

July 27, 2006

Chairman Allmann called the meeting to order.

Flag Salute

Administrative Assistant read the following statement: "My name is Claire Iannini, Administrative Assistant of the Jackson Township Municipal Utilities Authority. It is 5:30 p.m. and we will commence with the public portion of the regular scheduled Public Meeting of July 27, 2006."

Chairman Allmann requested a roll call.

The July 27, 2006 Public Meeting of the Jackson Township Municipal Utilities Authority was called to order at 5:30 P.M. Present were Members Blake, Borys, Clayton, Rickabaugh, and Chairman Allmann, and Alternate Members Garofano and Lundy, along with the Business Administrator, James Diaz, Administrative Assistant, Claire Iannini, and Executive Director, Timothy Shea. Also in attendance were Authority Engineer, Alan Dittenhofer, and Authority Counsel, William Hering.

Administrative Assistant stated that this meeting was in compliance with the provisions of the "Open Public Meetings Act," with adequate notice of the Public Meeting having been advertised in the manner prescribed by law, and that this statement would be entered in the Minutes of this meeting.

1. Approval of the Minutes of the Open Session Public Meeting of June 22, 2006

It was noted that though the present Board Members were not in attendance at the Public Meeting of June 22, 2006, at least two (2) or more Members had read the minutes of the meeting and were comfortable in voting on what appeared to be proper content.

Mr. Allmann stepped from the chair and made a motion to approve the minutes of June 22, 2006. Mr. Borys seconded the motion and through roll call it was passed. Mrs. Clayton and Mrs. Rickabaugh abstained.

2. Approval of the Minutes of the Open Session of the Special Reorganization Meeting of July 6, 2006

Mrs. Clayton made a motion to approve the minutes of July 6, 2006. Mrs. Blake seconded the motion and it was passed unanimously. Mr. Borys abstained.

3. Approval of the Minutes of the Closed Session of the Special Reorganization Meeting of July 6, 2006

Mrs. Clayton made a motion to approve the minutes of July 6, 2006. Mrs. Blake seconded the motion and it was passed unanimously. Mr. Borys abstained.

4. Questions / Comments from the Public

Chairman Allmann opened the floor to the public; however, with no public present, Mr. Borys made a motion to close the public portion of the meeting, and Mrs. Blake seconded it, and it was passed unanimously.

5. Review of Executive Director's Report
Engineering Committee Report
Public Relations Committee Report
Administrative Committee Report

Mr. Shea stated that the Association of Environmental Authorities (AEA) Annual Conference was scheduled for November 14-15, 2006, at the Trump Taj Mahal, Atlantic City. He stated that the AEA was a very good organization for the Authority and highly recommended that the Board consider attendance at this conference. He explained that he would send out the AEA information next week, stating that the Members needed to register for the conference, in order to register for a room.

Mr. Shea stated that Well No. 8 at the Manhattan Street water treatment plant failed on Thursday evening of July 13, 2006. He explained that this failure occurred while we were in the process of repairing Well No. 9 that was the major supply source for feeding this water plant. He then stated that A.C. Schultes was called in on an emergency basis to replace the well pump components on the well, and it was back in service by noon on Sunday. He also stated that we purchased slightly over 1M gallons from New Jersey American Water Co. (NJAWC), Howell, during that time period, though we were never in jeopardy for water supply, explaining that we had more than 2M gallons in storage through the weekend. Mr. Shea stated that we would be reviewing an emergency requisition in August for that replacement.

Mr. Shea stated that we have participated in Jackson Day the last few years, explaining that we have previously spent approximately \$3,000.00, explaining that in previous years we established a Jackson Day Committee with two (2) Board Members who had volunteered for the Committee, along with some employees who had also volunteered, and asked for direction from the Board in this regard.

After some discussion with regard to what type of hand-outs totaled \$3,000.00 on Jackson Day, it was noted that plastic bags with our logo contained items, i.e., water conservation material, water bottles and pens with our logo, candy, etc., the Board agreed to utilizing what supplies we already had in stock before ordering more, and a maximum amount of \$2,500.00 spent for the event. It was also noted that Mr. Allmann, and Mr. Garofano volunteered for the Committee, meeting in the morning, and that some of the Board Members would help out during the day of the event.

