

PEMBERTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY

REGULAR MEETING

OF

TUESDAY, SEPTEMBER 3, 2019 MINUTES

A Regular Meeting of the Pemberton Township Municipal Utilities Authority was held on Tuesday, September 3, 2019, 6:30 P.M., at Pemberton Township, 500 Pemberton-Browns Mills Rd., Pemberton, New Jersey.

Pledge of Allegiance was recited.

A roll call was taken:

PRESENT:	Corrine Kemp	Chairperson
	Jason Allen	Vice-Chairperson
	Robert L. Bailey	Secretary
	Adrienne B. Leonard	Treasurer
	Donna Lefebvre	Assistant Secretary
	Kara C. Schnure	Alternate # 1
	Dan Hullings	Alternate # 2

ABSENT:

ALSO PRESENT:	Jennifer Rivera	Administrator
	Bill Butler	Administrator
	John Gillespie	Solicitor
	Keith Chiaravallo	Engineer

Chairperson Kemp announced and had entered into the minutes that “in accordance with the Open Public Meetings Act, adequate notice of this meeting has been made with the Burlington County Times, Central Record, filed with the Clerk of Pemberton Township and posted in the office of the MUA.”

Chairperson Kemp announced and had entered into the minutes that “if awarded a contract your company/firm will be required to comply with the requirements of N.J.S.A. 10:5-31 et seq. and N.J.A.C. 17:27.

Chairperson Kemp asked if there were any additions, corrections and for approval of the minutes of the Regular and Closed Meeting of August 6, 2019. Chairperson Kemp asked for a motion to approve the minutes. Mr. Bailey moved. Ms. Leonard seconded.

ROLL CALL: Mr. Bailey – yes
Ms. Leonard – yes
Mr. Allen – Abstain
Ms. Schnure – yes
Chairperson Kemp – Abstain

Chairperson Kemp declared the motion approved.

RESOLUTION OF CLAIMS #37-2019 – Operating Fund – \$192,458.31. The Board reviewed the list. Chairperson Kemp asked for a motion to approve Resolution of Claims #37-2019 – Operating Fund – \$192,458.31. Ms. Leonard moved. Mr. Bailey seconded.

ROLL CALL: Ms. Leonard – yes
Mr. Bailey – yes
Mr. Allen – yes (Abstain ck# 23749)
Ms. Lefebvre – yes
Chairperson Kemp – yes

Chairperson Kemp declared the motion approved.

ADMINISTRATION & OPERATIONS REPORT – Resolution # 38-2019 – To Memorize to Accept & Receive the Audit for 2018. Ms. Rivera stated that there are no recommendations. Chairperson Kemp stated that the MUA has done a great job and commends the MUA staff for another no recommendation audit. Chairperson Kemp asked for a motion to approve Resolution # 38-2019 – To Memorize to Accept & Receive the Audit for 2018. Mr. Bailey moved. Ms. Lefebvre seconded.

ROLL CALL: Mr. Bailey – yes
Ms. Lefebvre – yes
Mr. Allen – yes
Ms. Leonard – yes
Chairperson Kemp – yes

Chairperson Kemp declared the motion approved.
Mr. Gillespie stated that items B and C could be removed from the Agenda.

Mr. Butler stated that he received a proposal from Mac-Rose Contractors to repair the Siphon Box in New Lisbon. The proposal ranged from \$30,000 - \$50,000. He stated that he would need approval from the Board to move forward with the repair. Chairperson Kemp asked for a motion to approve Mac-Rose Contractors to repair the Siphon Box estimated to cost \$30,000 - \$50,000. Ms. Lefebvre moved. Ms. Leonard seconded.

ROLL CALL: Ms. Lefebvre – yes
Ms. Leonard – yes
Mr. Allen – yes
Mr. Bailey – yes
Chairperson Kemp – yes

Chairperson Kemp declared the motion approved.

ENGINEER'S REPORT – Mr. Chiaravallo stated during this period; CME coordinated with the contractor for the completion of punch list items for the Generator Project. Materials have been received and the work is being scheduled. CME completed the bid documents for the cleaning and rehabilitation of the Primary Digester. The project has been advertised for bids and the bid opening is scheduled for September 18.

