

Plumsted Municipal Utilities Authority
Minutes – January 20, 2015

Chairman Walter Bronson called the January 20, 2015 Plumsted Municipal Utilities Authority Meeting to order and asked everyone to stand for the Flag Salute. Attorney McGuckin read the Open Public Meetings Act.

Those in attendance were Walter Bronson, Edward Weirsky, Robert Minter, Ronald Dancer and Anthony Esposito. Committeemen Marinari and Wysong were also in attendance.

Bill List: On motion of Mr. Minter, seconded by Mr. Weirsky, the Bill List for January 20, 2015 was approved as submitted. Roll Call Vote: All Ayes

Treasurer's Report: The Regular Account had an opening balance as of January 20th was \$50,162.96, deposits and interest of \$63,590.15, operating expenses of \$31,542.27 with an ending balance of \$82,210.84. On motion of Mr. Weirsky, seconded by Mr. Esposito, the Treasurer's Report was approved as submitted. Roll Call Vote: All Ayes

Minutes: On Motion of Mr. Weirsky, seconded by Mr. Minter, the December 9, 2014 Minutes were approved. Roll Call Vote: All Ayes with Mr. Dancer abstaining.

Executive Director Report: Mr. Ylvisaker said at the last meeting there was discussion regarding the need to hire a Fee Accountant to assist the auditor in preparation of the 2014 Audit. He noted that prior to the last meeting, he spoke to Koerner and Koerner who had been recommended and then spoke to Brian Logan of Suplee and Clooney whose fees were less. A recommendation was to go with Suplee and Clooney with their estimated cost between \$2,000 and \$2,500. Suplee can start work next week so the Auditors can start the 2014 Audit in a couple of weeks. Mr. Ylvisaker indicated funds are available for this and hopefully it will be a one-time situation. He said between the two, he will be able to set up the Quick Books Program and next year and there won't be this problem. Mr. Bronson asked for a motion to approve the purchase order for Suplee for Fee Accountant for a fee not to exceed \$2,500. On motion of Mr. Minter, seconded by Mr. Dancer, the motion to appoint Suplee and Clooney as Fee Accountant was approved. Roll Call Vote: All Ayes.

Mr. Bronson asked Mr. Ylvisaker if he had looked further into short term CD's and if the MUA could find a better interest rate than what it is getting now. Mr. Ylvisaker said he had looked into this further done but was not finding anything substantial different. He noted we were getting more interest now than what we would get with a 6-month or 12-month CD. He said the other thing was that we could only put aside about \$25,000.00 and the interest on that would not result in a lot of money. He said he would keep working to see if there was something out better out there. He also noted that the MUA was receiving a higher interest rate than the Township was getting. Mr. Dancer said regarding the NJ Cash Management Fund, their interest rate was less than what the MUA was receiving.

Mr. Ylvisaker noted that the February 20th meeting was the Annual Reorganization Meeting. He also noted that Professional Services were advertised for Auditor, Bond Counsel, Attorney and Financial Planner and are due on January 30, 2015 at 4PM. Regarding Engineering, this was a little bit different as the proposals are due on February 3, 2015 and then interview with selected firms will be by February 12th. He said there are 7 engineering firms who have expressed interest in the proposal, 4 firms have registered, 2 firms were not going to pursue it and the other he had not heard back from. He listed the questions that were received from the 4 firms and our responses. Mr. Ylvisaker, Mr. Miller and Mr. Weirsky will review the RFP's for professionals and make their recommendations for appointments at the Reorganization Meeting.

Mr. Ylvisaker said he was invited to the NJ Natural Gas Pipeline Meeting which Assemblyman Dancer had organized. The route that goes through Plumsted is on the western fringe of our Town Center and

Sewer Service Area. If that route is selected, there would not be much overlap between our plan and their plan. Their time frame for construction is sooner than our time frame for construction; particularly on the western fringe. If this is the route selected, it was agreed that we would coordinate our planning and construction. They promised to keep in touch with the MUA. Mr. Weirsky's suggestion was that they avoid any conflict with gravity sewers that we are trying to put in. Mr. Bronson asked if Plumsted's Road Opening Ordinance and fees were sufficient to allow for construction of this level of utility. Mr. Dancer said Upper Freehold Township would be introducing an ordinance as a result of one of the proposed routes and will be sending him a copy of the introduced ordinance Upper Freehold is considering. Mr. Dancer said Upper Freehold's Engineer has met with NJ Natural Gas and they have opposition to this route through residential areas.

