



HMUA MINUTES

REGULAR
MEETING OF

August 14, 2018

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING August 14, 2018

JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Kuster at 7:00 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: Counselor Arthur Russo, Mary Ellen Bove, Counselor Meryl Gonchar, Counselor John Zaiter, Projects Engineer Klemm, Executive Director Corcoran and Recording Secretary Palma.

Chairperson Kuster led a salute of the United States Flag.

Chairperson Kuster indicated approval of minutes of the July 10th Regular Meeting to be 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.

Mary Ellen Bove of Heath Village asked if the Board could wait for her attorney to arrive. Chairperson Kuster stated that they would move forward with the agenda and once she arrived come back to the open session.

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

Chairperson Kuster stated the next agenda item was discussion and possible action to amend the Capital Budget for Fiscal year 2017-2018. Executive Director Corcoran stated that item could be deferred at this time.

Chairperson Kuster stated the next agenda item was to entertain Resolutions approving the Operations Expense Account Requisitions #OEA-1136 and #OEA-1137 in the total aggregate amount of \$249,084.87.

The following Resolution #18-3319 was proposed by Harper, who moved its adoption:

Resolution #18-3319

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

Dated:	July 06, 2018	OEA- 1136	SL-16	\$104,638.88
Dated:	July 20, 2018	OEA- 1137	SL-17	<u>144,445.99</u>
			Total	\$249,084.87

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 to entertain a Resolution approving Renewal & Replacement Fund Requisition #RR-248 in the aggregate amount of \$7,900.60. The following Resolution #18-3320 was proposed by Kunz, who moved its adoption.

Resolution #18-3320

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-248 be formally approved:

REQUISITION #RR-248

National Water Main Cleaning	Main & Lateral Grouting	\$ 7,900.60
	Total	\$ 7,900.60

The 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 to entertain a Resolution approving Escrow Subaccount Requisition #ESR-280 in the amount of \$2,568.30. The following Resolution #18-3321 was proposed by Jerry DiMaio, who moved its adoption:

Resolution #18-3321

BE IT RESOLVED, that the following Escrow Subaccount Requisition #ESR-280 be formally approved:

REQUISITION #ESR-280

Mott MacDonald	2016 MOUNTAIN	\$ 436.50
Auto Zone	AUTO ZONE (REFUND)	614.00
Mott MacDonald	BRIAN GURETSE	582.80
Mott MacDonald	LIONGATE	<u>935.00</u>
	Total	\$ 2,568.30

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 to entertain a Resolution approving General Fund Requisition #GF-2 in the amount of \$543,196.72. The following Resolution #18-3322 was proposed by Kunz, who moved its adoption:

Resolution #18-3322

BE IT RESOLVED, that the following General Fund Requisition #GF-2 be formally approved:

REQUISITION #GF-2

Pillari Bros.	Contract 47W Application #3	\$ 503,329.85
Suburban Consulting	Engineering Services	19,866.87
Town of Hackettstown	Escrow Deposit (Traffic Duty)	<u>20,000.00</u>
	Total	\$ 543,196.72

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



At this time Chairperson Kuster stated that we would return to the open session since the attorney for Heath Village has arrived.

Counselor Zaiter introduced Counselor Russo who would be representing the Authority since Counselor Zaiter has a conflict of interest.

Attorney Meryl Gonchar introduced herself and explained that she was representing Heath Village with regards to the return of their Letters of Credit. Attorney Gonchar explained that at one time the parcel of land was approved for 360 units. Gonchar stated that the HMUA has kept the Letters of Credit since 2008, and in 2012, there was no justification for the Authority to keep these Letters of Credit since part of the property was removed from the service area by the 2012 Wastewater Management Plan. She confirmed that the project has been downsized to only 150 EDU's from 360 EDU's.

