

October 26, 2006

Chairman Allmann called the meeting to order.

Flag Salute

Administrative Assistant read the following statement: "My name is Joan Haltigan, 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 October 26, 2006."

Chairman Allmann requested a roll call.

The October 26, 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, Alternate Member Garofano and Alternate Member Lundy, along with the Business Administrator, James Diaz, Administrative Assistant, Joan Haltigan, Principal Engineer, Peter Canal, 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 September 28, 2006

Dick Borys made a motion to approve the minutes of September 28, 2006. Mrs. Blake seconded the motion and was passed unanimously.

2. Approval of the Minutes of the Closed Session Public Meeting of September 28, 2006

Mrs. Clayton made a motion to approve the minutes of September 28, 2006. Mrs. Blake seconded the motion and was passed unanimously.

3. Questions / Comments from the Public

Chairman Allmann opened the floor to the public.

With no questions, 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 began by introducing Pete Canal, Principal Engineer who will be sitting in on the next few meetings to answer any questions regarding engineering issues.

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

MELJIF Training

The JIF provides training each year to Board Members and executive staff on personnel policy issues. Each commissioner who completes this training reduces our insurance premium by \$250.00. There are several opportunities to receive training. Mr. Shea distributed a schedule. There is a training session at the AEA Conference on Tuesday, 11/14 @ 3:45 in the Taj Mahal. We have a large premium so the Authority can get a credit for everyone. Last year we were able to bring in a JIF Representative before one of our Public Meetings for a couple of commissioners who did not have an opportunity to go to the training. We may be able to do this again if some of you are not able to attend one of the scheduled sessions. Just let Mr. Diaz know and he will put that together. The sessions are approximately one hour so it would require the commissioners attending to come in at 4:30, an hour prior to the start of the public meeting. Mr. Shea questioned Mr. Hiering if this would have to be published as a public meeting. After a brief discussion, it was decided that it would not be necessary to re-advertise. Mr. Diaz will contact JIF and arrange this meeting. Mr. Diaz requested a general idea as to how many commissioners would be interested in attending and it was decided that he will touch base with everyone after the AEA Convention in Atlantic City to get an idea as to who needs to attend a session.

Pending Legislation

Mr. Shea discussed some legislation being introduced and pending. The Lazy Bidder's Legislation. This is to prohibit receipt of public bids on Mondays or any day following a Federal or State holiday. Mr. Shea feels the JTMUA should take a position opposing. The utility contractors are pushing this. Mr. Lundy questioned what was in their interest. Mr. Shea explained that they can extend their weekend, it's one more step towards trying to convenience the public bidding laws to their benefit and make it more difficult on public agencies. This is what the legislation proposed and the AEA and some other public agencies are suggesting that we take a position opposing this. If it is okay with the Board, we will prepare a letter and send it off to our legislators. With no other questions from the Board, Mr. Shea discussed the second pending legislation "Paid Family Medical Leave Act". Right now we have the family medical leave act where you can take medical leave without pay, up to 12 weeks per year. It was just introduced a week ago to be paid for the 12 weeks. This is, at reduced pay, similar to your disability pay. This applies to any business. Mrs. Rickabaugh stated in her opinion this is a good idea, it can be applied to hardships such as devastating illnesses, etc. Mr. Shea requested Mr. Hiering to comment on some of the situations that qualify. Mr. Hiering stated it could be broadly interpreted. Mr. Borys stated that people who have lived through such hardships would welcome this policy even though the payments would be reduced. Mr. Borys also stated that there will always be abuse of the system so that is where the HR person makes the decision, will ask for proper credentials to verify what the reason is. Mr. Garofano believes this could get out of hand, sympathizes with people's hardships, but is 100% opposed and feels this could get out of hand. Mr. Allmann stated it would have to be another line item in our budget to forecast. Mr. Shea again stated it was something he wanted to bring to the Board's attention. Mrs. Clayton agrees with Mr. Garofano's view on this and feels that employers should offer

some additional insurance to employees to purchase for such circumstances. Mrs. Blake also agreed this policy can be abused and that employees should purchase insurance. Mr. Shea stated that the Authority did have Aflac Insurance give a presentation last year which no one elected to participate. We could reintroduce to the employees, and Mr. Diaz has received some requests. Mr. Diaz will set something up at the Authority after the New Year. It was decided that two to three Board Members would support the bill. No action was taken.

