
**WASHINGTON TOWNSHIP MUA
REGULAR MEETING
December 2, 2015**

The Regular Meeting of the W.T.M.U.A. was called to order at 7:39 PM on December 2, 2015. Adequate notice of this meeting of the W.T.M.U.A. was given to the Daily Record and the Courier News on February 12, 2015. Notice was also posted on the Municipal Building Bulletin Board.

Members Present: Messrs. Akin, Mascott
Alt. Members Present: Messrs. Babb
Members Absent: Messrs. Cullen, Napolitano, Popper
Alt. Members Absent: Messrs. Kramer
Staff Members Present: Executive Director (E.D.) Pucilowski, Executive Secretary Waller, Attorney Gregory

2016 RATE HEARING

SALUTE THE FLAG

PUBLIC RATE HEARING - 2016 SEWER AND WATER RATES

Mr. Pucilowski was sworn in by Attorney Gregory. Mr. Pucilowski attested that notices of the Rate Hearing were sent to the Daily Record, Courier News, Observer Tribune, Hunterdon County Democrat and Hunterdon Review newspapers; mailed to the Municipal offices and posted on the WTMUA bulletin board as required. The proof from the newspapers were marked Exhibit A for the record.

The procedures to prepare the budget and rates were described by Mr. Pucilowski. The proposed rate schedule, which was confirmed as being essentially what was advertised for the Rate Hearing, was marked Exhibit B. A 2% increase of sewer rates and 5% for water rates is recommended in order to cover the 2016 expenses, debt service, reserves, and maintenance. The Executive Director advises that he recommends the rate increase.

The hearing was opened to the Authority Board for questions with no questions raised. The hearing was opened to the Public. With no Public present, the hearing was closed to the Public.

The Authority Attorney advised that a transcript is required. It was agreed that since the meeting is recorded digitally, the digital recording will be considered the transcript.

REGULAR MEETING

APPROVAL OF MEETING MINUTES

Motion was made by Mr. Babb, and seconded by Mr. Mascott, to approve November 4, 2015 Open Meeting Minutes. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb
NAYS: Messrs.: None
ABSTAIN: Messrs.: None
ABSENT: Messrs.: None

2016 RATE INCREASE

The slight change to the rates as listed in Resolution 15-11-A of the annual sewer fee by one cent was reviewed. It was advised that the correct annual fee was what was advertised. The Authority Attorney advised that the change was inconsequential.

<p>RESOLUTION ADOPTING 2016 RATE SCHEDULE AND AMENDING WTMUA RULES AND REGULATIONS</p>

No. 15-12-A

WHEREAS, upon proper notice having been made and a public hearing having been held pursuant to the Municipal and County Utilities Authorities Law to amend the Washington Township Municipal Utilities Authority (the "Authority") service charges for 2016 as set forth in Rate Schedule of the Rules and Regulations, Appendix A attached hereto; and

WHEREAS, for the reasons set forth in said public hearing and to ensure adequate revenues will be available to pay the expenses of operation and maintenance of the utility system, including reserves, insurance, extensions, and

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replacements, and to pay the principal of and interest on any bonds and to maintain such reserves or sinking funds therefor as may be required by the terms of any contract of the municipal authority or as may be deemed necessary or desirable by the Authority for the year 2016, it is the desire of the Authority to amend its Rules and Regulations to replace the 2015 rate schedule with the 2016 rate schedule, Appendix A attached hereto; and

WHEREAS, all other sections of the WTMUA's Rules and Regulations inconsistent with the new rate schedule set forth in Appendix A, are hereby amended to be consistent with the 2016 Rate Schedule.

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority as follows:

1. The Rules and Regulations of the Washington Township Municipal Utilities Authority are hereby amended by the adoption of the 2016 rate schedule as set forth on Appendix A attached hereto and to be attached to the Rules and Regulations as referenced under Section 5, Part B, 1.

2. All other sections of the WTMUA's Rules and Regulations inconsistent with the new rate schedule set forth in Appendix A, are hereby amended to be consistent with the 2015 Rate Schedule.

