

**MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
MAY 9, 2013**

The regular meeting of the Mount Holly Municipal Utilities Authority was held at 37 Washington Street on Thursday, May 9, 2013; at 6:00 PM. Vice Chairman Thiessen called the meeting to order with the following roll call:

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

ALSO Joseph V. Rizzuto, Executive Director
PRESENT: Stephen J. Mushinski, Esq., Solicitor
Albert K. Marmero, Esq., Long Marmero & Associates, LLP, Special Counsel
Tracey Giordano, Deputy Director of Finance & Administration/Treasurer
Joel Hervey, Deputy Director of Plant Operations
Robert Maybury, Operations Manager
Anthony Stagliano, Deputy Director of Regulatory Affairs
Richard A. Alaimo, R.A. Alaimo Associates, Engineer
Kevin P. Frenia, Holman, Frenia, Allison, PC
Debra E. Fortner, Secretary

ABSENT: Ms. Jacquelyn Perinchief, Commissioner
Mr. John Edwards, Chairman

VERIFICATION OF NOTICE

Executive Director Rizzuto 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 Courier Times on March 3, 2013, and the Courier Post on March 2, 2013. On Tuesday, May 7, 2013, 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 ALLEGIANCE

PUBLIC COMMENTS ON ACTION ITEMS

Mr. Luis Lopez of 370 S. Martin Street in Mount Holly asked for an explanation of Resolutions 2013-40 and 2013-41. Executive Director Rizzuto explained these resolutions authorize the release of two Maintenance Bonds to Quad Construction Company for Edward Street Pumping Station since construction has been completed and is satisfactory.

APPROVAL OF MINUTES

Commissioner Carty moved for the approval of regular minutes of April 11, 2013. Commissioner Thiessen seconded the motion. Motion carried.

Commissioner Silcox abstained.

OLD BUSINESS

NEW BUSINESS

RESOLUTION 2013-40

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
AUTHORIZING THE RELEASE OF MAINTENANCE BOND FOR QUAD
CONSTRUCTION COMPANY (CONTRACT 2006-2A)**

Commissioner Silcox moved for the approval of Resolution 2013-40. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

NAYS:

RESOLUTION 2013-41

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
AUTHORIZING THE RELEASE OF MAINTENANCE BOND FOR QUAD
CONSTRUCTION COMPANY (CONTRACT 2006-2A)**

Commissioner Silcox moved for the approval of Resolution 2013-41. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

NAYS:

RESOLUTION 2013-42

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
ACCEPTING AND ACKNOWLEDGING THE AUDIT OF 2012**

Deputy Director of Finance and Administration introduced Mr. Kevin Frenia, of Holman and Frenia, PC, the Authority's current auditor, to make a presentation to the Board.

Mr. Frenia explained the Authority has received an unqualified opinion for the 2012 Audit, which is the best opinion possible. He stated he read the MDNA letter prepared by the Authority's finance staff which gave a good overview of the financial status; it's very well done. The letter discusses accomplishments and the timeline/history of the Authority as well as a comparison of last year to this year. It also discusses changes in financials such as expenses, etc. Mr. Frenia stated another important place to look is page forty one under "notes to your financial statement" in regards to debt. The next couple of years are pretty consistent but after that the Authority will see a spike in debt service. Mr. Frenia prepared an analysis of the Authority's debt service coverage. The Authority lost about \$900,000.00 in surplus in the past few years and the affects are beginning to show. Mr. Frenia pointed out Moody's is concerned with the Authority's debt service coverage which is how debt is financed from the operation. Mr. Frenia stated he is aware the Authority is considering a rate increase and it is getting to the point where the situation really needs to be addressed.

Commissioner Carty asked about debt service coverage. Mr. Frenia responded that he recently met with Commissioner Silcox, and staff to draft the proposal presented to the board tonight.

Commissioner Silcox thanked Deputy Director of Finance and Administration for doing such a good job with the Audit. It was well put together and easy to read.

Commissioner Silcox moved for the approval of Resolution 2013-42. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

NAYES:

RESOLUTION 2013-43

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
AUTHORIZING THE SALE OF SURPLUS PERSONAL PROPERTY NO LONGER
NEEDED FOR PUBLIC USE THROUGH AN ONLINE AUCTION**

Commissioner Silcox moved for the approval of Resolution 2013-43. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

RESOLUTION 2013-44

**A RESOLUTION APPROVING THE OPERATING EXPENSES
FOR THE MONTH OF APRIL, 2013.**

Commissioner Silcox moved for the approval of Resolution 2013-44. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

NAYS:

RESOLUTION 2013-44A

**A RESOLUTION APPROVING SEWER REFUND EXPENDITURES
FOR THE MONTH OF APRIL, 2013**

Commissioner Silcox moved for the approval of Resolution 2013-44A. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

NAYS:

RESOLUTION 2013-45

**A RESOLUTION APPROVING EXPENDITURES FOR THE MONTH OF
APRIL 2013 FROM THE ESCROW FUND**

Commissioner Silcox moved for the approval of Resolution 2013-45. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

NAYS:

RESOLUTION 2013-46

**A RESOLUTION APPROVING EXPENDITURES FOR THE MONTH OF
APRIL 2013 FROM THE IMPROVEMENT AND REPLACEMENT FUND**

Commissioner Carty moved for the approval of Resolution 2013-46. Commissioner Silcox seconded the motion. At the call of the roll, the vote was:

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

NAYS:

COMMUNICATIONS

Executive Director Rizzuto reported a recommendation has been made for the Ronald Nicholson Scholarship awarded yearly to a Rancocas Valley Regional High School Student, and that recommendation has been conveyed to the school.

