

EVESHAM MUNICIPAL UTILITIES AUTHORITY

Meeting Minutes from August 5, 2020

Authority Board, Professionals and Staff in Attendance via Video Teleconferencing:

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

Also Present: Executive Director Rollins, Deputy Executive Director Puszcz, Assistant Executive Director Locantore, Operations Manager Booth, Asset Management Supervisor Vandenberg, Engineer Simpson, General Counsel Gillespie and Board Secretary Krimmel

Members of the Public:

None

Chairman Waters called the meeting to order at 7:31 P.M.

Opening Statement:

Executive Director Rollins 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 7, 2020 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

July 1, 2020 – On motion by Tencza, seconded by Lutner, it was moved to approve the minutes of July 1, 2020.

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

MOTION CARRIED: 5-0-0

PUBLIC COMMENT (Agenda Items only)

None

FINANCIAL

Resolution 2020-101: Payment of Bills – On motion by Jamanow, seconded by Lutner, it was moved to adopt **Resolution #2020-101** approving the payment of the July 2020 bills.

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

MOTION CARRIED: 5-0-0

Resolution 2020-102: Refunds, Credits & Cancellations – On motion by Tencza, seconded by Lutner, it was moved to adopt **Resolution #2020-102** approving the July 2020 refunds, credits & cancellations.

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

MOTION CARRIED: 5-0-0

Resolution 2020-103: Award of Contract in excess of \$6,600 – On motion by Tencza, seconded by Jamanow, it was moved to adopt **Resolution #2020-103** awarding a contract to Ace Duct Cleaning in the amount of \$7,650.00 to clean, sanitize and deodorize entire duct systems at all three (3) plants. Operations Manager Booth explained that this is another step to fight Covid-19. Ace Duct Cleaning will come out and clean, sanitize and deodorize the entire system. Commissioner Tencza questioned if the filters are changed. Operations Manager Booth confirmed that the filters are changed and dated periodically.

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

MOTION CARRIED: 5-0-0

Resolution 2020-104: Authorizing Award of Contract through OMNIA Partners National Cooperative Purchasing Program – On motion by Jamanow, seconded by Lutner, it was moved to adopt **Resolution #2020-104** authorizing award of contract through OMNIA Partners National Cooperative Purchasing Program to Safeware, Inc. & Mallory Safety and Supply in the amount of \$15,749.22 to purchase additional video alarm installation and service agreements for Elmwood, Woodstream and Kings Grant Plants. Operations Manager Booth explained that they will be installing and supplying material and cameras at all three Waste Water Treatment Plants. These new devices will be integrated with the recently installed cameras at the Wells. This will enhance the Authority's security system.

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

MOTION CARRIED: 5-0-0

Resolution 2020-105: Award of an open ended Contract – On motion by Tencza, seconded by Lutner, it was moved to adopt **Resolution #2020-105** awarding an open ended contract to R.D. Zeuli, Inc. in accordance with their bid (not to exceed \$400,000) for Emergency Repair Services. Operations Manager Booth explained that this contract will provide emergency repair services that may be out of scope of what the Authority is capable of doing. Commissioner Schmidt questioned how last year went with R.D. Zeuli as our emergency repair contractor. Operations Manager Booth said that there were a few small incidents that needed to be worked out but no major violations. R.D. Zeuli was low bid and it will be discussed with them what the Authority's expectations are as far as safety and security concerns. Commissioner Kipness expressed his concerns of their safety performance over the past year and would not vote in favor of them if he were to vote.

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

MOTION CARRIED: 5-0-0

Resolution 2020-106: Award of Contract through the use of the competitive contracting process – On motion by Lutner, seconded by Jamanow, it was moved to adopt **Resolution #2020-106** awarding a contract through the use of the competitive contracting process to SEDARU, Inc. for a five year Asset Management Software Contract in the amount of \$99,960.00 for the first year and not to exceed \$56,160.00 per year for years two through five. Asset Management Supervisor Vandenberg explained that this resolution is to enter into a licensing agreement for an enterprise asset management software system. This will help the Authority to focus on infrastructure health and asset management.

