

TOWNSHIP OF PLUMSTED
MUNICIPAL UTILITIES AUTHORITY
MEETING MINUTES
January 17, 2023
Start Time: 6:31 PM
End Time: 8:32 PM

1. FLAG SALUTE:

- a. Led by Madame Chairwoman Lawrence

2. SWEARING IN:

- a. Beth Kimmick was sworn in as a full member of the PMUA by Counsel.

3. 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>	Madame Chairwoman Nancy Lawrence

OTHER MEMBERS PRESENT

<u> X </u>	<u> </u>	Dave Leutwyler, Executive Director
<u> X </u>	<u> </u>	Mel Davis, Contractor NSU
<u> X </u>	<u> </u>	Kelsey McGuckin-Anthony, Attorney
<u> X </u>	<u> </u>	Cynthia MacReynolds, Secretary
<u> X </u>	<u> </u>	Deputy Mayor Herb Marinari
<u> X </u>	<u> </u>	Committeeman Dominick Cuozzo

4. OPEN PUBLIC MEETING ACT STATEMENT:

- a. The Open Public Meeting Act was read by Counsel.

5. MINUTES TO BE CONSIDERED FOR APPROVAL:

- a. December 20, 2022 Minutes:

Corrections to the December minutes were added by Mr. Ruppel.

A motion to adopt the December 20, 2022 minutes, with corrections was made by Mr. Kubiel and 2nd by Mr. Grosso.

Roll Call:

Approved:

Grosso
Ruppel
Kubiel
Lawrence

Abstain:

Kimmick

6. TREASURER REPORT & BILL LIST:

- a. Mr. Leutwyler presented the Treasurer's Report.

Mr. Ruppel said that the Treasurer's Report needs to have the encumbered value of the funds and that the report does not represent the funds that have been obligated.

Mr. Leutwyler was asked about the status of the new budget. He said that the hold up is with getting the budget into the EDMUNDS system and that he and Susan will make it a priority.

Mr. Grosso asked if the residents are paying their bills. Mr. Leutwyler said that he will ask Susan to prepare that report.

A motion to accept the Treasurers Report was made by Mr. Kubiel and 2nd by Mr. Grosso.

Roll Call:

Approved:

Grosso
Kimmick
Kubiel
Ruppel
Lawrence

- b. The Bill List was discussed by the board.

Mr. Leutwyler said that he and the Finance Committee did not get together to review the bill list. He said that they took off the Auditor's fee and Dasti, Murphy, McGuckin's fee that is reflected is less than what they owe, but he will have that amount for February's meeting.

Mr. Ruppel suggested that going forward, the Bill List will have routine and reoccurring expenses, and at the Finance Committee level, they rarely have a great depth of questions regarding the Bill List.

A motion to approve the Bill List was made by Ms. Kimmick and 2nd by Mr. Grosso

Roll Call:

Approved:

Grosso
Kimmick
Kubiel
Ruppel
Lawrence

Madame Chairwoman Lawrence said that the board would like to have a list of late pays with the sewer and trash bills for the residents. Mr. Leutwyler said that the new sewer bills were sent out today.

7. T&M PRESENTATION:

- a. Mel Palis from NSU presented the Engineer's Status Report.
Mr. Palis said that the December avg. daily flow is about 77,729 gallons per day.

The Punch List items are the same from the previous month. The damaged carbon vessel had the carbon media removed from the tank and they are awaiting to schedule from the manufacturer to remove and replace the tank. The plan is to bring it to their shop in No. Carolina.

Mr. Palis said that the labeling of the equipment should be done by the end of January.

Mr. Palis said that a plumber was supposed to come to the plant today to look at the overhead heater. They will act according to the diagnosis.

Samples were taken on December 9th, 16th & 23rd and they were all in compliance with an average BOD of 2.873 milligrams per liter.

Mr. Palis had no other updates. Discussion and questions began from the board.

