

August 24, 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 August 24, 2006."

Chairman Allmann requested a roll call.

The August 24, 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 Member Garofano, 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. Alternate Member Lundy was absent.

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 July 27, 2006

Mr. Borys made a motion to approve the minutes of July 27, 2006. Mrs. Blake seconded the motion and was passed unanimously.

2. Approval of the Minutes of the Closed Session Public Meeting of July 27, 2006

Mrs. Clayton made a motion to approve the minutes of July 27, 2006. Mrs. Blake seconded the motion and it was passed unanimously.

3. 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.

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

Mr. Shea reminded the Board that the Association of Environmental Authorities (AEA) Annual Conference was scheduled for November 14-15, 2006, at the Trump Taj Mahal, Atlantic City. He asked that any Commission that had not replied to our office to do so as soon as possible.

Mr. Shea stated that we distributed the travel / reimbursement procedure tonight for their review with regard to future conference attendance.

Mr. Shea also stated that with respect to water supply issues, we had issued a press release regarding our continuous pumpage from the beginning of August, over this past month of all our larger wells, and that it was most likely that we would exceed our allocation. He explained that we had not exceeded it as yet and that we were still monitoring the situation; however, our projection was that we would be up to approximately 136M gallons/month, with our allocation of 120M gallons/month.

Mr. Shea stated that we had taken some of the following notification steps, i.e. a) notified the NJDEP that we anticipated exceedance of allocation; b) newspaper press release requesting that people cut back on their water use; c) Mr. Shea requested permission from the Board to allow our consultant, RVV, to process an amendment to our existing application with the NJDEP to increase our allocation. Mr. Shea explained that we currently had an application in to the State to add a third well at the Hyson Road water treatment plant, with no increase in allocation, stating that our intent was to process the permit as quickly as possible, and that if we requested an increase in allocation, it would slow down the permit process. Mr. Shea stated that we were in a position now where we had no choice but to ask for more allocation, requesting the Board to allow RVV to modify the application to ask for additional monthly allocation. Mr. Shea stated that the aquifer where most of our water comes from has a limit of 120M gallons/month, and we would be requesting allocation of 170M gallons/month.

Mr. Shea explained that the last permit we received from the NJDEP, they had looked at the request as an overall demand, rather than just that aquifer, and we had requested 209M gallons/month from all of our sources in our five-year projection. He stated that the State had acknowledged that we needed that water and therefore gave us what we asked for; however, it took them four (4) years to acknowledge that. He further explained that we had asked for that increase in 2000, where they had acknowledged it in 2004, and the five-year projection was 2005, so although they stated it was a five-year projection, we had reached that five-year projection in one (1) year, stating that the NJDEP had given us that five-year projection in a ten-year permit, knowing that we would have to go back to them in order to ask for more.

Discussion continued in this regard, noting that RVV would not require a separate contract, since they would be doing the work under their general engineering services, and therefore only require the Board's consent. It was also noted that currently, which was a little unusual, we had a lot of new construction requiring larger irrigation demands, due to sodding and seeding, etc., noting that we do not typically have this much demand this much of a peak over our average. Mr. Shea stated that with our continued growth, we should expect to see this same type of usage during the summer months. Mr. Allman reiterated the need for increased allocation and that we were able to produce the water with no problem in supplying it, but rather the problem was not having the allocation.

Mr. Shea introduced the new Executive Assistant, Mrs. Joan Haltigan, stating that she had been in for a few days for training, and that her full-time start date was September 5, 2006.

Mr. Shea explained that we distributed resolutions to the Board this evening for their review, noting that they had not received them in their Commissioner's packet due to the transition period with the new professionals

Mr. Shea stated that the Engineering Committee met on Tuesday, August 22, 2006, discussing and recommending approval of the following action items on the agenda this evening:

- a) Authorizing Closeout and Release of Performance Bond for Citadel Drive Sanitary Sewer Main Replacement, Contract No. 05-122, to D&D Utility Contractors, Inc.;
- b) Award Sewer and Water Emergency Repairs and Service Work, Contract No. C6-00147, to D&D Utility Contractors, Inc., in the amount of \$198,430.00, which was a three-year annual renewable contract depending upon performance of the contractor;

Mr. Shea stated that we went back out to bid on the Sewer System Master Plan Proposals, which should be received on September 7, 2006, and the award of the contract should be next month.