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

MOTION CARRIED: 5-0-0

Resolution 2020-107: Award of Contract in excess of \$6,600 – On motion by Tencza, seconded by Schmidt, it was moved to adopt **Resolution #2020-107** awarding a contract to Colortech Printing & Mailing in the amount of \$8,228.28 (not to exceed \$10,000.00) for a one year contract for the printing, folding/inserting and mailing of monthly water/sewer invoices and discontinuance notices. Deputy Executive Director Puszcz explained that we received quotations on July 30, 2020. We solicited three vendors and received one responsive bid which was from Colortech Printing and Mailing. Their price is in line with what we pay with our current contract. Colortech was our previous vendor three years ago and they did a fantastic job. Deputy Executive Director Puszcz recommends the award of this one year contract based on their competitive quotation and our past positive experience with them.

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

MOTION CARRIED: 5-0-0

Resolution 2020-108: Authorizing the Retention of an Energy Agent – On motion by Lutner, seconded by Jamanow, it was moved to adopt **Resolution #2020-108** awarding a contract authorizing the retention of CSD Energy Advisors to provide no cost energy procurement consulting services to the Authority. Deputy Executive Director Puszcz advised the Board that CSD Energy Advisors is our current energy agent and our experience with them has been completely positive. Their service is at no cost to the Authority as their compensation is received through the third party supplier for electricity.

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 there were no water main breaks since our last meeting. We had five discolored water reports and four water odor reports. On July 20, 2020 at the Kings Grant Plant, the plant violated its Ph limits. It is a very minor exceedance and it was corrected immediately. It was due to a low flow condition caused by a dry weather period.

Executive Director Rollins turned the meeting over to Deputy Executive Director Puszcz to give an update on the Covid-19 financial impacts and our rate structure analysis thus far with our Finance Committee. Deputy Executive Director Puszcz reviewed the rate structure analysis and informed the Board that a realignment will be required between the water and sewer rates. This is due to the issuance of 2019 Revenue Bonds last Fall for the financing of various Water Capital Improvement Projects, while at the same time experiencing a significant reduction in the Sewer Debt Service, due to the maturity of the 2012 Revenue Bonds. The Authority's Auditor performed a study of the Authority's Operations and resulting fund balance for fiscal year 20 and the water side performed better than expected. The sewer side, as expected, performed exceptionally well. The Auditor reported his finding to the Finance Committee (which includes Commissioners Lutner and Schmidt) yesterday, August 4, 2020. They all feel comfortable with continuing their careful analysis of the rate structure and anticipating presenting to the full Board some options regarding future rate structure adjustments. The intent is to implement any rate adjustments in January 2021. This allows us time to review all options and present the best options at the September board meeting.

Deputy Executive Director Puszcz reviewed the Covid-19 impacts with the Board. She has been tracking both our revenue and cash receipts by comparing them month by month. Overall, she has seen minimal impact in both. Revenue is only down \$36,555.32 over a four month span and she can not directly correlate this being related to Covid-19. Cash receipts is down by \$92,998.60 over the same four month span when compared to 2019. This is also relatively insignificant considering our year to date cash receipts for service charges is \$16,881,792.24 for fiscal year 20. Moreover; when Deputy Executive Director Puszcz compared the cash receipts for service charges to the same time period in fiscal year 19, we actually experienced an increase over 2019 in the amount of \$56,439.86. Throughout the Authority's history, cash receipts do fluctuate when compared to the same month in different years. Deputy Executive Director Puszcz does not see any impact due to Covid-19 but will continue monitoring each month and will continue to report this to the Board.

Chairman Waters turned the meeting over to Assistant Executive Director Locantore to review safety and security. He informed the Board that they have started the process of revising the Authority's Safety Committee by-laws. After the July meeting, he sent out a memo requesting employees that are interested in being part of the committee to advise him of their interest. He did receive responses from several employees. He is also going to restructure the Safety Coordinator's job description. Assistant Executive Director Locantore informed the Board that two minor incidents occurred since his last quarterly update. Both drivers were drug tested. There were two work related injuries both minor. The Authority has experienced a second positive case of Covid-19. Assistant Executive Director Locantore followed the process of the CDC guidelines. There was only one employee that came in contact with the infected employee and he was wearing the correct PPE during the time of contact. The employee was tested, and it came back negative. Commissioner Kipness questioned if a Commissioner was on the Safety Committee and Chairman Waters advised that all committee members are in-house.