Mrs. Clayton made a motion to allow an amount up to \$2,500.00 to cover the costs of participating in Jackson Day. Mr. Borys seconded the motion and it was passed unanimously.

Mr. Shea stated that the Engineering Committee met on Wednesday, July 25, 2006, discussing and recommending approval of the following action items on the agenda this evening:

- a) Awarding Construction Test Well No. 16, Contract No. C6-00138 to low bidder - William Stothoff Co., Inc., in the amount of \$499,750.00, which was bid by Birdsall Engineering, having received three (3) bids. It was noted that the contract administration for the project would be done in-house.
- b) Authorizing Closeout and Release of Performance Bond for Lateral Cleanout Construction-Phase III, Contract No. 05-124A, to D&D Utility Contractors, Inc;
- c) Awarding Metedeconk Interceptor Force Main Air Release Valve Upgrade Re-Bid, Contract No. C6-00133A, to low bidder - D&D Utility Contractors, Inc., in the amount of \$329,910.00, designed and bid by Hatch Mott MacDonald, having received five (5) bids;
- d) Awarding Sanitary Sewer System Evaluation-Phase V, Contract No. C6-00143, to low bidder – D&D Utility Contractors, Inc., in the amount of \$138,422.76, which was bid by O'Donnell Stanton & Associates, which was part of the Annual I&I Study. It was noted that the I&I Study had saved significant flows to the OCUA; therefore, saving us thousands of dollars. Mr. Shea stated that this Phase V was for approximately 60,000 feet;

Mr. Shea stated that he would like to bring the Board up-to-date on the following status items:

- a) Annual Emergency Services Contract would be bid next month, which was for emergency repairs, as well as line items for installations/services and cleanouts, as well as fire hydrants, etc., which was typically a three-year contract;
- b) Cell Tower / Monopole specs were being gathered for a land lease to be located on this property adjacent to the parking lot by the woods. It was noted that two (2) cellular companies were interested in the specifications, which would call for a minimum bid of \$25,000.00 per year for the first locator, and after that, we would re-bid for a co-locator on the antenna. Mr. Shea stated that he would get information to the Board on the names of the carriers.
- c) Pinelands Commission (PC) has available grant money for wastewater projects in the Pinelands to encourage development within the regional growth areas. Mr. Shea explained that in order to develop those areas, sewer infrastructure was necessary, and the PC had approximately \$30M available in grant money and open to us to apply through the State. It was noted that the Engineering Committee would review the grant and bring back a recommendation to the Board. It was also noted that Whitesville Industrial Park would be one of the areas reviewed for a possible pump station being built which would be a substantial savings to the ratepayers.
- d) Sanitary Sewer Master Plan, of which the Board had voided a contract at their Reorganization Meeting, required RFP's to be redone on this project. Mr. Shea distributed the RFP process/criteria that we have been using, to the Board, explaining that the two-part process was: 1) technical proposal for the project; 2) cost proposal. He stated that we have set up as much of an objective proposal evaluation that we could, by grading and ranking the proposals that were received, and after determining which was the No. 1 technical proposal, being the best and most understood about the project, their cost proposal is then opened. He then stated that if the cost proposal came within twenty-five percent (25%) of our estimated cost for the engineering on the project, then that professional would be awarded the contract, explaining that the other cost proposals were not opened.

Mr. Shea further explained that once we entered into contract with that Consultant, we forward the remaining cost proposals back to the other proposers without opening them. Mr. Shea stated that the purpose of this type of RFP was so that we were not just driven by low cost, explaining that the idea of professional service and the fact that we could award them without public bidding, where low bidding gets the job, is that sometimes low bid is not the best quality. Mr. Shea stated that when you were dealing with public health, it was more important to follow this type of process.

Mr. Shea questioned the Board with regard to this process, asking for direction as to how they wished to proceed when we go back out for bids on the Sanitary Sewer Master Plan, or if we needed to consider some alteration, since we needed to identify how the proposals would be evaluated for when we advertise for the proposals. It was noted that the proposers would be made aware of the criteria prior to bidding. It was noted that the Executive Director, Principal Engineer, and the two (2) Commissioners making up the Engineering Committee would be going through the evaluation process.

