



**Lambertville Municipal Utilities Authority
Regular Meeting Minutes
Tuesday, April 3, 2018, 6:00 PM
Lambertville Wastewater Treatment Facility,
Lambert Lane Extended**

The meeting was called to order at 6:03 p.m. by Mrs. MacGregor with a statement of compliance with the Open Public Meetings Act, providing the required legal notice published on Thursday, February 15, 2018 to The Hunterdon County Democrat and also noticed The Trenton Times. A copy of the agenda and minutes were posted on the bulletin board and web site of the LMUA and the City of Lambertville.

Roll Call.

Mrs. Ege called the roll as follows:

LMUA Board:

Present: Janine MacGregor- Chairperson, Paul Rotondi-Treasurer, Russell Lambert Alternate-1, Megan Ruf-Alternate-2 and C. Gregory Watts-Attorney, Watts Tice & Skoronek

Absent: Vincent Uhl-Vice Chairperson, Robert Hayes-Secretary & Joseph Polizzi-Member

Also Present: Thomas F. Horn, P.E.-Executive Director, Kathy Leary-CFO

Pledge of Allegiance.

Mrs. MacGregor led the public in the Pledge of Allegiance.

Minutes.

The regular minutes of the March 6, 2018 meeting were approved in a motion made by Mr. Rotondi. Mr. Lambert seconded the motion. An affirmative roll call was taken in favor of the motion by all members present except for Mrs. Ruf who abstained as she was absent. MOTION CARRIED

Public Comment.

There were no members of the public in attendance.

Correspondence.

1. 47 & 49 Swan Street-Capacity Verification was approved in a letter dated March 8, 2018 for two additional residential units. Permits were originally purchased and approved on February 22, 2008 however since the units did not connect to the system prior to the rate change they will be responsible for the difference of \$1,816 per unit prior to connection into the system.
2. NJ DEP Compliance Inspection: The DEP inspector was out on March 15th for the routine annual inspection. There were some minor issues of concerns noted on their response letter dated March 23rd. One of the main issues was that the laboratory failed to collect a second semi-annual sample by December 31st to comply with one of our NJ DEP permit requirements. The Authority will put together their response letter once all of the issues have been addressed.

Mr. Horn feels that the laboratory quality control had been degrading and becoming more and more unreliable. He will begin researching alternative laboratories.

Chairpersons Report.

Mrs. MacGregor had nothing new to report.

Engineers Update– CDM Smith, Inc.

Our Engineer had nothing new to report.

Executive Directors Report – Thomas Horn.

APRIL 2018 OPERATIONS & MAINTENANCE:

Mr. Horn updated the Board on the following and reported no major issues of concern at the treatment plant over the past month. Sludge was hauled to Stony Brook for treatment on Friday, March 30th while ACUA was shut down for biannual maintenance. Tanks were drained as part of our biannual maintenance.

COLLECTION SYSTEM: Repairs will need to be made to the main on North Union Street.

ODOR ISSUES: The Authority did not receive any calls in March.

REGULATORY ISSUES: No response has been received in regards to the discharge permit.

Local Limit Analysis: No change.

ADMINISTRATIVE ISSUES:

Confined Space Shared Services Agreement: The Board sent the updated agreement to the Fire Commission on March 6 for their review and response. There are no updates on this.

S. Franklin Street Water & Sewer: No update.

City Summer Event: The Mayor asked that the LMUA to cover the costs of two comfort stations for two separate events in the summer. Mr. Horn said that the costs should be minimal as they will only need a couple at each event. The Board after a short discussion agreed to cover the costs for the comfort stations.

SWAN STREET P.S. RESILIENCY PROJECT: Mr. Horn had nothing new to report.

NJ MEL Training Memo. 2018 Elected Official training through our insurance is now available. Instructions have been emailed and printed for the Board. For each member who completes the online training the Authority will receive \$250 off their premium. This needs to be completed by May 1st to receive the credit.