Executive Director Rollins informed the Board that Landis Sewerage Authority has requested the Authority to consider joining in a legal challenge with the New Jersey Department of Environmental Protection (NJDEP) rule that was adopted on June 1, 2020. The NJDEP wants to extend the PFAs compound regulations to the ground water arena. Landis Sewerage Authority would like for us to join a coalition of other ground water dischargers. The basis for the challenge is that the NJDEP improperly summarized the economic social employment impacts of the rule. There were errors in the calculation of the PFAs standards. This coalition is going into this with, not the belief that there should be no regulations on the wastewater side of PFAs chemicals, but the regulation needs to be very sound and very scientific. Executive Director Rollins believes that we should seriously consider joining this coalition. He would like to formulate a proper understanding and discuss with Engineer Simpson and General Counsel Gillespie with what the Authority's options will be.

ENGINEER'S REPORT

Review of Engineer's Status Report

Update: South Side Water Storage Tank – Nothing new to report.

Update: ASR Well 13 Treatment Program – Everything is up and running. They are just waiting for Emerson to come out to install the SCADA upgrades.

Update: ASR Well 14 Screen Replacement – This project is complete, final payment should be made.

Update: Locust Avenue Pumping Station Upgrade – The contractor continues construction of the pumping station.

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

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

Update: Elmwood WWTP Resiliency Improvements – We are waiting for NJDEP certifications of the SED plan on this project. They are moving very slow due to Covid-19.

Update: Knox Boulevard Water Main Replacement –RTW Construction continues the connection of the water service into the new water main, although they are moving slowly.

Update: Heritage Village (Phase 1) Water Main Replacement – The main water line and service lines are installed. They are waiting on the County for approval of Main Street permits.

Update: Elmwood Storage Building – This project has been placed on hold due to availability of funds.

Update: Elmwood Tertiary Filter Rehabilitation – We have postponed the bid opening until August 20, 2020. Contractors have a lot of questions and a second addendum has just been processed.

Motion to approve a proposal - On motion by Tencza, seconded by Lutner, it was moved to approve a proposal from Richard A. Alaimo Associates in the amount of \$150,000.00 for construction administration, field inspection and project completion certifications for the tertiary filter rehabilitation at the Elmwood Plant. Commissioner Kipness questioned Engineer Simpson if at the preconstruction meeting safety is discussed with the contractor. Engineer Simpson confirmed that safety is the contractor's responsibility; however, engineering staff will be on site and if they see something in violation of OSHA or any other safety requirement that they are aware of, they will bring it to the contractors' attention and give them time to correct the violation. This is discussed at every preconstruction meeting.

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

MOTION CARRIED: 5-0-0

Update: Woodlake Drive Water Main – This project should start in the next week or two. A firm date has not been set.

Update: Well No. 7 Building – The design is ongoing and should be complete by the end of August.

Update: Greenbrook Drive Water Main Replacement – RTW Construction, Inc. has been notified of their award of this contract. A preconstruction meeting will be held in August.

Update: Elmwood WWTP Control Building –

Motion to approve a proposal - On motion by Jamanow, seconded by Lutner, it was moved to approve a proposal from Tri-State Architects, P.C./Alaimo Group in the amount of \$5,000 for the second floor office renovations, design and construction documents.

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

MOTION CARRIED: 5-0-0

Update: East Main Street Sewer Main Replacement – The design is on its way. There will be more to report next month.

