

**MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JANUARY 12, 2012**

The regular meeting of the Mount Holly Municipal Utilities Authority was held at 37 Washington Street on Thursday, January 12, 2012; at 6: 00PM. Chairman Edwards called the meeting to order with the following roll call:

PRESENT: Mr. John R. Edwards, Chairman
Mr. Robert Silcox, Vice Chairman
Mr. Jules Thiessen, Commissioner
Mr. Jason Carty, Commissioner

ALSO William G. Dunn, Executive Director
PRESENT: Stephen J. Mushinski, Esq., Solicitor
Edward A Kondracki, Esq., Special Counsel
Tracey Giordano, Deputy Director of Finance and Administration
Andrew Doyle, Assistant Executive Director
Joel Hervey, Deputy Director of Plant Operations
Robert Maybury, Operations Manager
Anthony Stagliano, Deputy Director of Regulatory Affairs
Keith M. Weismann, R.A. Alaimo Associates, Engineer
Brooke Tidswell, Treasurer

ABSENT: Jacquelyn Perinchief, Commissioner

VERIFICATION OF NOTICE

Executive Director Dunn verified that "In compliance with the Open Public Meetings Act, this is to announce that adequate notice of this meeting was provided in the following manner: Notice of this meeting was published in the Burlington County Times on February 14th, 2011 and April 20th, 2011, and the Courier Post on February 15th, 2011, and April 20th, 2011. On Tuesday, January 10th, 2012, advanced written notice of this meeting was posted on the Administrative Bulletin Board at the Township Building and advanced written notice of this meeting was mailed to all persons who, according to the records of the Authority, requested such notice."

MANDATORY AFFIRMATIVE ACTION COMPLIANCE NOTICE

Any contracts awarded tonight, and between now and the next meeting, the contractor, company or firm must comply with the requirements of N.J.S.A. 10:5-31 et seq. (P.L. 1975, C.127) N.J.A.C. 17:27.

PLEDGE OF ALLIEGIENCE TO THE FLAG

APPROVAL OF MINUTES

Commissioner Silcox moved for the approval of Regular Minutes of December 8, 2011. Commissioner Carty seconded the motion. Motion carried.

Commissioner Silcox moved for the approval of Executive Session Minutes of December 8, 2011. Commissioner Carty seconded the motion. Motion carried.

OLD BUSINESS

Executive Director Dunn stated there has been some activity regarding the easement issue in Lumberton previously discussed. Executive Director Dunn reported he has written a letter to the homeowners authorizing them to proceed based on the review and recommendation of Alaimo Associates. Special Counsel Kondracki stated the Commissioners will have to approve a vacation of the property as well as sign and record a copy of the document allowing it. All expenses involved will be up to the homeowners to pay.

RESOLUTION 2012-01

**A RESOLUTION APPROVING THE OPERATING EXPENSES
FOR THE MONTH OF DECEMBER 2011**

Commissioner Silcox moved for the approval of Resolution 2012-01. Commissioner Thiessen seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Thiessen, Commissioner Silcox, Chairman Edwards

NAYS: Commissioner Carty

Commissioner Carty asked if a petty cash log is kept by the Authority. Deputy Director of Finance and Administration, Giordano, confirmed there is. Commissioner Carty asked if the Authority is now paying Executive Director Dunn's mileage expenses monthly. Deputy Director of Finance and Administration confirmed that the expenses are being paid monthly as a result of an amendment to the Executive Directors contract passed in 2011.

RESOLUTION 2012-01A

**A RESOLUTION APPROVING THE SEWER REFUNDS
FOR THE MONTH OF DECEMBER 2011**

Commissioner Silcox moved for the approval of Resolution 2012-01A. Commissioner Thiessen seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Thiessen, Commissioner Silcox, Chairman Edwards

NAYS: None

RESOLUTION 2012-02

**A RESOLUTION APPROVING THE EXPENDITURES FOR THE MONTH
OF DECEMBER 2011 FROM THE ESCROW FUND**

Commissioner Silcox moved for the approval of Resolution 2012-02. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Thiessen, Commissioner Silcox, Chairman Edwards.

NAYS: None

RESOLUTION 2012-03

A RESOLUTION APPROVING THE EXPENDITURES FOR THE MONTH OF DECEMBER 2011 FROM THE IMPROVEMENT AND REPLACEMENT FUND

Commissioner Silcox moved for the approval of Resolution 2012-03. Commissioner Thiessen seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Thiessen, Commissioner Silcox,
Chairman Edwards.

NAYS: None

COMMUNICATIONS

Executive Director Dunn reported there are a couple of outstanding construction items at the Maple Avenue site. As a result, there is a little over \$100,000.00 in payments being held back on the contract, although, currently he is getting a lot of pressure from the contractor to make payment. Executive Director Dunn stated the two items in question are the gate and the heating and cooling system located at the new plant. Mr. Dunn and Alaimo Associates are currently in discussion with the contractors and sub contractors to rectify the situation. Executive Director Dunn explained the heating and cooling system is not functioning properly. Commissioner Thiessen asked if the system was built to specifications. Mr. Dunn confirmed it was. Commissioner Thiessen then stated this should be an issue with the general contractor to which Executive Director Dunn agreed. Executive Director Dunn then explained the gate is unbalanced causing it to stop and start and the emergency functions to not work properly.

