

**MINUTES OF THE REGULAR MEETING OF THE
MOUNT LAUREL TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**

August 17, 2023

Vice Chairwoman Coco-Capri called the regular meeting of the Mount Laurel Township Municipal Utilities Authority to order at 7:11 p.m. via in person and videoconference. A sign with the call-in information was posted at the Elbo Lane Water Treatment Plant Facility Meeting Room and posted on the Authority's official website.

Those in attendance were:

Carol Murphy	Chair
Cheryl Coco-Capri	Vice Chair
Elwood Knight	Secretary
John Francescone	Member

Also in attendance were:

William Long	Consulting Engineer
George Morris	Solicitor
Neil Grossman	Financial Advisor
Rachael Concepcion	Operations Administrative Assistant
Jonathan Sears	Director of Finance
Pam Carolan	Executive Director
William Giegerich	Mount Laurel Township

Vice Chairwoman Coco-Capri announced that the notice requirements of the "Senator Byron M. Baer Open Public Meetings Act" have been satisfied. Annual notice has been transmitted to two newspapers; it has been prominently posted on the Municipal Bulletin Board and filed with the Mount Laurel Township Clerk.

Public Comment – General

No other public in attendance

Minutes

Following a motion made by Mr. Knight and seconded by Mr. Francescone the Board unanimously approved the minutes for the July 20, 2023, regular meeting, with affirmative votes from Ms. Capri, and Mr. Knight and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstention, 2 absent

Developments/New Connections

Following a motion made by Mr. Francescone and seconded by Mr. Knight, the Board unanimously approved Resolution No. 2023-08-88 Resolution Authorizing the Release of the Maintenance Bond for the Fun Plex Interconnect at Route 38 Project., with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Operations

Water System Summary

Ms. Carolan reported 1 water main leak since the last meeting. Ms. Carolan explained that this was not a break but rotted bolts and that section of main is in a newer area that is only 18 years old.

Ms. Carolan stated that customer water use is steady.

Sewer System Summary

Ms. Carolan reported that 4 pump stations were working outside of normal parameters plus the 3 that have construction going on.

Ms. Carolan mentioned that there was a break on the Tricia Meadows force main on August 9, 2023. Ms. Carolan added that a summary of the break was sent home to board members. Ms. Carolan stated that the next day there were control issues at the Laurel Ponds PS which staff believe were caused by shutting down the station to repair the force main leak. Ms. Carolan said the design of the Tricia Meadows Force Main is finished but we're still waiting on permits from DEP before the project can be put out for bid.

Underdrain Summary

Ms. Carolan said that no plugs needed to be replaced during the quarterly inspection. This is the first time in years there weren't any issues found.

Presentation of Engineer's Status Report

Mr. Long presented the report.

Active Projects in Construction

Replacement of Part of Library Force Main and Millstream Force Main Connection, M-180-322-002

The project includes replacing a section of the existing PVC library force main with 10" HDPE (via directional drill), beginning at the pump station, through the adjacent wooded area to Route 295, and cleaning and televising the force main crossing under Route 295/NJTP. The project also includes replacement of the connection of the Millstream force main to the primary force main in Union Mill Rd. Project will be financed via an NJIB loan. Contract awarded to JVS Industrial and Commercial Contractors, Inc. in the amount of \$1,219,000.83 on April 20, 2023, with DEP approval. Construction on the Library Force Main portion of the project has started. Jacking is to begin on Monday.

Atrium & Hooton Pump Station Upgrades, M-180-347-001

No change in status. This project included electrical and control system replacement and upgrades at both the Atrium and the Hooton Road stations. The Atrium station work also included pump replacement and replacement of the emergency generator which also connects to the adjacent Horizon Way Water Booster Station. Financing will be via a NJIB loan. On December 16, 2021, a contract in the amount of \$1,177,150.00 was awarded to Eagle Construction Services. Construction is 95% complete. Waiting on final documentation.