SOLICITOR'S REPORT – Mr. Gillespie stated that the MUA appeared in front of the Local Finance Board on August 22 on the Township's application to dissolve the Authority. Noted that we were the last item on a very long agenda that day. The MUA hearing started around 1:50pm and ended around 2:50pm, but the MUA was not finished presenting its case. Mr. Gillespie noted that 2 members of the Local Finance Board had to leave the hearing because of other commitments and had to excuse themselves, which left only 3 members of the Board, which was no longer a quorum. The next Local Finance Board hearing will be held on Wednesday, September 11th, in which the Township and the Authority will be able to finish presenting. Mr. Gillespie stated that we were able to speak at the Local Finance Board after the Township. He stated that the Township Attorney, Mayor, Business Administrator, Engineering Consultant, and Council President Trueblood attended the hearing as well as a member of the Public that was unable to speak. Mr. Gillespie stated that at the next meeting on the 11th, everyone will have their chance to speak. Chairperson Kemp said if the State votes yes at the next Local Finance Board hearing then the next step is for the Township to put it on the agenda for Council vote. Mr. Gillespie stated that the Township Council would have to give notice for a public hearing on the ordinance. Chairperson Kemp asked Mr. Gillespie to explain if the State votes yes to the dissolution, it doesn't mean that the State is saying that it is a good or bad thing for the Township. Mr. Gillespie said that is correct. The State only bases their decision on two parameters: 1. Has the dissolving entity made arrangements for outstanding debt? The only outstanding debt that the Authority has is for the final payments to the Farmers Home Loan Administration. The Authority has no bonded debt. 2. To provide assurances that the dissolving entity can provide services in the same fashion as the MUA for the benefit of the health, wealth, and safety of the public. Mr. Gillespie said that is where the MUA disagrees with the Township. The MUA believes that the services it has provided for the last 50 years is unparalleled and the Township would not be able to provide the same services along with other issues. Ms. Lefebvre stated that she was concerned about possibly losing Mr. Butler, Administrator of Operations, if the Township dissolves the Authority. She asked Mr. Butler to give a brief overview of his qualifications. Mr. Butler stated that he has been working in this career field for 32 years. He is a licensed Water, Sewer, and Industrial Waste Operator and he's been working at the MUA since 2016. He said he loves working here but with everything going on and the Mayor not offering him a position going forward, he must look for another job to support his family. Mr. Gillespie stated at the Local Finance Board, the Township Attorney stated that "The Township intends to maintain the position of the employee who holds the license." Mr. Gillespie stated that he went up to speak at the Local Finance Board hearing to state that was not a true statement and the licensed operator was not offered a position. The application submitted by Pemberton Township lists the employees who are being retained and Mr. Butler was listed as "Not Retained." Mr. Gillespie stated that the Township Attorney came back up to speak and stated, "We do need to retain a qualified Operator and they intend to hire a licensed Operator."

OLD BUSINESS – None.

NEW BUSINESS – Chairperson Kemp stated that the MUA had a meeting at the Pemberton Township High School in which the Mayor attended as well as Councilwomen Ms. McCartney. Chairperson Kemp asked the Board for permission to send a letter to Council President Trueblood requesting a meeting with the Authority before any action is taken place and to discuss what this means for the residents, rate payers, and Township. The Board agreed.

RECOGNITION OF VISITORS –

Sandra Glawson: Stated her concerns if the Township dissolves the Authority and what the possible impact would be on people living on a fixed income.

Terri Maldonado, Scammel Drive: Thanked the MUA for services provided. Stated that she's had to call the MUA at 8:00pm and had someone show up within the hour. Stated after the last storm, she still has tree shrubs on her street. Stated the Township's need for funds could be for lack of services. Stated as a taxpayer, she is disappointed with the Township that she is still moving shrubbery.

James Boland, Filbert Avenue: Thanked the MUA for fighting the dissolution with class. Thanked the residents for coming out. Stated that he feels the people make a difference by coming out and he feels the Council listens to the people.

Denny Doyle: Stated he is the proud son of the System Advisor, Bud Doyle, who helped get the MUA started. Stated he understands the sewer system. Questioned if the Township understands the system. Stated that running a sewer system is different than running a water system. Questioned the urgent need for the Township to dissolve the Authority. Stated that if something goes wrong with the sewer system, a licensed operator is needed. Stated that he understands that the Township has the right to dissolve the Authority, but it doesn't make it right.

Debra McIlhenny, Pemberton: Questioned if the Township is successful in dissolving the Authority and the surplus is exhausted, what are the effects on her as a non-user? Chairperson Kemp stated that is a question for Council. Her opinion is that it would affect users and non-users. Debra questioned if the Township had someone to replace Mr. Butler and the cost associated with that. Mr. Allen stated that his understanding is that the Township has someone in house with similar certifications but may be uncertain. Mr. Hullings asked Mr. Butler how long it takes to obtain an S-4 license. Mr. Butler replied it takes at least 10 years.