3. This resolution shall take effect immediately.

INTRODCUED AND PASSED: December 2, 2015

Motion was made by Mr. Mascott, and seconded by Mr. Babb, to approve Resolution 15-12-A. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: Popper

ABSTAIN: Messrs.: None

NOVEMBER CHECKBOOK REGISTER

Motion was made by Mr. Mascott, and seconded by Mr. Babb, to approve the Checkbook Register as presented.

Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

ABSENT: Messrs.: None

OCTOBER BILLING ADJUSTMENTS

The Fairmount Fire meter issues were discussed and are being addressed.

Motion was made by Mr. Mascott, and seconded by Mr. Babb, to approve the presented Billing Adjustments. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

Corrections were made to the September Billing Adjustments and are represented in the October Report. A request has been submitted to Edmunds, the billing software company, to make the report used to generate the Billing Adjustment Report be exportable to Excel. This will allow the report to include the number of customers in the report. There is no estimated time for that to be updated and in the meantime, the information will have to be requested from the software company or manually counted.

VOUCHERS OVER \$5,000

Motion was made by Mr. Mascott, and seconded by Mr. Babb, that the vouchers for Accurate Waste dated 10/1/15 for \$7,645.60, Beaumont Landscaping dated 10/15/15 for \$5,415.00, Municipal Maintenance dated 10/29/15 for \$13,165.85, Toby Barkman dated 11/02/15 for \$5,830.74, Precision Electric Motors dated 11/17/15 for \$5,990.00, Toby Barkman dated 11/2/15 for \$15,200.00 and Toby Barkman dated 11/52/15 for \$6,946.60 be approved for payment and authorized by the signature of the proper official.

Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

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2016 WATER AND SEWER BUDGETS

Minor revisions to the budgets were reviewed.

<p>RESOLUTION 2016 Authority Water and Sewer Utility Budget WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY for the FISCAL YEAR: from January 1, 2016 to December 31, 2016</p>

No. 15-12-C

WHEREAS, the Annual Budget and Capital Budget for the Washington Township Municipal Utilities Authority for the fiscal year period beginning January 1, 2016 and ending December 31, 2016, has been presented before the governing body of the Washington Township Municipal Utilities Authority at its open public meeting of December 3, 2014; and,

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$4,205,098, Total Appropriations, including Accumulated Deficit if any, of \$4,205,098 and Total Unrestricted Net Position utilized of \$0; and,

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$2,517,500 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$2,517,500; and,

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and,

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Washington Township Municipal Utilities Authority, at an open public meeting held on December 3, 2014 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Washington Township Municipal Utilities Authority for the fiscal year beginning January 1, 2016 and ending December 31, 2016, is hereby approved; and,

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and,

BE IT FURTHER RESOLVED, that the governing body of the Washington Township Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on February 4, 2016.

INTRODUCED AND PASSED: December 2, 2015

Motion was made by Mr. Mascott, and seconded by Mr. Babb, to approve Resolution 15-12-C. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: Popper

ABSTAIN: Messrs.: None

2016 LATE BUDGET SUBMISSION

<p>RESOLUTION LATE SUBMISSION OF 2016 BUDGETS</p>

No. 15-12-D

WHEREAS, the Washington Township Municipal Utilities Authority (Authority) held Meetings on, September 23rd, October 17th & 22nd, and November 4th, 2015 where the operating and capital budgets for FY 2016 were discussed, and;

WHEREAS, there were a variety of issue related to increases in the operating budget as well as a need to determine the priority of capital work required in the Sewer and Water Utilities, and;

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WHEREAS, the appropriations in the Sewer and Water Utilities required a review of revenue, in particular the user fee structure, and;

WHEREAS, review of these matters took more time than was anticipated, and;

WHEREAS, the additional time was considered necessary given the problems of balancing the revenue needs with the appropriations required in FY 2016, and;

WHEREAS, additional time will be needed to convert budget information into the new budget format as required by the NJ Division of Local Government Services.

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority, that:

- (1) The additional time taken to develop the FY 2016 Authority Budgets was prudent given the magnitude of needs in the Sewer and Water Utilities.
- (2) The late submission of the FY 2016 Authority Budgets warranted.

