



HMUA MINUTES

REGULAR  
MEETING OF

August 8, 2023

ADMINISTRATION BUILDING  
424 Hurley Drive  
Hackettstown, NJ



REGULAR MEETING AUGUST 8, 2023

JACOB GARABED ADMINISTRATION BUILDING & VIRTUAL MEETING

The meeting was called to order by Chairperson Lala at 3:30 P.M. in person and over teleconference to promote the necessary social distancing to avoid the spread of COVID-19 and other viruses. Executive Director Corcoran announced that adequate notice of this meeting has been given to the area press and the Town of Hackettstown, and the meeting shall be convened and conducted in accordance with the requirements of the Open Public Meetings Act.

Roll call indicated the following members in attendance: Lala, Kuster and John DiMaio (over teleconference); and Harper (in person).

Also attending: Counselor Zaiter, Accountant Rob McNinch, Engineer Dave Klemm (over teleconference); and Executive Director Corcoran, Deputy Executive Director Pizarro and Recording Secretary Lasch (in person).

Chairperson Lala led a salute of the United States Flag.

Chairperson Lala indicated approval of the minutes of the July 11, 2023 Regular Meeting to be the next agenda item. A motion to approve the minutes was made by John DiMaio being seconded by Lala.

Ayes: Lala, Harper, Kuster and John DiMaio

Chairperson Lala opened the meeting to public participation and noted that no members of the public announced their presence.

Chairperson Lala stated the next agenda item was discussion and possible action to certify review of the Annual Audit Report for fiscal year ended November 30, 2022. Director Corcoran requested Accountant Rob McNinch to give a brief report of the annual audit for fiscal year ending November 30, 2022.

Accountant Rob McNinch stated that FY 21/22 was a great year for both the water and sewer utilities. He continues to see great improvement over the past few years and financially the Authority is heading in the right direction. He commented that Unrestricted Net Position continues to build up; the Construction Aid Fund is building up with all the new connection fees and the Renewal and Replacement fund is looking very healthy. Rob explained his handouts with graphics showing available funds over the past six years. While HMUA's position is good, he recommended considering additional rate increases as the five-year plan that was initiated in 2018 is set to expire.

Rob thanked Director Corcoran and the staff for working to get the information for the audit to him in a timely fashion.

There was a brief discussion about the budget and Director Cocoran said that she will be working with Rob to create the new budget. The Board and Director Corcoran thanked Rob for his report and Rob exited the meeting.



The following Resolution #23-7793 was proposed by Harper who moved its adoption.

Resolution #23-7793

WHEREAS, N.J.S.A. 40A:5A15 requires the governing body of each local authority to cause an annual audit of its accounts to be made, and

WHEREAS, the annual audit report for the fiscal year ended November 30, 2022 has been completed and filed with the Director of the Division of Local Government Services pursuant to N.J.S.A. 40A:5A15, and

WHEREAS, N.J.S.A. 40A:5A17 requires the governing body of each Authority to, within 45 days of receipt of the annual audit, certify by resolution to the Local Finance Board that each member thereof has personally reviewed the annual audit report, and specifically the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board, and

WHEREAS, the members of the governing body have received the annual audit and have personally reviewed the annual audit, and have specifically reviewed the sections of the annual audit report entitled "General Comments" and "Recommendations" in accordance with N.J.S.A. 40A:5A17,

NOW, THEREFORE BE IT RESOLVED, that the governing body of the Town of Hackettstown Municipal Utilities Authority hereby certified to the Local Finance Board of the State of New Jersey that each governing body member has personally reviewed the annual audit report for the fiscal year ended November 30, 2022, and specifically has reviewed the sections of the audit report entitled "General Comments" and "Recommendations", and has evidenced same by group affidavit in the form prescribed by the Local Finance Board.

BE IT FURTHER RESOLVED that the Secretary of the Authority is hereby directed to promptly submit to the Local Finance Board the aforesaid group affidavit, accompanied by a certified true copy of this resolution.

