

## MINUTES of the Lower Township MUA

Meeting date: October 6, 2021

**Call to order:** A regular meeting of the Lower Township MUA, was held at 2900 Bayshore Road, Villas, NJ, 08251. The meeting convened at 5:00pm.

*Via Zoom Conference and In Person*

### PRESENT: Board Members

Brian O'Connor  
Jacqueline Henderson  
Harrison Bitting  
Marc Lambert  
Karen Rechner

### ALSO, PRESENT:

Sharon Otto	Board Secretary
Michael Chapman	Executive Director
James Oris	Engineer R & V
Stephen Testa	Financial Consultant
William Kaufmann	Parker Mc Cay P.A.

Call to Order  
Determination of Quorum  
Sunshine Law

Mr. O'Connor asked the public if there were any questions on the Consent Agenda  
There were none.

### CONSENT AGENDA

1. Approval of Minutes: September 1, 2021 regular minutes, closed session
2. Approval of Bills
  - a. **Resolution No. 102-2021** \$49,998.94 Operating Account (Authorizes payment of operating expensed up to \$50,000)
  - b. **Resolution No. 103-2021** \$193,867.78 Excess operating account (Authorizes payment of operating expenses in excess of \$50,000)
3. **Resolution No. 104-2021** Authorizing Transfer from Sturdy Savings Capital Improvement Fund Account to Sturdy Operating Account. For payment of **Water** Capital items in the amount of \$103,871.14.
4. **Resolution No. 105-2021** Authorizing Transfer from Sturdy Savings Capital Improvement Fund Account to Sturdy Operating Account. For Payment of **Sewer** Capital items in the amount of \$653,203.03.

**Resolution No. 106-2021** Customer Change Resolution Approving Reductions to Accounts  
Motion was made by Mr. Bitting for the approval of the Consent Agenda and seconded by Mrs. Henderson Motion **carried**.

Mr. O'Connor asked the public if there were any questions on the Regular Agenda, there were none.

## REGULAR AGENDA

1. **Resolution No. 107-2021** Ratifying the Late Introduction and Submission of the 2021-2022 Fiscal Year Budget.

Motion was made by Mrs. Rechner for the approval and seconded by Mr. Bitting Motion **carried**.

2. **Resolution No. 108-2021** Awarding Contract to P & A Construction Inc., for the Del Haven Water Main Extension Project in the amount of \$9,973,266.00.

Motion was made by Mr. Bitting for the approval and seconded by Mrs. Henderson Motion **carried**.

3. **Resolution No. 109-2021** Awarding Contract to Polydyne, Inc for Furnishing and Delivery of Clarifloc

Motion was made by Mr. Lambert for the approval and seconded by Mrs. Henderson Motion **carried**.

4. **Resolution No. 110-2021** Award of Sodium Hypochlorite for 2021-2023 to Miracle Chemical Company.

Motion was made by Mrs. Rechner for the approval and seconded by Mr. Bitting Motion **carried**.

5. **Resolution No. 111-2021** Hiring of an Assistant Water Superintendent

Motion was made by Mrs. Henderson for the approval and seconded by Mr. Bitting Motion **carried**.

Mr. O'Connor spoke about the employees to be promoted and their dedication to the MUA.

6. **Resolution No. 112-2021** Promotion of Employees from Laborer 1 to Laborer 2.

Motion was made by Mrs. Rechner for the approval and seconded by Mr. Lambert Motion **carried**.

Mr. O'Connor stated that Mr. Nelson, GIS, has done an extraordinary job for the MUA with the Vacuum Sewer project ultimately saving the Authority thousands of dollars. He goes above and beyond his job.

7. **Resolution No. 113-2021** Approval of GIS Employee Compensation Increase.

Motion was made by Mrs. Henderson for the approval and seconded by Mr. Lambert Motion **carried**.

8. **Resolution No. 114-2021** Awarding Contract to Redzone Robotics, Inc. for Sewer Interceptor CCTV, Sonar and Lidar Multi-Sensor Inspection Services Contract.

Motion was made by Mr. Bitting for the approval and seconded by Mrs. Henderson Motion **carried**.

### **Presentation By Stephen P. Testa, CPA, RMA, Romano, Hearing, Testa & Knorr**

Michael Chapman virtually met with Mr. Testa and Mr. Kiel to review the proposed 2021-2022 budget amounts. The budget documents were completed which the Authority will introduce tonight and then they will be forwarded to the NJ Division of Local Government Services for their review. Once reviewed by the Division and approved the Authority will be able to finally adopt the budget. The Budget must be adopted prior to the beginning of the Authority's fiscal year; therefore, adoption will take place at the November meeting. Mr. Testa provided the Board members with a summarized budget comparison and the proposed 6-year capital program. The Budget as introduced does not include any rate increases. Mr. Testa review the Capital Program. The Sewer Capital Plan included the remaining Treatment Plant improvements recommended by the Authority's Engineer, rehab of pumping stations, Collection System

