



HMUA MINUTES

REGULAR
MEETING OF

OCTOBER 13, 2010

ADMINISTRATION BUILDING
424 Hurley Drive
Hackettstown, NJ



REGULAR MEETING OF OCTOBER 13, 2010
JACOB GARABED ADMINISTRATION BUILDING

The meeting was called to order by Chairperson Brown at 8:05 P.M.

Roll call indicated the following members in attendance: Harry Brown, Edward Kelly, Jerry DiMaio and William Harper.

Also attending: Counselor Zaiter, Engineer David Klemm, Executive Director Smith and Recording Secretary Palma.

Chairperson Brown announced that adequate notice of this meeting has been given to the area press and the Town of Hackettstown, and shall be convened and conducted in accord with the requirements of the Open Public Meetings Act.

Chairperson Brown led a salute of the United States Flag.

Chairperson Brown indicated that approval of the September 14th Regular Meeting to be the next agenda item. Kelly stated that under the Resolution for the Renewal and Replacement he noticed that who seconded the Resolution was omitted. Chairperson Brown also stated that on page 1 last sentence with regards to the repair of the Jandas water line it should state the repairs should be started within the next two weeks. Executive Director Smith stated that the Minutes would be corrected. A motion to approve the amended minutes was made by Kelly, being seconded by Harper with Brown, Jerry DiMaio, and Harper voting yea and Kelly abstaining.

Chairperson Brown opened the meeting to public participation and noted at 8:08 PM there were no members of the public present.

Chairperson Brown stated that Resolutions pertaining to financial transactions to be the next order of business.

The following Resolution #10-2742 was proposed by Kelly who moved its adoption:

Resolution #10-2742A

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

Dated:	September 10, 2010	OEA-932	SL-21	\$146,906.05
Dated:	September 24, 2010	OEA-933	SL-22	<u>91,950.30</u>
			Total	\$238,856.35

Resolution #10-2742B

BE IT RESOLVED, that the following Construction Aid Fund Requisition #CAF-335 be formally approved:

REQUISITION #CAF-335

DRBC	Highlands Application	\$	2,508.00
Treasurer, State of NJ	WAP Highlands Exemption		750.00
Treasurer, State of NJ	WAP Modification		3,475.00
AECOM	Engineering Services		13,749.85
Fisher Electrical	Service Call: Well 8		105.00
Hatch Mott MacDonald	Engineering Services		<u>1,270.00</u>
	Total	\$	21,857.85



Resolution #10-2742C

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-154 be formally approved:

REQUISITION #RR-154

Cerenzio & Panaro, P.C.	Engineering Services	\$ 5,500.00
O'Brien & Gere	Engineering Services	448.67
P.M. Construction	Water System Imp.-38W	68,338.58
Princeton Hydro LLC	Professional Services	8,999.60
Suburban Consulting	Engineering Services	12,052.49
Water Works Supply Co.	Distribution Supplies	<u>3,339.40</u>
	Total	\$ 98,678.74

Resolution #10-2742D

BE IT RESOLVED, that the following Escrow Sub-account Requisition #ESR-205 be formally approved:

REQUISITION #ESR-205

Hydra-Numatic Sales Co.	HOGS	\$ 895.65
Licon Lighting & Supply	HOGS	29.50
QC Laboratories	JPAFTINOS	<u>13.00</u>
	Total	\$ 938.15

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

Chairperson Brown stated the next agenda item was discussion and possible action to approve Water Utility Annual and Capital Budgets for fiscal year 2011.

At this point, recording Secretary Palma exited the meeting.

The Executive Director presented various aspects of the proposed Budgets and answered several questions. Discussion continued regarding the Water and Sewer Utility Budgets with all in attendance participating.

Chairperson Brown stated he would entertain a motion to convene into Executive Session.

Resolution #10-2743 was proposed by Kelly who moved its adoption.

BE IT RESOLVED, on this 13th day of October 2010, by the Hackettstown Municipal Utilities Authority and pursuant to N.J.S.A. 10:4-1 et. Seq., the Authority shall discuss issues concerning personnel matters 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.

A motion to convene into Executive Session was made by Kelly and seconded by Harper. Ayes: Brown, Kelly, Jerry DiMaio and Harper.



THEREFORE, BE IT RESOLVED, on this 13th day of October 2010, by the Hackettstown Municipal Utilities Authority that the matters, as noted above, will be discussed in Executive Session, said session commencing at 8:31 PM.

Harper moved to end Executive Session and re-enter Regular Session, said motion being seconded by Kelly and all indicating approval at 8:54 PM. No formal action was taken during Executive Session.

Upon returning from Executive Session, and following additional discussion the following Resolution #10-2744 was proposed by Kelly who moved its adoption.

BE IT RESOLVED, on this 13th day of October 2010, by the Hackettstown Municipal Utilities Authority, the amended Salary Schedule for Fiscal Year Ending November 30, 2011 is hereby approved.

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

Recording Secretary Palma re-entered the meeting.

A limited discussion followed on the Water Utility Annual and Capital Budgets for fiscal year 2010/2011 and the following Resolution #10-2745 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, the Water Operations Annual Budget and Capital Budget for the Town of Hackettstown Municipal Utilities Authority for the Fiscal Year beginning December 1, 2010 and ending November 30, 2011 has been presented before the Governing Body of the Town of Hackettstown Municipal Utilities Authority at its open public meeting of October 13, 2010; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$2,094,000, Total Appropriations including any Accumulated Deficit if any, of \$2,079,135, and Total Unrestricted Net Assets utilized of \$0; and,

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$1,705,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, \$0; 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 as 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 October 13, 2010 that the



Annual Budget, including Supplemental Schedules, and the Capital Budget / Program of the Town of Hackettstown Municipal Utilities Authority for the Fiscal Year beginning December 1, 2010 and ending November 30, 2011 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 November 9, 2010.

