

PLUMSTED MUNICIPAL UTILITIES AUTHORITY
AGENDA
April 19, 2022
6:30 pm

FLAG SALUTE

OATH OF OFFICE

ROLL CALL

READING OF OPEN PUBLIC MEETINGS ACT

REORGANIZATION

TREASURER REPORT

BILL LIST

TOWNSHIP REQUISITIONS FOR PAYMENT

APPROVAL OF MINUTES

T & M ASSOCIATES PROJECT UPDATE

EXECUTIVE DIRECTOR REPORT

CORRESPONDENCE: Dunn, 5 Early Drive
Baur, 46-48 Story St.

COMMITTEE REPORTS: Establish Finance, Sewer Committees

RESOLUTIONS:

RESOLUTION 2022-05: Authorizing employment of Susan Del Sontro as Administrative Assistant, \$20.00/hr, 24 Hrs/wk

RESOLUTION 2022-06: Approving Member Steven Grosso as a signatory for Investors Bank

RESOLUTION 2023-07: Amending the eligibility criteria for qualifying for Sewer Connection Loan Program and Waiver of Connection Fee.

PUBLIC COMMENT

OLD/NEW BUSINESS: Grinder Pump Connections
Draft FY 2023 Budget
NJSEM Energy Cooperative

EXECUTIVE SESSION

ADJOURN

The next meeting is scheduled for May 16, 2022 at 6:30 pm

Nancy Lawrence, Chairman

Steven Grosso

Brian Kubiak

Michael Ruppel

Beth Kimmick

Treasurers Report

April 19, 2022

Mr. Shea reported that the General Checking Account with Investors had an opening balance as of March 1, 2022 of \$51,827.43, deposits of \$135,303.15, checks/debits equaling \$38,540.81, ending March 31, 2022 with a balance of \$148,589.77. We have payments on the Bill List of \$92,421.65 leaving a balance of \$56,168.12 which is sufficient to pay the bills.

Bill List for April 19, 2022

Invoices will no longer be provided in the Monthly meeting packages. They will be available at the Board meeting for review and questions.

PMUA Account # xxxxxxxx1194

<u>PO#</u>	<u>Vendor</u>	<u>Amount</u>
22-28	Verizon	\$203.70
22-29	PSE&G WWTP	\$2,629.19
22-30	PSE&G 10 Evergreen	\$206.21
22-31	Waste Management WWTP	\$65.83
22-32	JCP&L 10 Evergreen	\$390.59
22-33	Office Basics	\$122.42
22-34	Gannett Newspapers	\$170.34
22-35	Central Jersey Health	\$5,032.00
22-36	JCP&L WWTP	\$1,590.95
22-37	Hughes Environmental	\$700.00
22-38	Convexserv	\$36.25
22-39	Treasurer, State of NJ NJPDES	\$4,200.00
22-40	Waste Management	\$75,889.17
22-41	Treasurer, State of New Jersey Air	\$885.00
22-42	Cyndi MacReynolds, Bd Secretary	\$300.00
	TOTAL	\$ 92,421.65

Township Requisitions for Payment April 2022

1. T&M Associates, Engineering Services on Sewer System in the amount of \$18,450.41
2. ERI, engineering services related to Asset Management Plan - \$6,800
3. Tomar Construction Pay Certification No. 25 - \$101,338.86
4. Dasti Murphy Legal services related to Tomar Contract – \$112.00

TOWNSHIP OF PLUMSTED
MUNICIPAL UTILITIES AUTHORITY
MEETING MINUTES
February 15, 2022

1. FLAG SALUTE:

- a. Led by Walter Bronson

2. ANNOUNCEMENT FROM MR. BRONSON:

- a. Mr. Bronson announced Edward Weirsky's resignation from the PMUA. The resignation was effective on February 11, 2022.

Mr. Bronson expressed his appreciation and accomplishments for Mr. Wiersky and his disapproval for the lack of appreciation for Mr. Weirsky's service.