Improvements including sanitary sewer main replacements and expansion of the sewer system and operating equipment. The Water Capital Plan included operational improvements, rehab of various wells, storage Tank painting and rehab, water main installation and extension of mains, including Middle Township (Del Haven), water main and valve replacements and operating equipment. It therefore addresses continuing the water main replacements as required by the Water Accountability Act. We continue to finance as much of our capital program as possible out of current revenues and existing net position to avoid as much interest costs as possible. The larger projects as the Sewer Vacuum System and the Middle Township Water Extension are however, projected to be funded through the issuance of Bonds. The Bonds or Notes will be funded through NJEIT (I Bank) so the interest rates will be the best available. There are two resolutions pertaining to the introduction of the budgets on the agenda this evening. One is a "late introduction and submission" of the budget. Because of the timing of the Authority's meetings, the budget is being introduced 6 days after the due date. Note this happens very year and has never been a problem. The other Resolution is No. 115-2021, the introduction of the 2021-2022 Sewer and Water Operations Budgets. This resolution reflects the following:

Sewer Revenues \$5,216,300, Sewer Appropriations \$5,296,300 and utilization of Net Position of \$80,000. The Authority has sufficient net position available to utilize that amount in the budget and it reflects the Township appropriation which is required to be funded from net position as opposed to current revenues. Sewer Capital Appropriations are \$13,125,500.

Water Revenues \$3,835,200, Water Appropriations \$3,915,200 and utilization of Net Position of \$80,000. Again, the Authority has sufficient net position available to utilize that amount in the budget and it reflects the Township appropriation. Water Capital Appropriations are \$8,945,500.

There were not questions on the Budget from the Board.

9. **Resolution No. 115-2021** Introducing the 2021 Authority Budget for the Fiscal Year December 1, 2021 to November 30, 2022.

Motion was made by Mr. Bitting for the approval and seconded by Mr. Lambert Motion **carried.**

## **Administrative Reports**

### **Solicitor- Mr. Kaufmann**

The Del Haven water expansion project agreement has been finalized with Middle Township. The Wildwood interconnect is not to be included at this time in the project. The new rate agreement for Middle Township was sent to the clerk for approval. The bid for the project was reviewed and recommended for award at tonight's meeting. The chemical bids were reviewed and the resolutions prepared to be passed tonight. Though Miracle Chemical was not the low bidder the low bided submitted exceptions, though allowed, it could put the Authority in jeopardy if non performing product was delivered. Mr. Kaufmann also prepared the employee resolutions for tonight.

### **Engineer- Mr. Oris**

The master water permit renewal has been completed. The Sanitary Sewer and Cleaning will now be done without the bypass pumping previously required. Mr. Oris explained the type of video's used by RedZone Robotics. The Bayshore Water Main Replacement Phase II is in final closeout.

**Mr. Loper, Superintendent**

Nothing to report

**Executive Director- Mr. Chapman**

Mr. Chapman stated that he is thrilled to have Mr. Pierce. He explained that he is planning for back up personnel for the future retiring employees as discussed with the Personnel Committee. Team leaders will be set up for both water and sewer to help formulate backups for personnel. Mr. Chapman met with Mr. Testa to prepare the budget. Chemical cost increases were reviewed and new hires to be included in the next budget. Mr. Chapman stated that Mr. Nelson has done a great job in the GIS department. He has played a very large part in the vacuum sewer project. He then reviewed the progress of the sewer project with the Board and a discussion ensued.

The MUA received the sewer bill for Shawcrest from the County MUA and it has increased significantly. The Shawcrest Trailer Park has been sold and Mr. Nelson has discussed with the new owner the findings of problems with the sewer lines. The new owner is having the problems fixed within 90 days. If they are not fixed the rates need to be increased to meet the new charges set by the County MUA. Mr. Chapman discussed the piping shortage with the contractor for the Del Haven Water Project and he stated that they have already experienced an increase in the quoted price and are waiting for the pipes to arrive sometime in December or January. Mr. Chapman stated that there is a large amount of excavation dirt stored in the back of the plant he would like Mr. Kaufmann to look into the legality of removing it or giving it away.

Mr. Henderson asked how the traffic detours have been working.

Mr. Chapman stated that many residents are driving too fast on the detoured streets and example was Charles Ave to bypass Fishing Creek.

**Call to the Public**

Marion Doyle, 447 Sheridan, asked if the vacuum sewer project started. Mr. Chapman stated that it indeed has begun. He explained it will take up to eight months from now to have her property hooked into the new system. He clarified that when the lines are ready for connection the residents in that area will receive a certified letter.

Mrs. Doyle then thanked every one on the Board very much for all their help and time in getting sewer to her area. She asked how long will the return be for the MUA. Mr. Chapman said that it will take at least 75 years before the MUA has any return on the cost of the sewer, unfortunately this is not a profitable business and if we were a private company the project would never have even been contemplated.

Mr. Gandy from Middle Township, online, Mr. Gandy thanked the MUA for the Del Haven Water Project to provide the much-needed water for the residents. He also stated that they have used the Red Zone Company and they are a good company to work with.

**Comments from the Board**

none

Motion made by Mr. Bitting to close and seconded by Mr. Lambert

**Meeting closed at 6:05 pm**