

## **EVESHAM MUNICIPAL UTILITIES AUTHORITY**

### **Meeting Minutes from April 3, 2019**

#### **Authority Board, Professionals and Staff in Attendance:**

Present: Chairman Waters, Vice-Chairman Tencza, Secretary Lutner, Commissioners Jamanow, Schmidt, Druss and Kipness

Also Present: Executive Director Rollins, Deputy Executive Director Lender, Deputy Executive Director Puszcz, Engineer Simpson, General Counsel Gillespie, Asset Manager Vandenberg, Board Secretary Krimmel

#### **Members of the Public:**

None

Chairman Waters called the meeting to order at 7:34 P.M.

#### **Opening Statement:**

Secretary Lutner read the opening statement as follows:

Adequate public notice of this meeting, pursuant to the Open Public Meetings Act, has been given by the Director of Finance, Deputy Executive Director of the Evesham Municipal Utilities Authority on February 6, 2019 in the following manner:

1. E-mailing written notice to the Burlington County Times, Courier Post, and Central Record
2. Posting written notice on the official Evesham MUA website
3. Filing written notice with the Clerks of Evesham and Medford

This statement shall be entered into the minutes of this meeting

#### **PLEDGE OF ALLEGIANCE**

#### **APPROVAL OF MINUTES**

**March 13, 2019** – On motion by Lutner, seconded by Tencza, it was moved to approve the minutes of March 13, 2019.

RECORDED VOTE:            AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                                     NAY: None

ABSTAIN: None

MOTION CARRIED: 5-0-0

### **PUBLIC COMMENT**

None

### **FINANCIAL**

#### **Presentation of FY 2020 Water/Sewer Budget**

Deputy Executive Director Puszcz presented the budgetary plan for fiscal year 2020. Deputy Executive Director Puszcz advised the Board that our current budget has successfully incorporated personnel reinforcement including 3 new hire positions, increased responsibility/promotion of internal staff in the interest of succession planning and the Authority's participation in a vehicle financing program to acquire 23 new vehicles and equipment with a 4 year repayment term. With the proposed budget, we turn our attention to technological advances, increased maintenance and inspections of our sites and equipment and an unavoidable increase in bulk water purchase costs.

The proposed increase for the FY 20 Operating Budget is 3.72%. In addition to annual increased operating costs, this budget must support increased costs for bulk water purchase, necessitated by a rate increase with NJ American and the impending expiration of a 30 year agreement with Mt. Laurel MUA. The budget will also support the Authority's plans for technological advances, including a new asset management software, a new data backup solution and the Elmwood Plant virtual tour. The budget also includes increased maintenance and monitoring of Authority sites and equipment.

The proposed capital improvement budget includes water main replacements, sewer main re-lining, well improvements, lift station upgrades and improvements at the Elmwood Plant, including a new storage building and sand filter rehabilitation. The Authority also proposes a cyber security improvement plan for all locations, replacement of all computer hardware which is nearing the end of useful life, Arc Flash Analysis plan and the video/audio/animation production for a virtual tour of the Elmwood Plant. The total five year budget for Water capital projects is \$27,557,500 and for Sewer is \$17,583,000. The funding used for these projects will be a combination of bonding and cash.

The financial position of the Authority is strong; however, as we turn our attention to the water infrastructure, we are aware that our water rates will need adjustment to support the increased capital improvements. On the sewer side, our debt service dropped this year, so those rates need to be addressed as well to effectively maintain and improve our infrastructure while generating the proper amount of surplus. We believe that some re-alignment between the water and sewer rates to effectively support both operations is warranted. In addition, financing through the Drinking Water side of the New Jersey

Infrastructure Bank (NJIB) seems to have stalled, so we must research other financing options to continue our capital improvement projects for water. Right now, the Clean Water side of the NJIB still seems to have funds available for our sewer projects, so we will continue to use that option for financing.

We need to maintain our strong financial position to support the Authority's mission to serve our community by providing the highest quality drinking water and efficient wastewater disposal, use sound management principles, modern scientific practices and effective planning to maintain our infrastructure and safeguard public health. We believe the proposed budget for FY 20 enables us to accomplish that mission as it supports Capital Improvement planning, hiring and retaining quality, licensed/educated personnel, succession planning and technological advances. We will continue to use our Financial Model to forecast cash flow, future operating costs, capital improvements and debt service requirements to generate a rate structure which will support all obligations while adjusting rates in a gradual, affordable manner. We plan to work closely with the Board Finance Committee and our Financial Advisor over the summer to assess our rate structure to support our future financial needs.