Redevelopment Project: Mr. Ylvisaker said he has been updating the Committee with regard to discussions with the developer Lennar and the owner of the PRRC property. There is not a signed deal yet but it seems like there has been a breakthrough and there is a contract being circulated for signature. Hopefully, once the agreement is signed, we will be able to accelerate the scheduled work that needs to be done.

As discussed at the last meeting, Mr. Ylvisaker said the Sewer Ordinance subcommittee of Mr. Minter and Mr. Esposito continues to work on a draft sewer ordinance. He noted it is a working document at this point but it attempts to address three or four major issues; timing for hookups, financial incentives, flat rate vs. user rate and a pretreatment ordinance which will be incorporated in the draft ordinance. He will keep the Authority up to date but noted that it may take up to six or seven months before it is ready. He also said he would welcome any comments on the draft version. Mr. Bronson also asked if the subcommittee was also looking into sources of income to assist residents and/or businesses with connection fees. Mr. Ylvisaker said there were two approaches, (1) the Township could come up with some kind of incentive program which would have to be funded, but he would also be interested in meeting with some of the banks to see what they may be able to offer. He thought banks may be interested in providing loans given the fact that there would be a way for them to get paid if the loan was to go into default such as a tax lien program. It was noted that PNC was checking into this as was National Penn. Mr. Ylvisaker thought there could be a meeting with all of the banks in town to give them an overview of what the MUA is looking to do and to get their response.

Mr. Ylvisaker said the Redevelopment Committee will meet January 21st with Bond Counsel to start working on the Finance Plan that has to be put together and be in place by the end of June. There may be a possibility that there may meeting with NJEIT by mid February to give an outline of what we are doing and to understand their issues and needs and timing in terms of their schedule.

Mr. Ylvisaker said there are some milestones that need to be met by the end of June. Lennar will need to catch up and prepare for a presentation to the Land Use Board. From the MUA's standpoint, the major issues are the Finance Plan and the NJDEP Permit. He noted the public comment period was extended until February 2nd. It was noted that the NJDEP permit document will be one document; their response and their decision.

American Water Update: Mr. Ylvisaker said he has heard nothing yet but noticed that the property is under contract. He will have more information at the next meeting.

Energy Aggregation: Mr. Ylvisaker said there appeared to be interest in a regional consortium but Mr. Chilton is not getting anywhere at this time so we may be alone again.

Face Book Page / Twitter: There was discussion on having a Face Book Page or Twitter Account. Mr. Bronson felt if we posted our information on our page and then individuals could post links to that Face Book Page on other groups would be the best way to do that. There is a link to the PMUA's website and all of the information that is on the website should be on the MUA's Face Book Page. It was noted that links should be posted on the Face Book Page instead of all of the documents. Mr. Weirsky noted it was better to link it to keep all information the same and up to date.

Mr. Miller joined the meeting at 6:40 PM. Mr. Dancer noted that the Township Committee appointed Mr. Miller for another term and would be sworn in at the next meeting.

Mr. Bronson opened the meeting to public comment.

Tony O'Donnell, 21 Kenyon Drive wanted to thank the Authority for posting the comments on the website to make people aware of what is going on. He wanted to comment on the PMUA Comments and Responses to the 12/17/14 NJDEP Public Hearing.

(1) Inadequate notice to the 12/17/14 public hearing was provided & public comment period is inadequate. He said many felt comment period was inadequate and asked for a 60-day extension and received 30-day extension which he thanked the DEP. He said he felt that the law was not violated regarding adequate notice and thanked the Authority on trying to get the information out.

