

TOWNSHIP OF PLUMSTED
MUNICIPAL UTILITIES AUTHORITY
MEETING MINUTES
July 12, 2022

Began: 6:34PM

1. FLAG SALUTE:

- a. Led by Chairperson Nancy Lawrence

2. ROLL CALL:

PRESENT	ABSENT	
<u> X </u>	<u> </u>	Steven Grosso
<u> X </u>	<u> </u>	Beth Kimmick
<u> X </u>	<u> </u>	Brian Kubiel
<u> X </u>	<u> </u>	Michael Ruppel
<u> X </u>	<u> </u>	Chairperson Nancy Lawrence

OTHER MEMBERS PRESENT

<u> X </u>	<u> </u>	Tim Shea, VP Operations
<u> X </u>	<u> </u>	Dave Leutwyler, Executive Director
<u> X </u>	<u> </u>	Justin Stroeleckis, Engineer T&M
<u> X </u>	<u> </u>	Tom Monahan, Attorney
<u> X </u>	<u> </u>	Dominick Cuzzo, Committeeman/Liaison
<u> X </u>	<u> </u>	Cynthia MacReynolds, Secretary

3. OPEN PUBLIC MEETING ACT STATEMENT:

- a. The Open Public Meeting Act was read by Mr. Monahan.

4. TREASURER REPORT:

- a. Mr. Leutwyler presented the treasure's report to the board.

Edits to the report are as follows:

- Investors Bank will become Citizens Bank. The payments on the bill list are in the amount of \$7,331.06 (Edit from report given to the board) leaving a balance of \$84,011.40 (Edit from report given to the board).

The finance committee had a meeting with Mr. Leutwyler and Mr. Shea to review the treasurer's report and the bill list. The finance committee agreed that they are payable.

The board discussed using an encumbrance system as their bookkeeping system. The authority purchased a system (EDMUNDS) that uses an encumbrance system. The PMUA began to use EDMUNDS for their bookkeeping in the beginning of July.

The board discussed that the authority has not received a bill from one of the vendors due to their internal administrative issues. This has affected the accounting system within the PMUA. There is anticipated revenue with the solid waste and quarterly sewer bills, however, the total revenues and expenditures will not be a true representation because the vendor has not billed the authority.

Mr. Ruppel requested that an encumbrance report from the previous month to be added to the August meeting packet.

There were no other comments from the board.

Motion to approve the treasurer's report and bill list was made by Mr. Grosso. Motion 2nd by Mr. Ruppel.

Roll Call:

Approved:

Grosso
Kimmick
Kubiel
Ruppel
Lawrence

5. BILL LIST:

- a. Board discussed and approved the bill list in conjunction with the treasurer's report.

6. TOWNSHIP REQUISITION FOR PAYMENTS:

There was a discussion about the requisitions for Environmental Resolutions Inc. (ERI). The board does not know where the funds to pay ERI are coming from, the accuracy of the invoices submitted because the authority is not overseeing the work completed, and the purpose of the requisitions passing through the PMUA for approval. There were questions as to why the PMUA is responsible for those requisitions.

Mr. Shea stated that ERI was appointed by the township and that they are not contracted by the authority. He said that requisitions from ERI are for the inspections at the Lennar project and the Asset Management Plan. The authority awarded ERI the Asset Management Plan, and it is responsibility of the authority to review the invoices.

The board was advised that ERI is paid through an escrow account that was set up by Lennar and they are also the payee.

Mr. Ruppel wanted to make it clear that the PMUA cannot validate that the work was completed on the invoices.

Mr. Shea explained that they review the bills for accuracy and proper form. He said that the developer will post an escrow account with the authority. The utility authority engineer will bill the authority directly and the authority will withdraw from the escrow.

It was suggested that the board should have a meeting with township officials to explain the relationship with the authority and ERI with regards to the requisition approval process. The board questioned if it is mandatory that the authority review all invoices submitted by ERI. Mr. Leutwyler was tasked to speak with the township officials. Deputy Mayor Marinari said that the finance department would be able to assist the board and explain the relationship.