3. ROLL CALL:

PRESENT	ABSENT	
<u> X </u>	_____	Walter Bronson
<u> X </u>	_____	Nancy Lawrence
<u> X </u>	_____	Steven Grosso

OTHER MEMBERS PRESENT

<u> X </u>	_____	Tim Shea, VP Operations
<u> X </u>	_____	Dominick Cuzzo, Committeeman/Liaison
<u> X </u>	_____	Herb Marinari, Deputy Mayor/Liaison
<u> X </u>	_____	Cynthia MacReynolds, Secretary
<u> X </u>	_____	Gregory McGuckin, Attorney

4. OPEN PUBLIC MEETING ACT STATEMENT:

- a. Mr. McGuckin read the Open Public Meeting Act.

5. ANNUAL REORGANIZATION:

- a. Mr. Bronson announced that the reorganization portion of the meeting will be postponed until the end of the meeting. This is due to there being 2 regular members and 1 alternate.

6. TREASURER REPORT:

- a. Mr. Shea read the Treasure's Report.

Mr. Bronson asked the board if there were any questions regarding the Treasurer's report.

Motion to approve the Treasurer's report was made by Ms. Lawrence. Motion was 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

7. BILL LIST:

- a. Mr. Shea read through the Bill List for February 15, 2022. He noted that the bill list was reviewed by a shortened finance committee. The bill list was recommended for approval as presented.

Mr. Bronson had a question about the Veolia bill for \$67,261.10 for the month of February. Mr. Bronson stated that \$50,000 of the bill is for pumping, hauling, and treating costs associated with startup activities at the wastewater treatment plant, which will not be the same once the plant is fully operational and the township is able to cease the pump and haul and treat the wastewater in Bordentown starting on February 16, 2022. Mr. Shea stated that he will elaborate later in the meeting. No other comments or questions from the board.

Motion to approve the bill list as listed was made by Ms. Lawrence. Motion was 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

8. TOWNSHIP REQUISITION FOR PAYMENT:

- a. Mr. Bronson introduced the Requisition list. Advised that the list was reviewed and recommended by the Finance Committee.

Mr. Bronson had a question on the ERI bill for the Asset Management Plan. Mr. Bronson asked if the work has been completed. Mr. Shea stated that it is the first installment, and the payment is not to exceed more than the \$27,000 contract that was awarded to ERI. Mr. Shea indicated that in August 2021 it was required to close out the loan/construction program. He also stated that a proposal was given to the board prior. Mr. Bronson recalled the proposal, however due to cashflow, should the board delay the payment. Mr. Shea stated that the money does not come out of the PMUA budget, but through the township, so the fee will not impact the PMUA budget.

Mr. Grosso asked about the purpose of the Asset Management Plan as listed on the Requisition List. Mr. Shea stated that the Ibank requires an Asset Management and Sustainability plan to identify the assets that have been

procured through the program, the intent to maintain it through the life cycle and to certify that in the design that energy conservation measures were considered in the pumps, etc.

Mr. Shea also stated that it is tied directly to the assets that are put into the plant and that the Operating and Managements are needed. Mr. Bronson stated that the O&M's are completed by the design team and the contractor.

Mr. Grosso asked if the fee includes all assets such as manholes, gravity mains etc. Mr. Shea said that it does.

No further questions from the board.

Motion to recommend the requisition list to the township was made by Ms. Lawrence. Motion was 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

9. MINUTES TO BE CONSIDERED FOR APPROVAL: 1/18/22

- a. No comments or recommendations from the board regarding the minutes.

Motion to approve the minutes was made by Ms. Lawrence. Motion was 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

10. T&M ASSOCIATES MONTHLY REPORT FOR THE TREATMENT PLANT AND SYSTEM:

- a. The monthly report for January 2022 was read by Justin Streleckis of T&M and Associates via Zoom.

Mr. Shea asked Mr. Streleckis if he had the total compensation remaining from Tomar. Mr. Streleckis stated that approximately \$500,000. Mr. Streleckis quoted \$501,437.51, which includes retainage. He also noted that sampling port was authorized at an additional cost and was a necessary change order. He also stated that approximately half of the sum is due to retainage (\$222,000).