Mr. Shea stated that our agenda for tonight also included the following items:

- a) Authorizing Reimbursement to Jackson Township for the Purchase of Sanitary Sewer Manhole Frame Risers for the Jackson Township Paving project, in the total amount of \$14,400.00;
- b) Authorizing Proposal Submittal to the Pinelands Infrastructure Trust Fund for grant monies, which had been discussed last month, with a deadline of September 1st for the grant proposal. Mr. Shea explained that there was a pump station associated with the development of the Whitesville Industrial Park, stating that we would like to put that project into this grant program. He stated that currently the project would be funded up front by a private developer, and we would be rebating him back, credits on connection fees, noting that if we were to process the project through this program, we would then be funding the project and he would be paying us cash as his fair share. Mr. Shea stated that it was a better opportunity for us, noting that the project was a \$1.2M pump station, which was a significant size.

Mr. Dittenhofer stated that DeMott and Aldrich Warehouse Facility, Block 152.02, Lot 24, was a 1.66-acre area located along Wright-DeBow Road, between Cosmo Lane and Interstate No. 195. He recommended tentative and final water approval.

Mr. Dittenhofer stated that Hess Automated Car Wash, Block 83, Lot 50, was a 2.790-acre area located along the north side of Bennetts Mills Road, east of Cedar Swamp Road. He recommended preliminary sewer and water approval.

Mr. Dittenhofer stated that JoAnn Timbers, Block 34, Lot 29, was a 20.8-acre area located between Cassville-Toms River Road and Lakehurst Avenue. He recommended tentative water approval.

Mr. Dittenhofer stated that Solomon Fire Protection, Block 132, Lot 24.01, was a 2.65-acre area located on north side of Farmingdale Road, between Pfister Road and River Edge Drive. He recommended preliminary sewer and water approval.

Mr. Dittenhofer stated that South Knolls – Section 3, Block 11.03, Lot 3, was an 18.091-acre area located off County Line Road, west of Cooks Bridge Road. He recommended tentative sewer and water approval.

Mr. Dittenhofer stated that The Lakes at Pleasant Grove, Block 84.01, Lots 3, 4.01, 4.02 & 5.01, was a 137.9-acre area located on the south side of West Pleasant Grove Road, across from Goldfinch Road. He recommended tentative water approval.

Mr. Dittenhofer stated that The Shoppes at Jackson, Block 128.01, Lot 25.01, was a 4.3-acre area located on the north side of North County Line Road. He recommended final sewer and water approval.

Mr. Shea stated that we were recommending release of the performance bond to Jackson Development Co., for South Knolls-Section 1, Off-Site Sewer, with Cook Road Pump Station, Block 111, Lots 33.01, 33.02, 36.01, 36.02 & 36.03.

It was noted that with respect to the Lakes at Pleasant Grove, all our dry water main projects require the developer to notice in their sales of contract(s) and deed(s), that upon activation of those dry water mains, the homeowners would be required to connect to the water system, which was in accordance with the township's connection ordinance for dry water mains, which is also noted within the resolutions. It was also noted that this pertained only to new development that had dry water mains installed.

Mr. Shea stated that the Public Relations Committee did not meet, nor did we have a meeting with the Administrative Committee; however, we would be meeting in the upcoming months to update our By-Laws.

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

Mr. Diaz stated that the Finance Committee met on Monday, August 21, 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 \$1,708,706.08, with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$157,718.28 for capital projects;
2. Construction Fund in the amount of \$602,221.80 for bond projects;
3. Escrow Funds in the amount of \$35,347.67 for developer work;
4. Revenue General Fund in the amount of \$913,418.33 for operating expenses.

