



**Lambertville Municipal Utilities Authority  
Regular Meeting Minutes  
Tuesday, May 1, 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, Vincent Uhl-Vice Chairperson, Paul Rotondi-Treasurer, Robert Hayes-Secretary & Joseph Polizzi-Member

Absent: Russell Lambert Alternate-1 & Megan Ruf-Alternate-2

Also Present: Thomas F. Horn, P.E.-Executive Director, Kathy Leary-CFO, C. Gregory Watts-Attorney, Watts Tice & Skoronek and Josh Nykita from Acacia Financial Group

### **Pledge of Allegiance.**

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

### **Minutes.**

**The regular minutes of the April 3, 2018 meeting did not get approved as the majority of members present were absent at the April meeting. MOTION FAILED**

### **Public Comment.**

There were no members of the public in attendance.

### **Correspondence.**

1. Odette's New Hope, PA-Capacity verification dated April 12, 2018 for the addition of 35 EDU's to the existing restaurant banquet and inn.
2. Logan Inn, New Hope, PA- Capacity verification dated April 17, 2018 for the expansion of an existing restaurant and inn.
3. 172 York St.-Connection fee request dated April 18, 2018 was sent to the owner requesting payment of the permit fee.
4. 80, 82 & 84 Wilson St.-Connection fees request dated April 18, 2018 for three sewer connections was sent to the owner requesting payment of the permit fee.

5. Memo: Sewer capacity for the old High School property was confirmed in a memo to the City dated April 24, 2018. Mr. Horn confirmed enough capacity for the proposed addition of 200 units at the treatment plant but further investigation would be needed to ensure collection system capacity. The City would like to obtain the property through eminent domain to fulfill COAH requirements.
6. Swan P.S.: Request for reimbursement for the Hazard Mitigation Grant was submitted online through the NJOEM Grants portal on April 26, 2018. The total reimbursement amount anticipated is \$75,000. Our FEMA representative was out to do the final inspection.

### **Chairpersons Report.**

Chairwoman had nothing new to report.

### **Engineers Update– CDM Smith, Inc.**

Our Engineer had nothing new to report.

### **Financial Advisor Report.**

Mr. Horn reviewed the Authority's Capital Fund balance and discussed the proposed FY2019 Budget with the Board. He explained that due to the recent rate increase the revenue is up over our total expenses by about \$20,000. However the Authority would not be able to afford another big project for a few years until the Capital Balance was built back up.

Our Financial Advisor, Josh Nikyta from Acacia Financial Group was in attendance to discuss alternative funding through NJIB, (previously known as NJEIT) as there are three major projects that need to be addressed in the near future as well as a number of smaller projects.

### **Proposed Capital Plan Memo.**

As outlined in Mr. Horn's Capital Plan Memo & supporting spreadsheets, there is a list of recommended projects over the course of five years. The priority projects out of this total list include major repairs to our collections system, replacing the roof at the main treatment plant and repaving the parking lot and driveway.

The Board reviewed the first sheet in detail and discussed total proposed capital projects currently on our five year Capital Plan. However the Authority would not be able to afford all that needs to be done within the five year period out of our Capital Fund. Mr. Horn, after an initial investigation with NJIB asked Mr. Nikyta to prepare a cost analysis summary sheet showing outstanding debt service with the addition of new projected 2020 financing.

Mr. Horn explained that the second sheet shows his recommendation if the capital projects were done over a two year time span funded through NJIB. In order to qualify for NJIB funding the Authority would need to implement each fiscal year work planned to comply with project construction policy. If the Authority were to shorten the project time from five to two years the loan would be more feasible and cost efficient. Mr. Horn explained that another benefit to borrowing from the NJIB is that we would be eligible for a NJDEP grant to develop an asset management plan.

Mr. Horn and Mr. Nikyta explained the NJIB loan program in detail with the Board. The Board reviewed the spreadsheet titled *Summary of Outstanding Debt Service with 2020 NJIB Permanent Financing* with Mr. Nikyta. There were a number of questions and concerns regarding the payback period of the existing loans and the proposed loan. It is Mr. Nikyta's opinion that this is the best possible loan for financing major projects. The Board would like to make the necessary repairs needed by funding them in the most economical way so as to remain responsible to our rate payers. Mrs. MacGregor feels the Authority needs to know what this will do to our reserves and how it will then in turn, reflect on the user rates. The Board would like to build a long term revenue plan to be able to maintain a stable capital fund for feature projects.

The Board, after a lengthy discussion asked that Mr. Nikyta prepare an analysis for the June 5<sup>th</sup> regular meeting showing the effect of a new loan against our projected revenue and expenses.

### **Executive Directors Report – Thomas Horn.**

#### **MAY 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.

#### **Collection Systems Work Memo.**

Mr. Horn advised the Board that the staff has began inspecting our sewer collection system beginning with the area located on Cottage hill. So far, he recommends replacing two sections of mains located on N. Union Street. One is between Delevan and York Streets. The second line to be replaced is between Bridge and Church Streets. Mr. Horn has found a contractor who may be able to install a liner in the mains as a fix for infiltration. He will investigate this further and figure out reliability and cost.

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

**REGULATORY ISSUES:** Continued monitoring of the biofilter and carbon unit.

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

**Local Limit Analysis:** No change.

#### **ADMINISTRATIVE ISSUES:**

**Confined Space Shared Services Agreement:** A fully signed agreement had been received.

**S. Franklin Street Water & Sewer:** No update.

**FY 2019 budget:** The budget has been sent to the DCA for review.

**Swan Pump Station:** Final inspection by FEMA was done and our reimbursement submitted. The HVAC contractor will be out to finish a couple small projects but all other work has been completed.

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

Elected Officials Training: Reminded the Board to complete the online training needed to receive the insurance credit.

**Vacation Memo.**

Mr. Horn has made the Board and staff aware of his vacation from May 15<sup>th</sup> to May 25<sup>th</sup>.

**Chief Financial Officer's Report - Kathy Leary.**

**Mr. Hayes made a motion to approve the bill lists for April. Mr. Rotondi 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 this month.

**Adjournment.**

**The meeting adjourned at 7:12 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.*