The board discussed concern about the homes that will not be connected to the system by the November 1st deadline. The authority will suffer a loss of revenue without these connections. The board discussed the financial penalty to the homeowner for failing to connect. It was noted that the money from the fines will not be paid to the authority, and that the revenue will go the municipality.

The board would like to have a meeting on September with 2nd with 2 MUA members and members of the township committee. The board has a list of questions and concerns that they would like to address. It was suggested that the board/Finance Committee submit their questions and concerns to committee prior to the meeting.

The board asked about the status of the Asset Management Plan. Mr. Shea said that he received a draft last week and he has not had the opportunity to review it. He will report to the board or have the engineer present it at next month's meeting. The Finance Committee also has draft plan.

Motion to approve the requisition list made by Ms. Kimmick. Mr. Grosso 2nd the motion.

Roll Call:

Approved:

Grosso
Kimmick
Kubiel
Ruppel
Lawrence

7. MINUTES TO BE CONSIDERED FOR APPROVAL:

- a. The May 17, 2022 minutes were presented to the board for approval.

There were no questions from the board.

Motion to approve the minutes by Mr. Ruppel. Ms. Kimmick 2nd the motion.

Roll Call:

Approved:

Grosso
Kimmick
Kubiel
Ruppel
Lawrence

8. T&M ASSOCIATES PROJECT UPDATES:

- a. Justin Stroeckis appeared before the board via zoom.

Mr. Stroeckis reported that the flow has increased to approximately 40,000 gpd. Veolia runs the facility.

Mr. Stroeckis gave a status report on Tomar. He said that Tomar has not had to respond to anything since last meeting. Tomar has had final building and plumbing approval from the construction department.

The contract deadline for Tomar was on February 10th, 2021. He stated that he has seen plant sludge since February 2022 and the plant is close to compliance. His current involvement is with post construction.

T&M has commenced on reviewing items provided by the contractor such as vendor manuals, items provided on site as such as required spare parts, and as-built drawings. The 70 pages by NSU will be update based on what the contractor installed. T&M received the CAD updates and sending them to Auto CAD Format.

T&M has not received the application from Tomar beyond #27.

Mr. Kubiel asked if the authority should be inquiring about a maintenance bond for environmental maintenance that had expired in April of 2022. According to report referring to the holding tank, the plant is not fully operational and is still pumping out. Mr. Kubiel asked if the authority should inquire about a maintenance bond extension because the plant is not fully operational, and if it will impact operations.

Mr. Shea stated that the sludge holding tank was constructed under the PNA contract and was inspected and went online 1 yr. ago. He stated that the 1-year maintenance bond and that the inspection company should issue a release of the bond.

Shea- The bond expired in April, does not have impact on plant relative to phosphorus removal. He stated there should be letter from engineers stating that the 1 yr. bond has expired and that the bond can be released. Mr. Shea stated that he will follow up with the engineer. It was also noted that the phosphorus levels continue to be a problem.

Mr. Shea addressed Mr. Stroeckis and said that he received an email from operator with items that need to be addressed with Tomar. He stated that the EQ

pumps and the corresponding VFDs still have issues. Mr. Shea said that the Grinder pump system for domestic waste is undersized or not performing because it alarms regularly. The alum feedlines need to be permanently set up from the temporary set up that they are operating at. There are controls on the chemical pumps that need to be programmed so that the pumps will not continue to pump when the membranes are not operating. The pipes need to be labeled and they still need list of spare parts. Mr. Shea said that the tank hatch outside in the post aeration tank safety latch not operating. He said that the MBR return meter needs to be installed. Mr. Shea said that this impacts the operation of plant. He said that they have work arounds with a number of those items, but it was not design intent. He asked Mr. Stroeckis to address these issues with Tomar.

Mr. Ruppel asked about the status of the punch list and if there was any progress because the items that Mr. Shea mentioned are not on the list. Mr. Stroeckis said that there are open items on the list and they were addressed with Tomar as they came up. He said that Tomar has been diligent on responding to the issues that have been brought to their attention.