Union Mill Farms Force Main Replacement, M-180-376-001

No change in status. This project included installation of a new force main that redirects the pump station discharge out of the primary force main in Union Mill Road and into the gravity sewer collection system for Holiday Village East Pump Station. Financing will be via an NJIB loan. Contract No. 2019-02 was awarded to Earle Asphalt Company in the amount of \$409,713.13 during the October 21, 2021, meeting. Construction is complete. Project will be closed out next month.

Air Release Manhole Improvements 101 Hartford Rd & Isolation Valve Removal Pike Rd M-180-292

The project includes the replacement of the air relief valve at 101 Hartford Road and the removal of the valve and fittings for the Pike Road isolation valve. A contract No. 2022-14 in the amount of \$599,670.00 was awarded to J.F. Kiely Construction, Inc. at the March 2023 meeting. Removal of the Pike Road valve went well. The air release valve at 101 Hartford is scheduled for some time in September.

Water Main on Hainesport-Mount Laurel Road County Bridge #B4.71 M-180-393

This project is for repair of a leaking 12" water main which is strapped to the side of the County bridge. Originally an emergency repair was planned but due to configuration a replacement is necessary. A contract was awarded to JVS Industrial and Commercial Contractors, Inc. in the amount of \$109,000.83 during the July 2023 meeting. Pre-construction meeting scheduled for next week.

Active Projects in Design

Pump Station Monitoring System, M-180-365

No change in status. This project includes updating the alarm system at 29 of the Authority's 41 sewage pumping stations. In addition, condition monitoring will be included with the system. The Authority authorized the start of design work with a construction completion of March 2021, which was not met. Financing for this project was originally planned for NJIB bundle #1. The design is 90% complete. Comments received from the Authority. Plans and specs being revised.

Air Release Manhole Improvements Union Mill Road M-180-390

No change in status. This project includes the replacement of a force main air relief valve at the intersection of Union Mill Road and the entrance to Signature Place. The project scheduled is to coincide with the Township project to improve Union Mill Road. Priority and construction schedule will be done when UMR is closed for improvements. Design of the AR replacement has started, but the project is basically on hold at this point.

Automatic Transfer Switch Installation-81 Elbo Lane M-180-394

No change in status. This project is to install an Automatic Transfer Switch (ATS) with the capability of connecting an existing portable generator to it when needed, at the Authority's Engineering Office Located at 81 Elbo Lane.

Ms. Carolan reported on the following projects as they are being designed by firms other than Alaimo Associates:

Sanitary Sewer System Modeling, Capacity Assessment and Master Planning (Engineer: Mott MacDonald)

No change in status. The hydraulic model has been completed and calibrated. Mott MacDonald used the model to develop and analyze alternatives for alleviating operational problems experienced in the system and to evaluate alternatives identified by the Authority in the initial SOW. Anticipate the final report early August.

Elbo Lane WTP HVAC Replacement (Engineer: Mott MacDonald)

This project includes the replacement and rehabilitation of the HVAC system at the Elbo WTP. Financing will be via the NJIB. Received plans and specs from Mott MacDonald which are under review by our staff.

Ramblewood Pump Station Generator Replacement (Engineer: Remington & Vernick)

This project includes the replacement of the existing standby generator at Ramblewood Pump Station. A contract was awarded to Lee-Way Electrical in the amount of \$173,400.00 at the February 17, 2022, meeting. In anticipation of the generator's delivery in October 2023, the contractor has started demolition work on the old generator, conduit, and wiring.

HRWPCF Sludge Dewatering Equipment Replacement (Engineer: Colliers)

No change in status. This project includes the replacement of the sludge handling and dewatering equipment in the sludge dewatering building which was originally constructed in 1996. Colliers provided documents for review, the authority commented and expect to have for final review in the next couple of weeks. We are waiting for a revised project schedule.