**Resolution 2019-57: Payment of Bills**

On motion by Tencza, seconded by Lutner, it was moved to adopt **Resolution #2019-57** approving the payment of the March 2019 bills.

RECORDED VOTE:            AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                                      NAY: None  
                                      ABSTAIN: None

MOTION CARRIED: 5-0-0

**Resolution 2019-58: Award of Contract in excess of \$6,000** – On motion by Jamanow, seconded by Schmidt, it was moved to adopt **Resolution #2019-58** awarding a contract to Mission Communications, LLC in the amount of \$12,394.80 for the annual renewal of communication systems monitoring at the lift stations.

RECORDED VOTE:            AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                                      NAY: None  
                                      ABSTAIN: None

MOTION CARRIED: 5-0-0

**Resolution 2019-59: Award of Contract in excess of \$6,000** – On motion by Lutner, seconded by Schmidt, it was moved to adopt **Resolution #2019-59** awarding a contract to Excelsior Blower Systems in the amount of \$7,702.77 to replace a Duroflow 4518 blower at Woodstream Plant. Deputy Executive Director Lender explained that the original blower from 2005 was sent out for repair to the manufacturer. We were notified by the manufacturer that it was unable to be repaired and needed to be replaced.

RECORDED VOTE:        AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                              NAY: None  
                              ABSTAIN: None

MOTION CARRIED: 5-0-0

**Resolution 2019-60: Authorizing Sale of Public Property** – On motion by Tencza, seconded by Jamanow, it was moved to adopt **Resolution #2019-60** authorizing Sale of Public Property no longer needed for public use through on-line Auction at GovDeals.com. Deputy Executive Director Lender explained that the following vehicles are no longer needed: 2001 Ford F-250 Super Duty Utility Body Truck V#: 1FTNF20L01EL00665; 2004 Ford F-350 Auto Crane Truck V#: 1FDWF37P04EB25257; 2008 Ford Ranger V#:1FTYR14U58PA46356; 2001 Ford F-250 Utility Body Truck V#: 1FTNF20L71EC00663; 2001 Ford F-250 Utility Body Truck V#: 1FTNF20L91EC00664; 2000 Sterling LT9513 V#: 2FWYEXYB8YAG61068; 1989 Ford “1920” Tractor – 7108 V#: UP25747. Deputy Executive Director Lender requests Board approval to advertise and sell the vehicles through GovDeals.

RECORDED VOTE:        AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                              NAY: None  
                              ABSTAIN: None

MOTION CARRIED: 5-0-0

### **Presentation of Asset Management Plan**

Asset Management Supervisor Vandenberg presented the 2020 Asset Management Plan. He discussed the asset management software procurement, the new operational strategies driven by infrastructure management priorities and the sustainable decision making techniques for the future. Asset Management Supervisor Vandenberg advised the Board of the importance to document valve repairs, hydrant flushing’s, water main breaks, etc. so that we can use this data for future planning.

### **Resolution 2019-61: Approval of FY 20 Water/Sewer Budget**

On motion by Lutner, seconded by Schmidt, it was moved to adopt **Resolution #2019-61** approving the FY 20 Water/Sewer Budget.

RECORDED VOTE:        AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                              NAY: None  
                              ABSTAIN: None

MOTION CARRIED: 5-0-0

## **EXECUTIVE DIRECTOR'S REPORT**

Executive Director Rollins informed the Board that last month there were no discolored water or odor complaints. We thought that there was a water main break on Empress Court, but it was a hydrant stub break. Executive Director Rollins also advised that there were no sewer overflows or permit violations this month.

Executive Director Rollins mentioned that most of the commissioners are aware of the Commissioner's Supper with the AEA which are held twice a year. One is in North Jersey and the other is in South Jersey. AEA has requested that the Authority host the South Jersey Supper, so we are considering doing this in the near future.

## **ENGINEER'S REPORT**

### **Review of Engineer's Status Report**

**Update: South Side Water Storage Tank** – The selected site is agreeable to all parties. We are working on setting up a meeting for all sides to discuss in the near future.

**Update: ASR Well 13 Treatment Program** – Nothing new to report.

**Update: ASR Well 14 Screen Replacement** – This project has been withdrawn from the NJIB funding application. We will receive bids in April.

