

TOWNSHIP OF PLUMSTED

**MUNICIPAL UTILITIES AUTHORITY
MEETING MINUTES**

March 21, 2023

Start Time: 6:30 PM

End Time: 9:35 PM

1. FLAG SALUTE:

- a. Led by Vice Chairman Grosso.

2. ROLL CALL:

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

OTHER MEMBERS PRESENT

<u> X </u>	<u> </u>	Dave Leutwyler, Executive Director
<u> X </u>	<u> </u>	Mel Palis, Contractor NSU
<u> X </u>	<u> </u>	Ben Wyler, ERI
<u> X </u>	<u> </u>	Greg McGuckin, Attorney
<u> </u>	<u> X </u>	Cynthia MacReynolds, Secretary
<u> X </u>	<u> </u>	Deputy Mayor Herb Marinari
<u> X </u>	<u> </u>	Committeeman Dominick Cuzzo

3. OPEN PUBLIC MEETING ACT STATEMENT:

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

4. TREASURER'S REPORT:

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

Mr. Leutwyler explained the revision to the report. The MUA switched from Investor's Bank to Citizen's Bank. Investor's Bank was bought out by Citizen's Bank.

Mr. Leutwyler said that the outstanding checks that are written under Investor's Bank will still be cashed by the vendors. He was told to contact the bank to ask if they have a government rate rating that is required to work with government funds.

No other questions or comments from the board.

Motion to accept the Treasurer's Report was made by Mr. Ruppel and 2nd by Ms. Kimmick.

Roll Call:

Approved:
Kimmick
Lawrence
Ruppel
Grosso

5. BILL LIST:

- a. Mr. Grosso reiterated that the utility bills need to be paid on time and that the Executive Director needs to call the providers and ask for those totals prior to the finance meeting.

Mr. Grosso noted that July 2022 and November 2022 Veolia bills are on the Bill List. He asked Mr. Leutwyler if Veolia has submitted the March 2023 invoice. Mr. Grosso said that if they want to get paid for that month, that the bill needs to be submitted by the deadline so that it can be reviewed before the meeting.

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

Roll Call:

Approved:
Kimmick
Lawrence
Ruppel
Grosso

6. TOWNSHIP REQUISITIONS FOR PAYMENT:

- a. The board revisited the requisition from October 2022 – January 2023 for T&M and Associates that was tabled at February's Meeting. Mr. Grosso asked if T&M would be paid to date if this bill is paid. Mr. Leutwyler said that he will return to the board with an answer.

Mr. Ruppel noted that on past requisitions, T&M would include what the invoice value is and what is remaining in the contract. Mr. Palis said that the most that T&M could do is to describe the remaining scope items that they need to fulfill and submit it for the MUA's review. He said that they can also advise the board of what is remaining of the \$30,000 change order and how much they have incurred so far and what is reflect in the most recent invoice that has yet to be paid.

Vice Chairman Grosso liked the suggestion, but said that it would be hard to recommend to the township to pay an invoice if they do not know what that money's there to be allocated.

Mr. Ruppel made a motion to table the requisition and Ms. Lawrence 2nd the motion.

Roll Call:

Approved:

Kimnick
Lawrence
Ruppel
Grosso

7. MINUTES FOR APPROVAL- 06/21/22 & 02/21/23:

- a. Ms. Kimnick commented that on page 3 February's minutes, correction to change "Mr. Lawrence" to "Ms. Lawrence". Ms. Lawrence commented that on page 4, the correct amount is \$15,455.17.

Motion to approve February's Minutes with corrections and June's minutes was made by Ms. Lawrence and Mr. Ruppel 2nd the motion.

Roll Call:

Approved:

Kimnick
Lawrence (February)
Ruppel
Grosso

Abstain:

Lawrence (June)

8. ENGINEER'S REPORT:

- a. Mel Palis presented the T&M Report to the board for the month of February. Mr. Palis said that Veolia did not send him the sampling of the lab to present to the board. He said that they did not provide the daily averages for Gallons Per Day (GPD) or as to if they were in compliance in February.