This Resolution was seconded by John DiMaio and upon roll call vote carried:

Ayes: Lala, Harper, Kuster, John DiMaio

Chairperson Lala stated the next agenda item was discussion and possible action to approve and adopt the 2021-22 Fiscal Year Audit Corrective Action Plan.

The following Resolution #23-7794 was proposed by Kuster who moved its adoption.

Resolution #23-7794

WHEREAS, by Resolution #23-7793, the Board Members of Hackettstown Municipal Utilities Authority (HMUA) have certified that they have received the 2022 annual audit and have personally reviewed the audit, and have specifically reviewed the sections of the annual audit report entitled "General Comments" and "Recommendations" in accordance with N.J.S.A. 40A:5A-17; and



WHEREAS, the Audit includes Comments and Recommendations requiring action by the Authority; and

WHEREAS, N.J.S.A. 5:31-7.6(i) requires “a corrective action plan, in the form of a Resolution to be adopted by the members of the governing body with respect to Comments and Recommendations made in the audit, shall be filed forthwith with the Division within 45 days of receipt of the annual audit”; and

WHEREAS, a corrective action plan addressing these Comments and Recommendations has been prepared by the Executive Director of the Authority; and

WHEREAS, the Board Members of the Authority have reviewed this 2022 Correction action plan (attached hereto).

NOW THEREFORE BE IT RESOLVED, by the governing body of the Town of Hackettstown Municipal Utilities Authority the following:

The Board Members hereby approve and adopt the 2022 Audit Corrective Action Plan

The Secretary of the Authority is hereby directed to promptly submit to the Director of the Division of Local Government Services this Correction Action Plan, accompanied by a certified true copy of this Resolution.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Lala, Harper, Kuster, John DiMaio

Chairperson Lala stated the next agenda item was discussion and possible action regarding any project change orders. Executive Director Corcoran stated there is a project change order proposed with regard to the required extra plumbing work on the Lead Service Line Replacement project and asked Dave Klemm to explain the situation. Dave stated that the recommended approach is to increase the amount of the Authority Defined Work Allowance item by \$90,000 to allow for change orders for additional discovered service line replacements, and to cover the cost for PRVs and expansion tanks at locations that have 80 psi or more, which is required by plumbing code. HMUA and MM have been negotiating with the contractor and are working to get the plumbing pricing down to reasonable levels. This would be time and material change order as there will be many variations of needs at each location. There was some discussion regarding reasonable time and pricing. Dave replied saying that we have not come to an agreed amount with the contractor and negotiations continue. The idea is to put enough money into the allowance to cover the time and material plumbing work and other additional work change orders so that there is no delay while we negotiate the final change order costs with the contractor. Director Corcoran stated that the goal is to come to an agreement with the contractor on their labor cost and material cost for the extra plumbing work before they start the project next Tuesday. It was suggested to continue negotiations and hold an emergency meeting once agreement is reached with the contractor to cover the change order for the plumbing work. Director Corcoran stated she would coordinate that meeting.

Chairperson Lala stated the next agenda item was to entertain a resolution approving the Operations Expense Account Requisitions #OEA-1267, and #OEA-1268 in the total aggregate



amount of \$274,718.83. The following Resolution #23-7795 was proposed by Harper who moved its adoption:

Resolution #23-7795

BE IT RESOLVED, that the following Operations Expense Requisitions be formally approved:

Dated:	July 14, 2023	OEA-1267	SL-17	\$148,105.47
Dated:	July 28, 2023	OEA-1268	SL-18	<u>\$126,613.36</u>
		Total		\$274,718.83

The Resolution was seconded by Kuster and upon roll call vote carried:

Ayes: Lala, Harper, Kuster, and John DiMaio

Chairperson Lala stated the next agenda item was to entertain a resolution approving Renewal & Replacement Fund Requisition #RR-308 in the aggregate amount of \$11,357.00. The following Resolution #23-7796 was proposed by Kuster who moved its adoption.