INTRODUCED AND PASSED: December 2, 2015

Motion was made by Mr. Babb, and seconded by Mr. Mascott, to approve Resolution 15-12-CD. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: Popper

ABSTAIN: Messrs.: None

2016 TEMPORARY BUDGET

<p>RESOLUTION APPROVING TEMPORARY SEWER AND WATER UTILITY OPERATING AND CAPITAL BUDGETS FOR THE</p>
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<p>FISCAL YEAR: FROM JANUARY 1, 2016 TO DECEMBER 31, 2016</p>
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No. 15-12-E

WHEREAS, at its open public meeting of December 2, 2015, as Resolutions 15-12-C , the Washington Township Municipal Utilities Authority approved the Annual Budgets and Capital Budgets for the fiscal year beginning January 1, 2016 and ending December 31, 2016; and,

WHEREAS, said Budgets will be submitted to the New Jersey Department of Community Affairs, Division of Local Government Services, Authority Budgets and Finances (hereinafter referred to as NJDCA) by the end of December 2015; and,

WHEREAS, the NJDCA has not issued an approval of the budgets as submitted; and,

WHEREAS, the Authority cannot adopt its Annual Budgets and Capital Budgets without NJDCA approval; and,

WHEREAS, the Authority must have budgets to pay for ongoing operations.

NOW, THEREFORE BE IT RESOLVED, by the Washington Township Municipal Utilities Authority that:

1. The Annual Budgets and Capital Budgets for the fiscal year beginning January 1, 2016 and ending December 31, 2016 approved at its open public meeting of December 2, 2015 is hereby adopted as a temporary budget until such time the NJDCA approves the budget submissions made, or that may be required.
2. This resolution shall take effect immediately upon signing by the WTMUA Chairman.

INTRODUCED AND PASSED: December 2, 2015

Motion was made by Mr. Babb, and seconded by Mr. Mascott, to approve Resolution 15-12-D. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: Popper

ABSTAIN: Messrs.: None

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AMEND 2016 BUDGET

**RESOLUTION
AMEND WTMUA WATER 2015 FISCAL BUDGET**

No. 15-12-F

WHEREAS, N.J.A.C. 5:31-2.8 provides that the Director, Division of Local Government Service may approve the amendment of the budget of any Authority when there are increases in budgeted costs with corresponding increases in budgeted revenue; and

WHEREAS, the Washington Township MUA has amendments to the 2015 budget and seeks approval of the Director for said amendments;

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority, in the County of Morris and State of New Jersey, hereby request the Director of Local Government Service to approve the amendment to the 2015 budget as follows:

Adjust Water Appropriations as follows:

	<u>From</u>	<u>To</u>	<u>Difference</u>
Water Operating Wages	232,959	255,000	22,041
Sewer Operating Wages	304,617	276,897	(27,720)
Sewer Administrative Wages	89,321	95,000	5,679
	<u>626,897</u>	<u>626,897</u>	<u>0</u>

BE IT FURTHER RESOLVED, two certified copies of this budget amendment shall be transmitted to the Director within 3 days of the adoption of this Resolution.

INTRODUCED AND PASSED: December 2, 2015

Motion was made by Mr. Mascott, and seconded by Mr. Babb, to approve Resolution 15-12-F. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb
NAYS: Messrs.: Popper
ABSTAIN: Messrs.: None

LAWN CARE – SHARED SERVICES WITH WASHINGTON TOWNSHIP

**RESOLUTION
AUTHORIZING SHARED SERVICES AGREEMENT
WITH THE TOWNSHIP OF WASHINGTON
FOR LAWN MOWING AND LANDSCAPE MANAGEMENT**

No. 15-12-G

WHEREAS, on May 7, 2014 the Washington Township Municipal Utilities Authority (The Authority) approved Resolution 14-05-D authorizing a Shared Services Agreement with the Township of Washington for lawn mowing and landscape management; and

WHEREAS, that said Agreement expired on October 31, 2015; and

WHEREAS it has been determined that it is advisable and beneficial to renew the shared services agreement with the Township of Washington for the provision of lawn moving and landscape management of Authority property; and

WHEREAS, shared services are permitted under the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1, et seq.; and

WHEREAS, The Authority is agreeable to enter into the attached Agreement with The Township of Washington for the aforesaid purpose,

NOW, THEREFORE, BE IT RESOLVED by The Washington Township Municipal Utilities Authority of the County of Morris, State of New Jersey, that The Authority is hereby authorized as follows:

1. The Executive Director is authorized to execute the attached Shared Service Agreement with the Township of Washington.
2. This resolution shall take effect immediately pursuant to law.