Mrs. Clayton asked if there had been any problems with this type of process in the past, and when we had started using this type of process. Mr. Shea explained that this process had been used for approximately five to six (5-6) years, and that there had only been one (1) non-successful Consultant call to state that we should have opened his cost proposal, which could have been done for \$30,000.00 less. Mr. Shea stated that this Consultant had not even ranked second in their technical evaluation, explaining that we must make awards on what we believe to be their understanding of the project by the technical proposal that was presented.

After further discussion in this regard, it was noted that both the Attorney and the Consulting Engineer would have an opportunity to review the RFP prior to advertising. It was then noted that advertising would be done shortly, also noting that this particular evaluation process was specifically for the Sanitary Sewer Master Plan, and any future evaluation/criteria could be discussed for other future RFP awards, finally noting that the Board agreed to using the distributed form of RFP evaluation for this specific project.

Mr. Shea stated that we did not have any development projects this month, explaining that reviews had been put on hold until we completed transition meetings with the new engineer and the former engineer(s). Mr. Dittenhofer stated that there was a second transition meeting scheduled with O'Brien & Gere Engineers for August 1, 2006. It was noted that the transition was going well, having gone through all the projects.

Mr. Shea stated that the Public Relations Committee would meet after the Public Meeting this evening, as well as Orientation for the Committee.

Mr. Shea stated that the Administrative Committee met on Wednesday, July 26, 2006, and the new agreed schedule would be on Mondays, and the first task performed would be revising the By-Laws, with some changes in the meeting format, and other items for any necessary revisions with the new Board in place.

6. Business Administrator's Report
Finance Committee Report
Personnel Committee

Mr. Diaz stated that the Finance Committee met on Monday, July 24, 2006, discussing and recommending approval of items on agenda this evening, as well as the Total Voucher list amount submitted this evening in the amount of \$1,287,757.04, with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$459,897.91 for capital projects;
2. Construction Fund in the amount of \$449,905.09 for bond projects;
3. Escrow Funds in the amount of \$69,192.60 for developer work;
4. Revenue General Fund in the amount of \$308,761.44 for operating expenses.

Mr. Diaz stated that from the Operating Expenses of \$308,761.44, it included \$150,000.00 for funding the payroll account.

Mr. Diaz then stated that the following resolutions/purchases/contract items had been discussed and recommended for approval by the Finance Committee:

- 1) Authorizing State Contract Purchase of Carpeting for the Administration Building Conference Room, from Carpet Showcase, Contract No. C6-00135, in the amount of \$3,311.84;
- 2) Authorizing Emergency Purchase to A.C. Schultes, Inc., for Installation of Temporary Pump and Motor for Well Pump No. 9, Contract No. C6-00145, in the installation amount of \$3,900.00, and \$800.00 for weekly rental;
- 3) Authorizing Competitive Contracting for Annual Laboratory Services. It was noted that we were approaching closely to the Pay to Play threshold limit of \$17,500.00.

It was noted that additional financial information had been requested by the Board, which was distributed this evening.

Mr. Diaz stated that the Personnel Committee met Wednesday, July 26, 2006, and discussed and recommended that we re-advertise for the Executive Assistant position, as well as the following resolutions for approval this evening:

- 1) Authorizing Consulting Contract to Claire Iannini in the amount of \$19.00 per hour, in an amount not to exceed \$3,000.00;
- 2) Authorizing Amendment to Principal Engineer's Contract, which was an extension of contract for an additional two (2) years, from 12/31/2007 through 12/31/ 2009.

Mrs. Rickabaugh requested a copy of the Principal Engineer's Contract. It was noted that the Principal Engineer's Contract was the existing contract with no increase in pay, but rather an extension of time to the contract. Mr. Allmann stated that the contract was only an extension of time. It was noted that the initial contract was a three-year contract, and approval of this resolution would extend the contract to five (5) years, which was the statutory limit.

Mr. Garofano questioned why five-year contracts were being given out. Mr. Diaz explained that the previous Board had accepted and approved the five-year contracts that had been requested by the employees. Mr. Hiering reiterated that a five-year contract was the limit of an employee contract that could be approved. Mr. Allmann stated that we would be reviewing the same contract in 2007.