Resolution #23-7796

BE IT RESOLVED, that the following Renewal and Replacement Fund Requisition #RR-308 be formally approved:

REQUISITION #RR-308

Absolute Protective Systems Miner Ltd.	Fire Sprinkler Repairs at WPCP	\$4,523.00
Sciens Building Solutions	Garage Door Operator	2,216.00
	Replacement Smoke Det. at WPCP	<u>4,618.00</u>
	Total	\$ 11,357.00

The Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Lala, Harper, Kuster, and John DiMaio

Chairperson Lala stated the next agenda item was to entertain a resolution approving General Fund Requisition #GF-32 in the aggregate amount of \$3,757.50. The following Resolution #23-7797 was proposed by John DiMaio who moved its adoption.

Resolution #23-7797

REQUISITION #GF-32

Mott MacDonald	Lead Service Line Project	\$ 3,757.50
	Total	\$ 3,757.50

This Resolution was seconded by Lala and upon roll call vote carried:

Ayes: Lala, Harper, Kuster, and John DiMaio

Chairperson Lala stated the next agenda item was to entertain a Resolution approving Escrow Subaccount Requisition #ESR-339 in the amount of \$16,509.03. The following Resolution #23-7798 was proposed by Harper who moved its adoption.



Resolution #23-7798

BE IT RESOLVED, that the following Escrow Subaccount Requisition #ESR-339 be formally approved:

REQUISITION #ESR-339

Hackettstown MUA	Jade-Construction	\$9,853.78
Hackettstown MUA	Skoda – Meter Rental	75.58
Mott MacDonald	Jade Hackettstown Assoc.	2,263.00
Mott MacDonald	Mansfield Development	759.50
Mott MacDonald	River Valley Apartment	282.50
Mott MacDonald	Russo HT Urban Renewal	1,644.00
Mott MacDonald	Woodmont Independence	206.25
Skoda Contracting	Refund of Meter Rental	\$ 1,424.42
	Total	\$ 16,509.03

This Resolution was seconded by Kuster and upon roll call vote carried:

Ayes: Lala, Harper, Kuster, and John DiMaio

Chairperson Lala stated that the next agenda item was discussion and possible action to extend Contract LBT-21 with Spectraserv, Inc., for Liquid Biosolids Transportation through September 1, 2023. The following Resolution #23-7799 was proposed by Harper who moved its adoption.

Resolution #23-7799

WHEREAS, due to unforeseen circumstances, the bid process for LBT-23 Liquid Biosolids Transportation has been delayed; and

WHEREAS, it has been determined that an extension of Contract LBT-21 would be necessary to allow for the continuation of biosolids transportation by Spectraserv, Inc. under the 2021 contract until September 1, 2023; now therefore,

BE IT RESOLVED, by the Town of Hackettstown Municipal Utilities Authority that the extension of the LBT-21 contract with Spectraserv, Inc. until September 1, 2023 is hereby approved.

This Resolution was seconded by John DiMaio and upon roll call vote carried.

Ayes: Lala, Harper, Kuster and John DiMaio

Chairman Kuster stated the next agenda item was discussion and possible action to award Contract LBT-23 for Liquid Biosolids Transportation. The following Resolution #23-7800 was proposed by Kuster who moved its adoption.

Resolution #23-7800

WHEREAS, subsequent to the proper advertisement, three (3) sealed proposals for Liquid Biosolids Transportation were received and read aloud at the public bid opening on August 8, 2023 at 11:00AM at the HMUA Jacob Garabed Administration Building; and



WHEREAS, it has been determined that the lowest responsive and responsible bid was received from Spectraserv, Inc. of Kearny, NJ for the bid price of \$0.0800 per gallon for a two (2) year contract; therefore

BE IT RESOLVED, Contract #LBT-23 for Liquid Biosolids Transportation is awarded to Spectraserv, Inc. of Kearny, NJ and the Executive Director is hereby authorized to execute the necessary contract documents.