No other questions or comments from the board.

11. EXECUTIVE DIRECTOR REPORT:

- a. The Executive Director Report was read by Mr. Shea.

Mr. Shea stated that the township committee agreed to contract into the NJ Sustainability Energy Management cooperative.

The Veolia Plumsted MUA Monthly Report was also read by Mr. Shea.

Mr. Shea announced Veolia will be transitioning to a new interim director. Mr. Shea elaborated on his new involvement with Plumsted Township. He stated that he will still be involved with Plumsted Township, however, he will not be handling the day-to-day customer activities and that there are no changes in the amended contract fees.

Mr. Bronson asked if the board has any choice in the matter. Mr. Shea stated that they could hire an Executive Director.

Mr. Bronson stated that when the board appointed Veolia, it was their understanding that Mr. Shea would be the Executive Director. Mr. Shea stated that he was the Interim director. Mr. Bronson disagreed with Mr. Shea regarding his appointment as the interim director. Mr. Shea stated that the contract states "interim". Mr. Shea assured the board that Veolia will not let this project fail. He will still be at Plumsted, the technical component of the Utility Authority Sewer Operations will remain Veolia's responsibility. If the board or the executive director have a wastewater question, the township could contact Veolia.

Mr. Bronson expressed his appreciation for Mr. Shea. Mr. Shea continued to express his commitment to the project.

Mr. Shea continued to read the Outstanding Issues of the MUA report.

Mr. Shea brought the NJDEP requirement for the MUA to have a commitment to emergency repairs to ensure that technical emergencies would be handled immediately. Mr. Bronson stated that it was his understanding that the township had an emergency contract with Veolia. Mr. Shea explained that Veolia could assume that role, however, it is out of Veolia's scope of work, but Veolia could take that role and that it could be accomplished under their direction with a contracted markup. Mr. Shea stated that if Veolia handles the emergency repair, they will have a contracted markup. He stated that if the township adds the service with Veolia, then they (Veolia) would contact the contractor, pay them and they will bill the authority with the markup for the contract. Mr. Shea stated that if the authority contacts the contractor independently, the township will pay for the contractor as per the contractor's bid and there would not be a markup from Veolia because it is direct with the MUA. Mr. Bronson stated that his understanding that it was always Veolia's responsibility. Mr. McGuckin stated that Veolia can bill for the emergency work. Mr. Shea stated that he is not trying to remove the responsibility, but he is trying to save the authority money with this option.

He also stated that if there is a repair that needs to be made, that the township would contact Veolia and Veolia would contact the contractor. The responsibility of completing the repairs would be responsibility and risk would fall under Veolia.

Mr. Bronson asked Mr. Shea what the markup would be to include this service. Mr. Shea quoted 12.5%. Mr. Shea stated that a decision from the authority needs to be made when the DEP pushes it and that the NJDEP requires an Emergency Repair contract.

Mr. Bronson stated that Ms. Lawrence will have to consider the options. Mr. Grosso stated that he does not think that there is an emergency contract on file. He stated that in the past, that they did put out to bid an emergency contract for 1 year, depending on the price. He suggested that it could also be an option for the board to consider and it would also need to be broken down by what they contractor for, such as pump station contractors, plant contractors as per the recommendation of the board. Mr. Shea stated that Veolia has contractors that they frequently use and that they format their contracts accordingly. He also reminded the board that municipality contractors have different requirements when the contract is out for bid.

Mr. Bronson stated that he calculated that they had 163 EDUs and 18,000 gallons per day and according to his calculation, that's 110 gallons per day per EDU. It is almost 1/3 of what the DEP requires. Mr. Shea stated that the estimated flow rate from the Lennar development is about 100 gallons, and that the downtown area is probably slightly more. The downtown area also lacks water saving devices, making the flows a little higher. Mr. Bronson said that he had anticipated the figures because Lennar has 100 units and 63 equivalent units in town.

Mr. Bronson asked if there were any question from the board.