Executive Director Corcoran stated that based on the Authority's Rules and Regulations provide for the Authority to retain 20% of the connection fees paid as liquidated damages. She also explained that the Heath Village project presented to HMUA at that time included 360 units and that the sewage generating structures for that project were specifically included in the 2012 Wastewater Management Plan as being within the sewer service area.

At this point, it was suggested by Counselor Russo for the Board to convene into Executive Session.

Counselor Zaiter, Mary Ellen Bove, Counselor Gonchar and Pete Tynan exited the meeting.

Chairperson Kuster stated he would entertain a motion to convene into Executive Session. Resolution #18-3323 was proposed by Kunz, who moved its adoption.

Resolution #18-3323

BE IT RESOLVED, on this 14th day of August by the Hackettstown Municipal Utilities Authority and pursuant to N.J.S.A. 10:4-1 et. seq., the Authority shall discuss Potential Litigation 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.

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

THEREFORE, BE IT RESOLVED, on this 14th day of August, 2018 by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 7:28 PM.

Jerry DiMaio moved to end Executive Session and re-enter Regular Session, said motion being seconded by Harper and all indicating approval at 8:10 PM. No formal action was taken during Executive Session.

All members re-entered the meeting.

Counselor Russo stated that the Board would like to table this for now so they could have more time to discuss their options with Counsel.



Counselor Gonchar stated she would like copies of the documents that Mr. Russo had. Mr. Russo stated she could contact his office and he would have copies made for her.

Counselor Gonchar and Mary Ellen Bove thanked the Board and exited the meeting.

A motion was made by Kunz to continue to retain the service of Counselor Russo to investigate the legal rights of the Authority regarding Heath Village. This motion was seconded by Jerry DiMaio and upon roll call vote carried: Ayes: Kuster, Jerry DiMaio, Harper and Kunz voting yea.

Counselor Russo exited the meeting.

Chairperson Kuster stated the next agenda item was discussion and possible action to adopt the 2017 Audit Corrective Action Plan.

The following Resolution #18-3324 was proposed by Jerry DiMaio who moved its adoption.

WHEREAS, by Resolution #18-3324, the Board Members of the Town of Hackettstown Municipal Utilities Authority (HMUA) have certified that they have received the 2017 annual audit and have personally reviewed the 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; and

WHEREAS, the Audit includes Comments and Recommendations requiring action by the Authority; and

WHEREAS, N.J.S.A. 5:31-7.6 (i) requires “a corrective action plan, in the form of a Resolution, to be adopted by the members of the governing body with respect to Comments and Recommendations made in the audit, shall be filed forthwith with the Division within 45 days of receipt of the annual audit”; and

WHEREAS, a corrective action plan addressing these Comments and Recommendations has been prepared by the Executive Director of the Authority; and

WHEREAS, the Board Members of the Authority have reviewed this 2017 Correction Action Plan (attached hereto).

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Town of Hackettstown Municipal Utilities Authority the following:

The Board Members hereby approve and adopt the 2017 Audit Corrective Action Plan.

The Secretary of the Authority is hereby directed to promptly submit to the Director of the Division of Local Government Services this Correction Action Plan, 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, Harper and Kunz voting yea.

Chairperson Kuster stated the next agenda item was discussion and possible action to retain a firm to conduct laboratory services.

The following Resolution #18-3325 was proposed by Harper who moved its adoption.

WHEREAS, due to the need to obtain accurate laboratory data for submission to regulatory



authorities and the implications of the Clean Water Enforcement Act and the mandatory fines involved, the Town of Hackettstown Municipal Utilities Authority has a need to retain professional Certified Laboratory services; and,

WHEREAS, the Authority has determined and certified in writing that the value of the acquisition will exceed \$17,500 and has solicited quotations; and,

WHEREAS, ALS Environmental of Middletown, PA has submitted the lowest quotation indicating they will provide the laboratory services in the amount of \$28,286.00; and,

WHEREAS, ALS Environmental has completed and submitted a Business Entity Disclosure Certification which certifies that ALS Environmental has not made any reportable contributions to a political or candidate committee in the Town of Hackettstown in the previous one year, and that the contract will prohibit ALS Environmental from making any reportable contributions in the coming year; therefore,

BE IT RESOLVED, the Hackettstown Municipal Utilities Authority authorizes the laboratory services in the amount of \$28,286.00.