Mr. Ruppel asked about the status of the estimated value of the punch list. The authority wants to ensure that the funds are there to complete the project. Mr. Shea that the bonding company needs to be on notice.

Mr. Kubiel stated that according to the report, 1,000,380 gallons has been transported because of a failure, and that with 8000 gallons per trailer, require a lot of trucks to transport the waste. There is a concern about the price of diesel fuel affecting the finances to finish the project. He stated that there seems to be a lack of urgency to fix the issue to make the pump operational.

Mr. Shea stated that he has received the truck load bills and that loads are accounted for. He will forward the log to the board. Mr. Shea said that at this time the contract with the hauler excludes a diesel surcharge.

No other questions or comments from the board.

9. VEOLIA REPORT:

- a. Mr. Shea addressed the board with his report.

Mr. Shea said that he had a conversation with enforcement agent about possibly discharging with Affirmative Defense, with the understanding that they may not meet permit, and that there is a likelihood that they will have to operate the plant for 24 hours per day. As of now, the plant is operating for 7-8 hrs. per day and is shut down for 16 hrs. He stated that during the 16-hr. period that the activity within the plant, such as the biology is not happening as it should and that food is not getting into the plant. He is trying meet with enforcement agent's supervisor because the agent is not in a position to make that decision. He estimates that he will have a decision within the next week.

Mr. Ruppel asked If the authority proceeded with the 24-hour operation and DEP allows the plant to discharge for 30 days and if it is unsuccessful, will they be able to go back to the holding tank operation. Mr. Shea said that going back to the holding tank operation is still an option. He stated that there are other ways to

negotiate with the DEP. He stated that there are some other process variables in which you enter a consent order and will have some time to operate without penalty.

Mr. Shea said that they have a majority of the equipment in their maintenance system and they are issuing work orders for pumps, even though it is not discharging.

They found the clean outs in Meadowbrook Lane at low pressure force main and the end of Platt. that as materials builds up in that 1½ force main, need high pressure water to flush it out. Valving clean out was never installed. When 49 Platt hooked up and pumping it came to the man hole. Need T&A to clean it out and install valving.

Mr. Grosso asked how that issue was overlooked during inspection. Mr. Shea said that he can't answer that question because T&M was responsible for the inspection. He will ask T&M and ask what kind of inspection took place.

Mr. Shea continued with the upcoming activities.

Chairperson Lawrence asked if they made a spare parts list. Mr. Shea stated that they have been asking NSU to prepare the list. They not know spare parts that are required for the contractor, but they know what they want to add.

Grosso- even though it is still not 100 percent operational, all the equipment onsite is dating itself, do we get warranties for turn key. We get a Maintenance bond once the performance bond is released. 1 yr. responsibility under the maintenance bond. What about the equipment warranty?
12 months. Protection will be there. manufacturers themselves. Will the contractor be responsible for the complete cost. Yes, under the maintenance bond.

No other questions or comments from the board.

10. EXECUTIVE DIRECTOR REPORT:

- a. Mr. Leutwyler addressed the board with his report. He updated Average Flow from 40,000 to 46,000 gpd, and 215 completed sewer connection completed and not 228 completed in the downtown area. There are 143 additional connections in Lennar and not 141. NJSEM item on hold for next meeting.

Customers will not have recycling picked up for another two weeks. Mr. Leutwyler is speaking to head of Waste Management about sending mailers. Waste Management is responsible for the notices. Some people received emails regarding the new recycling day. Many residents missed their pick-up dates due to the lack of information on Waste Management's part. Mr. Leutwyler received approximately 250 calls regarding their discontent with the recycling program. It was suggested that the authority should send out a notice and send the bill for the letters to Waste Management.

11. CORRESPONDENCE:

- a. Resident from 23 N. Main St. asked the board to waive the \$1,500 connection fee. (See correspondence).