Financial Disclosure Statement Memo. Authority members, office staff, legal and engineer appointees can begin to file on April 6th. All statements are to be submitted to the DCA by April 30th.

Swan Pump Station Memorandum.

Mr. Horn will have a summary of total project costs for the May meeting. Staff continues to work on cleanup of old materials and equipment. The contractor for the controls will be out Wednesday to make some final adjustments. Final startup of the generator was done March 19th after the manufacturer was out to fix some issues. The Authority can now began monthly testing of the generator.

Once final payment has been made and FEMA has been out to inspect we can start the closeout documents for reimbursement.

Swan and Main Streets Sewer Issues.

Mr. Horn has prepared a memo on backup issues that have occurred periodically on S. Main Street. The Mayor had received a complaint about a week ago in regards to this. Mr. Horn explained that the backups are due to higher than normal flow from Swan Street following a major rain event which prohibits S. Main Street from flowing into the Swan Street sewer main.

The last incident to occur was on February 11, 2018 which affected one resident at 61 S. Main St. Our insurance has been in touch with the resident to inquire on some additional information.

Mrs. Ruf is a resident on S. Main Street and had made the call on behalf of her neighbor who had the sewer backup. She explained that this is a consistent issue and recalled numerous occurrences since she has moved to the area. Many residents are concerned and would like to know how that the Authority is putting together a plan of action.

Mr. Horn explained that the Utility Personnel have been investigating the cause of the high flows on Swan Street and will continue to inspect the main using our TV camera to find the source of the extra flow. He has included a copy of the sewer map showing the area of Cottage Hill and how this all converges into the Swan Street main. He further explained that he believes that there are certain problem areas where rain water could be infiltrating our sewer main.

Mrs. MacGregor requested that the Authority make this problem a priority and begin TV inspections on Cottage Hill as soon as the camera is repaired. Once the Authority can pinpoint problem areas that need to be replaced the Authority will put together a plan with some goals and dates. The issue will continue to remain on the agenda until resolved.

Proposed 2019 Budget Memo.

Mr. Horn has prepared the included memo dated March 29, 2018 outlining the FY 2019 proposed budget.

Overall the budget shows an increase of \$112,322 which is largely due to adding the City contribution into the operating budget. The other main contributors in the operating budget are an increase in dept service, pension, health benefits and sludge hauling and treatment. The Authority will continue to see savings from sodium hypochlorite and polymer.

Mrs. MacGregor discussed the proposed improvements included in the Capital Budget in detail with the Board. Mr. Horn has budgeted a significant amount to begin repairs to our collection system. Other improvements included replacing the doors at the Swan pumping station, replacement chains and flight for the second primary clarifier, replace roofs on control building and belt press/ garage building and install the bioxide pad, electric &

pipng at the N. Union St. pump station . Mrs. Ruf recommended we look into a few contractors from the area to get the best possible price to replace the roofs. Mr. Horn said that because the cost of the roof replacement would be over the bid limit we would need to do a formal bid for this job or use a cooperative agreement.

Mrs. MacGregor asked what the Authority can manage with our current capital funds. Mr. Horn explained that due to finishing the Swan P.S. project we would not be in a position to begin work on these in the near future.

He recommended that the financial advisor come out to the May Board meeting to discuss possible alternate funding ideas so as to facilitate the improvements sooner rather than spread out over the course of five years.

Mrs. MacGregor asked for a projection of Capital funds for the following budget year as well as a projected five year to review at the May meeting. In order to be financially secure we need to see a more long term plan.

At this time Mr. Horn recommended that the Board having finished their review of the Budget move Resolution 023-2018 to introduce the 2019 Budget.