Ms. Lawrence stated that she had a question regarding the grinder pump. She stated that 10 homes that are going to need pumps. She stated that she had received her first quote and that her sewer hook up is going to be approximately \$15,000, which will not include a generator if the home loses power. Ms. Lawrence stated that there are 9 other homes that will also need to pay this fee. She stated that she is still in favor of the sewers, however, she does acknowledge that they are for the good of the town and that it needs to happen for the environment and for the town and downtown businesses.

She stated that she was anticipating a \$6,000 bill and instead, received a bill for \$14,000 which did not include a fee for a generator. She feels that it is the duty of the PMUA to inform the residents of the downtown area of the anticipated expense and that not only will they have to pay for their connection to the sewer, but due to their location that they will need the pump for the sewage to go to the main and will incur approximately triple the amount of the anticipated fee. She also stated that the \$15,000 did not include the upgrade to the electricity for the project. She also stated that the extra expenses were not anticipated or saved for by the residents. She does not want the residents to feel as if the contractor is being dishonest with their quotes.

Mr. Bronson opened the floor to comments.

Mr. Grosso asked, "Who maintains the pumps?" Mr. Shea answered that the homeowner is fully responsible for the pumps. Mr. Bronson suggested that the residents hire a contractor together.

Mr. Grosso inquired about the location of the connections by Ms. Lawrence's home for the closest connection point. Ms. Lawrence stated that she and her neighbors are several feet away from the road, but it is being run through the house so she will not need much ditching because of her basement. She's unsure what the other neighbors are going to do because they have crawlspaces.

Ms. Lawrence made a motion to have the executive director inform the residents who will be impacted of the additional fees and the requirement to have a generator by letter. Mr. Grosso 2nd the motion.

Roll Call:

Approved:

Lawrence
Grosso

Abstain:

Bronson

12. CORRESPONDENCE:

No correspondences.

13. COMMITTEE REPORTS:

Completed earlier in the meeting.

14. RESOLUTIONS:

a. 2022-02 RESOLUTION TO JOIN THE NEW JERSEY SUSTAINABILITY ENERGY JOINT MEETING.

No questions or discussions from the board.

Motion was made to approve the resolution by Ms. Lawrence. Motion 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

b. 2022-03 RESOLUTION APPOINTING CYNTHIA MACREYNOLDS AS BOARD SECRETARY.

No questions or discussion from the board.

Motion was made to approve the resolution by Ms. Lawrence. Motion 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

c. 2022-04 PLUMSTED MUNICIPAL UTILITIES AUTHORITY RESOLUTION AWARDING PROFESSIONAL SERVICE AGREEMENTS FOR THE PLUMSTED MUNICIPAL UTILITIES AUTHORITY FOR THE YEAR 2022.

Mr. Bronson inquired as to who will be recommended. Mr. Shea stated that the list was reviewed and made the following recommendations:

Financial Advisor - GB Associates
Engineer – Environmental Resolutions, Inc.
Bond/ Redevelopment Counsel – McManamon and Scotland
Attorney – Dasti, Murphy, McGuckin, Ulaky and Katsoris- Greg McGuckin
Auditor - HFA

No other discussion or questions from the board.

Motion made by Mr. Grosso. Motion 2nd by Ms. Lawrence.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

d. 2022-05 Authorizing the Contracting of Robert Half Assoc. to obtain a temporary Administrative Assistant

Mr. McGuckin asked if the position would be advertised. Mr. Shea stated that it would and that he is looking for a full time hire.

Mr. Bronson asked if the agency pays the temp. Mr. Shea stated that the agency will pay for the temp and that the authority will pay the agency. He also said that the new hire would not be a public employee.

No other questions or discussion from the board.

Motion to pass the resolution was made by Mr. Grosso. Motion 2nd by Ms. Lawrence.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

15. PUBLIC COMMENTS:

Motion was made by Ms. Lawrence to open the floor to the public. Motion 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

No Comments via Zoom.

Committeeman Dominick Cuozzo asked if the extra fee for the pump was covered under what the township is giving the residents. Ms. Lawrence stated that up to \$4,000 will be covered by the standard for those receiving sewer services.