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

Chairperson Brown stated the next agenda item was discussion and possible action to approve the Sewer Utility Annual and Capital Budgets for the fiscal year 2011.

Upon completion of discussion concerning Sewer Utility Annual and Capital Budgets for fiscal year 2010/2011, Resolution #10-2746 was proposed by Jerry DiMaio who moved its adoption:

WHEREAS, the Sewer Operations Annual Budget and Capital Budget for the Town of Hackettstown Municipal Utilities Authority for the Fiscal Year beginning December 1, 2010 and ending November 30, 2011 has been presented before the Governing Body of the Town of Hackettstown Municipal Utilities Authority at its open public meeting of October 13, 2010; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$2,482,000, Total Appropriations including any Accumulated Deficit if any, of \$2,467,880, and Total Unrestricted Net Assets utilized of \$0; and,

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$2,750,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, \$0; 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 as 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 October 13, 2010 that the Annual Budget, including Supplemental Schedules, and the Capital Budget / Program of the Town of Hackettstown Municipal Utilities Authority for the fiscal year beginning December 1, 2010 and ending November 30, 2011 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 November 9, 2010.

This Resolution was seconded by Kelly and upon roll call vote carried: Brown, Kelly, Jerry DiMaio and Harper voting yea.

At this point, Chairperson Brown requested the Executive Director to proceed with his report.

Executive Director Smith began by stating that Electronic Billing began on October 1st. There were issues related to emailing the bills and the Authority is working to have the problem corrected for the November 1st billing. Chairperson Brown stated that it would be nice if you could receive a receipt and also if you could fill in the amount you were paying on the bill and then print it out. Vice Chairperson Kelly stated he was pleased with the graph. Smith confirmed that so far the Authority has received approximately 90 requests for email billing and hopes that number will continue to grow.

Smith also stated the Water Main Project has certainly been a very frustrating project. He stated that there have been many issues. The most recent one was on Plane Street where the pipe blew apart because the proper thrust blocks were not installed. Also, the Hackettstown Police Department has reduced the Contractor's working hours due to violation of instructions. Smith also stated that several homeowners were concerned about the restoration of their property.

Smith also stated he received a call from Dr. Crow of Reese Ave. concerning his lawn. Smith confirmed that Dr. Crow is a Horticultural Expert and expressed his concerns regarding the soil to be used and the proper restoration of his lawn.

Smith continued by stating he has left a phone message regarding the proposed PVSC contract for the biosolids treatment. More information should be available for the next meeting.

Smith also stated the Dorlan case is still ongoing and expert reports must be submitted by the 29th. Smith confirmed he has not heard anything regarding these reports yet.

Smith stated that the Claremont Well improvements have been done and the DEP has done an inspection and sampling.

Smith continued by stating that AECOM has submitted the Water Allocation Permit application for Wells #1R and Well #9. The Application was rejected and returned by DEP. There are Highlands issues and an issue with the Aquifer Pump Test conducted by Maser Consulting on Well #1R. Smith has sent an email to Maser requesting the additional data. An update will be provided at the next meeting.

Smith also stated the Authority is continuing to monitor the leak at the Janda's property which seems to be leaking at a rate of approximately one gallon per minute. He explained that the Janda's have gone to the Warren County Housing Rehabilitation Program for assistance. It is unknown at the present time if the assistance will be approved. Director Smith recommended



that water service be shutoff due to the length of time. All Board Members present were in agreement on this matter.

Smith also stated that there has been some progress with the Water Pollution Control Plant project. He confirmed that the Inlet Screening equipment was delivered yesterday.

Smith continued by stating that the staff has reviewed the CEPT study and they had a few comments, so it is now being re-drafted.

Smith also stated that the lighting retrofits for the Operations and Administration Buildings have been completed. The improvements were recommended by the Energy Audit and were installed via the NJ Office of Clean Energy Direct Install program. The Direct Install Program paid 80 percent of the cost of the retrofit.

Smith confirmed that a NJ Office of Clean Energy representative conducted an inspection of the Water Pollution Control Plant as part of the approval process for the Energy Reduction Plan being prepared by CDM.

Smith also stated he met with Mary Paist-Goldman and Geoff Goll of Princeton-Hydro regarding the breaching of the Lower Mine Hill Reservoir Dam. The report should be received within the next several weeks.

Smith also stated that he had a very positive conversation with Heliosage, and they understand they are obligated under the contract. He explained that the cost associated with permitting the solar project far exceeded their expectations. They are also requesting an extension of the Contract and will be submitting their request in writing.

Smith also stated that he has selected several dates for the tour of the facilities. The Board suggested that he email them 3 or 4 dates and they will pick from that.

Smith concluded by stating the new fee schedule for the GIS would be published in next week's paper regarding the public hearing to be conducted at the November 9th Regular Meeting.

Chairperson Brown requested Counselor Zaiter to proceed with his report.

Counselor Zaiter stated he had nothing further to add.

Chairperson Brown then requested the Projects Engineer to proceed with the Engineer's report. Projects Engineer Klemm discussed the report, which was submitted to the Board prior to the meeting (attached).

Chairperson Brown requested whether anyone had business of a general nature to discuss.

Vice Chairperson Kelly questioned if the Authority has heard anything back regarding the Mountain Top Church? Counselor Zaiter stated that he has not heard anything.

Also all Board members present agreed that the Proclamation for James Smith was acceptable. Also discussion concerning the location of the plaque dedicating the Tot-Lot to James Smith was discussed.

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

Time – 10:15 P.M.



A handwritten signature in black ink, appearing to read 'Bruce D. Smith', is written over a horizontal line.

Bruce D. Smith
Executive Director & Secretary