Mr. Gillespie stated, in response to the question of whether the use of surplus would affect users and non-users, the Township's 13-year Capital Improvement Plan states within the first year they plan to spend over 3 million dollars. If you divided that by the 6,200 users, that would equate to about \$595 per year per person on top of the annual sewer charge. The average annual payment is \$360 per person per year. The Township

would have to bond. In year 2 and 3, the Township projects to spend 2 to 3 million dollars per year. Do the Township users have the ability to pay double what it is currently paying? If the rate payers can't cover that debt then it has to go to the taxpayers. Mr. Gillespie stated that the MUA was accused of "fear mongering for political purposes." The Township has \$26 million dollars in debt and is projecting to spend \$41 million over 13 years for capital improvements to the sewer system. That equates to \$67 million dollars in debt. How is the Pemberton Township going to afford to pay for that, not to mention the loss of school board funding. This is a discussion that should be had with the Township.

An unnamed resident asked Mr. Allen about him being involved in various public committees, if Mr. Allen is the mole that brings information back to the Mayor. Chairperson Kemp stated that Mr. Allen has recused himself from all dissolution discussions and he is the MUA's liaison. Mr. Allen relays information as needed between the Township and the MUA. Mr. Hullings informed the resident there is no need for a mole. There are no secrets. The resident apologized to Mr. Allen. Mr. Allen stated because he is on Township Council and on the MUA Board, he has recused himself from the dissolution decisions. He stated that it is a conflict. He said any public concern other than the dissolution topic can be addressed to him at a Council meeting or via email. He stated that he has not had any discussions with any Council members regarding the dissolution.

Mr. Gillespie stated under the Farmer's Home Loan agreement, it was required that a member from Township Council be placed on the MUA Board as a liaison. Mr. Allen was appointed by members on the Council to be the liaison. That is the reason he is unable to vote on issues pertaining to the Township and the MUA. Mr. Allen recused himself on the MUA level and on the Council level.

Diane Massa, MUA Customer: Questioned if the Township dissolved the MUA and incurred a lot of infractions or violations, what the State ramifications are regarding violations. Mr. Butler stated that if the violations are concurring violations, the State can fine \$5,000 per day per parameter until corrected.

James Boland's Daughter, Analise, Filbert Ave., Stated she is starting first grade tomorrow and she will meet her new teacher. Chairperson Kemp said she will love it! Ms. Lefebvre thanked her for coming up to speak and said how brave she was to come up and speak. Mr. Boland asked if he could provide the public with the contact information to the Local Finance Board.

Sandy Armstrong: Thanked everyone on the Board. Stated she got a lot of information from attending meetings. Said she is concerned about the quality of water and that Mr. Butler would not be retained if Township dissolved the Authority. Questioned if having the public attend the Local Finance Board hearing would be beneficial. Chairperson Kemp said it would be beneficial.

Chairperson Kemp asked for a motion to approve Resolution #41-2019 - To Close the Meeting to the Public to discuss Attorney-Client-Privilege. Ms. Schnure moved. Ms. Leonard seconded.

AYES: All
NAYES: None

Chairperson Kemp declared the motion approved and closed the meeting to the public.

Chairperson Kemp opened the meeting to the public.

Chairperson Kemp asked for a motion to approve the transfer of \$35,000 from the electrical budget item to the engineering budget item for 2019. She also asked for a motion to waive the cap on Exhibit A on the General Service Contract. Mr. Bailey moved. Ms. Leonard seconded.

ROLL CALL: Mr. Bailey – yes
 Ms. Lefebvre – yes
 Ms. Leonard – yes
 Ms. Schnure – yes
 Chairperson Kemp – yes

Chairperson Kemp declared the motions approved.

The Board discussed possibly having a meeting at the Farm on September 12, 2019 at 6:00 P.M. to provide an update on the Local Finance Board hearing.

COMMENTS FROM THE BOARD MEMBERS – None.

Chairperson Kemp asked for a motion to adjourn the meeting. Ms. Lefebvre moved. Mr. Bailey seconded.

AYES: All
NAYES: None

Chairperson Kemp declared the motion approved and adjourned the meeting at 8:15 P.M.

Call up

Robert L. Bailey