Committeeman Cuozzo asked if there was possibility to have HOA and have one shared generator to service the residents. He also stated that if the MUA does it, then it belongs to the MUA and not the township. He asked if it is possible to tie the 5 houses together and placing a common pump station.

Mr. Grosso stated that it would probably exceed the cost of the estimated \$15,000 per home. Mr. Shea stated that a small pump station would exceed that amount. Committeeman Cuozzo stated that the fee would probably be lower for everybody. Ms. Lawrence stated that the homes are small and are close together and that the board has not talked to anyone yet and is open to asking about the possibility to the residents and that there is not a lot of room on North Main Street to place a big industrial pump as opposed to a homeowner pump due to the layout of the residential area. Mr. Bronson stated for 4 homes isn't going to be a lot bigger than for a single home. Ms. Lawrence stated that it would be 3 homes on one side and 2 homes on the other side.

Committeeman Cuozzo stated, "Is there, so there is nothing there, or you guys don't want to touch that."

The board members stated that they cannot. Mr. Bronson stated that other than the \$4,000 that has already been committed. Committeeman Cuozzo suggested that they gather as many quotes as possible.

Committeeman Cuozzo asked about the shared service energy agreement. He recalls that the committee had passed resolution for a shared service energy agreement. Committeeman Marinari stated that it has not passed yet. He then asked if they were going to be part of the same service agreement. Mr. Shea stated that all 150 communities will be on the same bid. Mr. Bronson stated that they still had their 2-3 meters that need to be authorized by the board and the committee would need to authorize 12 meters.

Deputy Mayor Marinari stated that Committeeman Cuozzo is the liaison for the committee, and if the authority has any questions, to contact Mr. Cuozzo. Deputy Mayor Marinari acknowledged and praised Mr. Trotta's involvement in the project. He also acknowledged the authority for their involvement in the project. Mr. Bronson thanked the Deputy Mayor and acknowledged that many others were involved.

No other comments from the public.

Motion made by Ms. Lawrence to close the public comment portion. Motion 2nd by Mr. Grosso.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

16. OLD BUSINESS:

- a. No Old Business.

17. NEW BUSINESS:

- a. Mr. Bronson announced his resignation effective immediately after signing the checks following the meeting. He informed Committeeman Cuozzo that the board will no longer have a quorum, and that the authority will not have the authority to pay the bills. Mr. Bronson asked Mr. McGuckin if the board can make a standing resolution allowing the executive director to pay the bills if a quorum is not available next month. Mr. McGuckin stated that a quorum is required.

Mr. Bronson stated that the township committee needs to be more involved in the PMUA. He expressed his disappointment that any of the committee members did not attend the meeting last Friday to discuss a \$1.3 million dollar settlement with the PMUA contractor. He reemphasized the importance of having a committee member present at these important meetings.

18. REORGANIZATION:

- a. Mr. McGuckin asked for a nomination for the MUA Chairperson. Mr. Bronson nominated Ms. Lawrence. Mr. Grosso 2nd the nomination.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

Mr. McGuckin stated a motion cannot be made for a Vice Chairman due to Mr. Grosso being an alternate and Mr. Bronson's resignation. That motion will be tabled.

He also stated that the board cannot nominate a treasurer for the same reasons. Ms. Lawrence asked if she could hold both positions as a chairperson and the treasurer. Mr. McGuckin stated that she cannot. Mr. Bronson asked why the committee appointed Mr. Grosso as an alternate and not a regular board member because the board needs 2 people to sign checks. Mr. Bronson suggested that the committee appoint Mr. Grosso as a regular member of the board. Ms. Lawrence reminded the board that in January, the board consisted of 3 members.

Committeeman Cuozzo addressed his invitation to the meeting prior. Committeeman Cuozzo stated that he did not receive an invitation to the meeting. Mr. Bronson stated that Committeeman Cuozzo was invited to the meeting. Mr. Shea was asked to verify that Committeeman Cuozzo's invitation to the meeting. Mr. Shea stated that he sent the invitations to both liaisons and only received a response from Deputy Mayor Marinari. Ms. Lawrence asked Mr. Shea to verify if he had the correct email address for Committeeman Cuozzo so that going forward Committeeman Cuozzo is receiving the invitations to the events of the PMUA.