7. Consent Resolutions 2006-184 through 2006-185:

2006-184 Resolution Ratifying Cash Management Report for June 2006

2006-185 Resolution Authorizing Closeout and Release of Performance Bond for Lateral Cleanout Construction-Phase III, Contract No. 05-124A, to D&D Utility Contractors, Inc.

Mr. Borys made a motion to approve Resolutions 2006-184 through 2006-185. Mrs. Clayton seconded the motion and it was passed unanimously.

8. Resolutions Offered:

2006-186 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll

Mrs. Blake made a motion to approve Resolution No. 2006-186. Mr. Borys seconded the motion and it was passed unanimously.

2006-187 Resolution Authorizing State Contract Purchase of Carpeting for the Administration Building Conference Room, from Carpet Showcase, Contract No. C6-00135, in the amount of \$3,311.84

Mrs. Clayton made a motion to approve Resolution No. 2006-187. Mrs. Blake seconded the motion and it was passed unanimously.

2006-188 Resolution Awarding Construction Test Well No. 16, Contract No. C6-00138, to William Stothoff Co., Inc., in the amount of \$499,750.00

Mrs. Blake made a motion to approve Resolution No. 2006-188. Mr. Borys seconded the motion and it was passed unanimously.

2006-189 Resolution Awarding Metedeconk Interceptor Force Main Air Release Valve Upgrade Re-Bid, Contract No. C6-00133A, to D&D Utility Contractors, Inc., in the amount of \$329,910.00

Mr. Borys made a motion to approve Resolution No. 2006-189. Mrs. Clayton seconded the motion and it was passed unanimously.

2006-190 Resolution Awarding Sanitary Sewer System Evaluation – Phase V, Contract No. C6-00143, to D&D Utility Contractors, Inc., in the amount of \$138,422.76

Mrs. Clayton made a motion to approve Resolution No. 2006-190. Mrs. Blake seconded the motion and it was passed unanimously.

2006-191 Resolution Authorizing Competitive Contracting for Annual Laboratory Services

Mrs. Clayton made a motion to approve Resolution No. 2006-191. Mrs. Blake seconded the motion and it was passed unanimously.

2006-192 Resolution Authorizing Emergency Purchase to A.C. Schultes, Inc., for Installation of Temporary Pump and Motor for Well Pump No. 9, Contract No. C6-00145, in the installation amount of \$3,900.00, and \$800.00 for weekly rental

Mrs. Blake made a motion to approve Resolution No. 2006-192. Mr. Borys seconded the motion and it was passed unanimously.

2006-193 Resolution Authorizing Amendment to Principal Engineer’s Contract

Mr. Allmann stepped from the Chair and made a motion to approve Resolution No. 2006-193. Mr. Borys seconded the motion and it was passed unanimously.

2006-194 Resolution Authorizing Consulting Contract to Claire Iannini in the amount of \$19.00/hr., in an amount not to exceed \$3,000.00

Mrs. Blake made a motion to approve Resolution No. 2006-194. Mrs. Clayton seconded the motion and it was passed unanimously.

With no further matters to discuss in open session, Mrs. Clayton made a motion to go into closed session under Resolution No. 2006-195. Mrs. Blake seconded it, and it was passed unanimously.

Based on a motion made in closed session, the Administrative Assistant stated that it was approximately 6:45 p.m., and that we would continue with the public portion of the regular scheduled meeting of the Open Session of the July 27, 2006 Public Meeting.

9. Other Matters

Mr. Diaz stated that he distributed a memo to the Board this evening, requesting specific information, i.e. personal passwords, pertaining to E-mail set up with the Authority. It was noted that their E-mail addresses were imprinted on their business cards that were also distributed this evening, and that Mr. Diaz would require some time to set them all up with the host company. He stated that he would then inform all the Commissioners of the *send and receive* E-mail Procedure.

It was then noted that the possibility of JTMUA E-mails being sent directly to Commissioner's home computers, might cause problems with SPAM spreaders to their home E-mail addresses.

With no further matters to discuss, Mrs. Blake made a motion to adjourn. Mr. Borys seconded the motion and it was unanimously passed. Chairman Allmann declared the July 27, 2006 Public Meeting adjourned.

End of Minutes

/ci