Chapel Hill Road and Trefoil Terrace Water Main Replacements (Engineer: ERI)

This project included the replacement of approximately 1,020 feet of 6" and 8" water main and 45 services on Chapel Hill Road and Trefoil Terrace. Contract No. 2022-07-84 was awarded to CTX Infrastructure in the amount of \$430,673.50 in July 2022. Water mains and services are installed and in service. Paving is now finished; working on final documentation.

Tricia Meadows Force Main (Engineer: ERI)

This project is for the replacement of a section of the Tricia Meadows force main from the vicinity of the PS to Moorestown-Mount Laurel Road. The wetlands permit application has been submitted to NJDEP. Still waiting for approval.

Hartford Road WPCF Headworks Facility (Engineer: Mott MacDonald)

Mott MacDonald has been authorized to perform an evaluation of the existing comminutors and grit removal facilities at the Hartford Road WPCF. The scope of work includes the evaluation of new screening and grit removal equipment technologies and the ability to construct new headworks at both on and off-site locations. Received preliminary evaluation report. A workshop meeting was held on May 30th to discuss the equipment technology evaluation and conceptual designs considered for the construction of the new grit and screenings removal facilities. Our staff toured different facilities to look at different equipment alternatives earlier this week.

Closed Session

A motion was made Mr. Knight, seconded by Mr. Francescone, the Board unanimously approved to pass Resolution 2023-08-89 to close the meeting to discuss Litigation and Potential Litigation which are exempt from open meetings under the Sunshine Law, at 7:20 p.m., with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 2 ayes, 0 nays, 0 abstentions, 2 absent

Litigation, Potential Litigation and Regulatory Matters – SEE CLOSED PORTION OF MEETING

The meeting was re-opened at 7:28 p.m., following a motion made by Mr. Francescone and seconded by Mr. Knight with unanimous agreement from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Contracts

Following a motion made by Mr. Francescone and seconded by Mr. Knight, the Board unanimously approved Resolution No. 2023-08-90 Resolution Approving Change Order No. 1, with a decrease of \$30,735.22, for the Union Mill Pump Station Force Main Replacement Project, MUA Contract No. 2019-02, with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Following a motion made by Mr. Francescone and seconded by Mr. Knight, the Board unanimously approved Resolution No. 2023-08-91 Resolution Approving Change Order No. 2, with a decrease of \$13,800.75, for the Chapel Hall and Trefoil Terrace Water Main Replacement Project, MUA Contract No. 2022-04, with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Following a motion made by Mr. Francescone and seconded by Mr. Knight, the Board unanimously approved Resolution No. 2023-08-92 Resolution Authorizing Release of Maintenance Bond for Hartford Road WPCF Lighting Replacement, MUA Contract No. 2019-07, with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Following a motion made by Mr. Francescone and seconded by Mr. Knight, the Board unanimously approved Resolution No. 2023-08-93 Resolution Authorizing Release of Maintenance Bond for Hartford Road WPCF Piping, Heat Tracing and Insulation Project, MUA Contract No. 2019-04, with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Following a motion made by Mr. Francescone and seconded by Mr. Knight, the Board unanimously approved Resolution No. 2023-08-94 Resolution Approving Release of Maintenance Bond for Sewage Pump Site Work, MUA Contract No. 2020-08, with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Accounting and Financial

Following a motion made by Mr. Francescone and seconded by Mr. Knight, the Board unanimously approved the Treasurers Report for June 2023 and Payment Plan Status Report for August 2023, with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Following a motion made by Mr. Knight and seconded by Mr. Francescone, the Board unanimously approved Requisition #646 in the amount of \$900,328.49 for the Accounts Payable Vouchers, with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

There were no bills from the Acquisition and Construction Bill List

Following a motion made by Mr. Knight and seconded by Mr. Francescone the Board unanimously approved Requisitions #5917 through #5945, in the amount of \$488,698.86 from the Renewal and Replacement list with affirmative votes from Ms. Capri, Mr. Knight, and Mr. Francescone.

