

Open Session

May 28, 2015

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 May 28, 2015."

Chairman Allmann requested a roll call.

The May 28, 2015 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 Sturfels, 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, Felipe Contreras 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.

1. Approval of the Minutes of the Open Session Public Meeting of April 30, 2015.

Mrs. Rickabaugh made a motion to approve the minutes of the Open Session Public Meeting of April 30, 2015. Mrs. Blake seconded the motion and it was passed unanimously.

2. Questions/Comments from the Public

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

3. 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 first discussed Amendment No. 3 to the Agreement with Leigh Realty Company. Mr. Harpell stated that this is a good agreement for the Authority and we have given the Leigh Estate some deadlines to get some of the improvements done that are identified in the agreement including a 1 MG Hydropillar tank and a new well. The 1 MG Hydropillar tank can be sited near the Six Flags Great Adventure (SFGA) Water Plant which will be a double benefit

as it provides for needed elevated storage for SFGA and the western part of town. The Authority will do the design and permitting for these projects which is much more efficient, rather than having two parties involved in the design work. This has been discussed with the Engineering Committee who are recommending approval this evening.

- Mr. Harpell discussed the Settlement Agreement with Ocean County Utilities Authority (OCUA). The Authority has the draft settlement agreement and as mentioned, OCUA agreed to credit us \$204,845.59 for the 2008 to 2012 period. Mr. Harpell stated that we were, however, under billed for the 2013 and 2014 period so the final credit from OCUA will be \$95,304.25. Mr. Harpell also discussed the issues at NPS-5 for the 17 of the last 20 years, noting that OCUA is adding a statement to the agreement regarding a permanent fix with the metering scenario going forward so we are not dealing with this situation in future years. It was also noted that Mr. Hiering will be reviewing the language with OCUA's attorney.
- Mr. Harpell updated the Board on the solar field at the Hyson Road Water Treatment Plant noting in the first year of activation it has produced 9% more power than expected which equates to approximately 20% of the Authority's total power in a year. Mr. Harpell stated that our initial projection was 569,263 kWh for the first year and are actually making 620,271 kWh, so over the course of this lease, we may get another full year of production.. Mr. Harpell stated that the Authority also heard good news recently on solar bids so if we do proceed in a joint project with the Board of Education of bidding another solar project or potentially buying power through Jackson Township who is looking to build a solar field on the Legler landfill. In either case, there could be reduced electric rates. The Authority will review all options and get back to the Board.
- Mr. Harpell stated that it has been an extremely dry month and we are setting all kinds of production records for May. Mr. Harpell noted that it's not good for the region when it's this dry. Statistically we should have had 3.5 inches of rain this month and we only had 0.6 inches.

Administrative Committee Report

There was no Administrative Committee Meeting this month.

Public Relations Committee Report

There was no Public Relations Committee Meeting this month.

Engineering Committee Report

Mr. Quijano discussed the following from the Engineer's Report.

- Manhattan Street Tank Replacement Project – Authorizing Payment to the Treasurer of the State of New Jersey as required by the New Jersey Department of Environmental Protection for permit fees, in the amount of \$12,000.00. Mr. Quijano stated that O'Brien & Gere Engineers are ready to apply for the permit and they are just waiting on the check.
- Resolution Authorizing the Payment to the Treasurer of the State of New Jersey in the Amount of \$7,744.00 for the Permit Fee for the Crystal Brook Pump Station Rehabilitation Project, as Required by the New Jersey Department of Environmental Protection. Mr. Quijano stated that this was not mentioned in his report but was discussed with the Engineering Committee that if the Engineer was able to give us the correct permit amount, we will present it this evening. T&M Associates is ready to apply for the permit for treatment works approval in the amount of

\$7,744.00. Chairman Allmann stated that we are authorizing the check so we don't have to hold off another month.

DEVELOPER PROJECT

On behalf of Remington, Vernick & Vena Engineers, Mr. Felipe Contreras discussed the following:

- Resolution Granting Preliminary Sewer & Water Approval to Herman Road Warehouse. This property has applied for connection to sewer and water but we do not have any services close to this location. The applicant will install a well and septic.
 - Mr. Contreras stated that they are working on two other projects, a pole barn behind the London Drive Water Treatment Plant and an inspection to the pump station at Six Flags Great Adventure (SFGA), for a capital program for SFGA's use in the future.
4. Assistant Executive Director's Report
Finance Committee Report
Personnel Committee

Mr. Diaz stated that the Finance Committee met on Tuesday, May 26, 2015. The total revised amount presented on the bill list was \$493,852.94 and will be drawn from the following funds:

1. Capital Reserve Fund in the amount of \$35,776.93 for Capital Projects;
2. Escrow Funds in the amount of \$7,636.23 for Developer Work
3. Revenue General Fund in the revised amount of \$450,539.78 for Operating Expenses.

The operating expense includes \$200,000.00 for funding the payroll account.