Executive Director Dunn reported the Authority is working with contractors and Lumberton Township on the solar power project. Currently, permits are being pursued. Commissioner Carty asked if the issues raised at the December meeting in regards to the contractor have been resolved. Executive Director Dunn confirmed they have; Vanguard has conformed to the specifications.

MATTERS TO BE PRESENTED BY THE PUBLIC

Mr. Luis Lopez of 370 S. Martin Avenue in Mt. Holly asked if there are any changes forecasted for the Authority in 2012. Commissioner Silcox reported the budget for the Authority went down. Deputy Director of Finance and Administration, Giordano, stated there are no major projects planned for 2012, other than solar power. Mr. Lopez asked why Resolution 2012-01 is so much. Deputy Director of Finance and Administration, Giordano, explained most of that amount is for insurance premium costs since half of them must be paid in January.

Mr. Dwyne Belton, of 450 High Street in Mount Holly, reported there is an appointment coming up soon for the Authority's Board of Commission. He asked if there were any concerns or issues that the Authority employees would like to report. Mr. Belton asked those concerns regarding any current board members be brought to him either publically or in private. Mr. Belton addressed Commissioner Carty, who Mr. Belton said had been very critical of the Authority and made allegations of improprieties. Mr. Belton stated Commissioner Carty has even suggested the dismantling of the Authority. He asked Commissioner Carty since he has now been on the Board for six or seven months, has he seen anything glaringly obvious to be corrected? Commissioner Carty responded he doesn't like the word "allegations" and stated he never advocated the dismantling of the Authority; he just felt it was an avenue that should be explored. Commissioner Carty said there are a couple of issues he has discovered since joining the Authority Board. He stated that the Authority Treasurer, Mr. Tidswell, will conveniently no longer be receiving health care benefits valued at approximately \$18,000.00, although the commissioners still receive dental and vision coverage at the cost of the rate payers. Deputy Director of Finance and Administration, Giordano, clarified that not all commissioners receive dental and vision coverage. Commissioner Carty reported the Authority recently voted to give Executive Director Dunn a pay raise even though he already makes more than the Governor of New Jersey. Mr. Belton asked Commissioner Carty what percentage of his salary he will receive as a pay raise this year. Commissioner Carty stated he does not know the figure off the top of his head, but the information is public knowledge and can be found on the internet. Chairman Edwards added that Mr. Dunn's salary will increase 1% after three years of flat lining. Mr. Edwards went on to say that there are hundreds of public employees in New Jersey who make more than the Governor; Mr. Dunn is not the only one.

Chairman Edwards said Commissioner Carty also stated it was arbitrarily decided to give Mr. Dunn a pay raise. Commissioner Edwards clarified that Mr. Dunn's raise was not arbitrary; the raise was recommended and then voted on. The raise was awarded based on a three person majority in favor of. Commissioner Carty stated, for the record, there were two votes against the pay raise. Chairman Edwards asked to go on record as saying that he objects to the word "improprieties." He stated many of the current practices go back 30-40 years. Chairman Edwards explained when he was originally appointed to the Board he was surprised that he would receive a stipend. Upon joining the board, he asked if he had to join the pension fund and he was told it was mandatory.

Commissioner Silcox informed the Commissioners his seat is the next one to be up. Commissioner Silcox stated the Authority has come a long way; however, there are challenges ahead. The Authority needs people to make a better place for Mount Holly. Commissioner Silcox explained currently the Authority assists Mount Holly Township by helping out with things such as payroll and snow plowing. Mr. Silcox stated he thinks everyone is for shared services and he thinks more can be found between the Authority and the Mount Holly Township. Commissioner Silcox stated being a Commissioner is a learning process, but ultimately, the Authority must follow State and Federal guidelines. Chairman Edwards stated Commissioner Silcox has worked on the Authority Board for a number of years and described Commissioner Silcox as a responsible board member who participates in sub committees when asked and contributes to debates about the welfare of the Authority. In Mr. Edward's opinion Commissioner Silcox is an asset to the Mount Holly Municipal Utilities Board of Commissioners.

Commissioner Thiessen stated the Authority finished 99% of a 30 million dollar project on budget and ahead of time which he believes is a reflection on the entire staff of the Authority with partial credit going to the Board of Commissioners as well.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Dunn reported the "old" plant has Zimpro equipment; there are only twelve in the world. Currently the equipment has reached a point where it will have to be evaluated for its disposal by whatever means are available. This will produce some income for the Authority although the amount remains to be seen.