This Resolution was seconded by Harper and upon roll call vote carried:

Ayes: Lala, Harper, Kuster and John DiMaio

Chairperson Lala requested Executive Director Corcoran to proceed with her report.

Director Corcoran started by saying that HMUA met with a representative from New Jersey Water Association. They run an operator apprenticeship program that is strongly aligned with the way HMUA already operates with new hires. One main benefit is that they will provide up to \$8,000.00 per year grant per apprentice. We have enrolled our unlicensed operators that are interested in the program, two water and two sewer operators. Because our biggest obstacle in the past has been the upfront cost for the employee to take the course. To alleviate this issue, we are planning to pay for each enrolled employee with a payback plan through payroll deductions. Once they pass the course, they will be reimbursed for any amounts paid for the course and books.

On the water side, Director Corcoran reported that July usage was higher compared to last year. We've had no main breaks since last meeting, and continue leak detection. There was a positive coliform what was re-sampled at 23 Elmwood Dr. Deputy Director Chris Pizarro commented that taking apart and bleaching the sample station seemed to resolve the problem.

Staff installed two lengths of water main on Ashley Ave, in addition to paving and saw cutting the rest of the ditch. Corcoran stated she is hopeful to complete this project by the end of the Summer. Training was attended for DEP sampling requirements. Lead service line plumbing checks were performed at each location to inform the additional needs for the project. In addition, staff repaired the chlorine system at the Independence Booster station. With regard to the 1.0 MG Tank and Water Main Project, we are still awaiting authorization to advertise from NJDEP.

Director Corcoran stated that Deputy Director Pizarro will provide updates on the Sewer Utility.

Deputy Director Pizarro stated that on the sewer side, they performed various maintenance throughout the collection system and in the WPCP. High flows were experienced at the Meadow Lane pump station due to heavy rains on July 14<sup>th</sup> and 15<sup>th</sup>. Staff ran the camera looking for a source of the high flows; they located manhole frame settings in the Diamond Hill area and attempted to mortar around them to stop some of the in-flow. Twenty-one cleanout caps were replaced in the Brook Hollow development and also routine sewer jetting was performed throughout the collection system. At the WPCP, the annual fire sprinkler inspection was performed and several repair items were discovered. Staff is currently obtaining quotes for repair work for the township fire official.



Sampling for PFAS per the NJ AEA recommendations was completed. Samples were taken of the influent/affluent and sludge samples. Staff continues new hire training for one staff member and a potential new hire was interviewed this month.

Chairperson Lala requested Consulting Engineer Dave Klemm to proceed with his report.

David started with a quick update on the 1.0 MG tank. Updated plans were submitted to the NJDEP Loan program on June 30 and we have not received any comments as of today. Once we receive the comments and address them, we should be ready to advertise for the project.

As far as the Lead Service Line, the contractor submitted a two-week schedule starting Washington Street on August 15<sup>th</sup>. We will expedite the review of the proposed change order and try to get it in order and approved prior to that date.

Dave continued with the generator location evaluation project at the WPCP. A site visit was performed to evaluate if the new generator could be installed inside the AB building.

Mott MacDonald evaluated the possible use of DelPAC chemical for phosphorus removal at the treatment plant. DelPAC is more expensive; however less chemical is required to achieve phosphorus removal results. Mott MacDonald recommended doing a trial period to see if there are benefits to replace Alum.

Chairperson Lala requested Counselor Zaiter to proceed with his report. Counselor Zaiter stated there was nothing to report.

Chairperson Lala asked whether anyone had business of a general nature to discuss, with no response.

Chairperson Lala declared a motion to adjourn would be in order and was so moved by John DiMaio and followed by a unanimous voice vote.

Time –5:10 P.M.

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Kathleen Corcoran  
Executive Director & Secretary