Total votes: 3 ayes, 0 nays, 0 abstentions, 2 absent

Presentation of Updated Fiscal Planning Model

Mr. Neil Grossman introduced himself and provided a summary of the information that was sent home to the Board. Mr. Grossman stated he helped develop the fiscal planning model more than 15 years ago and he updated it yearly for the Authority. He explained that the model anticipated rate increases would have been needed in 2020 but with the pandemic and projects being deferred during that time, we were able to operate without a rate increase. Mr. Grossman added that the connection fees have allowed the Authority to fund capital projects and support operations.

Mr. Grossman said that we are currently meeting our obligations, but the model looks at what our position will be in 5 to 10 years. Based on the model we will need to increase rates to support capital projects and increases in the operating budget. Mr. Grossman stated that the Authority will need to raise about 3.5% more revenue from users each year for the next several years; if a rate increase is not approved this year, then the increase needed next year will be 6 or 7%. Mr. Grossman added that another issue is that there will be less collected in connection fees as Mount Laurel is almost "built out".

Ms. Carolan stated that the schedule we are proposing is that during the September meeting we will have a rate calculation briefing and seek input regarding how the board wants to treat the various user classes and fixed vs. volume rates. Ms. Carolan added that in October and/or November we would discuss various rate scenarios and revenue projections. Ms. Carolan reported that we would have the rate hearing in December with approval of the modified rate schedule also in December, with increased rates effective with January usage on the February 2024 bills.

Mr. Francescone asked what everyone's thoughts are regarding either a 3-year or 5-year rate increase. Ms. Carolan commented that she would prefer 3-years because assumptions in years 4 or 5 wouldn't be as accurate, plus we know that there are some very costly upcoming capital projects that weren't included in the FY2024 Capital Budget since the alternatives and cost estimate came in after the budget was submitted to the state, so those projects are not in the model.

Mr. Sears added so we would know what financing we would need at that time. Mr. Sears mentioned that one of the projects is the surface water plant on the Rancocas. Mr. Morris interjected that there has been discussion about that for years. Ms. Carolan explained that we are still holding the permit in the event that WMUA and/or NJAWC rates go up even further, we can build our own plant for supply. Ms. Carolan explained that if we were paying NJAW's general metered rate of \$8.80 per 1k gallons that was in our original purchase contract, we would have already built that Rancocas plant. Ms. Carolan explained we pay \$3.26 because negotiating to get the Off-Peak Contract that we currently have. Mr. Francescone asked if we built the plant, could we sell that water to other towns or NJAW and Ms. Carolan responded that NJDEP has already indicated that they would not permit us to sell and of it.

Mr. Sears reiterated that he agrees that the 3-year increase would be most advantageous.

Chairwoman Carol Murphy joined the meeting at this time and apologized for being late.

Ms. Carolan reiterated the schedule including a rate hearing in December, with new rates effective with the February 2024 bills. Ms. Murphy concurred with the proposed schedule.

Mr. Francescone asked if there has been a comparison of connection fees to our neighboring towns. Ms. Carolan said we can do a connection fee comparison for the next meeting. Ms. Carolan explained that connection fees are based off of a calculation that the State mandates.

Comments:

Ms. Carolan said we did work for Moorestown Township on their sewer system, in return they agreed to engage in shared services for our needs for Commercial Driver's Licenses (CDL). Moorestown has certified employees with the ability to train and certify others to become CDL trainers.

Ms. Carolan said they have trained and certified two of our employees. Ms. Carolan added that with the new law, CDL training is now required and costs about \$5,000 per employee, but now we can do that training in-house and reduce our expenses.

Following a motion made by Mr. Francescone and seconded by Mr. Knight and with unanimous agreement from the members, the meeting was adjourned at 8:04 pm.