The board is unable to assist the resident with their request. The resident will be advised that the policy requires them to pay the connection fee. It was also said that the PMUA budget will not handle the loss of revenue from waivers and that in doing so, they would have to increase rates for sewer for the public.

It was suggested that similar requests be directed to the executive director.

Committeeman Cuzzo suggested that if the authority changes the deadline, change it for everyone and not an exception.

The board discussed the lack of knowledge in town about the permit and connection fees. The board would like to send a reminder to those who have not connected and those who do not have permits. The correspondence would remind them about the November 1st deadline. The letter would also state that they are still required to connect to the sewer system and that the \$1,500 connection fee will not be waived and that there are penalties if they are not connected by Nov 1st.

The next recommendation is to talk to the township about extending the loan opportunity and agree on an end date for the loan opportunity.

The board was advised that the township finance department would like a close date on the loan.

The board agreed to ask township committee if they would consider reopening the loan opportunity and about a date to close out the loan application. The board suggested March 1st, 2023 but are willing to have committee chose the date.

A subcommittee to ensure that the residents are advised will include Chairperson Lawrence, Ms. Kimmick and Mr. Kubiel. Chairperson Lawrence will compose the letter and the subcommittee will oversee it. It was also suggested that they include the Waste Management info on letter. The authority will also include this onto the authority website.

No further discussion from applicant and board.

12. COMMITTEE REPORTS:

- a. Finance Committee: Mr. Kubiel and Mr. Ruppel were tasked to follow up with the grinder pump matter that was discussed at the May 17th, 2022 meeting. They noted that the installation of grinder pump system was part of the initial plan. Because of this, the residents are required to connect to the system. It was observed that the lots were small and that there is by buffer area by the wetlands and streams. They believe that those variables were considered in the decision to add those homes to the sewer project.

They understand that the expense installing a grinder pump is still a problem. It was suggested that they consider speaking with the municipality and ask if still

money in the loan program. In their research, they found that the cost of installation of a grinder pump system, exclusive of generator was estimated to be \$6000 greater than the cost of a gravity system.

They want to ask the municipality if they would be willing to increase the principal value of loan \$4000-\$6000 to \$10,000-\$12,000 for the 15 families mentioned in the correspondence.

It was asked if this situation requires a resolution. It was said that creating a resolution would be premature without a discussion with municipality and the assurance of guaranteed funds. If a resolution is created, will also establish a policy or rule.

The board began to discuss the process and the details of the loan program. Mr. Shea was asked to send the board the conditions of the loan so that the board can have an understanding.

The board questioned whether or not the authority needs to reeducate those who need to connect about the loan program. The board does not think that a lot of people understand the concept of the loan program. It was suggested that they clarify the program on the MUA website. It was also suggested to send a survey to those who did not take the loan.

Dave will discuss the decision from the board with the residents who came before the board at the May 17th meeting.

No other committee reports.

13. OLD BUSINESS:

- a. Tim suggested that the MUA should negotiate a deal with the municipality. In exchange for paying rent for office space and equipment at the Municipal Building, the authority would waive the sewer and service fees for the municipal building. It was also suggested that it be written in shared service agreement as an amendment. Mr. Shea said that it is normal practice to add those conditions to a shared service agreement. The MUA would be responsible for their own maintenance. Board does not have to vote to approve.

14. NEW BUSINESS:

Mr. Ruppel suggested that the board meet in executive session at the next meeting to discuss possible litigation. It was advised to start the meeting earlier and have the executive session first and limit the time to 1 hour prior to the regular meeting. Mr. Leutwyler said that he will check on council's availability to attend the Executive Session.

15. PUBLIC COMMENT:

- a. No public comment.

16. EXECUTIVE SESSION:

- a. No executive session.

17. ADJOURN:

- a. Motion to adjourn was made by Mr. Kubiel, and 2nd by Ms. Kimmick.
Unanimous Yeas.

- End time of meeting unavailable. Recording cut off at the announced time.

Minutes were prepared by the Plumsted Municipal Utilities Authority Secretary,

Cynthia MacReynolds