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 purchase a replacement dump body for the dump truck.

Executive Director Corcoran explained that Bud Volkert had received three quotes for the replacement of the dump body with the lowest price being \$19,700.00. She explained that the body is rusted and the back doors are in bad shape.

The following Resolution #18-3326 was proposed by Kunz who moved its adoption.

WHEREAS, the Authority has determined and certified in writing that the value of the acquisition will exceed \$17,500 and has solicited quotations; and

WHEREAS, Tony Sanchez LTD of Ledgewood, New Jersey has submitted the lowest quotation indicating they will provide the services in the amount of \$19,700.00; and

WHEREAS, Tony Sanchez LTD has completed and submitted a Business Entity Disclosure Certification which certifies that Tony Sanchez LTD has not made any reportable contributions to a political or candidate committee in the Town of Hackettstown in the previous one year, and that the contract will prohibit Tony Sanchez LTD from making any reportable contributions in the coming year; therefore

BE IT RESOLVED, the Hackettstown Municipal Utilities Authority authorizes the replacement of the dump body in the amount of \$19,700.00.

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 grant tentative and final approval to Quick Chek Corporation c/o Jeff Albanese for a Quick Chek Food Store with fuel sales at Mountain Avenue and Bells Lane (Block 122, Lots 8, 9, 10, 10.01, 11 & 12).



The following Resolution #18-3327 was proposed by Jerry DiMaio who moved its adoption.

WHEREAS, Quick Chek Corporation has requested Tentative and Final approval for water and sewer utility service for a new Food Store and Fuel Station on Block 122, Lots 8, 9, 10, 10.01, 11 & 12 in 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 14, 2018 with noted conditions; and

WHEREAS, the issuance of a final permit will be conditioned upon receipt of acceptable Performance Bonds, Water and Sewer Connection fees and the engineering design plans addressing comments No. 2 & 4 in the new comment section of the Mott MacDonald August 14, 2018 letter; therefore

BE IT RESOLVED, the Town of Hackettstown Municipal Utilities Authority herein grants Tentative and Final Approval for the Quick Chek in the Town of Hackettstown, Warren County and authorizes the Executive Director to execute the documents necessary to obtain water and sewer approval for the project.

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

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

Pete began by stating since his last meeting there has been no call outs for Allamuchy.

Pete also stated APG Neuros was out on June 20th and 21st to replace circuit boards in the VFD. They also returned on the 21st to do some work on the cabinet, which they thought would help with the air flow. Pete was happy to report that there have been no faults since their June visit.

Pete continued by stating they hired National Water Main to do some grouting of some leaky lines in the Kenwood Development. He confirmed that they worked there on May 17th and 18th, but he was not completely satisfied with the work that was done, so he had them come back on July 30th to perform additional work. This work was satisfactory, so he authorized payment for the work.

Pete also stated that his staff completed some repair work on Meadow Lane and also fixed a leak on the 8 inch main on Meadow Lane before the Town paved the road.

Pete continued by stating his staff assisted with the arsenic study sampling for use by Stevens Institute and NJDEP which was done on June 25th and 26th and again on July 24th and 25th.

Pete also stated he attended a pre-construction meeting at Town Hall for the WaWa. He confirmed that since work has begun, they have assisted and worked with various contractors for the project. He also confirmed that they began discharging the excavation groundwater to our sanitary system. The initial sampling, prior to discharge, failed the laboratory testing requirements. They determined that they needed to use a fine filter and have passed each sampling event since that time.