Pinecrest Road Reconstruction

Mr. Shea discussed Pinecrest Road at the end of this development where the JTMUA installed water and sewer. The township municipal engineer is requiring that the Authority pave this road. To this point we have opposed doing so but it has now come to the point where we need some direction from the Board on how you want to proceed with this. Mr. Shea stated the cost of this would be an additional \$50,000.00. The Authority has offered to restore the road with DGA, which is basically broken up asphalt, which is rolled and compacted on top of the ground. It would certainly be an improvement over what is there now and less expensive. However, the town is insisting that the Authority pave it and they're indicating that it's a requirement of the road-opening permit that we have on the job. Mr. Allmann met with the Township Administrator yesterday and was not successful in getting any resolution on this. Mr. Allmann asked Mr. Hiering the legal aspects of this. Mr. Shea stated that there is a provision in the township paving ordinance that when you get a road opening permit that states the municipal engineer may dictate in special circumstances a more elaborate restoration. Mr. Shea would think special circumstances are public health safety and welfare, not a gravel road opposed to a pave road. Mr. Hiering stated there were no standard on the ordinance as to who would make the decision. Mr. Allmann suggested we have letter sent from our legal counsel stating we do not have to pave the road. Mr. Shea proposed to put the DGA in which is a large improvement over what is there and we have also proposed to pave and reconstruct the road with a contribution from the township. This was not accepted. Mr. Canal stated DGA total cost would be \$3,000.00 to \$5,000.00. The Board recommends a letter be sent from the Authority's counsel declining to pay for pavement and offer DGA.

Water Rate Issues

Mr. Shea discussed some of the articles previously distributed to the Board on some water issues going on in Howell. Mr. Shea asked that the Board keep these issues in mind when approached by Jackson customers concerning rates

Engineering Committee Report

Mr. Shea discussed the Engineering Committee Report. The following items were discussed at the Engineers Committee Meeting on October 24th for action tonight

- a) The Sanitary Sewer Master Plan Contract. The award to Alaimo Associates in the amount of \$180,000.00. We have renegotiated the distribution of man-hours on this job; more should be used at some later aspects of the job than what they had upfront. We received a revised man-hour breakdown today, which will be part of that proposal.

- b) Task Order request from Hatch Mott MacDonald for the Bennetts Mills Road Water Transmission Main Project. Mr. Shea stated this would be discussed in closed session reason being that it is contractual.
- c) The next item is the New Jersey Environmental Infrastructure Trust Fund. We submitted a letter of intent to the program for replacement of the Manhattan Street water plant as well as the construction of an elevated water tank on the southeast end of town to provide better water quality and pressure to the high school area and industrial park area along the Lakewood and Dover border. Thus far, the project is being received very favorable. The Authority has to get them more information on current vs. potential water users. We have already received a lot of priority points to the project and it's a great opportunity to get very low rate on bond money. Mr. Shea stated we should be seriously considering moving forward.
- d) Mr. Shea discussed the submission of an application for the Pinelands Infrastructure Trust Fund. A pump station project in the industrial park. This provides 60/40-split grant and JTMUA funds. Right now it is going to be constructed by a developer but we are contributing to that through connection fee credits. This program provides up to 60% grant money, free money for that construction and the Authority would provide 40% of the cost. The developer pays us and we can recover some of that cost. Good opportunity for the Authority to get into the program. We need a letter from town saying the pump station for this area is in accordance with their growth ideas.
- e) Mr. Shea discussed the water allocation permit modification and noted there is a meeting scheduled with the NJDEP tomorrow for reapplication for this project. Alan Dittenhofer will attend along with one of our staff. We will try to expedite this process.

Mr. Alan Dittenhofer of Remington, Vernick & Vena Engineers discussed Jackson Crossings, Block 58.01, Lot 01. Cardinale Enterprises has requested a performance guarantee reduction for the sanitary sewer system. Mr. Dittenhofer recommends that the Authority approve the application for this reduction providing the applicant submits an affidavit certifying that all contractors and suppliers have been paid in full as date of this request.

Mr. Alan Dittenhofer is requesting approval on the following developer projects.

Sunrise Assisted Living - Block 145.01, Lots 33.01, 33.02, 33.03. The applicant is proposing to construct three single story building consisting of 75 residential units on the north side of County Line Road, West of Harmony Road. Recommend tentative approval sewer and water.

Lakes at Pleasant Grove, Block 84.01, Lots 3, 4.01, 4.02 & 5.01. The applicant is proposing to construct a 44 lot major subdivisions consisting of 42 dwellings on the south side of West Pleasant Grove. Recommend final water approval.

Pine Projects Subdivision – Block 68, Lot 6.03. The applicant, Eli Weinstein, is proposing to construct a two-lot subdivision at the southern end of Denmark Lane containing 4.71 acres. The applicant is applying for preliminary utility services at this time. The applicant proposes to install an onsite well to provide water for each dwelling and install onsite septic system for sewer service to each unit. The project is not located within the sewer service area therefore the applicant's proposal for onsite

septic systems are appropriate. With applicant's proposal for an onsite well is appropriate at this time. Dry water mains will not be required to be installed since the subdivision only contains two units that are too distant from the Authority's water distribution in the area. We recommend preliminary sewer and water approval be granted.

Mr. Borys questioned the approval process with the Township Planning Board. Mr. Dittenhofer explained that after this Board approval an application, the request is then sent to the Planning Board. Mr. Shea noted that any of our approvals, as part of the resolution, gets sent to the secretary of the Planning Board so they are aware of what went on here.