- Mr. Diaz discussed the annual Maple Glen Mobile Home Park (MGMHP) Rate Calculation, noting there has not been a rate increase for the stand alone system at MGMHP since 2009. Mr. Diaz stated that the evaluation is showing that we would like to see some additional funds put aside for some needed capital improvements. Mr. Diaz stated that this has been discussed with the owners and the process would be a rate hearing. Mr. Diaz explained that each year, the Authority takes the excess revenues over expenses and the depreciation component that we are collecting on and deposit into a MGMHP bank account. The evaluation shows that the 2014 excess revenues over expenses was \$3,157.54, the depreciation was \$11,339.88 for a total of \$14,497.42 to be deposited into the MGMHP bank account. Mr. Harpell stated that we spent almost \$100,000.00 in capital improvements at MGMHP since 2009 without having to do a rate increase. A rate hearing in June will help to build surplus to do some capital improvements on a forty (40) year old system without any major impact. The Authority will advertise for a rate hearing to be held on June 25, 2015.
- Mr. Diaz updated the Board on the Six Flags Great Adventure (SFGA) Closure Account. Mr. Diaz reported that there is \$300,000.00 in the SFGA Closure Account, held at Shore Community Bank (SCB), which was invested in a five (5) year CD at a rate of 3.25% which ended yesterday. SCB has offered the best rate of 2.1% for another five (5) year CD with no early withdrawal penalty. SCB was given permission to roll the funds into the five (5) year CD at the 2.1% rate and has issued a new certificate reflecting same.

Personnel

Mr. Diaz discussed one action item on the agenda this month.

- Mr. Diaz discussed the new hire of Mr. Sean Benz to fill an open budgeted entry level position in the Building and Grounds department under the Civil Service Title of Laborer 1. The Personnel Committee has reviewed and is recommending approval this evening.

5. Consent Resolutions:

2015-67 Resolution Ratifying Cash Management Report for April 2015.

2015-68 Resolution Granting Preliminary Sewer and Water Approval to Herman Road Warehouse, Block 2301, Lot 7, on the Tax Map of the Township of Jackson.

Mrs. Glory made a motion to approve Resolutions 2015-67 and 2015-68. Mrs. Rickabaugh seconded the motion and it was passed unanimously. Chairman Allmann abstained on Resolution 2015-68.

6. Resolutions Offered:

2015-69 Resolution Authorizing Payment of Vouchers, Deposit Refunds and Payroll for May 2015.

Mrs. Clayton made a motion to approve Resolution 2015-69. Mrs. Rickabaugh seconded the motion and it was passed unanimously. Mrs. Glory abstained on Check #21191.

2015-70 Resolution Authorizing the Execution of Amendment No. 3 to the Agreement Between the JTMUA and Leigh Realty Company (On Behalf Of the Estate of Mitch Leigh) to Extend Water and Sewer Infrastructure to the North-Central Region.

Mrs. Rickabaugh made a motion to approve Resolution 2015-70. Mrs. Blake seconded the motion and it was passed unanimously. Mrs. Glory abstained.

2015-71 Resolution Authorizing a Settlement for the Years 2008 through 2014 as to the Volume of Wastewater Discharged by the Authority into the Ocean County Utilities Authority System.

Mrs. Clayton made a motion to approve Resolution 2015-71. Mrs. Glory seconded the motion and it was passed unanimously.

2015-72 Resolution Authorizing the Payment to the Treasurer of the State of New Jersey in the Amount of \$12,000.00 for the Permit Fee for the Manhattan Street Tank Replacement Project, as Required by the New Jersey Department of Environmental Protection.

Mrs. Rickabaugh made a motion to approve Resolution 2015-72. Mrs. Blake seconded the motion and it was passed unanimously.

2015-73 Resolution Authorizing the Payment to the Treasurer of the State of New Jersey in the Amount of \$7,744.00 for the Permit Fee for the Crystal Brook Pump

Station Rehabilitation Project, as Required by the New Jersey Department of Environmental Protection.

Mrs. Clayton made a motion to approve Resolution 2015-73. Mrs. Blake seconded the motion and it was passed unanimously.

2015-74 Resolution Authorizing the Permanent Hire of Sean Benz Under the Civil Service Title of Laborer 1.

Mrs. Rickabaugh made a motion to approve Resolution 2015-74. Mrs. Glory seconded the motion and it was passed unanimously.

There was no closed session.

7. Other Matters

At this time, Mr. Cordts had a question with regard to the recent water main break on Bennetts Mills Road and what caused it. Mr. Harpell responded explaining that there is C900 or plastic pipe in that section of Bennetts Mills Road and the only issue we have had with this type of pipe are the service saddles which have at times corroded and failed. Mr. Harpell further explained that the C900 pipe is good pipe but the saddles are the weak spot, more specifically from electrolysis on the saddles. There have been similar problems in Crystal Brook and other areas where the C900 pipe is located. Mr. Cordts asked if they are stainless steel. Mr. Harpell replied that some are not which is part of the problem. With no other questions, Chairman Allmann thanked Mr. Cordts for attending this evening's meeting.

Chairman Allmann noted the next public meeting is scheduled for June 25th.

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 May 28, 2015 Public Meeting adjourned.

End of Minutes