

Open Session

April 27, 2017

Chairman Allmann called the meeting to order.

Flag Salute

Executive Assistant read the following statement: "My name is Carolyn Mauro, Executive 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 April 27, 2017."

Chairman Allmann requested a roll call.

The April 27, 2017 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 Porter, along with the Assistant Executive Director/Director of Finance, James Diaz, Executive Assistant, Carolyn Mauro and Executive Director, David Harpell. Also in attendance were Authority Engineer Alan Dittenhofer and Authority Counsel, Michael McKenna.

As Executive 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 March 23, 2017.

Mrs. Blake made a motion to approve the Minutes of Open Session Public Meeting of March 23, 2017. Mrs. Glory seconded the motion and it was passed unanimously.

2. Approval of the Minutes of the Closed Session Public Meeting of March 23, 2017.

Mrs. Rickabaugh made a motion to approve the Minutes of Closed Session Public Meeting of March 23, 2017. Mrs. Blake seconded the motion and it was passed unanimously.

3. Questions/Comments from the Public

At this time, Chairman Allmann opened the floor to Mr. Frank Holman from Holman Frenia Allison, PC. Mr. Holman discussed the results of the 2016 Audit noting that there were no comments or recommendations and that the Authority should be very proud of what has been accomplished this year. Mr. Holman went on to discuss the pension liability on the balance sheet which is now required by the State noting that it is not realistic as it goes on the balance sheet as a debt. Mr. Holman stated that the Authority's balance sheet as of December 31, 2016 has assets of 97 million, noting that next year it will be over 100 million. Mr. Holman stated that the real positive ratio is that debt is only 24 million, which is a ratio not often seen and is very strong. Discussion continued with regard to revenues which are up 6% and expenses up 1.9%, noting again a very strong performance and great balance sheet. Mr. Holman stated that the small rate increases each year have kept the revenue strong even though they came in under budget. The main cause was some connection fees that were delayed, but expect to see these on the books for 2017.

Mr. Holman stated that it is a very strong report, clean audit option with no recommendations. The Authority is in good financial shape. Mr. Holman also noted that he does not know of any other Authorities who utilize the New Jersey Environmental Infrastructure Financing Program more than Jackson, mainly because of the administrative requirements. Chairman Allmann inquired if there was anything coming up next year that might be an issue aside from the pension requirement. Mr. Holman replied nothing else new and that Jackson is a good operation. Mr. Diaz extended his appreciation to the staff of Holman Frenia Allison, PC for their professionalism and help in getting the numbers submitted to the State on time. This concluded the 2016 Audit Review.

At this time, 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 reviewed the following items from the Executive Director's report.

- Mr. Harpell first discussed the resolution on the agenda this evening to memorialize the Shared Services Agreement with Ocean County to relocate the water main on Hyson Road which was completed on Saturday, March 25th, following the March Public Meeting. Mr. Harpell noted that Earle Asphalt did a very good job. The resolution authorizes the Authority to reimburse the County \$27,930.88 for this work.
- Mr. Harpell next discussed the Pine Snake Hibernacula Emergence Survey at the proposed Six Flags Water Treatment Plant, noting the study is going very well and the plan is to complete the study by next week. Mr. Harpell stated that he contacted the State and a representative came out to look at the survey. Mr. Harpell stated that we do not expect to find any snakes at this point and we are hopeful that we will be able to bid the project as soon as July.

Engineering Committee Report

Mr. Quijano discussed the following from the Engineer's Report, stating there are no action items for capital projects this evening.

- Classics at Royal Grove (f/k/a Megan's Run), Block 16001, Lot 3 (f/k/a Block 40.68, Lot 58) Authorizing the release of sewer and water Performance Bond previously posted upon the receipt and approval of replacement Performance Bonds. Mr. Quijano stated that Paramount Homes Group II, LLC (Paramount) and JRJ Properties (JRJ) own certain lots of the Classic at Royal Grove Development, noting that Paramount previously posted a sewer Performance Bond in the amount of \$674,658.24 and a water Performance Bond in the amount of \$670,468.20 for the entire Classics at Royal Grove development. Paramount and JRJ requested that the original bond amount be split among the two entities. Mr. Quijano stated that the Authority's staff has reviewed the request and agrees that a split in the performance bonds is acceptable and if approved, Paramount would post a reduced sewer Performance Bond in the amount of \$100,619.14 and a reduced water Performance Bond in the amount of \$102,203.81 for Classics at Royal Grove – Paramount. Additionally, JRJ will be posting \$339,261.12 for the sewer Performance Bond and \$329,788.82 for the water Performance Bond.

Developer Projects

On behalf of Remington, Vernick & Vena Engineers, Mr. Alan Dittenhofer reported on the following Authority approval and developer project:

- Resolution Granting Tentative and Final Water Approval to 3D Rose Warehouse, Block 8401, Lot 5. The applicant, 3D Rose is proposing to construct a 10,000 square foot warehouse building on the north side of County Line Road, west of Bartley Road. The site has an existing warehouse and office building which will be expanded. They are proposing to connect to the existing water service and to connect to the existing septic system. We recommended this approval in our April 17, 2017 letter to the Board.

Public Relations Committee Report

The Public Relations Committee did not meet this month.

Administrative Committee Report

The Administrative Committee did not meet this month.

5. Review of Assistant Executive Director/Director of Finance Report
 Finance Committee Report
 Personnel Committee Report

Mr. Diaz discussed the following from the Assistant Executive Director/Director of Finance report.

