

**MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JUNE 12, 2014**

The regular meeting of the Mount Holly Municipal Utilities Authority was held at 37 Washington Street on Thursday, June 12, 2014; at 6:00 P.M. Chairman Thiessen called the meeting to order with the following roll call:

PRESENT: Mr. Jason Jones, Commissioner
Mr. Jason Carty, Commissioner
Ms. Jacquelyn Perinchief, Commissioner
Mr. Robert Silcox, Vice Chairman
Mr. Jules Thiessen, Chairman

ALSO Joseph V. Rizzuto, Executive Director
PRESENT: Stephen J. Mushinski, Esq., Parker McCay, Solicitor
Albert Marmero, Esq., Long Marmero & Associates, LLP, Special Counsel
Richard A. Alaimo, R.A. Alaimo Associates, Engineer
Keith Weisman, R.A. Alaimo Associates, Engineer
Tracey Giordano, Deputy Director of Finance Administration/Treasurer
Anthony Stagliano, Deputy Director for Regulatory Affairs & Qualified Purchasing Agent
Robert Maybury, Operations Manager
Debra E. Fortner, Secretary

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 February 28, 2014, May 5, 2014, and May 23, 2014, and the Courier Post on February 28, 2014, May 23, 2014, and June 4, 2014. On Tuesday, June 10, 2014, 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

APPROVAL OF MINUTES

Commissioner Carty moved for the approval of regular minutes of May 8, 2014. Commissioner Perinchief seconded the motion. At the call of the roll the vote was:

AYES: Commissioner Carty, Commissioner Perinchief, Chairman Thiessen.

NAYES: None

ABSTAIN: Commissioner Jones, Commissioner Silcox

APPROVAL OF EXECUTIVE SESSION MINUTES

Commissioner Carty moved for the approval of executive session minutes of May 8, 2014. Commissioner Perinchief seconded the motion. At the call of the roll the vote was:

AYES: Commissioner Carty, Commissioner Perinchief, Chairman Thiessen.

NAYES: None

ABSTAIN: Commissioner Jones, Commissioner Silcox

OLD BUSINESS

RESOLUTION 2014-63

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
APPROVING THE SERVICE AGREEMENT RENEWAL WITH METAL ETCHING INC.
FOR THE TREATMENT OF NON-DOMESTIC WASTE WATER**

The Commissioners received information in their packets regarding the proposed service agreement renewal with Metal Etching Inc. Chairman Thiessen asked if any comments had been received. The Executive Director stated that no written or oral comments were received. Chairman Thiessen asked if there were any comments from the public. There were no comments from the public. Chairman Thiessen asked if there were any comments from the Commissioners. There were no comments from the Commissioners. Chairman Thiessen declared the public hearing closed.

Commissioner Silcox moved for the approval of Resolution 2014-63. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

NEW BUSINESS

RATE HEARING

Chairman Thiessen turned the meeting over to Special Counsel Albert Marmero, Esq., who conducted the Public Hearing. A court stenographer was present to record the hearing. A copy of the transcript is attached and made part of the minutes.

RESOLUTION 2014-64

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
APPROVING THE AMENDED RATE SCHEDULE**

Chairman Thiessen asked if there were any public comments in regards to the Rate Hearing. There were no public comments.

Commissioner Silcox moved for the approval of Resolution 2014-64. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-55

A RESOLUTION APPROVING S-3 APPLICATION FOR APPROVAL OF SEWER CONSTRUCTION PLANS BETWEEN THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY AND CHAN ZHANG FOR HEELOK CHINESE RESTAURANT, TOWNSHIP OF LUMBERTON, BLOCK 18, LOT 1.08

Executive Director Rizzuto stated this restaurant is taking the place of a preexisting restaurant; Primo Hoagies in Lumberton. Executive Director Rizzuto worked with the applicants, who were very cooperative, to install two grease traps which meet the current standards of the Authority.

Commissioner Silcox moved for the approval of Resolution 2014-55. Commissioner Jones seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-56

A RESOLUTION AUTHORIZING PROFESSIONAL SERVICES CONTRACT FOR AUDITOR FOR MHMUA FOR A ONE YEAR TERM (CONTRACT 2014-12)

Executive Director Rizzuto stated three proposals had been received. Commissioners received a memorandum outlining the proposals.