Mr. Diaz stated that from the Operating Expenses of \$913,418.33, it included \$676,600.00 for the third quarter 2006 OCUA payment, and also included \$75,000.00 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 Emergency Purchase to A.C. Schultes, Inc. for Removal and Installation of Well Pump No.8, Contract No. C6-00146, in an amount not to exceed \$60,226.00, which had been discussed last month;

Mr. Diaz stated that he distributed the Statement of Revenues and Expenses to the Board for their review.

Mr. Diaz then stated that we have been having Budget/Finance meetings for the 2007 Budget, and that the last meeting was line-by-line, with review continuing by the Committee, and that we were awaiting any comments/suggestions. He stated that we would continue with the Budget/Finance meetings, discussing revenues next, as well as the capital needs of the Authority for 2007.

Mr. Diaz stated that he also included in his report, that the Tax Lien sale was scheduled in October, noting that collections were going well, noting that we piggyback off the township's sale, which works well for both us and the Township.

Mr. Diaz stated that the Personnel Committee met this evening prior to the public meeting, and discussed and recommended that we the following resolutions for approval this evening:

- 1) Authorizing Hire of the new Executive Assistant, Mrs. Joan Haltigan, reiterating that her start date would be full-time as of September 5, 2006, and that we would be ratifying that hire this evening;
- 2) Modifying the Annual Salary of the Authority's Business Administrator;
- 3) Modifying the Annual Salary of the Authority's Executive Director, noting that their contracts allow for performance reviews in August, and that the Committee recommended a three-percent (3%) increase to the Board.

It was noted that Mr. Allmann had a previous business relationship with Diamond Developers years ago, and questioned the Attorney as to voting this evening. Mr. Allmann stated that he did not have any business relationship with them at this time. Mr. Allmann then stated that he worked for Hovnanian in Marlboro, NJ for the South Knolls project. It was noted that Mr. Allmann would abstain on any resolutions of the type he stated, due to any appearance of conflict on his part.

6. Consent Resolutions 2006-196 to 2006-205:

2006-196 Resolution Ratifying Cash Management Report for July 2006

2006-197 Resolution Granting DeMott and Aldrich Warehouse Facility, Block 152.02, Lot 24, Tentative and Final Water Approval, is a 1.66-acre area located along Wright-DeBow Road, between Cosmo Lane and Interstate No. 195

- 2006-198 Resolution Granting Hess Automated Car Wash, Block 83, Lot 50, Preliminary Sewer and Water Approval, is a 2.790-acre area located along the north side of Bennetts Mills Road, east of Cedar Swamp Road
- 2006-199 Resolution Granting Joanne Timbers, Block 34, Lot 29, Tentative Water Approval, is a 20.8-acre area located between Cassville-Toms River Road and Lakehurst Avenue
- 2006-200 Resolution Granting Solomon Fire Protection, Block 132, Lot 24.01, Preliminary Sewer and Water Approval, is a 2.65-acre area located on the north side of Farmingdale Road, between Pfister Road and River Edge Drive
- 2006-201 Resolution Granting South Knolls – Section 3, Block 11.03, Lot 3, Tentative Sewer and Water Approval, is an 18.091-acre area located off of County Line Road, west of Cooks Bridge Road
- 2006-202 Resolution Granting The Lakes at Pleasant Grove, Block 84.01, Lots 3, 4.01, 4.02 & 5.01, Tentative Water Approval, is a 137.9-acre area located on the south side of West Pleasant Grove Road, across from Goldfinch Road
- 2006-203 Resolution Granting The Shoppes at Jackson, Block 128.01, Lot 25.01, Final Sewer and Water Approval, is a 4.3-acre area located on the north side of North County Line Road
- 2006-204 Resolution Granting a Performance Bond Release to Jackson Development Company, for South Knolls - Section 1, Off-Site Sewer, with Cook Road Pump Station, Block 111, Lots 33.01, 33.02, 36.01, 36.02, & 36.03
- 2006-205 Resolution Authorizing Closeout and Release of Performance Bond for Citadel Drive Sanitary Sewer Main Replacement, Contract No. 05-122, to D&D Utility Contractors, Inc.