(3) Where can I get more information on the NJPDES Permit? He said asked if the PMUA meetings could be changed from 6PM to 7PM as it is sometimes difficult to come at 6PM. Also the DEP meeting which was scheduled from 4PM to 6PM was not an easy time for residents to come who were interested. He noted that the information on the PMUA website was very good, may be better than average.

(4) What happens to our Downtown if a sewer system is not built? He disagreed that the response, "The long planned economic revitalization of New Egypt will not proceed. Businesses will not be able to diversify; to allow for water intensive uses such as sit down restaurants" because the limiting factor is not sewer as much as it is location due to the fact that there are no major roads going through town. He felt sewers were an expensive try and do not guarantee anything. Regarding residents struggling with how to cope with maintenance repairs or replacing their on-site disposal systems you could set up a septic wastewater treatment district with NJEIT to low interest loans. He said using NJEIT for financing the sewers there was no reason it couldn't be used for setting up a Septic Wastewater Treatment District for the downtown. Mr. Bronson explained that there are residents in the downtown that do not have room on their lots to fix or upgrade their systems. Regarding the statement that individual, private disposals systems, whether convention or alternative septic systems, are not the way to service the density of downtown New Egypt, Mr. Donnelly questioned whether it was the current density or planned density, which Mr. Weirsky said it was the current density. There was discussion regarding the proposed development and current units in the downtown which amounted to 1,100 which was Phase I & II of sewers and the amount in the addendum of 2,200. Mr. Ylvisaker explained this was done for full development due to the build out of the Town Center. Mr. Ylvisaker said what also has to be factored into the 2,200 was there is existing and planned commercial and industrial growth. Mr. Bronson told Mr. O'Donnell that this would be looked into to see if this could be further clarified. Mr. O'Donnell said there was concern that the nature of the downtown will change and old timers would be forced out.

(5) Water will not be recharged to the aquifer if the sewer system is built. It will be all be discharged to the Crosswicks Creek. He said it noted that because of the nature of the soils and high water table, ground water percolates slower and goes more horizontal than vertical and if that is the case it was an even worse solution to surface water discharge. He said there will be less water being recharged to the ground water. He felt it was an observation and that it was an unusual justification for it.

(6) Sprawl development is likely to occur if the sewer project and redevelopment project are approved. He had a comment regarding the 600,000 gpd which 400,000 gpd would be for residential and the rest for commercial and light industrial use. He felt the number of 400,000 gpd (for 4,000 people) was a number did not jive with just the PRRC. He said he and others had concern regarding the status of the well as the cart is before the horse, why we don't have the water with the well approvals in hand before asking for this, because if there are no wells, this plan cannot be done. He hoped the timing works out because it is not tightly put together of a plan that it could be.

(7) The proposed 600,000 gpd discharge would increase stream flow erosion, sedimentation, and impact water quality at the point of discharge to the Crosswicks Creek and further downstream. He said the standard is low flow where the water is being put in and the Cubic Feet per Second where the water is being dumped is 5 not 59. Mr. Bronson noted that the stream regularly carries on average 131 cfs and we are going to add less than a cfs to that which would not cause any more erosion. Mr. O'Donnell did not agree and felt it was a serious issue.

Mr. Bronson asked for any other comments.

Committeeman Wysong questioned the draft sewer ordinance and if there an issue regarding flat rate vs user rate and which way to go with the MUA running the plant. He said there were discussion regarding if a private entity and the plant was sold would something need to be put into that ordinance about the rate. Mr. Bronson felt that the Township would set the rate. Attorney McGuckin said if it was a private system, it would be governed by the BPU and if the MUA owned it, we would have to have rate hearings and felt that the ordinance would not be the place to put the rates because they change due to circumstances.

Jim (not noted), asked if there had been any discussion about after the system is built that it would be privatized? Mr. Bronson said there have been discussions of that to potentially pay off the debt, but nothing has been done at this point. The same gentleman had also commented on the MUA's effort to get information out to the public on Face Book.

A motion was made by Mr. Minter, seconded by Mr. Weirsky to adjourn the meeting. Roll Call Vote: All Ayes. The next meeting is scheduled for February 17, 2015.

Respectively submitted by:

Nancy Hendrickson, Secretary