Commissioner Carty moved to appoint the lowest bidder, John J. Maley, Jr. Commissioner Silcox stated he would like to discuss the appointment and raised the fact that the Authority has been through this with Auditor proposals before. He recalled, Deputy Director of Finance and Administration Giordano had recommended the Authority continue working with Holman and Frenia in the past and asked her if that still held true as he would support the appointment of their firm. Deputy Director of Finance and Administration, Giordano, stated Holman & Frenia has been the Authority's Auditor since 1999 and the Authority has not experienced any issues. Commissioner Carty commented that after reviewing information in the proposals he is convinced all of the applicants are reputable firms and the Authority should choose the lowest price offered. Commissioner Perinchief asked Deputy Director of Finance and Administration, Giordano, if she felt there would be a learning curve with a new Auditor that might negate any possible savings. Deputy Director of Finance and Administration, Giordano, stated she did think there would be somewhat of a learning curve as the new firm would not be as familiar with the Authority as their predecessors were right away. Commissioner Carty respectfully disagreed stating they are all professional auditors who know what they are doing. Deputy Director of Finance and Administration, Giordano, stated that for the record she didn't say any of the firms were incapable; just that any time a new job is started there is a learning curve. Commissioner Carty respectfully disagreed again stating the applicants are big companies; there will no be learning curve. Commissioner Perinchief clarified she had asked Ms. Giordano a direct question and Ms. Giordano had answered.

Commissioner Carty moved for the approval of Resolution 2014-56. Commissioner Jones seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Chairman Thiessen

NAYS: Commissioner Perinchief, Commissioner Silcox

ABSTAIN: None

RESOLUTION 2014-57

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
APPROVING THE OPERATING EXPENSES FOR THE MONTH OF MAY, 2014**

Commissioner Carty moved for the approval of Resolution 2014-57. Commissioner Perinchief seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-57A

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
APPROVING THE SEWER REFUND EXPENDITURES FOR THE MONTH OF MAY, 2014**

Commissioner Jones moved for the approval of Resolution 2014-57A. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-58

**A RESOLUTION APPROVING ESCROW EXPENSES
FOR THE MONTH OF MAY, 2014**

Commissioner Carty moved for the approval of Resolution 2014-58. Commissioner Jones seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-59

**A RESOLUTION APPROVING EXPENDITURES FOR THE MONTH OF
MAY, 2014 FROM THE IMPROVEMENT AND REPLACEMENT FUND**

Commissioner Jones moved for the approval of Resolution 2014-59. Commissioner Perinchief seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-60

**A RESOLUTION OF THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY
AUTHORIZING A REDUCTION IN A PERFORMANCE GUARANTEE FOR P-237 COMBAT
SYSTEMS ENGINEERING FACILITIES**

Executive Director Rizzuto explained this resolution is for the Lockheed Martin project in Moorestown. The piping has been installed and inspected by the Alaimo Group. The project is at the point where at least seventy percent of the project is completed allowing the bond to be decreased to 30% of its original value.

Commissioner Carty moved for the approval of Resolution 2014-60. Commissioner Perinchief seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-61

**A RESOLUTION APPROVING S-1NR APPLICATION FOR SEWERAGE SERVICE
BETWEEN THE MOUNT HOLLY MUNICIPAL UTILITIES AUTHORITY AND JEFF
EDWARDS FOR MENCHIE'S FROZEN YOGURT, 1520 ROUTE 38 (UNIT #6) TOWNSHIP OF
HAINESPORT, BLOCK 96 LOT 1.05**

Executive Director Rizzuto explained this unit is located in the Hainesport section of Cross Road Plaza next to the Salad Works. The following resolution, 2014-62, is for the approval of the plans where a grease trap was addressed.

Commissioner Jones moved for the approval of Resolution 2014-61. Commissioner Perinchief seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

RESOLUTION 2014-62

**A RESOLUTION APPROVING S-3 APPLICATION FOR APPROVAL OF SEWER
CONSTRUCTION PLANS BETWEEN THE MOUNT HOLLY MUNICIPAL UTILITIES
AUTHORITY AND JEFF EDWARDS FOR MENCHIE'S FROZEN YOGURT, 1520 ROUTE 38
(UNIT #6) TOWNSHIP OF HAINESPORT, BLOCK 96 LOT 1.05**

Commissioner Jones moved for the approval of Resolution 2014-62. Commissioner Carty seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

COMMUNICATIONS

There were no communications.

MATTERS TO BE PRESENTED BY THE PUBLIC

Dennis Hacketson of 102 N. Cumberland Drive in Hainesport NJ presented a connection permit from 1971, asking if it can still be used for his connection to the sewer system today. Executive Director Rizzuto explained the Authority's permits require the holder to connect within thirty days of paying for the permit or become susceptible to any increase in the connection fee amount. Mr. Hacketson responded there is nothing to that affect printed on his permit. Solicitor Mushinski will research and get an answer for Mr. Hacketson. Chairman Thiessen stated the worst case scenario would allow Mr. Hacketson to apply the amount he paid for the permit in 1971 toward the current connection fee.

Mr. Luis Lopez of 370 South Martin Street in Mount Holly asked if the West Rancocas Development in Mount Holly will be affected by the increase in connection fees. Executive Director Rizzuto explained the developer will be responsible for those fees, not the individual home owners.

