

**MINUTES OF THE REGULAR MEETING OF THE
MOUNT LAUREL TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

November 17, 2016

Chairman Smith called the regular meeting of the Mount Laurel Township Municipal Utilities Authority to order at 7:05 p.m. in the Elbo Lane Water Treatment Plant Facility Meeting Room.

Those in attendance were:

Christopher Smith	Chairman
John Francescone	Vice Chairman (via telephone)
Cheryl Coco-Capri	Secretary
Geraldine Nardello	Member
Elwood Knight	Member

Also in attendance were:

Anthony Drollas	Solicitor
Russell Trice	Consulting Engineer
Pamela Carolan	Executive Director
David Wiest	Finance Director
Robert Adler	Operations Engineer
Neil Grossman	Financial Advisor
Theresa Trumbetti	Stenographer

Chairman Smith announced that the notice requirements of the “Senator Byron M. Baer Open Public Meetings Act” have been satisfied. Annual notice has been transmitted to two newspapers; it has been prominently posted on the Municipal Bulletin Board and filed with the Mount Laurel Township Clerk.

Public Comment

There was no public comment

Minutes

Following a motion made by Ms. Nardello, and seconded by Mr. Knight, the Board unanimously approved the minutes for the October 20, 2016 Regular Meeting, with affirmative votes from Ms. Nardello, Mr. Smith, Mr. Knight, Mr. Francescone and Ms. Capri.

Total votes: 5 ayes, 0 nays, 0 abstentions, 0 absent

Developments/New Connections

No Resolutions.

Operations

Water System Summary

Ms. Carolan noted that there have been 8 water leaks since the last meeting, 2 of which were notable. On Election Day, 1 break occurred near two adjacent polling locations, with much coordination all was worked out and there were 3 breaks yesterday in Birchfield due to fire department personnel training triggering water hammer from a hydrant. Ms. Carolan added that we’re expecting more breaks in the Birchfield area in the coming weeks due to this incident.

Ms. Carolan noted that we are on track to use all of our own allocation and meet all the minimums required from the Willingboro and NJ American contracts. She added that NJ American had to shut down all our supply

sources a few weeks ago in order to make piping repairs. Fortunately we keep the Elbo plant on standby to cover this type of service interruption, as NJ American typically provides over 60% of our water during this time of year.

Regarding Mt. Laurel schools and lead testing in the water supplies, Ms. Carolan said that the BOE began testing the oldest facilities first and that lead was detected at a handful of water fountains, so those are being replaced.

Wastewater System Summary

Ms. Carolan reported that 4 pumping stations are operating outside of normal parameters.

Ms. Carolan also reported that the sludge thickener tank at the sewer plant is being cleaned and repairs are being made to the valves and aerators so the plant is running in a modified operation.

Ms. Carolan noted that last Thursday we had a DEP inspection at the sewer plant – all was okay; however, there was a question regarding the information we obtain from our contract lab. In December, we will be switching to another lab vendor.

Ms. Carolan said there were no force main breaks since the last meeting and the three breaks that occurred all on one day in April 2016 on Hartford Road due to the SCADA contractor/teacup issue, will be reimbursed by our insurance for the \$200K in repairs.

Presentation of Engineer's Status Report

Mr. Trice presented the report.

Country Lane Water Main Installation and Hunter's Pump Station Force Main Replacement

This project included installation of 1,000 LF of new 8" water main and the replacement of the Hunter's pump station force main which includes 1,800 LF of 4" pipe. This contract, in the amount of \$497,450.00, was awarded to DSC Construction, Inc. at the Authority's October 16, 2014 meeting. The new mains have been operational for some time. The filed punch list items have been completed. As-built GIS information was resubmitted again by the contractor and is under review.

Hartford Road WPCF and Elbo Lane WTP SCADA System Improvements

This project includes the replacement of the entire SCADA system at the Hartford Road WPCF and the upgrade of the SCADA system at the Elbo Lane WTP. Allied Control Services, Inc. was awarded the contract in the amount of \$688,705.00 at the Authority's August 2015 meeting; the contract completion date was May 12, 2016. There was no change in status this month on this project. Punch list work and closeout documents remain to be completed at the Hartford Road plant. The new software is running at the Elbo Lane WTP. The connection to Chuck Bernheimer's office remains to be completed.

Birchfield and Timbercrest Pump Stations Level Control System Upgrades

This project includes replacement of the control systems and other electrical equipment at the Authority's Birchfield PS and Timbercrest PS. Scalfio Electric, Inc. was awarded the contract in the amount of \$235,000.00 at the Authority's August 2015 meeting; the contract completion date was February 12, 2016. Both stations are functioning. There was no change in status this month on this project. O & M Manuals, as built drawings and closeout documentation remains to be completed.