Mr. Ruppel followed up and asked Mr. Palis if the dialog between the DEP and Mr. Palis with respect to the exception and the allowance of the resampling was verbal or written in an email, text message or by letter. Mr. Palis said that he has not received the information to present to the board, and that it was Veolia that reached out to the DEP to get the reanalysis authorization. He will follow up and pursue the answer for the board.

Mr. Grosso asked for a date of when the tank will be shipped to the manufacturer. Mr. Palis said that the manufacturer was supposed to get back with him today. He said that it needs to be determined whether it needs to be replaced or if it repairable. If it needs to be replaced, it could take up to 4 weeks based on whether they have it in stock. Mr. Palis was told that this needs to be addressed as quick as possible.

End of T&M report.

8. VEOLIA REPORT:

- a. Mr. Leutwyler presented the Veolia report.

Mr. Leutwyler said that the plant has been in compliance for the months of October, November and December. He said that they are completing the development of the computerized maintenance systems. He will update the board as to if it is finished.

9. EXECUTIVE DIRECTOR REPORT:

- a. Mr. Leutwyler presented the Executive Director Report.

Mr. Leutwyler added that the Notice of Solicitations for 2023 Professional Service Proposals for the PMUA was posted and that he is hoping that they can be accepted at the February Reorganization meeting.

Mr. Leutwyler said that his office has been busy with residents trying to get connected to the sewer. He said that his spreadsheet is a reflection of the permits that were applied for at the Construction Office.

Mr. Ruppel inquired about the protocol for Professional Service Proposals. Madame Chairwoman Lawrence said that part of the protocol is to have volunteers review the proposals and make their recommendations.

Mr. Leutwyler said that they are soliciting for the board attorney, the auditor, the financial planner, the bond counsel, general engineering and redevelopment counsel because of the redevelopment area.

It was decided by the board to discuss the details of the Veolia contract at the February meeting during Executive Session.

No other comments from the board.

10. CORRESPONDENCE:

- a. The board did not have any correspondences.

11. COMMITTEE REPORTS

- a. Finance Committee:

The Finance Committee met to put together a list of multiple unit properties. Mr. Ruppel said that the committee will see how they were evaluated and if anyone was missed in that list.

- b. Communications Committee:

The Communications Committee has begun to work on the website. Madame Chairwoman Lawrence asked the board to write their bios for the website.

Madame Chairwoman Lawrence asked about live streaming the meeting as opposed to Zoom. Committeeman Cuzzo said that the committee is working on a solution and that he will share it with the board.

12. OLD/NEW BUSINESS:

- a. Madame Chairwoman Lawrence asked for volunteers to look over the submissions for the professional services.
- b. The board was expecting someone from Asset Management to present their report. Mr. Leutwyler said that he was unable to get a representative from Veolia to come to the meeting. He also said that the representatives from T&M were also not available to be physically present to the meeting.

No other Old/New Business.

13. PUBLIC COMMENTS:

- a. John Lombardo of 6 Gulfstream Rd., New Egypt in the Lennar development addressed the board.

Mr. Lombardo came back to the board to revisit his grievance about the sewer rates. He asked what the definition is for “project completion” and asked for a date for the board and the public to revisit setting the sewer rates.

Madame Chairwoman Lawrence said that the board needs to discuss what defines “project completion” and that it is going to be a while until that time.

Mr. Lombardo said that the rate is supposed to be based on either water consumption, meter sizes, number of fixtures and customer class. He is concerned that the residents are still being charged unfairly.

Mr. Lombardo was reminded that his concerns have been heard from the last 3 meetings and that the board has agreed to address them, but this is a broad issue.

Mr. Kubiel said that consumption rates cannot be used at this time because there are people who have wells. Counsel reminded Mr. Lombardo that the statute states that you cannot have two different standards and that everyone must be treated the same.

Mr. Grosso said that the previous board had a team of people who created the rates and that they had factored the cost of the plant and other variables since then.

Mr. Lombardo asked how this benefits the residents of Lennar when “95% of our money goes towards the township to pay for the sewer plant”.