Mr. Lopez asked when the anniversary is for the solar panels being installed. Executive Director Rizzuto reported the one year anniversary was June 3, 2014.

Mr. William Bovek of 4 South Hunterdon in Hainesport, NJ, stated he purchased his home approximately twelve years ago. Mr. Bovek said one side of his road is Mt. Holly, the other side is Hainesport. Mr. Bovek stated the Mt. Holly residents pay a lower rate than he does, being in Hainesport, and would like the reasoning behind that. Chairman Thiessen explained when the Authority was founded, back in the late 1940's, Mount Holly approached the other Townships about the need to develop an Authority. Since the other Townships did not want to participate, Mount Holly Township footed the acquisition for the Authority and they continue financing and bonding for the Authority through today. This makes the Township financially responsible for the Authority. Mr. Bovek asked if anyone is exempt from connecting. Executive Director Rizzuto stated homes that cannot connect via gravity into the sanitary sewer system would be exempt.

Mr. Bob Street regarding his mother's home located at 507 First Street, Hainesport, NJ. Mr. Street discussed what he feels is the high cost of connecting. Chairman Thiessen told him the issue he has is with Hainesport Township, not the Mount Holly Municipal Utilities Authority. Chairman Thiessen explained Hainesport Township signed an agreement with the Authority greater than twelve years ago which basically stated all residents involved in this situation need to hook up. Mr. Street discussed the fact that to connect there would be several fees involved such as the permit, a plumber to actually do the hook-up, and the cost to dig up and fill in the old septic system. Mr. Street asked why the cost of connection has gone up \$4,000.00 in the past twelve years when, in his opinion, the Authority is doing nothing more than they did ten years ago. Mr. Street stated his mother has been paying the tax assessment to Hainesport Township for availability to public sewer all these years so he finds it hard to believe her home can have a lien against it if she cannot connect. Executive Director Rizzuto stated in regards to the sixty three residents who have received the letter from Hainesport Township, the Authority has not received any monies as suggested. Zero payment has been made to the Authority from the special assessments on homes, that money is an assessment by Hainesport Township added on to the regular tax base based on the availability of public sewer to homes. Executive Director Rizzuto also explained that the amount of the increase to the connection fee is established by State statute. There are guidelines the Authority must follow and the numbers change annually. Mr. Street reiterated he did not agree with the amount the connection fee increased. His mother is 90 years old and it's ridiculous to ask that much money from her. Chairman Thiessen stated he understands from a service point of view, it looks like nothing is happening to drive costs up, but there are certainly expenses, such as stricter NJDEP regulations the Authority must adhere to, for example. Chairman Thiessen also pointed out that if anyone was to put a lien on the property in question it would be Hainesport Township, not the MUMUA.

Anne Marie Kieft, regarding her mother's home located at 507 First Street in Hainesport NJ. She stated her mother's home is located in a community of small houses that are at least fifty years old. Most of the residents are on fixed incomes who make barely enough to pay their taxes let alone hook up to the sewer. Ms. Kieft asked if there was a discount for senior citizens. Executive Director Rizzuto stated there is not.

Ray Flynn of 207 Stokes Road in Hainesport, NJ, stated ten years ago the rate to hook up to the public sewer system was \$2,364.00. Mr. Flynn did not have the money to hook up then and now ten years later it's two hundred times that amount. Mr. Flynn asked if new homeowners are subject to this amount of connection fee also. Chairman Thiessen assured him that all homes being connected into the public sewer system are responsible for this fee. Chairman Thiessen stated there have been well over one hundred homes that have connected in Hainesport Township alone. Mr. Flynn said he understands the Authority has had to get bonds to update infrastructure and connection fees help pay for this but back when connection fees were less, in the past ten years, those that have hooked up haven't paid two

hundred percent more! Executive Director Rizzuto stated the connection fee calculation has been equally distributed across the service area including Mt. Holly and the sending Townships. Chairman Thiessen clarified that while those that hooked up earlier had a less expensive connection fee, they have been subject to a quarterly billing rate. Chairman Thiessen explained that 5/6 of each connection fee is revenue used to pay on debt service. Deputy Director of Finance and Administration, Giordano, stated growth in the service area has slowed down therefore; revenue from new connections is not there. Therefore, it falls back on the ratepayers. Deputy Director of Finance and Administration, Giordano, reported ten years ago the debt was eleven million; today it is fifty million as a result of infrastructure that was over fifty years old and required updating. Mr. Flynn stated he feels a 200% increase over ten years is outrageous and if you multiply the sixty three homes that need to connect by the current connection fee of \$6,442.00, that amount isn't going to even make a dent in the debt.

REPORT OF THE EXECUTIVE DIRECTOR

The Report of the Executive Director was received.