Mr. Palis reported on the final punch item, which is the heater in the screen room. He said that it is classified as being a Class I, Div. 1, which means that there is a requirement to make sure that the equipment and the operation of the inside of the room should be above freezing, which is the intent of the heater. He said that he contacted Tomar and they will make adjustments of making the roof ventilation unit in Manual Mode and that it is up to the operator to see if the room is freezing or not.

Mr. Palis said that the damaged Carbon Vessel was brought to the manufacturer in North Carolina and that the manufacturer determined that is not under warranty because it was operating properly for some time. They said that sludge had entered the Carbon Unit. Tomar said that they can submit a cost replacement estimate and send it to the MUA and they can do the work. This cost will be on the MUA.

Mr. Ruppel asked if there was a correspondence from the manufacturer with that information and Mr. Palis said that this information was given to Tomar and passed down to him. He said that he will contact Tomar to submit that to the MUA.

Vice Chairman Grosso asked if the damage was caused by operator error by Veolia or if it was part of the construction. Mr. Palis said that the tank was operating for a while and that it broke while it was operating. He said that the manufacturer assumes that it occurred during normal operations and classified it as operator failure.

Mr. Ruppel said that it is up to Tomar to file a claim. Mr. Palis said that T&M and the township needs to have that discussion with Tomar and that Tomar already wants to have a discussion regarding the outstanding Change Orders as well as unpaid invoices and he also said that there needs to be direct communication between Tomar and the township. Mr. Grosso agreed and recommended a meeting between the MUA, Tomar, T&M and the manufacturer.

Counsel recommended that the board not attend the meeting to discuss the warranty. Mr. Palis said that he will reach out to Tomar and the manufacturer and report the outcome by the April meeting. The board also asked that the Change Orders be discussed at the meeting. Mr. Palis said that there is a new document with the Change Orders that were missed and that he will forward those to the board. He said that NSU is not part of the Change Order Process, but they are only copied in the correspondences. He believes that T&M might be the agency that approves them.

Mr. Palis said that the heater is the final item on the Construction Punch List and that he's taken the initiative to doing the closeout documents with the EPA and the DEP.

Mr. Ruppel asked that they submit a spreadsheet by address of each house connection that was authorized and paid for.

9. EXECUTIVE DIRECTOR REPORT:

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

In part of the report, Mr. Leutwyler said that there is Sulfuric Acid on site to lower PH levels if needed. He reported it to the DEP to be in compliance.

Vice Chairman Grosso said that the board does not have any pricing for the extra expenses that are accruing and that it does not give the board an idea of what is going on. Mr. Leutwyler said that he will find out how the pricing works.

Vice Chairman Grosso also said that the letterhead needs to be updated. He also said that a Right to Know book needs to be kept on site and that a copy of the RTK letter with regards to the Sulfuric Acid needs to be in that book.

End of Executive Director's report.

10. VEOLIA REPORT:

- a. Mr. Leutwyler said that Chris Earle sends his apologizes for not attending this month’s meeting. He then read the Veolia Report.

Mr. Ruppel expressed his disappointment about not having a representative from Veolia present to answer questions about the report. He said that the report does not have enough details to show the board about the operations. Vice Chairman Grosso also said that the monthly readings are not on the report. Mr. Leutwyler said that he will speak to Veolia and get a report to the members of the PMUA and will advise them that the reports need to have more details in the future.

End of Veolia Report.

11. CORRESPONDENCES:

- a. There were no correspondences for the board.

12. RESOLUTIONS:

- a. Prior to discussing Resolutions, Mr. Leutwyler advised the board that the position of Board Secretary has always been an appointed position and should not be added to the professional contracts. Mr. Marinari also advised the board that it has always been that way and that the board secretary has always been appointed each year.

Mr. Ruppel made a motion to reappoint Cynthia MacReynolds as Board Secretary from February 2023 to February 2024. Ms. Lawrence 2nd the motion.

Roll Call:

Approved:

 Kimmick
 Lawrence
 Ruppel
 Grosso

- b. RESOLUTION 2023-01: RESOLUTION EXTENDING CURRENT PROFESSIONAL SERVICE CONTRACTS AND THE APPOINTMENT OF BOARD SECRETARY.