Executive Director Rizzuto pointed out a copy of communication in the Commissioner's packets regarding the gas situation with the County who, as per the letter, have opted not to move forward.

MATTERS TO BE PRESENTED BY THE PUBLIC

Mr. Luis Lopez of 370 S. Martin Street in Mount Holly asked how sewer is metered; Deputy Director of Finance and Administration, Giordano, explained sewer is based on water consumption but the amount of your bill will not be the same for sewer and water because each company has different rates.

Mr. Lopez asked for the status of the solar power project. Executive Director Rizzuto stated the project is close to being completed. Authority Engineer, Richard Alaimo, reported currently there is a transformer that is not working. It has been sent out for repair and the situation should be resolved soon.

Mr. Lopez asked what is going on with the sewer on Levis Drive. Deputy Director of Plant Operations, Hervey, explained existing piping is being replaced as needed at the West End Development.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Rizzuto updated the board on the agreement discussed at April's meeting in regards to the West Rancocas development, phase 1a, agreement. That agreement has now been rescinded and is off the table.

Executive Director Rizzuto asked for feedback for the commissioners regarding the grand opening/ribbon cutting of the solar power project at Maple Avenue sometime in June.

Executive Director Rizzuto announced the Authority has been honored by the Water Environmental Federation with the George Burke Jr. Safety Award which recognizes an Authority for their maintenance of an active and effective safety program. In addition, Deputy Director of Regulatory Affairs, Stagliano, is the recipient of the New Jersey Water Environmental Association Safety Award which is presented annually to an individual in recognition of an outstanding safety record and training program. Executive Director Rizzuto offered Deputy Director of Regulatory Affairs, Stagliano, congratulations on a job well done.

REPORT OF THE ENGINEER

Authority Engineer, Richard Alaimo, reported they are currently working with Caterpillar in regards to the new generator. It has been agreed some things will have to be moved around so that the generator fits on the existing pad.

REPORT OF THE DEPUTY DIRECTOR FOR PLANT OPERATIONS

The Report of the Deputy Director of Plant Operations was received

Deputy Director of Plant Operations, Hervey, pointed out there have been two odor complaints from 117 Hainesport-Mt. Laurel Road. The Authority has responded but as of yet the issue has not been resolved. Manholes in that area are currently being monitored.

REPORT OF THE DEPUTY DIRECTOR FOR REGULATORY AFFAIRS

The Report of the Deputy Director for Regulatory Affairs was received.

REPORT OF THE SOLICITOR

The solicitor had nothing further to report.

REPORT OF THE DEPUTY DIRECTOR OF FINANCE AND ADMINISTRATION

The Report of the Deputy Director of Finance and Administration was received.

Vice Chairman Thiessen thanked Deputy Director of Finance and Administration for all of her hard work on the Audit.

OTHER NEW BUSINESS

Executive Director Rizzuto stated he would like to defer to Operations Manager, Robert Maybury, for an update on the wellness program proposed at the April meeting. Operations Manager, Maybury, stated he distributed 51 surveys and received 28 back; 22 in favor, 6 opposed. He is going to work with Insurance to find out what kinds of liability there would be to do this. Mr. Maybury will also check with the gym on High Street at Commissioner Carty's request to see what kind of program they may offer Authority employees.

MATTERS TO BE PRESENTED BY THE COMMISSIONERS

Commissioner Carty offered congratulations to the Deputy Director of Finance and Administration for her good job on the audit; especially for the excellent comments that came from the outside auditor, and also, to Deputy Director of Regulatory Affairs, Stagliano for being the recipient of the safety award.

EXECUTIVE SESSION

Commissioner Carty moved for the approval of Resolution 2013-47. Commissioner Silcox seconded the motion.

At 6:25 PM the Authority Commissioners retired to Executive Session for a discussion involving personnel and contract matters.

RESOLUTION 2013-47

**AUTHORIZING EXECUTIVE SESSION OF THE
MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
FOR THE PURPOSE OF PERSONNEL AND
CONTRACT MATTERS**

WHEREAS, N.J.S.A. 10:4-12 allows for a Public Body to go into closed session during a Public Meeting; and

WHEREAS, the Mount Holly Municipal Utilities Authority has deemed it necessary to go into closed session to discuss certain matters which are exempted from public discussion; and

WHEREAS, the regular meeting of this Authority will reconvene following closed session;

NOW, THEREFORE, BE IT RESOLVED that the Mount Holly Township Municipal Utilities Authority will go into closed session for the following reasons as outlined in N.J.S.A. 10:4-12:

Discussions with respect to matters involving legal requirements for rate hearings thereby being subject to attorney-client privilege.

BE IT FURTHER RESOLVED that the Authority hereby declares that its discussion of the aforementioned subject may be made public at a time when the Authority Attorney advises the Authority that the disclosure of the discussion will not detrimentally affect any right, interest or duty of the Authority or any other entity with respect to said discussion.

BE IT FURTHER RESOLVED that the Authority, for the aforementioned reasons, hereby declares that the public is excluded from the portion of the meeting during which the above discussion shall take place and hereby directs the Secretary to take the appropriate action to effectuate the terms of this resolution.

AYES: Commissioner Carty, Commissioner Silcox, Vice Chairman Thiessen

NAYS:

The Authority Commissioners returned to regular session at 6:45P.M.

Respectfully submitted,

Debra E. Fortner, Secretary

ADJOURNMENT

Commissioner Thiessen moved for adjournment. Commissioner Carty seconded the motion. Vice Chairman Thiessen, adjourned the meeting at 6:50 P.M.

Respectfully submitted,

Debra E. Fortner