INTRODUCED AND PASSED: December 2, 2015

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Motion was made by Mr. Mascott, and seconded by Mr. Babb, to approve Resolution 15-12-G. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb
NAYS: Messrs.: Popper
ABSTAIN: Messrs.: None

PROPOSED AMENDMENT TO EXCESSIVE UNACCOUNTED FOR WATER USE/BILL POLICY

This topic was tabled until next meeting.

JOB DESCRIPTIONS

The job descriptions were provided to the Employee Association for review.

REVISION TO PERSONNEL POLICIES AND PROCEDURES MANUAL

This topic was tabled until the next meeting.

UNUSED SICK TIME FOR EMPLOYEE HIRED AFTER 5/21/10

The current policy has been to pay out 50% of unused sick time after the end of the year. A law went into effect on 5/21/10 which states that employees hired after 5/21/10 can only be paid for unused sick time at retirement with a cap on the dollar amount of the payout. This new law affects three current employees as well as any future hires regardless if they are included in the Employee Association Agreement. The Employee Association Agreement has to be updated to reflect this. The Labor Attorney will be consulted to confirm that unused sick time can be carried over and used in the preceding year.

Motion was made by Mr. Mascott, and seconded by Mr. Babb, to allow the three employees hired after 5/21/10 to carry over 50% of unused sick time for the year 2015. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Akin
NAYS: Messrs.: Popper
ABSTAIN: Messrs.: None

69 SCHOOLEY'S MOUNTAIN – WATER BOOSTER PUMP

Pressure readings were taken at the home as requested. The reading at the lower level was 24 psi, at the back of the home was 22psi and at the neighbor home located below was 26psi. The Authority is required to provide at least 20psi at the street. The previous tests were right at 20psi and the Executive Director was recommending provide the booster pump. There is a concern about increasing the pressure in the line and if the current piping could handle the extra pressure. Additional pressure measurements will be taken to verify the average pressure level. Booster pumps in other developments were installed by the developers/residents and not the Authority. If the pressure is increased than pressure reducer valves may be required by the lower residents.

LVSTP OPERATOR

This item may be discussed at the next meeting. RICE notices may need to be provided to the employees affected.

DIRECTOR'S REPORT

- Washington Township asked the Executive Director to review changes to the Wastewater Management Plan for Hackettstown MUA. It was recommended that the Township consider the Kings Highway application as the allocation amount may not be enough.
- An energy audit is available at no cost to the Authority. This will be reviewed further when the program is updated.
- The SMSTP RBC building quotes to replace 16 purlins just under \$20,000. The vendor paperwork has been submitted and the building permit submitted to the Township. It is anticipated that the work could be done before the end of the year.
- Camp Washington Reservoir demolition is complete. The DEP inspector has some concerns with the demolition process. It has been determined that the capping of the spring was acceptable. The documentation on the burial of the cement is being reviewed by the DEP.
- A quote has been provided for the survey work for the School easement for the new well. The work required was discussed.
- The vendor replacing the purlins also builds buildings for the RBC units. The space between the RBC unit and the compactor are too close to maintain the RBCs. It is a strong possibility that the whole building will need to be replaced. If the building is removed, the underground piping may be an issue and the RBC units will require

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insulation around the tub. The prior quote for the building will need to be updated. The fans will be fixed. It is also recommended that the covers be used continually and a different single unit should be inspected monthly. The chain drives should be replaced with belts for better maintenance. The building will be sectioned to allow more heat for the equipment that requires it.

