

Open Session

September 22, 2016

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 September 22, 2016.”

Chairman Allmann requested a roll call.

The September 22, 2016 Public Meeting of the Jackson Township Municipal Utilities Authority was called to order at 5:30 p.m. Present were Members Clayton, Glory, Rickabaugh, Chairman Allmann, Alternate Member Porter, 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 Joseph Santorelli and Authority Counsel, Michael McKenna. Member Blake 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 August 25, 2016.

Mrs. Clayton made a motion to approve the Minutes of the Open Session Public Meeting of August 25, 2016. Mrs. Glory seconded the motion and it was passed unanimously.

2. Questions/Comments from the Public

With no questions or comments from the public at this time, 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 reviewed the following items from the Executive Director’s report.

- Mr. Harpell first discussed the closing on the loans for the Manhattan Street Complex Water Storage Improvements and Warehouse Project, which was awarded last month. Mr. Harpell stated that the next step is to enter into a construction loan with the New Jersey Environmental Infrastructure Trust Financing Program (NJEITFP), or short-term loan, which will be converted to long-term debt in 2017 or 2018. Mr. Harpell noted that the NJEITFP has made it easy over the years and it is now 0% interest for construction loans. The Authority is basically borrowing the money at no cost and when we go to permanent financing, it is at a reduced interest rate (In May, the interest rate was 0.56% for twenty (20) years). Mr. Harpell stated that there are two

resolutions on the agenda this evening which need to be adopted before the Authority can close on the construction loan. These resolutions authorize borrowing up to \$7.1 million and we have a tentative closing date of October 20, 2016. Mr. Harpell also stated that the Trust works on a reimbursement basis, so the Authority spends the money first and then gets paid back by the Trust instead of a typical bond where the funding is available before the project begins.

- Mr. Harpell discussed the updated salary guide and eligibility requirements, for various field positions, which were reviewed with the Personnel and Finance Committees. Mr. Harpell stated that a similar initiative was undertaken with the Operators and it has proved to be very successful. Mr. Harpell indicated that the Authority now has approximately ten (10) employees with NJDEP licenses which is helping improve the quality of staff and can justify higher salaries. Ed Mogila, Superintendent, has put together a succession plan with the addition of eligibility requirements for the Maintenance Staff, offering the same incentives for the maintenance employees. This initiative has been discussed with the Union and they are supportive of the plan.
- Mr. Harpell stated the fall flushing will begin on Monday, September 26th. Flushing is done during the hours of 2:00 a.m. to 6:00 a.m. to minimize any disturbance to residents, since it can cause discoloration and effect water pressure.
- Mr. Harpell next discussed Mrs. Ronnie Klein who will be retiring on Friday, September 30th. Ronnie has mixed feelings about retiring but it will be nice for her to spend some quality time with her family.
- Mr. Harpell lastly discussed the upcoming AEA Annual Conference being held on November 15th and 16th. Please let Joan know if you plan on attending and there will be more details on the conference as the date gets closer.

Engineering Committee Report

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

- Mr. Quijano discussed the 2015 Sewer/Water Emergency Repair Service Contract, which has a provision to extend the contract for up to two (2) one-year extensions. Mr. Quijano stated that J.F. Kiely has performed very well this year and the Staff is recommending J.F. Kiely for a one (1) year extension. The contract also includes a provision that they can increase their rate up to 3.5%. At this time, the Authority would like to recommend this award to J.F. Kiely Construction in an amount not to exceed \$356,702.40, which includes the 3.5% increase.

Developer Projects

On behalf of Remington, Vernick & Vena Engineers, Mr. Joseph Santorelli reported on the following developer project:

- Resolution Granting Preliminary, Tentative and Final Sewer & Water Approval to Six Flags Great Adventure 2017 Ride, Block 3101, Lot 11. The applicant, Six Flags Great Adventure, is proposing to construct a new indoor ride attraction in the amusement park. The applicant is applying for water and sewer service at this time. The applicant proposes to connect to the existing water main on the site and extend a 6" DIP to the proposed ride building. The applicant also proposes to connect to an existing manhole and install a new 6" sanitary lateral to the building. The applicant's primary place of business is located at 1 Six Flags Blvd,

Jackson, NJ 08527. The applicant's engineer is Richard C. Maloney, of Maser Consulting, P.A. We are recommending this approval as per our September 12, 2016 letter to the Board.

Public Relations Committee Report

The Public Relations Committee did not meet this month. Chairman Allmann thanked all who participated in Jackson Day this year.

