

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 regularly scheduled Public Meeting of January 30, 2014."

Chairman Allmann requested a roll call.

The January 30, 2014 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, Chairman Allmann, Alternate Members Cladek and Sturmfels, along with the Assistant Executive Director, James Diaz, Administrative Assistant, Joan Haltigan, Executive Director, David Harpell and Principal Engineer, Earl Quijano. Also in attendance were Authority Engineer, Alan Dittenhofer and Authority Counsel, William Hierung.

As Administrative Assistant, I publicly announce that in compliance with the provisions of the "Open Public Meetings Act," adequate notice of the Public Meeting has been advertised in the manner prescribed by law, and that this statement would be entered in the minutes of this meeting.

At this time, the Board presented Mr. Borys with an award for his service to the JTMUA. Chairman Allmann stated that the Commissioners and Staff appreciate his dedication to the Authority and that he will be missed and will always be welcomed here. Mr. Borys stated it was an honor to work with this Board and enjoyed this last eight years of service.

1. Approval of the Minutes of the 2014 Rate Hearing.

Mrs. Rickabaugh made a motion to approve the minutes of the 2014 Rate Hearing. Mrs. Blake seconded the motion and it was passed unanimously.

2. Approval of the Minutes of the Open Session Public Meeting of December 19, 2013.

Mrs. Blake made a motion to approve the minutes of the Open Session Public Meeting of December 19, 2013. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

3. Questions/Comments from the Public

With no questions or comments from the public, Chairman Allmann closed the public portion of the meeting noting he would reopen it if needed.

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

Mr. Harpell discussed the following items from the Executive Director's report.

- Mr. Harpell discussed the purchase of three (3) new vehicles on the agenda this evening. Mr. Harpell stated that the benefit of purchasing through State Contract is that the three vehicles will only cost the Authority a total of \$59,663.00. Two (2) of the trucks are Standard F-150s at a cost of \$18,899.00 each and the third vehicle is an F-150 Supercab at a cost of \$21,865.00.
- Mr. Harpell stated that Verizon Wireless is interested two or our facilities, Manhattan Street and possibly Hyson, noting that in addition to improved cell coverage, the Authority could benefit from approximately \$50,000.00 annually in revenue. With no objections, the Authority will put together a bid package with the intent of awarding these projects as soon as April 2014. Mr. Harpell stated that Verizon is covering professional fees up front which will go in the bid package. Chairman Allmann stated that Mrs. Blake had also suggested we take a look at other properties in town. In addition, Mr. Harpell stated that he received a call from Verizon and that they are going to look at a location on Herman Road.
- Mr. Harpell stated that the 2014 Professional Summary and proposed Public Meeting Schedule were sent to the Board for their review.
- Mr. Harpell stated that Six Flags Great Adventure (SFGA) does want to proceed with the replacement of their water treatment plant. Mr. Harpell stated that per our 1992 Depreciation Agreement, SFGA is required to pay for the replacement of the water and sewer infrastructure and water plant is in very poor condition. SFGA would like the Authority to fund the improvements through the NJEIT, and they will reimburse us with a “Special Rate” for water. Mr. Harpell stated that he spoke with Bond Counsel to make sure this agreement with SFGA was appropriate and they indicated it was an appropriate arrangement. Mr. Harpell stated that if the Board is in agreement with the proposal, we will look to approve the agreement in the next month or two. Mr. Harpell stated that through the NJEIT, the percentage is approximately 1% but it takes two years for the application process and would not start construction of the plant until 2016. It will be a great improvement but a large undertaking. Chairman Allmann stated that things will start to move fast in order to secure the NJEIT Loan and will keep the Board informed, also noting that if any decisions or votes are necessary between public meetings, will schedule a special meeting. Chairman Allmann stated that the Authority cannot take on this project without the NJEIT or a guarantee from SFGA. Mr. Harpell concurred that the biggest concern is guaranteeing the debt and in speaking with Bond Counsel, they assure us that they can protect the Authority. Mr. Harpell stated that the current SFGA facility is a major liability for the Township, Authority and SFGA. The water quality is fine but the system is old.
- Mr. Harpell discussed the one Severance Agreement on the agenda this evening noting that the employee is pleased with the conditions in the agreement.

Administrative Committee Report

Mr. Harpell stated the Administrative Committee met and discussed the JTMUA Newsletter, the updated Personal Policies and Procedures Handbook and Salary Guide/Organizational Chart. The Committee will meet in February to review changes.