St. David Drive Road Water Main Replacement

The project includes the replacement of 4 and 6" water main with approximately 1,700 LF of 8" water main. The contract in the amount of \$414,000.00 was awarded to DSC Construction, Inc. at the Authority's June 16, 2016 meeting. All new water services have been installed and all houses are connected to the new mains. On November 4, the contractor hit and broke a water service which required an additional shutdown of water to the neighborhood. Decommissioning of the old main and the final connection of the new mains remain to be completed. The contractor has indicated that this work will be completed next week.

Wharton Road Water Main Replacement

This project was fast tracked due to the number of breaks during the summer of 2015. Replacement of approximately 240' of 8" main was included in the project scope. A contract was awarded to DSC Construction Inc. in the amount of \$147,242.00 at a special meeting held on September 11, 2015. The new main is installed and in service. GIS as-built information remains to be submitted. We have surveyed the area where ponding on the pavement is occurring and will have a sketch showing the required paving repairs tomorrow or Monday.

East Park and Turnpike Pump Stations Level Control and Electrical Equipment Upgrades

This project includes the replacement of the wet well level control systems and the installation of new electrical equipment at both stations. The contract was awarded to MJF Electrical Contracting, Inc. in the amount of \$215,000 at the Authority's February 18 meeting. The East Park Pump Station is running on the new controls; the new fence and minor site work remains to be completed there. The new pumps that were approved by a change order for the Turnpike Pump Station are scheduled to be delivered in early December. If that occurs, the contractor will be complete with all work by the end of December.

Hartford Road WPCF UV Tank Slide Gate Replacement

The purpose of this project is to replace slide gates at the UV tank which are used to isolate the UV4000 and UV3000 systems and to replace the structure which houses the UV controls. KRS Services, Inc. was awarded the contract in the amount of \$138,169.00 at the Authority's April 2016 meeting. All flow will be stopped to the UV tank Saturday night so the contractor can install bulkheads to isolate the UV channel and install the new slide gates. The contractor must have the new gates installed and manually operable in 2 weeks.

FY-2016 Pump Station Painting

The scope of this project includes corrosion control painting of interior and exterior surfaces and piping at the Amberfield, College, Holiday Village East and Stonegate pumping stations. Pro-Spec Painting, Inc. was awarded the contract in the amount of \$77,080.00 at the Authority's April 2016 meeting. The contractor is correcting the painting deficiencies at the Stonegate pump station today and will continue with Holiday Village pump station tomorrow and the College pump station next week.

Grant Avenue and St. Andrews Drive Water Main Replacements

This project includes two areas of water main replacements: 1. approximately 990 LF of 6" CIP with 8" DIP and 350 LF of 10" CIP water main on Grant Avenue including the replacement of multiple valves and hydrants on Grant, Cornwallis and Amsterdam, and approximately 1,140 LF of 4" CIP with 6" DIP water main on South St. Andrews Drive from Ramblewood Parkway to the end of St. Andrews Court. RTW Construction, Inc. was awarded the contract in the amount of \$667,155.00 at the October 2016 meeting. The preconstruction meeting was held and the contractor anticipates starting work in late December.

Hartford Road Force Main Connection Replacement- Phase I

This project includes the replacement of approximately 3000' of 24" DIP force main in Hartford Road between Union Mill Road and the Route 38 ROW, and the installation of approximately 4000' of 2" PVC low pressure force main. The contract drawings are approximately 90% complete and the specs are approximately 80% complete. Soil borings are scheduled to be performed on November 28 and the corrosion investigation work on December 5 and 6. The Treatment Works Approval application will be submitted next week.

Hartford Road WPCF Pump Station Upgrade

This project will include the installation of new pumps, level controls, VFD motor controls, piping and valves to facilitate by-passing of the station, and new ladder and bar screen basket at a pump station located at the treatment plant. A flow meter was installed to verify the inflow to the station and properly size the new pumps; however, due to ongoing plant maintenance work the flows currently entering the station are not representative of typical conditions which will delay the investigation.

Well No. 3 Well Redevelopment and Pump Replacement

Specifications for the well redevelopment and pump replacement have been completed. The contract will be advertised for bids when directed by the Authority.

Closed Session

A motion was made by Ms. Nardello, seconded by Mr. Francescone, voted on and unanimously approved to pass Resolution 2016-11-123 to close the meeting to discuss Regulatory Matters, Litigation and Potential Litigation, which are exempt from open meetings under the Sunshine Law, at 7:25 p.m.

Total votes: 5 ayes, 0 nays, 0 abstentions, 0 absent

Regulatory Matters, Litigation and Potential Litigation – SEE CLOSED PORTION II OF MEETING

The meeting was re-opened at 7:37 p.m., following a motion made by Ms. Nardello, and seconded by Ms. Capri and with unanimous agreement from Mr. Francescone, Ms. Capri, Mr. Smith, Mr. Knight and Ms. Nardello.