Administrative Committee Report

The Administrative Committee did not meet this month

4. Review of Assistant Executive Director's Report
 - Finance Committee Report
 - Personnel Committee Report

Mr. Diaz discussed the following from the Assistant Executive Director's report.

Finance Committee Report

The total amount presented on this month's bill list is \$521,972.33 and will be drawn from the following funds:

1. Capital Reserve Fund in the amount of \$27,974.24 for Capital Projects;
2. Escrow Funds in the amount of \$18,139.26 for Developer Work;
3. Revenue General Fund in the amount of \$475,858.83 for Operating Expenses.

The operating expense includes \$250,000.00 for funding the payroll account.

- Mr. Diaz discussed the Laboratory Testing Services, noting that the current contract will end on September 30th. The Authority advertised with a bid opening on September 7, 2016. One bid was received from J.R. Henderson Labs in the amount of \$58,920.00. Mr. Diaz stated this contract affords either a one (1) two-year extension or two (2) one- year extensions for a maximum of three (3) years. Mr. Diaz further discussed that the extension(s) would include a mutually agreed upon annual price increase based on the original Contract plus up to a total of 3.5% or the change in the Consumer Price Index – Urban (CPI-U) for the 12 months preceding the most recent quarterly calculation, whichever is lower. Mr. Diaz continued by informing the Board that J.R. Henderson Labs has been providing these services well for quite some time and the Finance Committee is recommending award of contract this evening.
- Mr. Diaz discussed one banking resolution on the agenda this evening for the replacement depository account. Mr. Diaz stated that Ocean First Bank holds the Authority's Business Statement account, which is considered a savings account and is linked to the Authority's Bank of New York/Mellon trust accounts. The Authority recently started accepting Automated Clearing House (ACH) or electronic bank check payments, in lieu of paper checks. Mr. Diaz stated that FiServe, which is the largest processing center for bank checks in the country, does not deposit electronic payments into savings accounts, only checking accounts. Mr. Diaz informed the Board that he reached out to the Bank of New York/Mellon, the Authority's Bond Trustee, and asked if there is any objection to replacing the Authority's Business Statement savings account held by Ocean First Bank over to a checking account, since Bank of New York/Mellon holds the responsibility of that account based on the Authority's Revenue Bond requirements. Bank of New York/Mellon had no objection. Mr. Diaz continued by mentioning

that the resolution presented this evening will authorize the replacement of the Business Statement Savings Account with a Business Statement Checking Account. Mr. Harpell noted that this is a checking account without check writing privileges and is just to meet the ACH requirement.

- Next discussed was the 2017 Budget which is near in completion from the preparation standpoint. Mr. Diaz stated it has been reviewed with the Finance Committee, including rates. Mr. Diaz will submit the draft budget, both Operating and Capital, to the Board for their review. Following review, Mr. Diaz will request permission to transfer to the State Budget forms and will present at the October Public Meeting for approval.
- Mr. Harpell stated that there was a request to move the October Meeting from October 27th to October 20th. If there is no objection from the Board, the Authority will advertise and make the change. The Board agreed to the change of date.
- Mr. Diaz stated that the 2016 Tax Lien Process for year ending 2015 continues, noting the date of the Tax Sale is September 30, 2016.

Personnel Committee Report

The following action items are listed on this evening agenda for Personnel.

- Mr. Diaz discussed the following promotions on the agenda this evening. Sean Benz being recommended for promotion to Sewer Repairer 1, Christopher Berglar recommended for promotion to Sewer Repairer 1/Water Repairer 1/Water Treatment Plant Operator. It was noted that Christopher Berglar attained his T-1 License which is required by the Authority for this promotion. Karen Bressi being recommended for promotion to Supervisor of Customer Service, John Malinowski is being recommended for promotion to Sewer Repairer 1, Scott Najarian is being recommended for promotion to Electronic Systems Technician 2 and Sana Siddiqui is being recommended for promotion to Senior Account Clerk. Mr. Diaz stated that Lynn DeMicco will be retiring next year and the Authority is preparing for that transition in the Accounting Department, with the promotion of Sana Siddiqui. Mr. Diaz stated that all these employees have met the education and experience necessary for these promotions. The Personnel Committee has reviewed and is recommending approval this evening.
- Mr. Diaz stated that with some staffing changes in the Maintenance Department, there is an open budgeted mark-out position. Mr. Diaz discussed one new hire on the agenda this evening to fill that position, Mr. Christopher Parks under the Civil Service Title of Laborer 1. The Personnel Committee has reviewed and is recommending approval this evening.