Public Relations Committee Report

The Public Relations Committee Met to discuss the JTMUA Newsletter including the Cell Towers and Solar.

Engineering Committee Report

Mr. Quijano discussed the following:

Asset Management Plan for the Water Distribution System in the Brookwood Developments, Contract C4-00020. Mr. Quijano discussed the existing water distribution system in the Brookwoods which are above 50 years old and were predominately constructed by developers and turned over to the Authority. Some of the pipes underground are substandard in size and the material is made of asbestos cement pipe. The infrastructure back then was not to our standards. We asked a consultant to look into the Brookwood Developments and to give us a proposal to develop an asset management plan. Mr. Quijano stated that by having this plan, the Authority will have the technical guidance for pipe network and fire flow improvements which will allow the Authority to prioritize and allocate a budget for construction in the future. The Authority sent out RFPs to three special projects engineering firms, with two responding. The Engineering Committee discussed the proposals and are recommending a Fair and Open award to O'Brien & Gere Engineers, Inc., in the amount of \$35,074.00. Chairman Allmann noted that the project will take approximately 20 years to do it right and the Authority will fund the project as we progress. Mr. Harpell stated that Jackson has wonderful fire flows, with the exception of some areas in the Brookwoods with smaller water mains, noting that the project should start with some of these problem areas.

- Mr. Quijano discussed the Authorization to Award of a Fair and Open Contract for the Design Services to replace Well No. 6, Contract C4-00021. Well No. 6 is one of the shallow wells located in the Vincentown Aquifer which was drilled in 1974. Originally the well was permitted for 500 gallons per minute but the current yield is only approximately 125 gallons per minute. We want it back to the full capacity and hopefully this will give us more water. We asked the consultant to evaluate what we have now, to look into the aquifer and see if we can potentially increase the production of the well. If the consultant comes back and says we can to a minimum of 200 gallons per minute, and it is cost effective, then we will proceed with the design. Mr. Quijano noted that this is a three task proposal from the consultant. The proposal was sent out to four (4) consultants with three (3) responding with prices ranging from a low of \$74,750.00 to a high of \$101,900.00. This was discussed with Engineering Committee and are recommending award to Hatch Mott MacDonald in the amount of \$74,750.00. Chairman Allmann stated that we will look at the well and determine if we should look into drilling a new well or rehabilitate.
- Mr. Quijano discussed the Final Quantities Change Order No. 1 and Close-out of Year 1 for the Sewer/Water Emergency Repairs and Service Contract, C3-00020 with D&D Trenchless Solutions, Inc. This is a standard annual close-out of the contract and had a decrease in the amount of (\$52,963.33), which will revise the original contract of \$332,282.60 to a decreased amount of \$278,319.27. We recommend approval of the final quantities change order and close-out of Year 1 and will move on to Year 2 of the contract.
- Next item discussed was the Approval of the Final Quantities Change Order No 2 Well House No. 8, Contract C2-14827 in the credit of \$65,230.95, changing the original contract amount of \$671,400.00 to \$614,102.57. Upon approval, we will move onto close-out of the contract in the next few months. Mr. Harpell stated that this contract is Mr. Lattimer who had attended the meeting a few weeks ago and noted that Earl has done a wonderful job with this difficult contract.

With no questions, Mr. Quijano concluded the Engineering Report.

DEVELOPER PROJECT

On behalf of Remington, Vernick & Vena Engineers, Mr. Alan Dittenhofer stated there were no developer applications to report this month.

5. Assistant Executive Director's Report
Finance Committee Report
Personnel Committee

Mr. Diaz stated that the Finance Committee met on Monday, January 27, 2014. The total amount presented on the bill list was \$553,940.74 and will be drawn from the following funds:

1. Capital Reserve Fund in the amount of \$44,623.75 for Capital Projects;
2. NJEIFP Account in the amount of \$1,440.00, for NJEIFP Projects;
3. Escrow Funds in the amount of \$5,208.55 for Developer Work;
4. Revenue General Fund in the amount of \$502,668.44 for Operating Expenses.

The operating expense of \$502,668.44 includes \$250,000.00 for funding the payroll account. Mr. Diaz stated that additionally, the Authority will begin transferring funds back from the NJEIT to the Authority's capital account with Parke Bank as the 2013 NJEIT projects are coming to the end of completion. The funds will be used to support the Authority's budgeted capital requirements for 2014.