Appointments for Vice Chairman and Treasurer will be tabled for the next PMUA meeting.

Deputy Mayor Mariniari acknowledged that Mr. Bronson has thanked Mr. Minter and Mr. Wiersky and that he (Mr. Bronson) should be added to that. He thanked and praised Mr. Bronson for his service. He also congratulated Ms. Lawrence.

Chairperson Lawrence acknowledged the work of the board and others for the sewer systems that will hopefully revitalize the downtown area.

Ms. Lawrence also acknowledged the work from Mr. Bronson and former members of the board.

19. EXECUTIVE SESSION:

No executive session items to discuss.

20. ADJOURNMENT

Ms. Bronson made a motion to close the meeting. Mr. Grosso 2nd the motion.

Roll Call:

Approved:

Bronson
Lawrence
Grosso

Minutes were prepared by the Plumsted Municipal Utilities Authority Secretary,
Cynthia MacReynolds

Executive Director Report

April 2022

1. Three new Board members were appointed at the Township April meeting as well as moving Alternate Grosso to a full member position. The Board now has 5 full members and will need to complete re-organization as began in February. The paperwork is ready to add Steve Grosso to the banking signatory. I would recommend 1 more member be added and I will process the paperwork.
2. Continued processing wastewater through the plant but not discharging. Periodic equipment failures are preventing continuous operation and meeting all permit discharge limits. Average daily flows are approximately 28,000 gpd.
3. As of 4/12 we had 272 permits issued and 102 sewer connections completed in the downtown sewer area.
4. There are 123 CO's issued in Lennar as of March 31, 2022.
5. Veolia submitted their monthly Operations Report for March. See attached.
6. PMUA began Phase 3 of the Veolia contract as of Feb. 1 2022.
7. T&M monthly construction update for January to be forwarded by email.
8. NJSEM issued their Strike Price for the upcoming Energy Procurement bid, see information in the meeting package. A contract will not be awarded for any bid higher than the Strike Price. JCP&L price to compare is \$0.092392. Strike price is \$0.08664. Bids will be accepted May 11, for meeting the new contract date of June, 2022. More to come on this.
9. The 2022-2023 Budget will need to be approved at the May meeting. We are working up a preliminary budget model for consideration by the Finance Committee and will have a proposal for the May meeting.



STRIKE PRICE NOTICE TO SEM MEMBERS IN JCP&L TERRITORY
April 1, 2022

Notice of Strike Price for Electronic Bid

The NJSEM is embarking on its next round of bidding for electric power supply service, to build upon its track record of delivering energy savings, energy budget stability and enhanced renewable energy content for Members!

The NJSEM will be advertising and issuing a Request for Bids (“RFB”) on or about April 13, 2022 and will be accepting electronic bids for Electric Power Supply Service on or about May 11, 2022. The purpose of the bid is to obtain new Electric Power Supply contracts that will begin in June 2022, to replace the current NJSEM supply contracts that will be expiring at that time. The contract will be for either an eighteen (18) or twenty-four (24) month term beginning in June 2022, as determined most beneficial to members based upon the results of the electronic bids. In accordance with the NJSEM By-Laws, separate strike prices are set for each bid group, each at a fixed price for the utility service area.

NJSEM is bidding for a new third-party supply contract to obtain cost savings as compared to the electric utility’s Basic Generation Service (“BGS”) tariff. Members will also have the option to obtain electric supply with more renewable energy content than provided through the utility’s power supply tariff for a price premium.