Finance Committee Report

The total amount presented on this month’s bill list is \$1,309,094.63 and will be drawn from the following funds:

1. Capital Reserve Fund in the amount of \$77,624.29 for Capital Projects;
2. Escrow Funds in the amount of \$14,430.04 for Developer Work;
3. Revenue General Fund in the amount of \$1,217,040.30 for Operating Expenses.

The operating expense includes \$200,000.00 for funding the payroll account and \$703,612.50 for OCUA’s 2nd quarter 2017 installment.

- Mr. Diaz discussed the resolution on the agenda this evening to participate in a Cooperative Contract Pricing Program run by Ocean County as the lead agency to purchase goods and services. Mr. Diaz stated that this program basically works on the same principle as State Contract except this is through the County. The resolution on the agenda for approval this evening allows the Authority to participate in those opportunities for finding vendors with better pricing and is also more competitive. The Authority is also looking at a secondary program with the Educational Services Commission of New Jersey and there may be further opportunities which may be presented next month. Mr. Harpell stated that the Authority will still present the purchases to the Board. This authorization just allows our participation in the program.

Mr. Diaz next discussed the Hurricane Sandy FEMA update, noting that in October 2016 the Authority submitted for the final closing which included a final accounting review by FEMA. The State originally based reimbursement for generators on run times then changed to direct fuel reimbursement. During FEMA's review, they determined the change to be incorrect and recalculated based on the original method of run time causing for additional funds to be reimbursed. Mr. Diaz stated that the Authority received a letter informing that the Authority is being afforded additional funds of \$46,184.59. Mr. Diaz contacted both FEMA and the State to inquire if there were any additional requirements to collect the funds of which both indicated there were none.

- Mr. Diaz next discussed the annual Maple Glen Mobile Home Park (MG) rate evaluation. The results of the evaluation has been discussed with the Finance Committee and in reviewing the information for 2016, we are recommending that the Authority go ahead with a rate hearing in May. If there is no objection from the Board, the Authority will request approval this evening to advertise for a May 25, 2017 MG Rate Hearing, prior to the regular scheduled Public Meeting. The Board granted approval to advertise.
- Mr. Harpell discussed a phone call from a resident today residing on Farmers Lane, whose well has failed. This is a hardship for this resident who is attempting to re-drill the well, since he is without water at this time. Mr. Harpell stated that the water main is in front of the property and requires a mandatory connection, per Township Ordinance. The Authority discussed this with the Township and we are recommending that we allow them to re-drill the well but will request a letter from the resident stating that within six (6) months they will connect to water per the Township Ordinance. Mr. Harpell stated that if the Board approves, the Authority will go forward with this plan and will work with the resident on a payment plan for the connection fees.
- Lastly, Mr. Harpell reminded the Board that the deadline for the 2017 Financial Disclosure filing is April 30th.

Personnel Committee Report

There were no action items for Personnel on the agenda this evening.

6. Consent Resolutions:

2017-48 Resolution Approving Cash Management Report for March 2017.

2017-49 Resolution Granting Tentative and Final Water Approval to 3D Rose Warehouse, Block 8401, Lot 5, on the Tax Map of the Township of Jackson.

Mrs. Rickabaugh made a motion to approve Resolution 2017-48 and Resolution 2017-49. Mrs. Blake seconded the motion and it was passed unanimously.

7. Resolutions Offered:

2017-50 Resolution Authorizing Payment of Vouchers, Deposit Refunds and Payroll for April 2017.

Mrs. Clayton made a motion to approve Resolution 2017-50. Mrs. Glory seconded the motion and it was passed unanimously.

2017-51 Resolution Authorizing the Release of Sewer and Water Performance Bonds Previously Posted for Classics at Royal Grove (f/k/a Megan's Run), Block 16001, Lot 3 (f/k/a Block 40.68, Lot 58), Upon Receipt and Approval of Replacement Performance Bonds.

Mr. Clayton made a motion to approve Resolution 2017-51. Mrs. Blake seconded the motion and it was passed unanimously. Chairman Allmann abstained.

2017-52 Resolution Memorializing a Shared Services Agreement with the County of Ocean for the Relocation of a Water Main at the Hyson Road Culvert, Contract No. CT-17061, in an Amount Not to Exceed \$27,930.88.

Mrs. Glory made a motion to approve Resolution 2017-52. Mr. Blake seconded the motion and it was passed unanimously.

2017-53 Resolution Authorizing Member Participation in a Cooperative Contract Pricing System through the County of Ocean, Cooperative ID Number CK-02-OC.

Mrs. Clayton made a motion to approve Resolution 2017-53. Mrs. Rickabaugh seconded the motion and it was passed unanimously.

2017-54 Resolution Certifying Audit has Been Reviewed by the Board.

Mrs. Clayton made a motion to approve Resolution 2017-54. Mrs. Glory seconded the motion and it was passed unanimously.

At approximately 5:50 p.m., Chairman Allmann requested a motion to go to closed session. Mrs. Blake made a motion to close under Resolution 2017-55. Mrs. Glory seconded the motion and it was passed unanimously.

Based on a motion made in closed session, at approximately 5:55 p.m., the open session resumed of the April 27, 2017 Public Meeting.

Chairman Allmann noted that the next public meeting will take place May 25, 2017.

8. Other Matters

With no further matters to discuss, Mrs. Clayton made a motion to adjourn. Mrs. Glory seconded the motion and it was passed unanimously. Chairman Allmann declared the April 27, 2017 Public Meeting adjourned.

End of Minutes