

02/27/14

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 February 27, 2014."

Chairman Allmann requested a roll call.

The February 27, 2014 Public Meeting of the Jackson Township Municipal Utilities Authority was called to order at 5:30 P.M. Present were Members Blake, Clayton, Glory, Rickabaugh, Chairman Allmann, Alternate Member 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. Mrs. Cladek was excused.

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.

1. Approval of the Minutes of the Open Session Public Meeting of January 30, 2014.

Mrs. Rickabaugh made a motion to approve the minutes of the Open Session Public Meeting of January 30, 2014. Mrs. Blake seconded the motion and it was passed unanimously. Mrs. Glory abstained.

2. Approval of the Minutes of the Open Session Reorganization Meeting of February 04, 2014.

Mrs. Blake made a motion to approve the minutes of the Open Session of the Reorganization Meeting of February 4, 2014. Mrs. Clayton seconded the motion and it was passed unanimously.

3. Approval of the Minutes of the Closed Session Reorganization Meeting of February 04, 2014.

Mrs. Clayton made a motion to approve the minutes of the Closed Session of the Reorganization Meeting of February 4, 2014. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

4. 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.

5. 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 AEA 2014 WAVE Awards, stating that the Individual Achievement Award winner is our Accounting Supervisor, Lynn DeMicco. Mrs. DeMicco is a 40-year employee and Jim Diaz wrote a wonderful recommendation for this award. Secondly, the Authority will receive the Energy Savers Award. Mr. Harpell noted that the energy costs are down 39% since 2010. The Liberty Tank and looping the system are some of the initiatives that contributed to the savings of \$255,000 per year, even before the solar project is online. The Award Luncheon is on March 12th.
- Mr. Harpell discussed the Four Party Sanitary Sewer Agreement with OCUA, Toms River MUA and Manchester Township, noting we have individual agreements in place with Manchester to serve six lots and Toms River MUA to accept flow through Jackson. OCUA wanted to formalize that Manchester can discharge to Jackson, to discharge to Toms River and ultimately to OCUA. Mr. Harpell stated that there are no terms to the agreement other than to memorialize that all of the parties accept this policy. This was discussed with the Engineering Committee.
- Next discussed was the draft agreement with Six Flags Great Adventure (SFGA). SFGA indicated that they want to move ahead with the new water plant (WTP). Mr. Harpell noted that our Bond Counsel looked at the documents and the Authority will require a letter of credit for SFGA's portion of the WTP cost. We are waiting to hear from SFGA with formal confirmation. The Board was provided a draft copy of the proposed agreement for their review.
- Mr. Harpell discussed the FEMA Hazard Mitigation Grants. The Authority is eligible for grants in the amount of \$122,845.00 for back-up generators and diesel tanks to supply the water plants. Mr. Harpell stated that the money is set aside and still needs to be approved by FEMA. The paperwork should be submitted tomorrow. Mr. Harpell then noted that he just heard from County on additional Hazard Mitigation Grants for \$86,456.00 to cover generator quick connections and a bypass pump in the event of a power failure to keep the pump stations running. It was stated that this grant may only be 90% and that we are working on the application to be submitted this month. Mr. Harpell stated that there hasn't been this much grant money offered in years and it is nice to have it available.
- Mr. Harpell discussed the five-year contract renewal for the Assistant Executive Director/Director of Finance, Mr. James Diaz. Mr. Diaz is a valued employee and does a great job for the Authority. Mr. Harpell noted one change in the contract that Mr. Diaz will accept the union raise with a potential cap so if the union does have larger increase, the Authority has the right to cut his salary short of the union increase. Mr. Harpell stated that we are trying to link the management salaries with the union increases for morale purposes.

Administrative Committee Report

Mr. Harpell stated the Administrative Committee met and discussed the JTMUA Newsletter, the updated Personal Policies and Procedures Handbook and the Salary Guide/Organizational Chart.

Public Relations Committee Report

The Public Relations Committee will be meeting this evening to discuss the JTMUA Newsletter.

Engineering Committee Report

Mr. Quijano discussed the following:

There were no action items this month, but Mr. Quijano updated the Board on the Hyson Solar Project. Due to this year's weather conditions, the contractor has had some delays. At this time they are working on the underground electric work and expect to be on-line in April instead of the original date of March.

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

DEVELOPER PROJECT

On behalf of Remington, Vernick & Vena Engineers, Mr. Alan Dittenhofer discussed the following applications.

- Rite Aid Pharmacy, Performance Bond Reduction for water and sewer, recommended in our December 6, 2013 letter to the Board.
- South Knolls Section 3, Performance Bond Reduction for water and sewer recommended in our February 20, 2014 letter to the Board.
- Meridian Health Village, Performance Bond Release for water and a performance bond reduction for sewer, recommended in our February 20, 2014 letter to the Board.

Mr. Dittenhofer discussed one developer application on the agenda this evening.