Madame Chairwoman Lawrence explained that taxpayers and people in the PILOT program are sharing the responsibilities of all of the services in the town

(i.e., law enforcement) and does not understand why Mr. Lombardo believes that the responsibility of the sewer is solely on the residents of Lennar's shoulders.

Mr. Kubieli began to explain how the PILOT works and how the payments do not include a school tax, or a fire commissioner and that he is actually paying less than someone who is a taxpayer and not in the PILOT program.

Counsel said that after a year of completion, there will be a hearing to establish rates and at that time, the authority will take comments, concerns, suggestions and questions concerning future rates and that will be established one year after completion.

No other comments from Mr. Lombardo.

b. Lisa Wilner of 9 Emerald Ln., New Egypt addressed the board.

Ms. Wilner asked how after the 6th year of being in the PILOT program, how does the money get dispersed. She also wanted to know what happens with what is completion. Mr. Kubieli said that it depends on how they set it up. He also said that people who did not hook up to the sewer are getting water bills as well because they are past the deadline.

Ms. Wilner asked for a meeting to explain the method/system. Mr. Kubieli said that he asked for the meeting to be moved to a different date so that he can attend and that he was denied at the clubhouse.

Ms. Wilner requested that 2 representatives from the authority speak to the Lennar community. Mr. Ruppel said that the discussion about the PILOT program, school taxes are outside of the purview of the board. He went on to say that without the community, the Lennar development would not have existed in the way that it's been developed today and that without Lennar, the community would not have sewers.

Mr. Ruppel said that there were also residents outside of the Lennar community that had to hook up even though they had a septic system and that they have had to pay a heavy expense for that connection to the sewer as well.

He said that he is concerned that a meeting at Lennar could get out of hand because of the misperception of what the authority has control over. He said that the authority has control of the treatment of wastewater and the expenses for it.

Ms. Wilner asked what the goal is for completion. She was told that the authority is looking at calling the rate sooner rather than later. Mr. Kubieli explained that the expense to operate the plant is a factor, example, could they operate it at 60%? Mr. Ruppel said that the authority needs to understand the costs.

Ms. Wilner asked if the authority would consider setting a percentage of connections for "completion" and that they would move forward once they have reached that number. Madame Chairwoman Lawrence said that the authority needs to have the money rate and that if they do not have the funds to the numbers coming in, then it would be hard to look at the numbers to determine what the rate should be.

No other comments from Ms. Wilner.

- c. Ms. Rofuchi of 28 Chepstow Rd. New Egypt addressed the board.

Ms. Rofuchi asked if the project completion includes “Lennar’s Project (completion of building the development). She was advised that was not part of the definition and that it was the “phase” of the sewer project.

Ms. Rofuchi asked who the residents need to speak to regarding the PILOT program and how it affects the sewer rates. Mr. Kubiel said that she would speak to the authority about the sewer rates.

Madame Chairwoman Lawrence, again explained how the authority will revisit the rates and that they are factoring funding for the sewer system and that they need to see what percentage of the hookups would keep the plant operational in order to determine completion.

Ms. Rofuchi asked who could clarify what the residents of Lennar will be responsible for after 5 years in the PILOT program.

Mr. Kubiel said that he will speak with Deputy Mayor Marinari and Committeeman Cuzzo to get those answers.

No other comments from Ms. Rofuchi.

- d. Mr. Dominick Griffo of 13 Emerald, New Egypt addressed the board.

Mr. Griffo thanked the board for their service. He then said that he agrees with his fellow residents that the assessment of the sewer rate is “astronomical” compared to what he is paying on a monthly basis for water usage.

Mr. Griffo proposed that the board look at a pro forma income statement as an offset against expenses to get a better understanding of completion and what they deem or assessed to be a completion timeline.

Mr. Kubiel said that the authority receives a spreadsheet with an estimate of where they are with hookups and as the last meeting, they are behind, even with the continuous warnings of the penalty of not hooking up to the sewer.