**Update: Locust Avenue Pumping Station Upgrade** – Nothing new to report.

**Update: Route 70 Water Main** – Nothing new to report.

**Update: Route 70 Sewer Main** – Nothing new to report.

**Update: Elmwood WWTP Resiliency Improvements** – We have begun the design on this project. We are currently preparing the planning document for the NJIB application.

**Update: Knox Boulevard and Heritage Village Water Main Replacement** – Nothing new to report.

**Update: Elmwood Storage Building** – The design for this project is complete but will be put on hold until possible modifications are made in the design.

**Update: Elmwood Tertiary Filter Rehabilitation** – We have begun the design for this project. We are currently preparing the Planning document for the NJIB application.

**Update: Water System Asset Management Plan** – Nothing new to report.

**Update: Woodlake Drive Water Main** – An additional design is being prepared for the second cluster of townhouses. The planning document for this project has been submitted.

**Update: North Cropwell Road Sewer Main Rehabilitation** – The contractor is waiting for the signed contracts. They will be sent out this week.

**Update: Kings Grant Wastewater Treatment Plant Capacity Analysis Report** – We will be meeting with the staff at Kings Grant to collect information and discuss alternatives.

**Motion to approve W-3 for Hopewell Investments, LLC** – On motion by Lutner, seconded by Tencza, it was moved to approve W-3 for Hopewell Investments, LLC, Country Club Acres, Hopewell Road

RECORDED VOTE:            AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                                       NAY: None  
                                       ABSTAIN: None

MOTION CARRIED: 5-0-0

**Motion to approve S-3/W-3 for Bonz Inc.** – On motion by Lutner, seconded by Schmidt, it was moved to approve S-3/W-3 for Bonz Inc., GUD2GO Food Store, 921 West Route 70

RECORDED VOTE:            AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                                       NAY: None  
                                       ABSTAIN: None

MOTION CARRIED: 5-0-0

## **GENERAL COUNSEL'S REPORT**

**Update: Emerson Contract** – This contract is under review.

**Update: Locust Avenue Pump Station Easements** – These documents are being reviewed with Executive Director Rollins and Engineer Simpson. The property management company needs a copy of the easements, as the originals were lost.

**Update: Route 70 Easements** – These documents are being reviewed.

**Update: Building #5 Lifts** – We recommend that a letter be sent to the vendor who sold us the lift and to the vendor who installed the lift to inform them it was installed improperly and that they are both liable.

## **BOARD COMMENTS**

Commissioner Druss thought that Deputy Executive Director Puszcz and Asset Management Supervisor Vandenberg did a great job on their presentations. He welcomed General Counsel Gillespie. He appreciates the copies of documents that he received from the AEA conference.

Commissioner Jamanow thanked Deputy Executive Director Puszcz for her good presentation on the budget and appreciates all of her hard work. She thanked Asset Management Supervisor Vandenberg for his presentation. She expressed her appreciation to the entire staff.

Commissioner Schmidt welcomed General Counsel Gillespie. He thanked Deputy Executive Director Puszcz and Asset Management Supervisor Vandenberg for their presentations. He appreciates the entire staff and he believes that we have a great operation.

Commissioner Lutner told both Deputy Executive Director Puszcz and Asset Management Supervisor Vandenberg that they did excellent presentations. He welcomed General Counsel Gillespie.

Commissioner Tencza expressed his appreciation to the entire staff and Engineer Simpson. He welcomed General Counsel Gillespie. He told Deputy Executive Director Puszcz and Asset Management Supervisor Vandenberg that they did a great job on their presentations. He believes that the team we have proves the reason that we won the Utility of Future Today Award.

Chairman Waters expressed his appreciation to Deputy Executive Director Puszcz and the entire staff and Board members for all of their hard work. He told Asset Management Supervisor Vandenberg that he did a great job and feels that we are in the twenty first century. He also wanted to caution everyone about the new law that was approved by the State on the legalization of marijuana. He wants to ensure that the Authority is prepared for any medical use facilities that may develop in Evesham.

There was a motion to adjourn by Tencza, seconded by Lutner. The meeting was adjourned at 9:43 P.M.

RECORDED VOTE:            AYE: Schmidt, Jamanow, Lutner, Tencza, Waters  
                                       NAY: None  
                                       ABSTAIN: None

MOTION CARRIED: 5-0-0

The next regular meeting of the Evesham Municipal Utilities Authority is scheduled for May 1, 2019 at 7:30pm.

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Christine Krimmel  
Executive Administrative Assistant

APPROVED BY THE BOARD: \_\_\_\_\_