Ms. Rickabaugh commented that by approving these applications we are essentially saying we want more development in town. Mr. Shea stated that we do not do land use, we provide a utility. If someone wants water, part of our obligation is to provide water. Mr. Dittenhofer confirmed that often times when larger projects come in, they file for all the approvals at the same time.

Mr. Shea stated that there would be a brief Public Relations Meeting following this meeting. The discussion will be on the 2006 Blood Drive.

Mr. Shea noted that the Administrative Committee met earlier this week and we are initiating the development of a Financial Policies and Procedures Manual. The objective for 2007 is to put one in place. We listed some criteria we want to include in this manual and will develop it based on this.

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

Mr. Diaz stated that the Finance Committee met on Monday, October 23, 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 \$612,502.51, with the funds being drawn against the following accounts:

1. Capital Reserve Fund in the amount of \$ 217,641.52 for capital projects;
2. Construction Fund in the amount of \$101,813.46 for bond projects;
3. Escrow Funds in the amount of \$13,577.68 for developer work;
4. Revenue General Fund in the amount of \$279,469.85 for operating expenses.

Mr. Diaz stated there was a slight correction on the Capital Reserve Fund; it's a \$33.46 difference, which came from the Construction Fund.

Mr. Diaz stated that from the Revenue General Fund of \$279,469.85, a \$125,000.00 for funding the payroll and \$2,513.18 to be reimbursed by the Township.

Mr. Diaz then stated that the Finance Committee also discussed the finalizing of the 2007 proposed budget. There was a change to the budget, actually better for the Authority. We were able to reduce the health benefits but had to increase the energy costs, electric more specifically. Net effect was a decrease in the overall operating budget, which went from 8.3%

to 7.9%. The Finance Committee is recommending approval from the Board this evening. There are two resolutions, one for water and one for sewer.

Mr. Diaz then updated the Board on one other item regarding the tax lien. The tax lien took place on October 18th and the end result was we had 21 customers, totally \$10,963.58. For an Authority that is growing, this is very good. We have already received payment on this.

The Personnel Committee did not meet this month

Before voting on the Consent Resolutions, Mr. Borys had questions on Resolution 237, which is approval for one year and 239, which is approval for two years? Mr. Shea stated that preliminary approvals are valid for one year, if they don't advance their approval process they have to come back to it. Tentative approval is valid for two years; this is in our Rules and Regulations. The reason is that if you get a preliminary approval and there is no water or sewer close to you, conditions can change in a year.

Mr. Borys has some concerns on some of the projects being voted on this month and the environmental impact. Mrs. Rickabaugh stated that Mr. Borys has valid questions. It was noted that The Authority's Board are approving water use not land use.

Consent Resolutions 2006-235 to 2006-239:

- 2006-235 Resolution Ratifying Cash Management Report for September 2006
- 2006-236 Resolution Granting a Performance Bond Reduction to Cardinale Enterprises for Jackson Crossing, Sewer, Block 58.01, Lot 1.
- 2006-237 Resolution Granting Preliminary Sewer & Water Approval to Pine Projects, Subdivision Block 68, Lot 6.03.
- 2006-238 Resolution Granting Final Water Approval to The Lakes at Pleasant Grove, Block 84.01, Lots 3, 4.01, 4.02 & 5.01.
- 2006-239 Resolution Tentative Sewer & Water Approval to Sunrise Assisted Living, Block 145.01, Lots 33.01, 33.02 & 33.03

Mrs. Blake made a motion to approve Resolutions 2006-235 through 2006-239. Mr. Borys seconded the motion and it was passed unanimously.

7. Resolutions Offered:

- 2006-240 Resolution Authorizing Payment of Vouchers, Deposit Refunds & Payroll

Mrs. Rickabaugh made a motion to approve Resolution 2006-240. Mrs. Blake seconded the motion and Mrs. Clayton abstained. The motion was passed unanimously.

- 2006-241 Resolution Authoring Revisions of the JTMUA By-Laws and Rules of Order

8. Other Matters

- a) The Board voted on Resolution 2006-244 after discussion in closed session. Mrs. Blake made a motion to approve Resolution 2006-244. Mrs. Clayton seconded the motion and it was passed unanimously. The amount was amended to \$21,280.00.
- b) The Board also decided to act on the subject of an employee using an Authority Vehicle for travel to and from work, also discussed in closed session. The Board decided, going forward, the vehicle will be left on premises. Mrs. Clayton made a motion to approve and Mrs. Rickabaugh seconded it, and it was passed unanimously.
- c) Mr. Shea gave an update on Cook Road – between County Line and Hyson. Discussion ensued whether to pave the road now or wait to put sewers in. Only 12 residents on Cook Road want sewers. Mr. Allmann stated it would cost more money to put the sewers in now, if we have to pay. The town has not provided a written commitment to pave the road if the JTMUA put the sewers in.

With no further matters to discuss, Mrs. Blake made a motion to adjourn. Mrs. Rickabaugh seconded the motion and it was unanimously passed. Chairman Allmann declared the October 26th, 2006 Public Meeting adjourned.

End of Minutes

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