Mr. Kubiel went on record to say that he takes real offense to a statement on Facebook that accused the authority of “having their hands in the till”.

Mr. Griffo said that he does not know how the financial transactions work, but the residents of Lennar are a benefit to the town when it comes to financial resources.

Mr. Ruppel explained the mechanics of how the Plumsted plant operates.

No other comments from Mr. Griffo.

Mr. Lombardo asked what the maximum capacity of the system on a daily basis. Mr. Ruppel said that there are 3 different numbers to consider. Mr. Ruppel said that he will get a more definite answer for him.

- e. Mr. Frank Annetta of 54 Belmont, New Egypt addressed the board.

Mr. Annetta thanked the board for listening to the residents.

He asked where the water is being discharged to. He suggested that the discharge go to the farms (beneficial reuse).

No other comments from Mr. Annetta.

- f. Ms. Stacy Reed of 791 Monmouth Rd., Cream Ridge, NJ addressed the board.

Ms. Reed said that she had to connect her building on Main St. to the sewer line and that cost her 1,000's of dollars 2 years before she was required. Her building is closed and winterized with no electric or water and she is still paying a sewer bill.

No other comments from Ms. Reed.

- g. Mrs. Kate Tallon of 53 Oak Ln. addressed the board.

Mrs. Tallon thanked the board for their hard work. As part of the Environmental Committee, she asked if the committee could take a tour of the facility and that this would fulfill a requirement to do a stormwater outreach.

Mr. Leutwyler said that he would coordinate the tour. Members of the board would also like to be a part of the tour.

Mr. Grosso suggested that there would be an open house at the plant in the spring.

No further comments from Mrs. Tallon.

- h. Deputy Mayor Marinari addressed the board.

DM Marinari said that the communication is a disaster. He said that as taxpayers, the representatives from Veolia should be present in person or in Zoom to answer questions that the authority cannot answer.

Madame Chairwoman Lawrence asked if Zoom should be removed so that the representatives must physically appear. It was suggested to keep Zoom.

The authority expressed their disdain and agreed that the representatives need to be at the meeting to answer questions from the public. It was suggested that it would be a requirement for the professionals to attend and that it would be part of the language of the proposal.

- i. Mr. Lombardo readdressed the board.

Mr. Lombardo said that we all need to work together and a lot of the residents are seniors and are on fixed incomes and it will get more expensive and people will want to leave.

- j. Gerald Mikucki of 7 Churchill addressed the board.

He asked if the board could have an answer by the next meeting as to what hook up is and when it will start.

Madame Chairwoman Lawrence said that hookup when everyone in the sewer connection area is connected and putting out flow into the treatment plant and that the authority is looking for “completion”. She said that she is going to ask the Finance Committee if the plant can function at 85% complete to start the 1 year and hopefully have that number at the February Meeting.

Mr. Kubieli said that the housing market of Lennar could impact the number.

Mr. Mikuki expressed his frustration of having to pay a high rate for the sewer system.

Mr. Grosso reminded the public that the Authority is a non for profit.

No other comments from Mikuki.

- k. Committeeman Cuzzo addressed the board.

Mr. Cuzzo said that the system was put into place by Assemblyman Ron Dancer and that it was put into place to solve the issue of properties being condemned and that he cut a deal with the county and the state.

Mr. Cuzzo explained the concept behind the incentive of PILOT program. He also said that the town is keeping the bond from Lennar until they do some of the things that they were supposed to do.

Mr. Lombardo asked if the assessment of their homes will change after 5 years. Mr. Kubieli said that by state law, they are required to be assessed every 10 years.

Mr. Cuzzo said that he and the committee will do their best and that he will stay after the meeting to answer questions.

No other comments from the public.

The Public Comment session is closed.

14. ADJOURNMENT:

- a. Board unanimously voted to adjourn the meeting.

Minutes were prepared by the Plumsted Municipal Utilities Authority Secretary,

Cynthia MacReynolds