the general ledger in QuickBooks.

Chairperson Kuster entertained discussion and possible action to certify review of the annual audit report for fiscal year ended November 30, 2018. The following Resolution #19-3402 was proposed by John DiMaio who moved its adoption.

Resolution #19-3402

WHEREAS, N.J.S.A. 40A:5A-15 requires the governing body of each local authority to cause an annual audit of its accounts to be made; and,

WHEREAS, the annual audit report for the fiscal year ended November 30, 2018 has been completed and filed with the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:5A-15, and

WHEREAS, N.J.S.A. 40A:5A-17 requires the governing body of each Authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the



sections of the audit report entitled “General Comments” and “Recommendations”, and has evidenced same by group affidavit in the form prescribed by the Local Finance Board, and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled “General Comments” and “Recommendations” in accordance with N.J.S.A. 40A:5A-17,

NOW, THEREFORE BE IT RESOLVED, the governing body of the Town of Hackettstown Municipal Utilities Authority hereby certifies to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended November 30, 2018 and, specifically, has reviewed the sections of the audit report entitled “General Comments” and “Recommendations”, and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED, the Executive Director of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this Resolution.

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

Ayes: Kuster, Jerry DiMaio, John DiMaio, Harper and Kunz.

Chairperson Kuster stated the next agenda item was the 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 Resolutions approving the Operations Expense Account Requisitions #OEA-1160 and #OEA-1161 in the total amount aggregate amount of \$259,769.98.

The following Resolution #19-3403 was proposed by Jerry DiMaio who moved its adoption:

Resolution #19-3403

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

Dated:	June 06, 2019	OEA-1160	SL-14	\$126,754.49
Dated:	June 21, 2019	OEA-1161	SL-15	<u>133,015.49</u>
			Total	\$259,769.98

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

Ayes: Chairperson Kuster, Jerry DiMaio, John DiMaio, Harper and Kunz

Chairperson Kuster stated the next agenda item was to entertain a Resolution approving Renewal & Replacement Fund Requisition #RR-259 in the aggregate amount of \$42,851.59. The following Resolution #19-3404 was proposed by Harper who moved its adoption.

Resolution #19-3404

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-259 be formally approved:



REQUISITION #RR-259

Cory Brothers	Repair Sewer Jet	\$	8,204.44
Water Protection / Equipment	Hip Boots/Fire Hoses		1,413.15
Ford Hall Company	Custom Weir-Wolf System		16,999.00
Water Works Supply Company	Water Meter w/Ert's		<u>16,235.00</u>
	Total	\$	42,851.59

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

Ayes: Kuster, Jerry DiMaio, John DiMaio, Harper and Kunz.

Chairperson Kuster stated the next agenda item was to entertain a Resolution approving Escrow Subaccount Requisition #ESR-290 in the amount of \$1,941.25. The following Resolution #19-3405 was proposed by Kunz who moved its adoption.

Resolution #19-3405

BE IT RESOLVED, that the following Escrow Subaccount Requisition #ESR-290 be formally approved:

REQUISITION #ESR-290

Mott MacDonald	HEATH VILLAGE	\$	1,216.25
Mott MacDonald	LION GATE		<u>725.00</u>
	Total	\$	1,941.25

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

Ayes: Kuster, Jerry DiMaio, John DiMaio, Harper and Kunz.

Chairperson Kuster stated the next agenda item was the report of the Water Utility Superintendent.

Bud began by stating the Authority has had 2 main breaks so far this year along with several services leaks on the customer's side of the curb stop. He confirmed that the usage compared to last year is down for the months of April, May and June by nearly 2 million gallons for each month.

Bud also stated that the current loggers which are used for leak detection are nearly 20 years old and are in need of repair more frequently. He stated they are looking into more current leak detection technologies and possibly replacing the loggers.

Bud continued by stating they continue to do the valve exercising program. They have done approximately 75% of the 12" or larger valves. He stated that they had an issue with one valve on the 16" line from the 2.4 tank, but will revisit that issue to see if it can be resolved.

Bud also stated the meter replacement program is going very well and the office staff has been doing a great job. He stated that there are only about 138 of the ARB's left to be replaced and he anticipates it will be difficult to get in touch with some of these customers.

Bud also stated that they are doing work to replace old service lines on Main Street to stay ahead of the NJDOT paving project, which is now apparently not happening until 2020. Water utility staff has already replaced an old galvanized service for the original Presbyterian Church building, which had two leaks on it. He also confirmed that they will be replacing three sections of the colored concrete sidewalk on Main Street, but they are waiting for the contractor to



continue the water line replacement to the old church before moving ahead with that.