Mr. Borys made a motion to approve Resolutions 2006-196 through 2006-205. Mrs. Clayton seconded the motion and it was passed unanimously. Mr. Allmann abstained on Resolution No's 2006-199, 2006-201 and 2006-204.

7. Resolutions Offered:

- 2006-206 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll

Mr. Borys made a motion to approve Resolution No. 2006-206. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2006-207 Resolution Authorizing Reimbursement to Jackson Township, for the Purchase of Sanitary Sewer Manhole Frame Risers for the Jackson Township Paving Project, in the total amount of \$14,400.00

Mrs. Blake made a motion to approve Resolution No. 2006-207. Mr. Borys seconded the motion and it was passed unanimously.

2006-208 Resolution Authorizing Emergency Purchase to A.C. Schultes, Inc., for Removal and Installation of Well Pump No. 8, Contract No. C6-00146, in an amount not to exceed \$60,226.00

Mrs. Blake made a motion to approve Resolution No. 2006-208. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2006-209 Resolution Awarding Sewer and Water Emergency Repairs and Service Work, Contract No. C6-00147, to D&D Utility Contractors, Inc., in the amount of \$198,430.00

Mrs. Blake made a motion to approve Resolution No. 2006-209. Mr. Borys seconded the motion and it was passed unanimously.

2006-210 Resolution Appointing the Executive Director to serve as Temporary “Custodian of Records”

Mrs. Clayton made a motion to approve Resolution No. 2006-210. Mrs. Blake seconded the motion and it was passed unanimously.

2006-211 Resolution Ratifying the Hire of Joan Haltigan as Executive Assistant

Mrs. Clayton made a motion to approve Resolution No. 2006-211. Mrs. Blake seconded the motion and it was passed unanimously.

2006-212 Resolution Modifying the Annual Salary by 3% for the Authority’s Business Administrator

Mrs. Blake made a motion to approve Resolution No. 2006-212. Mr. Borys seconded the motion and it was passed unanimously.

2006-213 Resolution Modifying the Annual Salary by 3% for the Authority’s Executive Director

Mrs. Blake made a motion to approve Resolution No. 2006-213. Mr. Borys seconded the motion and it was passed unanimously.

2006-214 Resolution Authorizing Proposal Submittal to the Pinelands Infrastructure Trust Fund

Mrs. Clayton made a motion to approve Resolution No. 2006-214. Mrs. Blake seconded the motion and it was passed unanimously.

8. Other Matters

It was noted that we recommended a hold harmless agreement for Bil-Jim Construction on Grand Boulevard to run a section of sewer pipe and water main. Mr. Shea stated that there was an obligation for the Megan's Run project, at some point, since they were building a pump station for the Megan's Run project, requiring a gravity sewer system going down Grawtown Road, necessitating reconstructing Grand Boulevard. He explained that Bil-Jim was requesting to go in there now to install that piece of gravity sewer main at the design location, so that it was not necessary to come back later after the road is reconstructed to install it. Mr. Shea stated that it was a deep sewer main at twenty-feet (20 ft.), which would be installed now prior to the downstream facilities being constructed or permitted, noting that the hold harmless basically holds the Authority harmless from any concerns with them moving forward with that.

Mr. Allmann stated that the piping would be for future use, and rather than paving the road now to only tear it up a year or two from now, noting that it would be a piece of pipe that is dead-ended on both ends for future connection. He stated that it would work out for us as well as the developer, and that we were looking for agreement from the Board to move forward. It was noted that the Board was in agreement to move forward with the hold harmless agreement with Bil-Jim for Megan's Run.

With no further matters to discuss, Mr. Borys made a motion to adjourn. Mrs. Blake seconded the motion and it was unanimously passed. Chairman Allmann declared the August 24, 2006 Public Meeting adjourned.

End of Minutes

/ci