Mr. Diaz discussed three (3) contract close-outs as follows:

- HD Supply Waterworks for Sensus Meters C3-33002 with a reduction in the contract in the amount of \$125.00 bringing the original contract amount of \$14,500.00 to \$14,375.00.
- RIO Supply Inc., for Neptune Meters C3-33103 with a reduction in the contract in the amount of \$35,337.00 bringing the original contract amount of \$86,179.00 to \$50,842.00.
- 2013 Chemical Contract C3-00001 which is the annual furnishing of chemicals to various vendors. The original contract awarded was \$315,757.46. The total amount purchased during the year was \$233,374.80 leaving a credit change of \$82,200.66.
- Mr. Diaz discussed the preliminary Audit for 2013 which was started last week. Mr. Diaz also stated that Hutchins, Meyer and DiLieto have merged with another company which will be presented during the reorganization next week. The new name is WithumSmith + Brown, PC.
- Mr. Diaz stated the EPL/POL Training went well and thanked all who attended.
- Mr. Diaz stated that he received the 2014 Sewer/Water Operating/Capital Budgets back from the State this week, noting this completed the 2014 budget process.

Personnel

Mr. Diaz discussed the following action items:

- The first item discussed were two new hires to fill the two Meter Reader positions which will become vacant as the current Meter Readers transition over to the Field Department. The two new hires are Mr. James Marshall and Mr. Jeremiah Burst. Both were discussed with the Personnel Committee and are recommending approval this evening.
- Next discussed was the first promotion being presented this evening, Mr. Scott Najarian, who is one of the current Meter Readers who applied for the open field position. The other, Mr. Christopher Berglar, is an Operator who is still under the civil service title of Laborer. Both are doing a good job and will be promoted to the civil service title of Sewer Repair 1/Water Repairer 1. Both were discussed with the Personnel Committee and are recommending approval this evening.
- Next item discussed was the approval to hire temporary help in the customer service and billing department while one of the Authority's employees is out on disability. Three candidates were interviewed and the Authority believes Ms. Megan Heiss will do well in this position. This was discussed with the Personnel Committee and will not exceed three months with no benefits.

5. Consent Resolution:

2014-01 Resolution Ratifying Cash Management Report for December 2013

Mrs. Rickabaugh made a motion to approve Resolutions 2014-01. Mrs. Blake seconded the motion and it was passed unanimously.

6. Resolutions Offered:

2014-02 Resolution Ratifying Payment of Vouchers, Deposit Refunds and Payroll.

Mrs. Blake made a motion to approve Resolution 2014-02. Mrs. Clayton seconded the motion and it was passed unanimously. Chairman Allmann abstained from Check #19193 and Check #2771.

2014-03 Resolution Authorizing Award of a Fair and Open Contract for Design/Construction Management Services to Replace Well No. 6, Contract C4-00021 to Hatch Mott MacDonald, in an Amount Not to Exceed \$74,750.00.

Mr. Borys made a motion to approve Resolution 2014-03. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2014-04 Resolution Authorizing Award of a Fair and Open Contract for an Asset Management Plan for the Water Distribution System in the Brookwood Developments, Contract C4-00020 to O'Brien & Gere Engineers, Inc., in an Amount Not to Exceed \$35,074.00.

Mrs. Rickabaugh made a motion to approve Resolution 2014-04. Mr. Borys seconded the motion and it was passed unanimously.

2014-05 Resolution Approving Final Quantities Change Order No. 1 in the Credit Amount of (\$52,963.33) and Close-out of Year One of the Contract with D&D Trenchless Solutions, Inc. for the Water/Sewer Emergency Repairs & Service Work, Contract C3-00020 (f/k/a C3-33220).

Mrs. Blake made a motion to approve Resolution 2014-05. Mrs. Clayton seconded the motion and it was passed unanimously.

2014-06 Resolution Approving Final Quantities Change Order No. 1 to HD Supply Waterworks, LTD, for the 2013 Sensus Water Meter Acquisition Contract C3-33002, in the Credit Amount of (\$125.00).

Mrs. Clayton made a motion to approve Resolution 2014-06. Mr. Borys seconded the motion and it was passed unanimously.

2014-07 Resolution Approving Final Quantities Change Order No. 1 to Rio Supply, Inc., for the 2013 Neptune Water Meter Acquisition Contract C3-33103, in the Credit Amount of (\$35,337.00).