The board discussed amending the resolution to extend the Board Secretary until the February 2024 ReoOrganization Meeting. The board also discussed keeping the Board Secretary’s resolution separated from the Professionals resolutions.

A motion to pass the resolution as amended was made by Mr. Ruppel and Ms. Kimmick.

Roll Call:

Approved:

 Kimmick

Lawrence
Ruppel
Grosso

- c. RESOLUTION 2023-02 RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE INTERIM SHARED SERVICES AGREEMENT BETWEEN THE PLUMSTED MUNICIPAL UTILITIES AUTHORITY AND TOWNSHIP OF PLUMSTED.

The board discussed the purpose of the amendment to the Shared Service Agreement.

Ms. Kimmick made a motion to amend the resolution and pass it. The motion was 2nd by Mr. Ruppel.

Roll Call:

Approved:

Kimmick
Lawrence
Ruppel
Grosso

13. PUBLIC COMMENTS:

- a. Dolores Jenkins of 4 Gulfstream Rd., New Egypt addressed the board.

Ms. Jenkins praised the board for their accomplishments in the past and present. She asked Mr. Leutwyler what the interest rate is on the bank account. Mr. Leutwyler said that he did not have that answer and that Susan might have it. He said that he will give her that information when he gets it.

Ms. Jenkins then addressed her comment to Vice Chairman Grosso. She asked if he can address all of the issues in a letter and send it to Tomar, T&M and Veolia for their meeting so that they will have the materials to answer the questions. Mr. Grosso said that he would.

No other comment from Ms. Jenkins.

- b. Sergio Nacinovich of 14 Keenland addressed the board.

Mr. Nacinovich asked the board about the tank. He said that if the tank is defective that it should have been replaced. He also wanted to know why it malfunctioned and why it could not be repaired. He asked why they could not hire an engineer to find out how the tank was assembled and said that maybe it was fractured in transit and finally broke down. He suggested that it could have been a structural fracture that caused it to fail. He believes that this should have been acted on sooner.

Mr. Palis said that the tank was for odor control and that it is not for the wastewater process. He said that it is to remove the hydrogen sulfide, which is a small but dangerous gaseous emission. He said that the reason that people did not investigate on site is because it is dangerous and that there needs to be a

controlled method to send it to the manufacturer. He said that the tank is a single unit and made out of plastic. He also said that it is for odor control.

Mr. Nacinovich then asked how the toxic substance is neutralized in the tank. Vice Chairman Grosso said that there is a charcoal filter that removes the bad gasses. Mr. Nacinovich asked how often does the filter need to be replaced. Vice Chairman Grosso said that the media probably does.

Mr. Nacinovich expressed his concern about the coupon system used for the sewer billing. He asked how many users are online right now and how many do they anticipated to end up with within two years. Vice Chairman Grosso said that according to Mr. Leutwyler's report that 504 connections have been completed in the downtown area and that there are 227 connections in the Lennar area. There are a total of 150 outstanding connections within the downtown sections. He was also advised that some of the residents have wells for their water.

Mr. Nacinovich suggested that the authority just bill for the wastewater that they are using. He was advised that they are not 1 year into treating and that they are still trying to define 100%. He said that everyone is paying the same rate and that is not based on water consumption.

Mr. Ruppel said that this is a topic that has been continuously been brought before the board and that they are still trying to respond to the billing. He reassured that the board is working on this and that they are trying to get more information.

No other comments from Mr. Nacinovich.

- c. Mr. Leutwyler addressed Ms. Jenkins and told her that the interest rate is 1%. Ms. Jenkins said that she will do more research on that.
- d. John Lombardo of 6 Gulfstream Rd. addressed the board.

Mr. Lombardo distributed a handout to everyone on the board. He read NJ Statute 40:14b-22 which states how the sewer rates are set and said that the other handout is the Ocean County Tariff Sewer Rates. Mr. Lombardo read the statute to the board.