Pete also stated that he continues to work on pricing for the new underground fuel oil tank regulations. He stated that they may need new sensors and sealed testing systems at the



wastewater plant tanks, with an initial cost of approximately \$20,000. He also confirmed that they will need yearly inspections and then testing every three years at a cost of approximately \$2,800, and this cost does not include any repair work that may need to be done. He explained that the three year testing will include a hydrostatic or pressure test on each of the tank fill and piping sump and the automatic shut off valve. Yearly testing of all level and overflow detection sensors will also be needed.

Pete also stated his staff is currently working on replacing manhole frames and lids on Lawrence Drive. This needed to be done due to the fact the existing frames and lids were not of typical size and almost impossible to find replacements. Many of the frames are broken. He also stated they received a call from the DPW regarding a sinkhole on Washington Street. They investigated and are in the process of resetting and cementing the frame and cover.

Pete concluded by stating they had their pre-construction meeting today for the diffuser project at the WPCP.

At this point, Chairperson Kuster requested Executive Director Corcoran to proceed with her report.

Executive Director Corcoran began by stating the Auditor has been at the Authority and has begun working with staff on inputting required information into quickbooks to complete the ledger. She also stated that we will have to watch our capital spending closely on the water side and there is a good chance we will have to increase the capital budget using unrestricted net position to cover additional project cost, water meters, valve turner and asset management plan.

Kathy stated Pete did a great job explaining the status of the Sewer Utility and she had nothing else to add to Pete's report.

Kathy continued by stating that so far this year the water usage numbers are similar to last year's.

Kathy also stated that they have requested a reduction in the Lead & Copper sampling requirement since the Authority has passed the prior two 60 home sampling events. She confirmed that they are waiting to hear back from the DEP.

Kathy also stated the water main project is moving forward. There are two crews working and the water utility is conducting the inspections of the service lines to save on the cost. Kathy confirmed that the mains have been installed on Franklin, Pine, Hurley, Richard and Cindy and they now have started on Maple. Services have also been completed on Pine, Hurley, Richard and Cindy. She also stated that there have been a few issues with homeowners regarding the contractor waiting to seed until September. The office staff has been explaining to the homeowners that properties will be restored to original condition, and that the contractor will provide top soil and seed once the growing season begins.

Kathy also stated that all the signage that was requested by the County Engineer is being completed and that Scott Armstrong has been a big help with the Morris County Coop vendor in getting it done quickly.

Regarding the contaminated soil issue, the Town Engineer approved reuse with certain requirements for rock removal, compaction and moisture. They had a lot of rock at first, so didn't reuse. Then had a good patch, so tried recycling, but weren't seeing a cost savings with the nuclear density testing and geotechnical engineer that was required, and additional contractor



time required, so recycling was discontinued. The soil will be stockpiled at WFP site for later disposal.

Kathy continued by stating they continue to look at valve exercising equipment and have a few demos lined up for next week.

Kathy also stated that Mott MacDonald completed the report for the replacement of the 1.0 tank and the cost is more than originally anticipated. The estimated cost is \$2.2 - \$2.8 million.

Kathy also stated that the Water Utility is preparing to do some work on Main Street prior to the NJDOT repaving project set for next spring. They are looking at replacing the old service line for the Presbyterian Church and there may a problem with the line for the Trading Post building. She stated that Bud is investigating to see if anything else needs to be addressed prior to the paving project.

Kathy continued by stating Mott MacDonald has been reviewing the current asset listing and has scheduled a tour and interviews for next week with the water staff.

Kathy concluded by stating she is continuing to research other similarly sized organization for positions held for Deputy Director/CFO/engineer and associated salaries. Debbie has worked on obtaining OPRA requests and we have both been surprised to see the high salaries and number of employees by comparison.

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 discuss.

Chairperson Kuster requested 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 Kunz, seconded by Jerry DiMaio and followed by a unanimous voice vote.

Time – 8:55PM

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