RESOLUTION 023-2018 *Introduction of the 2019 Budget*

WHEREAS, the Annual Budget and Capital Budget for the Lambertville Municipal Utilities Authority for the fiscal year beginning, July 1, 2018 and ending, June 30, 2019 has been presented before the governing body of the Lambertville Municipal Utilities Authority at its open public meeting of April 3, 2018; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$2,033,059, Total Appropriations, including any Accumulated Deficit if any, of \$1,957,181 and Total Unrestricted Net Position utilized of \$273,000; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$273,000 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$273,000; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2 does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Lambertville Municipal Utilities Authority, at an open public meeting held on April 3, 2018 that the Annual Budget, including all related schedules, and the Capital Budget/Program of the Lambertville Municipal Utilities Authority for the fiscal year beginning, July 1, 2018 and ending, June 30, 2019 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the Lambertville Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on June 5, 2018.

Governing Body	Recorded Vote			
Member	Aye	Nay	Abstain	Absent
Janine MacGregor	X			

Vincent Uhl		X
Robert Hayes		X
Paul Rotondi	X	
Joseph Polizzi		X
Russell Lambert	X	
Megan Ruf	X	

Mrs. MacGregor made a motion to introduce the proposed 2019 Budget as submitted by Mr. Horn. Mr. Rotondi seconded the motion. An affirmative roll call was taken by all members present. MOTION CARRIED

Resolution 024-2018 was tabled until after the budget is approved by the DCA.

RESOLUTION 025-2018 *Authorizing an Electric Supply Service Agreement for the SHREC*

WHEREAS, the South Hunterdon Renewable Co-Op (SHREC) executed formal request for proposals for the supply of electric and gas through a reverse auction advertised on March 6, 2018; and

WHEREAS, SHREC held the auction on March 20, 2018 where East Coast Power & Gas of New Jersey (Supplier) was accepted as the lowest and most responsive bidder for electric supply only; and

WHEREAS, SHREC is authorized to enter into an Electric Supply Service Agreement (Agreement) by its governing board through the adoption of a resolution authorizing such participation and acceptance as the result of competitive public bidding pursuant to Local Public Contracts Law, N.J.S.A. 40A:11 et seq.: and

WHEREAS, the Agreement will commence with the first meter read date in June 2018 and shall remain effective until the termination date which is the first meter read date in June of 2020 or the date upon which this Agreement is terminated pursuant to Article VI hereto attached; and

NOW THEREFORE BE IT RESOLVED by the Commissioners of the Lambertville Municipal Utilities Authority, State of New Jersey that the Electric Supply Service Agreement with East Coast Power & Gas for a 24 month term at a rate not to exceed \$0.07847 kWh is hereby approved in substantially the form attached hereto.

BE IT FURTHER RESOLVED that David M. DelVecchio, Mayor of the City of Lambertville as the Lead Agent for the South Hunterdon Renewable Energy Co-Op is authorized and directed to sign the Agreement.

Governing Body Member	Recorded Vote			
	Aye	Nay	Abstain	Absent
Janine MacGregor	X			
Vincent Uhl				X
Robert Hayes				X
Paul Rotondi	X			
Joseph Polizzi				X
Russell Lambert	X			
Megan Ruf	X			

Mr. Rotondi made a motion to authorize Mayor DelVecchio to sign the SHREC agreement for the supply of electricity for a 24 month period not to exceed \$0.07847 kWh. Mr. Lambert seconded the motion. An affirmative roll call was taken by all members present. MOTION CARRIED

Chief Financial Officer's Report - Kathy Leary.

Mr. Rotondi made a motion to approve the bill lists for March. Mr. Lambert seconded the motion. An affirmative roll call was taken in favor of the motion by all members present. MOTION CARRIED.

Attorney's Report – Greg Watts.

Attorney Watts had no issues of concern.

Adjournment.

The meeting adjourned at 7:08 p.m. with a unanimous voice vote taken by all members present. MOTION CARRIED.

Respectfully submitted,

Melissa S. Ege

Melissa S. Ege,
Administrative Assistant

Approved at the regularly scheduled Lambertville MUA Board meeting held on June 5, 2018.