It is emphasized that the Strike Price does not represent the ‘expected bid price.’ Indeed, historically the awarded contract price has often been below the pre-established Strike Price. Because energy market prices fluctuate, often changing day to day, we have built some room for market movement between now and bid day into the Strike Price. At the close of business the day before the bid opening date, the NJSEM’s energy consultant will establish a Cost Estimate for each bid group, which will be determined using the most current market information available. The Cost Estimate will reflect the energy consultant’s opinion as to what constitutes a reasonable energy price based on the energy market and will be used by the NJSEM to determine whether to accept or reject bids received on the bid opening date. The Strike Price is the maximum price for which NJSEM will award a contract, is set to assure a minimum level of savings as compared to the utility’s posted BGS tariff price, and in NO EVENT will the NJSEM award a contract which exceeds the Strike Price. However, if the bids received on the bid date substantially exceed the Cost Estimate, even if they are below the Strike Price, the NJSEM may reject the bids received and seek refreshed bids from suppliers if it is determined that refreshed bids will likely result in the award of a contract more consistent with the Cost Estimate.

THE STRIKE PRICES FOR THE JCP&L ACCOUNT BID GROUPINGS ARE AS FOLLOWS:

GS ACCOUNTS:	FIXED ALL-IN CHARGE:	<u>\$0.08664/KWH</u>
GP ACCOUNTS:	FIXED ENERGY CHARGE:	<u>\$0.07003/KWH</u>
GT ACCOUNTS:	FIXED ENERGY CHARGE:	<u>\$0.06887/KWH</u>
LIGHTING ACCOUNTS:	FIXED ALL-IN CHARGE:	<u>\$0.05612/KWH</u>

A contract award will not be made unless the low bid price is at or below this price.

How the Strike Price for Auction is Set for Each Member

Member accounts are aggregated into separate bid groups by specific tariff. The NJSEM Strike Prices are set at a discount to the utility Basic Generation (BGS) prices applicable to the accounts in each bid grouping. The Strike Price takes into account the tariffs that were recently filed by JCP&L that will be taking effect in June 2022.

Usage and demand information for each Member account in each Bid Group has been analyzed, and applied to the applicable BGS tariff prices that will take effect in June 2022 to develop an average tariff price or 'Price-to-Compare' over the contract term for each account. This is used to develop an average tariff 'Price-to-Compare' by Member, by Bid Group. The Strike Prices that have been set for the JCP&L service territory are set below the tariff 'Price to Compare' for each bid group.

Bid Prices for the JCP&L General Service (GS) Accounts bid group in Bid Group 3 and the JCP&L Lighting Accounts in Bid Group 9 will be accepted on an all-in fixed price basis, inclusive of all power supply costs. Bid Prices for the General Service-Primary (GP) Accounts (Bid Group 12) and General Service-Transmission accounts (Bid Group 13) will be accepted using a pricing structure that mimics the JCP&L BGS tariff structure, including a separate Capacity Charge; Transmission Charge; and Energy Charge. The Capacity Charge and Transmission Charge will be passed-through at the supplier's actual costs, which closely tracks the JCP&L BGS tariff capacity and transmission charges; therefore, suppliers will bid on the Energy Charge only.

Consistent with the sustainability mission of the NJSEM and its membership, Members will have the opportunity to receive an enhanced renewable energy product, with total renewable energy ("RE") content delivered to SEM member facilities of more than 30%. This product will qualify participating SEM members for additional points towards Sustainable Jersey (SJ) certification under SJ's municipal renewable energy action. Members will have the option to voluntarily add the enhanced RE product after the bid process is completed at the specific renewable price premium set forth in the successful supplier's bid.

Bid Information

NJSEM utilizes a streamlined electronic bidding process in conformance with the Local Unit Electronic Procurement Act, P.L. 2018, c.156; nonetheless, NJSEM conducts a robust bid process that is transparent, creates a level playing field for all bidders, and that is fully compliant with applicable requirements. The specifications, master performance contract and terms and conditions of service clearly spell out the obligations of the winning supplier, and the rights of the NJ SEM and its members. It is vital that the terms and conditions be spelled out in advance to protect Members and assure that all suppliers are bidding on an apples-to-apples basis. As such, please be careful in comparing independent price quotes for which the specific terms and conditions are unknown or may not be an apples-to-apples equivalent. A copy of the NJSEM Contract will be available by contacting PERMA at lthorpe@permainc.com.