Executive Director Dunn stated currently the Authority is experiencing the transition for the sludge produced at the new plant versus the old plant. The process of removing water is a major aspect. Mr. Dunn stated this situation needs to be addressed, and currently the Authority is assessing equipment that would do a better job. Executive Director Dunn reported that Ocean County Utilities Authority is removing two presses that would be capable of doing a better job than ours and the Authority is trying to get an evaluation on those presses, including the cost of transporting them to our facility. He stated he is negotiating an interlocal agreement with Ocean County Utilities Authority which would allow the equipment to be sold to the Authority for \$10,000.00, rather than purchasing new equipment which would cost somewhere between \$150,000.00 and \$200,000.00. Mr. Dunn asked the Commissioners for the Authority to move forward with the negotiations and evaluation of the product.

Commissioner Silcox asked how Executive Director Dunn knows the age of the Ocean County presses. Commissioner Silcox also asked Executive Director Dunn if he will be providing the Board with a plan and costs. Executive Director Dunn confirmed the information will be presented at the February, 2012 board meeting.

Discussion followed regarding the cost of disposal of sludge.

Commissioner Thiessen pointed out it was less expensive to dispose of sludge at the old plant than it is at the new plant and wanted to know if there were some savings to offset the balance.

Deputy Director of Plant Operations, Hervey, reported the costs for power and chemicals at the new plant are considerably less so the Authority will see a net savings overall. He explained there is more sludge at the new facility and since it doesn't dewater as well, tipping costs are more. Mr. Hervey stated, looking at the face value the new system look less efficient, when in reality, it is more efficient as a result of savings on energy and chemicals.

Chairman Edwards asked if the belief is, then, if the Authority makes an equipment adjustment, the water content can be improved and costs can be cut more. Deputy Director of Plant Operations, Hervey, responded that, while it is not guaranteed, it is thought that an improvement can be made. Mr. Hervey reported at the end of the year an evaluation will be performed to decide whether it is more cost effective to pay someone to haul the Authority's sludge or do it ourselves.

Chairman Edwards asked that a summary report with a running line item of net data regarding sludge hauling be presented to the Commissioners quarterly.

REPORT OF THE ENGINEER

The report of the Engineer was received.

REPORT OF THE DEPUTY DIRECTOR FOR PLANT OPERATIONS

The Report of the Deputy Director for Plant Operations was received. Chairman Edwards noted there were no violations or odor complaints.

Commissioner Thiessen commended staff and Deputy Director of Plant Operations, Hervey on a job well done on air permitting. Mr. Hervey stated he owes some thanks to the excellent consulting firm brought in by Executive Director Dunn, who assisted the Authority through the entire process of evaluating permits.

REPORT OF THE DEPUTY DIRECTOR FOR REGULATORY AFFAIRS

The Report of the Deputy Director for Regulatory Affairs was received. Chairman Edwards commended the Deputy Director for Regulatory Affairs, Stagliano, on the 2011 year of just one minor injury and no lost time for injuries. Mr. Stagliano credited the Authority staff for being proactive in making sure safety procedures are followed.

REPORT OF THE SOLICITOR

There was nothing further for the Solicitor to report.

REPORT OF THE DEPUTY DIRECTOR OF FINANCE AND ADMINISTRATION

The Report of the Deputy Director of Finance and Administration was received. Deputy Director of Finance and Administration, Giordano, pointed out there is a new account for the Authority which is the flexible spending account. Ms. Giordano explained the Authority provides funds up front, then the employees reimburse the Authority through payroll deductions.

REPORT OF THE TREASURER

Treasurer Tidswell stated he has been a long time member of the Authority; he joined in 1986. Mr. Tidswell reported the Authority has not had a rate increase since 2007, and budgets have been going down as the Authority becomes increasingly frugal, even while putting a new plant on line.

OTHER NEW BUSINESS

There was no other new business.

MATTERS TO BE PRESENTED BY THE COMMISSIONERS

Commissioner Silcox discussed snow season and inquired if the Authority and the Mount Holly Township have coordinated for snow removal. Executive Director Dunn reported the Township has advised him they are contracting with someone for their snow removal. Deputy Director of Finance and Administration, Giordano, added she is aware that the Township has gone out to bid for snow plowing but does not know the results of the bid. Commissioner Silcox stressed the two entities should be working together to coordinate a plan before a snow storm.

Commissioner Thiessen asked if there is any update on the Gregory's project in Eastampton, and if there has been, how it affects the Authority. Executive Director Dunn reported the project is currently at a stand still but the Authority is ready to serve once the project begins to move forward. Commissioner Thiessen asked if there has been any update on the air scrubbing system in the Lumberton Pump Station. Executive Director Dunn reported it is working very well. Commissioner Thiessen asked when the Professional RFP's are due. Deputy Director of Finance and Administration, Giordano, replied the proposals are due on January 25, 2012, at which time she will forward all of them to the board members.

Commissioner Carty asked Deputy Director of Finance and Administration, Giordano, off the top of her head what the connection fee for the Gsell warehouse in Mount Holly will be. Ms. Giordano responded if it is affordable housing, the connection fee would be fifty percent of the actual fee; approximately \$300,000.00.

ADJOURNMENT

Commissioner Silcox moved for adjournment. Commissioner Thiessen seconded the motion. Chairman Edwards adjourned the meeting at 7:00 pm.

Respectfully submitted,

Debra E. Fortner, Secretary