He then read the section on Tariffs. Mr. Lombardo concluded that because the residents are metered, the Authority could develop a core structure based on the media consumption such as industrial customers, farm, commercial, etc. and everyone will be paying the same fixed rate but will also be charged by class.

Vice Chairman Grosso responded that the discrepancy to the uniformity is that some places are metered and some are not. He said that there is nothing that the authority can do about it. It was said that the residents of the Lennar Development are metered because of the Water Company and downtown is not. Mr. Lombardo suggested that because of this that the rate would be based on the number of fixtures.

Mr. Lombardo asked how the rate of \$210 per quarter came about. Mr. Ruppel said that it was based on the number of anticipated connections this year paired up with the anticipated cost of this year. He also said that the authority needs time to evaluate where they are, and that they need to consider the operation costs, reserve costs and maintenance costs.

Mr. Lombardo was reminded that they are a non-profit and that the authority wants what's fair for everyone and that they want to keep the rates as low as they can to make it self-sustainable.

Mr. Lombardo was also advised that people are still not connected and that it is affecting the revenues. He was advised that the residents cannot be billed until they become a member of the system. Mr. Ruppel also said that the board has no authority to go after them legally, but they are anticipating that the township will have a lien on the properties and that the revenues from that will probably not be available until either March, April or May and that also depends on if the liens sell.

Mr. Lombardo asked how many people received monies from the Financial Assistance Program. Mr. Ruppel said that it was an elective loan and that people were able to opt out. He believes that participation in the program was probably about 30%.

He was also advised about the Sewer Loan Program and how it is a lien on the home for 20 years. The homeowner does not have to pay back the grant if they do not refinance or sell their home within 20 years. He was also advised by Mr. Leutwyler that the loan money will not be paid until he has the paid bill in hand.

No other comments from Mr. Lombardo.

- e. Rich Volmer of 45 Magnolia Avenue addressed the board.

Mr. Volmer told the board that he owns 45 & 47 Magnolia Ave. He said that it is a house in the front and a house in the back. Mr. Volmer said that he has 2 connections put at the end of his road. He then said that he ran a line 287 feet to the road and when he got there, there was a township culvert pipe that runs under his driveway that was directly in the way. He said that he contacted Mr. Leutwyler and the sewer plant. Mr. Volmer said that someone from the sewer plant looked at the culvert and told him that he can hook up to the pipe. He said that 47 Magnolia is going to come down and poke into to one outlet. He asked about the dilemma of paying 2 connection fees and only have one connection.

Counsel asked if the authority authorized him to connect the 2 to the one pipe. Mr. Leutwyler said that it is one deed, one property with two houses. Mr. Volmer gave the example how an apartment complex would have 10 units with 1 connection fee. Mr. Volmer said that he is connected and that both of his buildings are going into one connection.

Vice Chairman Grosso asked Mr. Leutwyler if Veolia investigated or if it was their engineers. Mr. Leutwyler said that it was Veolia. He asked Mr. Leutwyler if they had the authority to do so. Mr. Leutwyler said that he assumes that they did.

Mr. Volmer said that he was told that the culvert pipe was installed by the township. Vice Chairman Grosso said that he wanted to make sure that the correct person came out to avoid the engineer say that he was misinformed.

Mr. Ruppel asked if he got a subcode approval from the plumbing inspector. Mr. Volmer said that the plumber approved it, but has not approved the final set. Counsel then asked if he got a permit to connect the two in one or just a permit for the two. Mr. Volmer said that he got two permits to connect to each one and that the inspector said that he was good. Counsel said that the plumbing inspector might disagree with what Veolia said. Counsel asked if Mr. Volmer is requesting that the connection fee to be one.

Vice Chairman Grosso thanked Mr. Volmer for bringing it to their attention and said that the board will discuss it and will get back to him.

No other comments from Mr. Volmer.

- f. Deloris Jenkins of 4 Gulfstream addressed the board.

She asked if the Tax Assessor can't count the square footage in the fixtures and come up with accuracy for all, why can't we do it? She based her question on a comment from Mr. Lombardo when he said that it may be beneficial to count up by fixtures.