NJSEM will be receiving electronic bids **on or about May 11, 2022 by 11:00 a.m.** If the NJSEM is unable to secure a contract at or below the designated Strike Price for any of the bid groups, or if it otherwise concludes that the market conditions and/or bid results on that day are not favorable based on the Cost Estimate, it will defer an award and ask for refreshed bids from qualified suppliers and/or NJSEM may issue a new Request for Bids between **May 18, 2022 and June 29, 2022** at

a time to be determined in accordance with the Local Public Contracts Law and based upon market conditions. Once the bid is completed, the NJ SEM anticipates that, if the low bid meets or beats the Strike Price and are otherwise determined to be favorable for the respective Bid Group(s) based on the Cost Estimates, the Contract for Electric Power Supply Service will be executed within hours. The contract will be for either an eighteen (18) or twenty-four (24) month term beginning in June 2022 or soon thereafter if a contract is unable to be awarded before June 2022.

Notice of Negotiated Contract

If the NJSEM is not successful at securing a contract at or below the Strike Price after two bids, the NJSEM intends to negotiate the Contract for Electric Power Supply Service directly with the Suppliers pursuant to N.J.S.A. 40A:11-5(3) for any of the Bid Group(s) for which a contract was not awarded. The NJSEM will not award a negotiated contract unless: (1) the price is at or below the contract Strike Price, (2) the price is lower than the lowest rejected price received at the second bid opening and (3) the price is the lowest negotiated price offered by a responsible vendor.

If the NJSEM is successful in securing a contract for Electric Power Supply Service at or below the Strike Price, the NJSEM will enter into a contract on behalf of all NJ SEM Members who did not opt-out. If you do not want to be bound by a negotiated contract at the Strike Price set forth herein, you must opt out by the opt-out date of **April 8, 2022**.

Opt-Out Requirements

Unless you specifically “opt-out” you will be obligated to purchase your electric power supply from the supplier who is the successful bidder, as indicated in the Joint Contract for the NJSEM. The Opt-out form is attached to this Strike Price Notice. All Opt-out Notices must be received by **4:00 p.m. on April 8, 2022**. All Opt-out Notices must be sent by **email** to PERMA at jthorpe@permainc.com. Opt-out Notices received by mail will not be accepted. If you want to be included in the Electric Power Supply Service Contract, you do not need to do anything.

Special Note on Current Energy Market Conditions:

You may be aware, in the wake of COVID-19 supply disruptions, extreme weather and the recent geopolitical instability in Eastern Europe, that energy market prices have risen significantly in the past year. Establishment of Strike Prices that are below the target utility tariff price is an integral part of NJSEM’s philosophy and approach to achieving cost savings and price stability. If no bids are received which are at or below the Strike Prices contained herein, no contract award will be made by NJSEM, and your accounts would be returned to the utility tariff for power supply service, until such time that market conditions improve.

Questions

Any questions regarding this Strike Price Notice should be directed to jthorpe@permainc.com.



Plumsted MUA Monthly Report – March 2022

FROM

Tim Shea, VP Operations

TO

Chairman, Plumsted MUA

Activities for the Month

- Continue to provide Interim Executive Director services.
- Continue operations of the wwtp.
- Continue with development of computerized maintenance system for WWTP and PS's as O&M's are received
- Began development of Emergency Response Plans, HazCom Plans for WWTP
- Installed 2 composite samplers for WWTP at direction of PMUA Board at Dec. meeting.
- Received NJDEP Lab Certification for WWTP for PH and Temperature
- Terminated air quality permit for Evergreen Pump Station

Pump and Haul Activities

Veolia pumped a total of 844,000 gallons out of the Holding Tank and Post Aeration tank of the wwtp in March and disposed of at Bordentown Sewer Authority. General activity required pumping 5 days/wk. Flow was approximately 27,000 gpd.

Upcoming Activities

- Continue pump and haul from holding tank and plant effluent.
- Continue transition of Interim Executive Director position.
- Continue to operate plant to establish permit compliant effluent.
- Install 3 Thundercloud Plums at Marketplace (Spring)

Outstanding Issues