Bud also stated they are having a very difficult time getting rid of spoils from jobs. He stated that there is a new law that requires that the dirt be tested and certified as clean before it can be taken anywhere for use. He confirmed that they will have to start testing the piles, and are looking at ways to separate the rock, dirt and top soil to reduce costs.

Bud continued by stating that letters were forwarded to all customers with 2" or larger meters, requiring the meters to be tested and certified. Bud stated that all of those meters have now been tested and the ones that had issues have been repaired.

Bud also stated the contractor working for CVS attempted to complete the necessary work on disconnecting the old main in Main Street. Bud stated that their first attempt was not successful so they will have to return again to complete it.

Bud concluded by stating the water utility installed a meter pit on the line that feeds the three homes on Canal Lane. He stated the pit is located at the connection to the main on 2nd Street.

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

Executive Director Corcoran began by stating that Frank prepared the RFQ for lab services and included the language requiring them to comply with turnaround time requirements and any indicating that errors costing HMUA personnel time may result in charges to them.

Kathy then gave an overview on the developer's projects.

- WaWa - still waiting on the revised As-Built drawings
- Heath Village West – continuing construction
- Quick Check - waiting on the NJDOT permits
- Princess Towers - application incomplete; awaiting planning board and connection fees
- Woodmont – waiting for NJDEP and County approvals.

Kathy continued by stating she attended the AEA Wastewater Asset Management Committee Meeting on June 18th and will be attending the AEA NJPDES Committee Management on July 27th. She stated that Asset Management on the wastewater side is a hot topic and we can anticipate new legislation within the next year. Another hot topic on the wastewater side is PFAS limits being proposed.

Kathy also stated that a meeting has been scheduled for September 19th at NJDEP for the Arsenic Treatability study large work group. Kathy stated that it does look like things will be moving forward with regards to the request for variance from the USEPA. She also stated that there is no rush as we have a stay on our Arsenic limit in place.

Kathy also stated that two of the slide gates on the UV Channels are corroded and do not hold back the water. She stated they are currently looking into pricing to replace them with an approximate cost of \$8,300. Once the slide gates are ordered, they will separately hire a contractor install them.

She also stated that the diffuser system replacement project is going well. Only minor items remain including one valve replacement and final adjustment of the blowers by APG Neuros.

She stated that the Paracetic Acid Quality Assurance Project Plan is being set up. The actual



pilot chemical injection and testing are scheduled to start next Monday.

Kathy stated that Mott MacDonald is reviewing options for removal of the UST's and installation of above ground storage tanks (ASTs). She stated that Frank is working with Mott MacDonald on this review, and she deferred to Frank.

The removal of the USTs and installation of the ASTs relates to the heating system type and fuel source. HMUA with Mott MacDonald are now reviewing options of fuel oil versus natural gas, with service provided by Elizabethtown Gas. This includes a load analysis and preliminary generator sizing for the replacement of the existing generators. Generator selection will also be dependent on the fuel source (fuel oil vs. natural gas). Frank stated that Mott MacDonald is preparing cost estimates for the heating system options, natural gas versus fuel oil. Mott MacDonald is also exploring the options of enclosing the gravity belt thickeners to minimize the number of required air changes in the ATB's solids handling room. Frank also stated that Elizabethtown Gas is currently preparing a design and cost estimate for the construction of a natural gas service to the WPCP. Frank is in contact with ABB's local plant manager to find out if ABB is interested in sharing the natural gas service. The project will now look at the following: Cost to replace USTs with ASTs, cost of a natural gas service, fuel oil versus natural gas heating systems and generators. Capital and operational costs (lifecycle costs) will be weighed to form a decision.

Kathy stated that Bud provided a good update on the Water Utility side. She added that the county ordered an appraisal for the 1.0 tank property, which was completed by Landmark Appraisal, and at this time we are awaiting the final report.

Upon the completion of the Executive Director's report, Chairperson Kuster requested Projects Engineer Klemm to proceed with his report (see attached).

Chairperson Kuster requested Counselor Zaiter to proceed with his report. Counselor Zaiter stated he had nothing further to add.

Chairperson Kuster asked whether anyone had business of a general nature to discuss. There being no additional comments or discussion, Chairperson Kuster declared a motion to adjourn would be in order and was so moved by John DiMaio, seconded by Kunz and followed by a unanimous voice vote.

Time – 7:56 P.M.

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