Executive Director Rizzuto reported he had the honor of presenting the Ronald D. Nicholson Scholarship Award to the recipient, Mallory Rayburn, who will continue her education at Burlington County Community College majoring in Environmental Science after graduating from Rancocas Valley Regional High School. He wished her all the best.

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 of Plant Operations was received.

REPORT OF THE DEPUTY DIRECTOR FOR REGULATORY AFFAIRS AND QUALIFIED PURCHASING AGENT

The Report of the Deputy Director for Regulatory Affairs and Qualified Purchasing Agent was received.

REPORT OF THE SOLICITOR

The Solicitor reported he had one matter for closed session.

REPORT OF THE DEPUTY DIRECTOR OF FINANCE AND ADMINISTRATION/BOARD TREASURER

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

OTHER NEW BUSINESS

MATTERS TO BE PRESENTED BY THE COMMISSIONERS

Commissioner Carty commented on the Hainesport Project outstanding connections. He stated while he empathizes with the residents, much of the blame falls on Hainesport Township because they did not enforce the agreement between the Mount Holly Municipal Utilities Authority and themselves twelve years ago. Unfortunately, the Mount Holly Municipal Utilities Authority is getting the blame.

EXECUTIVE SESSION

Commissioner Carty moved for the approval of Resolution 2014-65. Commissioner Perinchief seconded the motion. At the call of the roll, the vote was:

AYES: Commissioner Jones, Commissioner Carty, Commissioner Perinchief,
Commissioner Silcox, Chairman Thiessen

NAYS: None

ABSTAIN: None

At 6:55 P.M. the Authority Commissioners retired to Executive Session for a discussion involving property contract matters.

RESOLUTION 2014-65
AUTHORIZING EXECUTIVE SESSION

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 (“MHMUA”) has deemed it necessary to go into closed session to discuss certain matters which are exempted from the Public; and

WHEREAS, the regular meeting of the MHMUA will reconvene following the end of the closed session.

NOW, THEREFORE, BE IT RESOLVED that the MHMUA will go into closed session for the following reason(s) as outlined in N.J.S.A. 10:4-12:

_____ Any matter which, by express provision of Federal Law, State Statute or Rule of Court shall be rendered confidential or excluded from discussion in public (Provision relied upon: _____);

_____ Any matter in which the release of information would impair a right to receive funds from the federal government;

_____ Any matter the disclosure of which constitutes an unwarranted invasion of individual privacy;

_____ Any collective bargaining agreement, or the terms and conditions of which are proposed for inclusion in any collective bargaining agreement, including the negotiation of terms and conditions with employees or representatives of employees of the public body (Specify contract: _____);

_____ Any matter involving the purpose, lease or acquisition of real property with public funds, the setting of bank rates or investment of public funds where it could adversely affect the public interest if discussion of such matters were disclosed;

_____ Any tactics and techniques utilized in protecting the safety and property of the public provided that their disclosure could impair such protection;

_____ Any investigations of violations or possible violations of the law;

Any pending or anticipated litigation or contract negotiation in which the public body is or may become a party. Any matters falling within the attorney-client privilege, to the extent that confidentiality is required in order for the attorney to exercise his ethical duties as a lawyer (If pending or anticipated litigation, the matter is entitled: _____)

(If contract negotiation, the nature of the contract and interested party is _____)

Under certain circumstances, if public disclosure of the matter would have a potentially negative impact on the MHMUA’s position in the litigation or negotiation, this information may be withheld until such time that the matter is concluded or the circumstances no longer present a potential impact);

_____ Any matter involving the employment, appointment, termination of employment, terms and conditions of employment, evaluation of the performance, promotion or disciplining of any specific prospective public officer or employee or current public officer or employee employed or appointed by the public body, unless all individual employees or appointees whose rights could be adversely affected request in writing that such matter or matters be discussed at a public meeting (Subject to the balancing of the public’s interest and the employee’s privacy rights under *South Jersey Publishing*, 124 N.J. 478, the employee(s) and nature of discussion is _____);

_____ Any deliberation of a public body occurring after a public hearing that may result in the imposition of a specific civil penalty upon the responding party or the suspension or loss of a license or permit belonging to the responding party as a result of an act of omission for which the responding party bears responsibility.

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

BE IT FURTHER RESOLVED that the MHMUA, 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 Executive Director to take the appropriate action to effectuate the terms of this resolution.

I, Debra E. Fortner do hereby certify the above to be a true and correct copy of a resolution adopted by the Mount Holly Municipal Utilities Authority at its meeting held on June 12, 2014.

Debra E. Fortner, Secretary

ADJOURNMENT

Commissioner Carty moved for adjournment. Commissioner Silcox seconded the motion. Chairman Thiessen adjourned the meeting at 7:10 P.M.

Respectfully submitted,

Debra E. Fortner