5. Consent Resolutions:

2016-120 Resolution Approving Cash Management Report for August 2016.

2016-121 Resolution Granting Preliminary Tentative and Final Sewer & Water Approval to Six Flags Great Adventure 2017 Ride, Block 3101, Lot 11, on the Tax Map of the Township of Jackson.

Mrs. Glory made a motion to approve Resolutions 2016-120 and 2016-121. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

6. Resolutions Offered:

2016-122 Resolution Authorizing Payment of Vouchers, Deposit Refunds and Payroll for September 2016.

Mrs. Clayton made a motion to approve Resolution 2016-122. Mr. Porter seconded the motion and it was passed unanimously.

2016-123 Resolution Authorizing Contract No. CT-1698A, the First Extension to the Sewer/Water Emergency Repairs & Service Work Contract (Originally Awarded as Contract No. C5-00051), in Accordance with the Authority's Bid Specifications to J.F. Kiely Construction Company, in the Amount of \$356,702.40.

Mrs. Rickabaugh made a motion to approve Resolution 2016-123. Mrs. Glory seconded the motion and it was passed unanimously.

2016-124 Resolution Authorizing Award of Laboratory Testing Services for Potable Water and Wastewater, Contract No. CT-16045, to J.R. Henderson Labs, Inc., in an Amount Not to Exceed \$58,920.00.

Mrs. Clayton made a motion to approve Resolution 2016-124. Mr. Porter seconded the motion and it was passed unanimously. Mrs. Rickabaugh abstained.

2016-125 Resolution Authorizing the Issuance and Sale of Not to Exceed \$7,100,000.00 Principal Amount of Project Notes Relating to the Construction Financing Trust Loan Program of the New Jersey Environmental Infrastructure Trust and Determining Various Matters Relating Thereto.

Mrs. Glory made a motion to approve Resolution 2016-125. Mrs. Clayton seconded the motion and it was passed unanimously.

2016-126 Resolution Declaring its Official Intent to Reimburse Expenditures for Project Costs from the Proceeds of Debt Obligations in Connection with its Participation in the New Jersey Environmental Infrastructure Trust Financing Program.

Mrs. Rickabaugh made a motion to approve Resolution 2016-126. Mrs. Clayton seconded the motion and it was passed unanimously.

2016-127 Resolution Authorizing Ocean First Bank to Replace the Authority's Business Statement Savings Account with a Business Statement Checking Account.

Mrs. Glory made a motion to approve Resolution 2016-127. Mr. Porter seconded the motion and it was passed unanimously.

2016-128 Resolution Authorizing Amendments to the Authority's Salary Guide.

Mrs. Clayton made a motion to approve Resolution 2016-128. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2016-129 Resolution Authorizing Promotion of Sean Benz to Sewer Repairer 1

Mrs. Clayton made a motion to approve Resolution 2016-129. Mrs. Glory seconded the motion and it was passed unanimously.

2016-130 Resolution Authorizing Promotion of John Malinowski to Sewer Repairer 1.

Mrs. Clayton made a motion to approve Resolution 2016-130. Mrs. Glory seconded the motion and it was passed unanimously.

2016-131 Resolution Authorizing Promotion of Christopher Berglar to Sewer Repairer 1/Water Repairer 1/Water Treatment Plant Operator.

Mrs. Glory made a motion to approve Resolution 2016-131. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2016-132 Resolution Authorizing Promotion of Scott Najarian to Electronic Systems Technician 2.

Mrs. Rickabaugh made a motion to approve Resolution 2016-132. Mr. Porter seconded the motion and it was passed unanimously.

2016-133 Resolution Authorizing Promotion of Karen Bressi to Supervisor of Customer Service.

Mrs. Clayton made a motion to approve Resolution 2016-133. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2016-134 Resolution Authorizing Promotion of Sana Siddiqui to Senior Account Clerk.

Mrs. Clayton made a motion to approve Resolution 2016-134. Mrs. Glory seconded the motion and it was passed unanimously.

2016-135 Resolution Authorizing the Permanent Hire of Christopher Parks Under the Civil Service Title of Laborer 1.

Mrs. Clayton made a motion to approve Resolution 2016-135. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

There was no closed session.

Chairman Allmann noted that the Board agreed to reschedule the October 27, 2016 Public Meeting to October 20, 2016. Adequate notice will be given.

7. Other Matters

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 September 22, 2016 Public Meeting adjourned.

End of Minutes

