

**MINUTES OF A SPECIAL MEETING OF THE
MOUNT LAUREL TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

April 28, 2016

Chairman Smith called the special meeting of the Mount Laurel Township Municipal Utilities Authority to order at 7:06 p.m. in the Elbo Lane Water Treatment Plant Facility Meeting Room.

Those in attendance were:

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

Also in attendance were:

Anthony Drollas	Solicitor
Russell Trice	Consulting Engineer
Pamela Carolan	Executive Director
David Wiest	Finance Director
Robert Adler	Operations Engineer
Charles Bernheimer	Operations Director

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

Public Comment

None.

Accounting and Financial

- Discussion regarding the 2016 appropriation request from Mount Laurel Township.
 - Mr. Wiest reviewed the State Budget Form F-8. He noted that the water department, once again, is not expected to produce results that will allow it to contribute to the appropriation. He added the maximum appropriation from the sanitary sewer budget is \$374,070, and that is the recommended appropriation to the township.

- Discussion of authority water and sewer budgets
 - Mr. Wiest discussed the operating budget first
 - He noted that line items with large changes from the FY 2016 budgets are repairs and maintenance in the collection system and chemical purchase.
 - Mr. Francescone inquired about electric costs. Mr. Wiest replied that we are currently in a 4-year 3rd party supply contract with Constellation Energy. Our PSE&G rates are budgeted to increase 3.5% based on recent news reports, however part of that increase will be offset by the Authority increasing its committed load shedding agreement with Energy Curtailment Services.
 - Mr. Wiest noted the major changes in the capital budget
 - A multiple year project to replace a section of the sanitary force main on Hartford Road is now included at an estimated cost of \$7M.

- When including the sanitary force main on Hartford Road and multiple pump station rehabs / rebuilds, projections for new debt to finance these projects amount to \$16M over the next 5 year period.
- Mr. Francescone asked about existing debt. Mr. Wiest indicated that as of June 2015 it was ~\$21M, with \$2M being short term debt.
- Mr. Francescone also inquired about interest rates on debt, and Mr. Wiest replied that they are good as all remaining debt is via the NJ Environmental Infrastructure Trust loan program. This program creates loans which are, when taken together, equal to essentially half market rate. There was also some discussion regarding debt capacity, debt service cover and the potential for billing rates to be adjusted.
- Mr. Carolan added that this proposed budget does not contemplate results of T&M Associates' study and recommendations on the force main system. Mr. Adler noted that those results are not expected for another 6 months.

Following a motion made by Mr. Francescone and seconded by Ms. Nardello, the Board unanimously approved Resolution No. 2016-04-61 Resolution Endorsing Modification of Renewal and Replacement Reserve Fund, with affirmative votes from Mr. Knight, Ms. Capri, Ms. Nardello, Mr. Francescone and Mr. Smith.

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

Following a motion made by Mr. Knight, and seconded by Ms. Capri, the Board unanimously approved Resolution 2016-04-62 Resolution Approving Authority Budget for Water Service and Facilities for Fiscal Year from July 1, 2016 to June 30, 2017, with affirmative votes from Mr. Knight, Ms. Capri, Ms. Nardello, Mr. Francescone and Mr. Smith.

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

Following a motion made by Mr. Francescone, and seconded by Ms. Nardello, the Board unanimously approved Resolution 2016-04-63 Resolution Approving Authority Budget for Sewer Service and Facilities for Fiscal Year from July 1, 2016 to June 30, 2017, with affirmative votes from Mr. Knight, Ms. Capri, Ms. Nardello, Mr. Francescone and Mr. Smith.

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

Comments:

Mr. Wiest requested that the Board move the May meeting from the 19th to the 26th, giving the state more time to go through their budget approval process in order for the MUA to consider budget adoption on May 26th. The board approved changing the May meeting to the 26th at 7PM in the conference room at 81 Elbo Lane.

Mr. Francescone inquired about the sewer studies for the Rancocas Woods area. Ms. Carolan and Mr. Trice summarized the previous studies.

Following a motion made by Ms. Nardello, seconded by Mr. Francescone, and with unanimous agreement from the members, the meeting was adjourned at 7:44 p.m.