- Jackson Park Phase 1, Block 8401, Lots 9 & 10. Revised final water and sewer application. The applicant, Flynco Properties, LLC is proposing to construct a 20,000 square foot retail building and a 7,900 square foot restaurant on the southern side of North County Line Road, west of Forrest Avenue. The applicant is proposing to construct the project in two phases. Phase one will consist of the installation of water and sewer utilities and the construction of the restaurant. Phase two will consist of the retail building only. The applicant is applying for final approval for Phase 1 at this time. We recommended this approval in our February 17, 2014 letter to the Board.

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

Mr. Diaz stated that the Finance Committee met on Monday, February 24, 2014. The total amount presented on the bill list was \$1,520,665.89 and will be drawn from the following funds:

1. Capital Reserve Fund in the amount of \$76,796.00 for Capital Projects;
2. NJEIFP Account in the amount of \$21,340.07 for NJEIFP Projects;
3. Escrow Funds in the amount of \$7,880.73 for Developer Work;
4. Customer Deposit in the amount of \$200.00 for Deposit Refund;
5. Revenue General Fund in the amount of \$1,414,439.09 for Operating Expenses.

The operating expense of \$1,414,439.09 includes \$250,000.00 for funding the payroll account, \$247,504.00 for 2014 employer PERS contribution and \$679,350.00 for OCUA's 1st quarter 2014 installment. This number is considerably down from last year due to the initiatives of the Authority.

- Mr. Diaz discussed the vendor name change on the agenda this evening. The Authority is paying for a technology that was previously approved by resolution for odor control. We received word from a company by the name of AEA Investors, LLP that an agreement was done to take over the company, Siemens Water Technology. The new name of the company will be Evoqua Water Technology. The resolution on the agenda this evening is to accept the name change.
- Mr. Diaz discussed the 2013 Budget Reclassification. Mr. Diaz stated that this basically adjusts the line items where we have some shortfalls and some areas where we can move budget numbers to balance out. The line item adjustments would not cause an increase/decrease in the 2013 operating expense but rather clean up the individual line items.

Personnel

Mr. Diaz discussed the following action items:

- The first item discussed is the updated organizational chart. The Authority has been working on this for quite some time and is being presented this evening. The organizational chart has been updated to include more defined positions for the next five years within each department. Mr. Diaz noted it is also helpful to show employees where they stand within the organization and where their potential advancements would be when and if they become available. This goes in conjunction with the updated salary guide.
- Mr. Diaz discussed the salary guide which is a useful tool for the employees to see where they fall in range to the particular positions and if they become eligible for another position, it shows what positions they can move through civil service. Also included are eligibility requirements for field department titles, which better outlines the Authority's expectations for field employees to be eligible for potential advancement within the department. These requirements also pertain to different licenses that may be required for advancement. It was noted the salary guide is a very helpful tool.

Also noted that as part of the process of updating the Employee Handbook, the organizational chart will be incorporated.

7. Consent Resolution:

- 2014-34 Resolution Ratifying Cash Management Report for January 2014.
- 2014-35 Resolution Granting a Sanitary Sewer and Water System Performance Bond Reduction to South Knolls, Section 3.
- 2014-36 Resolution Granting a Performance Bond Reduction for Sanitary Sewer to Meridian Health Village at Jackson, Block 8101, Lots 5, 6 & 7, on the Tax Map of the Township of Jackson.
- 2014-37 Resolution Granting a Water System Performance Guarantee Release to Meridian Health Village at Jackson, Block 8101, Lots 5, 6 & 7, on the Tax Map of the Township of Jackson.
- 2014-38 Resolution Granting a Performance Bond Reduction to Rite Aid Pharmacy, Block 8201, Lots 34, 35 & 36 (f/k/a Block 114, Lot 1 & Block 115, Lots 1.01 and 1.02), on the Tax Map of the Township of Jackson.
- 2014-39 Resolution Granting Final Sanitary Sewer and Water Approval to Jackson Park, Phase 1, Block 8401, Lots 9 & 10, on the Tax Map of the Township of Jackson.

Mrs. Rickabaugh made a motion to approve Resolutions 2014-34 through 2014-39. Mrs. Blake seconded the motion and it was passed unanimously. For the record, Mrs. Sturmfels abstained on Resolution 2014-38.

8. Resolutions Offered:

- 2014-40 Resolution Ratifying Payment of Vouchers, Deposit Refunds and Payroll.

Mrs. Clayton made a motion to approve Resolution 2014-40. Mrs. Blake seconded the motion and it was passed unanimously. Mrs. Glory abstained from Check #19853.

- 2014-41 Resolution Approving a Four Party Sanitary Sewer Agreement Between the OCUA, the Township of Manchester, Jackson MUA and Toms River MUA.

Mrs. Blake made a motion to approve Resolution 2014-41. Mrs. Clayton seconded the motion and it was passed unanimously.