Mrs. Rickabaugh made a motion to approve Resolution 2014-07. Mrs. Blake seconded the motion and it was passed unanimously.

2014-08 Resolution Approving Final Quantities Change Order No. 1 to Various Chemical Suppliers for the 2013 Chemical Contract, C3-00001, in the Credit Amount of (\$82,200.66).

Mr. Borys made a motion to approve Resolution 2014-08. Mrs. Clayton seconded the motion and it was passed unanimously.

2014-09 Resolution Authorizing the Purchase of Two (2) 2014 Ford F150 Pick-up Trucks, 4WD and One (1) Ford F150 Supercab Pick-up Truck, 4WD with all Listed Options from Winner Ford, Under State Contract A85437 (T-2099) Pursuant to Contract C4-00023, for the Sum of \$59,663.00.

Mr. Borys made a motion to approve Resolution 2014-09. Mrs. Blake seconded the motion and it was passed unanimously.

2014-10 Resolution Authorizing Promotion of Christopher Berglar to Sewer Repairer 1/Water Repairer 1.

Mrs. Clayton made a motion to approve Resolution 2014-10. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2014-11 Resolution Authorizing Promotion of Scott Najarian to Sewer Repairer 1/Water Repairer 1.

Mr. Borys made a motion to approve Resolution 2014-11. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2014-12 Resolution Authorizing the Permanent Hire of a Classified Employee - Jeremiah Burst

Mrs. Clayton made a motion to approve Resolution 2014-12. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2014-13 Resolution Authorizing the Permanent Hire of a Classified Employee - James Marshall

Mrs. Clayton made a motion to approve Resolution 2014-13. Mrs. Blake seconded the motion and it was passed unanimously.

2014-14 Resolution Authorizing the Hiring of Megan Heiss as a Temporary Employee.

Mrs. Clayton made a motion to approve Resolution 2014-14. Mrs. Blake seconded the motion and it was passed unanimously.

2014-15 Resolution Authorizing Employee Severance Agreement.

Mr. Borys made a motion to approve Resolution 2014-15. Mrs. Blake seconded the motion and it was passed unanimously.

2014-16 Resolution Approving Change Order No. 2 – Final Quantities to Clyde N. Lattimer & Son Construction Co., Inc. for Well No. 8 Well House, Contract No. C2-14827, in the Credit Amount of (\$65,230.95).

Mrs. Rickabaugh made a motion to approve Resolution 2014-16. Mr. Borys seconded the motion and it was passed unanimously.

7. Other Matters

Chairman Allmann discussed the Reorganization Meeting scheduled for next week noting there may be a snow storm. The Board voted to reschedule the meeting from February 6th to February 4th.

At this time, Chairman Allman reopened the meeting to the public. Present were MaryAnn Vinciguerra and Tony Vinciguerra. Mrs. Vinciguerra stated how pleased she was with regard to the possibility of extending water to the west side of Jackson, noting that there is potential for development. Chairman Allmann stated that the Authority cannot expect the few rate payers to pay for all these future developments which is why the NJEIT loan and guarantee from SFGA is so important. Mr. Vinciguerra asked the Authority to review the pump station again. Mr. Harpell stated that improvements at this point will just be to the water plant, not sewer plant, noting that the plant is 40 years old and needs to be replaced. Mr. Harpell stated that the water needs to be treated to remove the iron. Mr. Harpell stated that most of our wells are 1,300 ft deep, which produces very safe water but there is a lot of iron. Chairman Allmann stated that the present wells will feed the plant and there is excess water allocation so when SFGA is not pumping water, we can pump the water back to this end of Jackson. Mr. Vinciguerra asked what happened to the developer on Perrineville Road. Mr. Harpell stated that Hovbilt has not moved on anything at this point. Discussion continued regarding mandatory connections. Chairman Allman stated that we do not run our operations on connection fees and presently there is a five year payout plan for commercial.

Chairman Allmann discussed how active this Board is and all the accomplishments, noting the system is more efficient today than five years ago. Mr. Harpell noted the additional water allocation recently received from the state and the fact the Authority has cut our electric bills by approximately \$50,000.00 in 2014 due to a more efficient system and the latest addition will be the solar fields at Hyson.

With no further matters to discuss, Mr. Borys made a motion to adjourn. Mrs. Rickabaugh seconded the motion and it was passed unanimously. Chairman Allmann declared the January 30, 2014 Public Meeting adjourned.

End of Minutes