Motion to approve S-3/W-3 for CSH Marlton, LLC c/o Capitol Seniors Housing – On motion by Jamanow, seconded by Lutner, it was moved to approve S-3/W-3 for CSH Marlton, LLC c/o Capitol Seniors Housing – 5 Executive Drive

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 Fox Hollow (aka Soboleski Tract) – On motion by Jamanow, seconded by Lutner, it was moved to approve S-3/W-3 for Fox Hollow (aka Soboleski Tract) – 465 North Elmwood Road

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

MOTION CARRIED: 5-0-0

PUBLIC COMMENT

None

GENERAL COUNSEL'S REPORT

General Counsel Gillespie advised the Board that the Route 70 water and sewer easements are moving along. The appraisals are in progress. If we get the appraisals within the next couple of weeks, he would like to respectfully request an executive meeting to inform the Board of the numbers of the proposed easement values and give authorization for him to send out letters to start the process.

BOARD COMMENTS

Commissioner Kipness cannot emphasize enough the importance of Safety throughout the entire Authority Organization and he plans to stay on top of it. We need to be consistent and enforce our policies. He also thanked Deputy Executive Director Puszc for answering all his questions with regards to some financial numbers.

Commissioner Druss informed the Board that he continues to do the AWWA webinar series. He feels that they are very helpful. They are insightful on understanding the water quality issues in our water systems. They are valuable and he appreciates Executive Director Rollins for registering him. He also showed appreciation to Asset Management

Supervisor Vandenberg for his hard work on the Asset Management project and he looks forward to seeing it put in place. He thanked everyone for keeping the Township's water flowing during this pandemic.

Commissioner Schmidt updated the Board on the Finance Committee meetings that he partakes in. He appreciates the thorough job that Deputy Executive Director Puszcz, Executive Director Rollins and our Auditor, Kirk Applegate from Bowman, have done with the water and sewer rate structures. He believes that when they come to all of the Commissioners next month with their findings, they will find a good plan in front of them that they can review and digest and look at together as a Board to what 2021 and beyond may look like. Commissioner Schmidt questioned if the Authority has safety issues. In the past few months during the Board meetings, he feels that it keeps being brought up and wants to understand it. He questioned if a third party insurance company reviews the Authority and if it is a problem in the Authority. He has confidence in our operations group and wants to know if we have a frequency problem. He doesn't feel that the Authority has a frequency issue.

Commissioner Lutner followed up with what Commissioner Schmidt stated with regards to yesterday's Finance Committee meeting. He believes it was very productive. He was very pleased with what Auditor Applegate said about the Authority's budget and all the options that he provided for moving forward. He feels confident that we can manage our finances over the next few years, hopefully with minimal impact to our rates. Commissioner Lutner is also extremely concerned about safety. He wants everyone to go home safe. He wants to make sure if there are things that need to be addressed, that they get taken care of. He feels that we have an excellent work force and that they are very meticulous in their jobs.

Commissioner Jamanow believes that the management team of the MUA does an exceptional job and she feels that they handle any situation that comes their way. She doesn't believe that it's the Commissioners role to direct them. She thanked management for the initiative to have the ducts cleaned at the 3 plants. She is appreciative that the engineer projects are making good progress. Commissioner Jamanow mentioned if we should plan to have in-person Board meetings. Chairman Waters would like to review the Governor's policies and discuss it with the Board.

Commissioner Tencza would like for Chairman Waters to speak with Town Council to get their feedback on in-person meetings. He showed appreciation to Asset Management Supervisor Vandenberg for setting up the Zoom meetings and handling the Asset Management contract. He thanked the staff and Board committees for all their hard work. He is glad that the Covid-19 incidents that the Authority has had have been handled accordingly.

Chairman Waters showed appreciation to the Board and the entire staff for their hard work. He gave a special thanks to the Finance Committee for their fantastic job. He looks forward to hearing their recommendations at the September Board meeting. He reminded the Commissioners that if they do communicate with residents to use their

MUA e-mail address. If they have problems getting into that system please notify management and they will assist you.

There was a motion to adjourn by Tencza seconded by Lutner. The meeting was adjourned at 8:58 P.M.

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

MOTION CARRIED: 5-0-0

The next meeting of the Evesham Municipal Utilities Authority is scheduled for September 2, 2020 at 7:30pm.

Christine Krimmel
Executive Administrative Assistant

APPROVED BY THE BOARD: _____