- 2014-42 Resolution Amending its Resolution with Siemens Corporation to the Firm's New Name Evoqua Water Technologies LLC.

Mrs. Rickabaugh made a motion to approve Resolution 2014-42. Mrs. Clayton seconded the motion and it was passed unanimously.

- 2014-43 Resolution Authorizing the Approval of Line Item Adjustments to the 2013 Sewer/Water Operating Budget.

Mrs. Rickabaugh made a motion to approve Resolution 2014-43. Mrs. Blake seconded the motion and it was passed unanimously.

2014-44 Resolution Authorizing Adoption of Organizational Chart and Five-Year Staffing Plan.

Mrs. Blake made a motion to approve Resolution 2014-44. Mrs. Clayton seconded the motion and it was passed unanimously.

2014-45 Resolution Authorizing Amendments to Salary Range of Authority Titles.

Mrs. Clayton made a motion to approve Resolution 2014-45. Mrs. Glory seconded the motion and it was passed unanimously.

2014-46 Resolution Authorizing the Execution of a Five-Year Contract with Assistant Executive Director/Director of Finance.

Mrs. Clayton made a motion to approve Resolution 2014-46. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

At this time, the Board added to the agenda Resolution 2014-48. Mrs. Rickabaugh read the following: "Motion to authorize the suspension as of February 4, 2014 of Victor Siemanowicz without pay until further action of the Authority.

Mrs. Clayton made a motion to approve Resolution 2014-48. Mrs. Blake seconded the motion and it was passed unanimously.

There was no closed session.

9. Other Matters

At this time, Chairman Allmann reopened the public portion of the meeting. Present from the public was Mr. Cordts.

With regard to the four party agreement approved this evening Mr. Cordts questioned if the sewage from Manchester to Toms River was metered. Chairman Allmann stated there is a development in Manchester that also comes into Jackson for six lots. Since it is in Jackson we have to have an agreement with Manchester that we will put sewer into the six lots. Mr. Cordts asked if the sewage in Manchester will stay there. Mr. Harpell stated that it will come from Manchester to Jackson on Whitesville Road and flow to Toms River and we will meter both ends, explaining the way it is set up with Manchester, is that water meters are put in the homes. They will be a typical customer until Manchester has utilities in that area and then Jackson will turn it over to Manchester. Mr. Cordts asked do you provide water and sewer to them. Mr. Harpell responded that we will once constructed.

Mr. Cordts stated that at the last meeting he attended, the Authority was purchasing two new pumps and asked if they have been installed. Mr. Harpell stated that he believed they were installed but would have to double check with the Maintenance Department. Mr. Cordts, questioned what we do with the old pumps. Mr. Harpell responded that we rehabilitate them. Mr. Cordts asked if there was a state regulation to have two pumps. Mr. Harpell indicated that often the second pump is the "backup" but it is also a good idea to have spare pumps. Mr. Harpell noted that one of the grants the Authority is applying for is a bypass pump that can fit

any station instead of buying 30 or so at \$100,000.00, one bypass pump will cost \$35,000.00 and will be paid for with the grant.

Mr. Cordts questioned how the bypass pump is turned off and on and are you tying into a control system in the pump station when it is in bypass mode. Mr. Harpell stated that the bypass pumps can be equipped with accessory floats as we would not want to integrate the bypass pump into our SCADA control circuitry. Mr. Cordts asked if the generators are natural gas or diesel driven and diesel could be a problem at times. Mr. Harpell noted that the Authority has a pick-up truck with a small 100 gallon tank to transport diesel fuel if needed.

Mr. Cordts asked if we have a vendor to supply the diesel. Mr. Harpell stated that we get multiple prices and Dover Oil tends to be one of the primary vendors. In response to bidding it out, Chairman Allmann stated there is no need to bid since we do not use that much. Mr. Harpell stated that all the pump stations have some amount of storage.

With regard to generators, Mr. Cordts questioned if they automatically go off and on and Mr. Harpell stated they have automatic transfer switches, noting that this building has a generator that has a 500 gallon tank and can run for 24 hours during power loss. Mr. Harpell stated that the Authority does exercise the generators periodically but that you cannot automatically turn them on due to new air quality regulations. Before running a generator, we have to do an air quality check.

Mr. Cordts asked if there were any natural gas generators, Mr. Harpell responded that we have some small natural gas generators but that the bigger ones tend to be diesel. Mr. Harpell also stated that we are in the process of replacing the Flair Pump Station by a stream which is being transferred to natural gas from propane.

With no further questions or discussion, Chairman Allmann thanked Mr. Cordts for attending and to feel free to contact us or stop by with any other questions. .

Chairman Allmann noted the next meeting is the fourth Thursday of March, the 27th.

With no further matters to discuss, Mrs. Rickabaugh made a motion to adjourn. Mrs. Blake seconded the motion and it was passed unanimously. Chairman Allmann declared the February 27, 2014 Public Meeting adjourned.

End of Minutes