- Waiting for one more quote on LV03 SCADA.
- The final issues on the excavation specification specifications have been resolved. The bid will be reviewed by the QPA in preparation for the bid announcement.

NON-FAIR AND OPEN CONTRACT FOR REPAIR OF SMSTP PLANT RBC BUILDING ROOF

RESOLUTION

AUTHORIZING THE AWARD OF A NON-FAIR AND OPEN CONTRACT
FOR REPAIR OF THE SCHOOLEY'S MOUNTAIN SEWER TREATMENT PLANT
RBC BUILDING

No. 15-12-I

WHEREAS, the Washington Township Municipal Utilities Authority ("Authority") has the need to make immediate repairs to the Schooley's Mountain Sewer Treatment Plant RBC Building roof; and

WHEREAS, the Authority Board authorized the purchase of the installation services, over \$5,000, at the Public Meeting on November 4, 2015; and

WHEREAS, proposals were solicited and three companies provided price quotes; and

WHEREAS, Case Construction, Co. has submitted the lowest priced proposal dated November 20, 2015 indicating they will install 16 perlins to the RBC building roof in accordance with the proposal submitted in the amount of \$19,200; and,

WHEREAS, the "Pay-to-Play" Law (N.J.S.A. 19:44A-20.4 et seq) requires that the resolution authorizing the award of a contract over \$17,500 without competitive bids and the contract for said services must be made available for public inspection; and,

WHEREAS, this is an award of a non-fair and open contract in accordance with N.J.S.A. 19:44A-20.5 and as required thereby: (1) the Executive Director has determined and hereby certifies in writing that the value of the pump installation is anticipated to exceed \$17,500, (2) Case Construction Co. has submitted a Business Entity Disclosure Certification and has certified that Case Construction Co. has not made any reportable contributions to a political or candidate committee in the Township of Washington in the previous year, and (3) the Contract will prohibit Case Construction Co. from making any reportable contributions through the term of the contract; and

WHEREAS, the Executive Director hereby certifies that adequate funds are available for these purposes; and,

WHEREAS, the anticipated term of this contract will expire December 31, 2015; and

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority:

1. The Executive Director is hereby authorized and directed to execute the attached Proposal Agreement with Case Construction, Co. for the repair of the Schooley's Mountain Sewer Treatment Plant RBC building roof attached hereto as Schedule A.
2. A copy of this Resolution and the Agreement engaging Case Construction, Co. shall be kept on file and available for public inspection at the office of the WTMUA, 46 East Mill Road, Long Valley, New Jersey.
3. This contract is made without competitive bidding as the value is under the bid threshold in accordance with N.J.S.A. 40:11-3(a) and (c) of the Local Public Contracts Law.
4. A notice of this action shall be printed in the Authority's Official Newspaper within ten (10) days of the passage of this resolution.
5. This Resolution will take effect immediately pursuant to law.

CERTIFIED AS TO CONTRACT VALUE AND FUNDS AVAILABILITY

Michael P. Pucilowski
Executive Director

INTRODUCED AND PASSED: December 2, 2015

Motion was made by Mr. Mascott, and seconded by Mr. Babb, to approve Resolution 15-12-I. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: Popper

ABSTAIN: Messrs.: None

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GREEN ACRES PROPERTY AQUISITION

The Executive Director spoke with a member of NJ Green Acres. It was determined that every tree that has to be cut down requires more acreage to be set aside for Green Acres. The acreage amount can vary. The Authority has the spring property that could help with the exchange.

COMMITTEE MEMBER RESIGNATIONS

Mr. Mascott has resigned. This is his last meeting. A resignation letter arrived today for Mr. Kramer. The Township intends to move Mr. Babb from an Alternate position to a Member position. The Executive Director will reach out to Mr. Popper on his intention to be reappointed. Any suggestions for replacements should be submitted to the Township.

ADJOURNMENT

Motion was made by Mr. Mascott and seconded by Mr. Babb, to adjourn the meeting. Motion was carried by the following vote:

AYES: Messrs.: Akin, Mascott, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

Meeting Adjourned: 9:55 PM

Respectfully Submitted,
E. Jill Waller
Secretary