Vice Chairman Grosso said that it is going to be based on water usage and that there is no way to verify non meter usage. She asked if a way to do that exists. She was advised that it was not for the board to put in place.

No other comments from Ms. Jenkins.

- g. Mr. Marinari addressed the board.

Mr. Marinari said that there needs to be some enforcement about a representative attending the meetings. There is a need for someone to answer questions.

Mr. Ruppel said that it is not elective or permissive but a requirement that a representative be at the meetings.

No other comments from the public.

Mr. Ruppel made a motion to close the Public Comment portion of the meeting. Motion was 2nd by Ms. Kimmick. Board voted unanimously to close Public Comment.

The Public Comment session is closed.

14. OLD BUSINESS:

- a. Mr. Leutwyler was asked to add Mr. Weller from ERI to the April agenda. Mr. Weller said that he had nothing to report at this meeting.
- b. Mr. Lombardo asked why the January minutes were not posted on the website. Mr. Leutwyler said that he will look into it and make sure that they are on the website tomorrow.
- c. Mr. Ruppel reported that he and Ms. Kimmick have put together a list of 150 properties. He said he wants T&M to validate the report and to give them a house connection count. Mr. Palis said that Mr. Schreiber is out of town and that he will send him an email, but he will send it with a note that it is not a request to avoid.

Mr. Ruppel said that out of that list, they have identified 22 properties that they are going to recommend for exemption from connecting to the sewer either because they are vacant or they exceed the 200' requirement.

Mr. Ruppel said that there were 41 properties that have to be verified as to if they are exempt or if they have to connect. There are 87 properties on the list that have not connected to the sewer and are required to connect. He said that they will proceed to communicate to the township to issue summonses to those who are required to connect and residents that have not done so.

Mr. Ruppel said that they are going step by step in coordinating the issuance of summonses. They do not want to overwhelm the court system.

Mr. Ruppel said that he worked with Counsel to develop letters that they are sending to the Ocean Co. Health Department and the Sub Code Officials to advise them that there is a list of properties that are required to connect to the sewers and that from this point forward, they are ineligible for repairs or modifications, nor are they eligible to get a permit from the township or Ocean County to facilitate repairs.

Mr. Ruppel said that he will send those letters to Mr. Leutwyler and have him distribute them to the rest of the committee.

- d. Mr. Ruppel followed up on an issue with multi use structures and if they are permitted to have each tenant pay separately. Mr. Ruppel addressed Counsel and said that the problem with that is that the Authority has no ability to lien a tenant in the event that they fail to pay and that the only recourse is against the landlord or the property owner.

Mr. Ruppel said that he attended an annual meeting of the Association of Environmental Authorities and asked for suggestions. He said that an attendee from Jackson had two suggestions. The first option would be to accept the bill for the entire property and the second option would be that the Authority would submit individual bills to the tenants that will only do so after they sign a

developer's agreement, where the Authority would blame the property owner for the value and that they would have a lien on that portion of the value.

The board decided to collect more data. They will ask Susan to give them a list of the properties and determine if they are a single or multiple units so that they may continue to work on coming up with a solution. They anticipate having a solution by the next meeting.

15. NEW BUSINESS:

- a. No new business.

16. COMMENTS FROM THE BOARD:

No other comments from the board.

17. RESOLUTION 2023-03: RESOLUTION AUTHORIZING EXECUTIVE SESSION OF THE PLUMSTED MUNICIPAL UTILITES AUTHORITY FOR THE MARCH 21, 2023 MEETING TO DISCUSS ATTORNEY CLIENT MATTERS AS WELL AS PERSONNEL:

- a. Mr. Ruppel made a motion to adopt Resolution 2023-03 and was 2nd by Ms. Kimmick.

Roll Call:

Approved:

- Kimnick
- Lawrence
- Ruppel
- Grosso

18. ADJOURNMENT:

- a. The board voted unanimously to close the meeting.

Minutes were prepared by the Plumsted Municipal Utilities Authority Secretary,

Cynthia MacReynolds