Contracts

Following a motion made by Ms. Capri, and seconded by Mr. Knight, the Board unanimously approved Resolution No. 2016-11-124 Resolution Authorizing Change Order #3 for Turnpike & E. Park Pumping Station Level Control Upgrades Contract No. 2015-18 in the amount of \$4,646.00, bringing the total contract amount to \$240,484.07, with affirmative votes from Ms. Nardello, Ms. Capri, Mr. Francescone, Mr. Knight and Mr. Smith.

Total votes: 5 ayes, 0 nays, 0 abstentions, 0 absent

Accounting and Financial

Following a motion made by Ms. Capri, and seconded by Ms. Nardello, the Board unanimously approved Resolution No. 2016-11-125 Resolution Concerning Review of Annual Report and Group Affidavit, with affirmative votes from Ms. Nardello, Ms. Capri, Mr. Francescone, Mr. Knight and Mr. Smith.

Total votes: 5 ayes, 0 nays, 0 abstentions, 0 absent

Resolution No. 2016-11-126 Resolution Regarding Corrective Action Plan Adopted in Response to Annual Audit Report for Fiscal Year ending June 30, 2016.

Mr. Wiest said there is no plan required - this is simply a place holder resolution.

Presentation by Neil Grossman, Financial Advisor

Mr. Wiest referred to the MUA's fiscal planning model (FPM) which was displayed on a projector screen and demonstrated for members that have not seen it previously and as a refresher for those who have.

Mr. Wiest said that Mr. Grossman is asked to update the model 2 times per year, after the budget is adopted and audit work is completed.

Mr. Wiest reviewed the FPM with the Board and explained that it allows assumptions to be input in order to generate limitless "what-if" scenarios when projecting current and future fiscal needs and activities. Executive Inputs and Outputs display the financial impacts of assumptions concerning inflation rates on expenses, customer account growth, decreasing dependence on connection fee revenues, etc. The FPM also contemplates debt service payments, new bond issue assumptions, capital expenditures and such.

Mr. Grossman explained that the model is primarily expense based, making assumption on inflation of expense items.

Mr. Grossman noted that you can also see the financial impact if rates are increased, especially on the general fund balance and it will indicate if required coverage rates are met, in addition to indicating if both utilities, water and sewer, are self-sustaining.

Mr. Wiest noted that the current model indicates there is no immediate need for a rate increase until 2018, based on reasonable assumptions we can make today.

Ms. Carolan explained that the Board can authorize a multi-year rate increase, which is what has historically been the case, most recently for the period 2008 – 2013. There has been no rate increase since 2013.

Mr. Wiest noted that if the Board decided to change connection fees rates or any ancillary fees, it would require a public hearing and Mr. Wiest suggested that the Board proceed with that in the next few months for connection fees and ancillary fees.

Mr. Wiest said it is necessary now to increase the connection fees and noted that the last increase was in 2008.

Following a motion made by Ms. Nardello, and seconded by Mr. Knight, the Board unanimously approved the Treasurer's Report for September 2016 and Payment Plan Status Report for October 2016, with affirmative votes from Ms. Capri, Ms. Nardello, Mr. Francescone, Mr. Knight and Mr. Smith.

Total votes: 5 ayes, 0 nays, 0 abstentions, 0 absent

Following a motion made by Ms. Capri, and seconded by Mr. Francescone, the Board unanimously approved Requisition #565 in the Amount of \$1,132,466.30 approving Accounts Payable Vouchers, with affirmative votes from Ms. Capri, Ms. Nardello, Mr. Francescone, Mr. Knight and Mr. Smith.

Total votes: 5 ayes, 0 nays, 0 abstentions, 0 absent

There are no payments from the Acquisition and Construction account this month.

Following a motion made by Mr. Knight, and seconded by Ms. Capri, the Board unanimously approved Requisitions #3521 through #3548 in the amount of \$111,659.92 from the Renewal and Replacement List, with affirmative votes from Ms. Capri, Ms. Nardello, Mr. Francescone, Mr. Knight and Mr. Smith.

Total votes: 5 ayes, 0 nays, 0 abstentions, 0 absent

Comments:

Ms. Carolan noted that the Mayor has just alerted her to an issue in Spring Valley Estates regarding meter change outs and subsequent billing confusion and alleged billing inaccuracies that is appearing on social media.

Ms. Carolan said that one of the neighbors has agreed to post an explanation.

Ms. Carolan said we will communicate better with the customers on meter change outs and will attempt to get ahead of social media where possible to alleviate mass concerns.

Mr. Wiest noted that Jane is re-sitting for the QPA exam in December.

Following a motion made by Ms. Capri, seconded by Mr. Knight, and with unanimous agreement from the members, the meeting was adjourned at 8:31 p.m.