

REGULAR MEETING / WORK SESSION AGENDA

VERNON TOWNSHIP

MUNICIPAL UTILITY AUTHORITY

21 CHURCH STREET, VERNON, NJ 07462

JANUARY 7, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 1/7/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority.

1. Call to Order

The regular meeting of the MUA was convened at 7:03 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey

Paul Kearney

Andrew Pitsker

Kristin Wheaton

Dave McDermott – Arrived at 7:30 p.m.

The following individuals were absent:

Jean Murphy

The following Professionals were present: Donelle Bright, Administrator; Colette J. Borell, Recording Secretary, Richard Wenner, Attorney, Brian Tipton, Special Counsel and Steven Benosky, Project Engineer.

At this time Mr. Furrey stated MUA Licensed Operator of Record Howard Lazier will be joining the meeting shortly.

5. Open Meeting to the Public

Mr. Pitsker motioned to open the meeting to the public, which was seconded by Mr. Kearney and carried upon unanimous vote. Ms. Bright stated no emails, comments or phone calls were received to give public statement. Seeing no members of the public come forward, Ms. Wheaton motioned to close to public, which was seconded by Mr. Kearney and carried upon unanimous vote.

At this time, Mr. Furrey stated comments from the commissioners would be heard at the beginning of the meeting rather than at the conclusion at the request of Mr. Kearney. Mr. Kearney asked about the status of the repair work needed at station #1. Ms. Bright stated Mr. Lazier notified her a high level alarm that occurred on December 24, 2020. She said they checked the one pump, tried to pull it out however the hoist was broken, of which no one was made aware. She advised Mr. Lazier reached out to the Vernon Department of Public Works who confirmed it was broken and had been for months, possibly going back before the spring of 2020. Mr. Lazier inspected the winch, determined it was a manual hoist which needed replacement, and notified vendor Mike's Mobile today to inspect it. Ms. Bright noted Mr. Lazier was advised to possibly grease the inside first before purchasing a new one.

Mr. Kearney asked if there were standard operating procedures in place for equipment testing to discover broken parts and the process for reporting it. He explained the problems operations reporting procedure that handled, rectified and tracked repair situations. He stated equipment including pumps and valves need to be inspected and exercised for maintenance checks. Ms. Bright advised she reviewed the previous standard operating procedures for Pump Station #3 and said nothing was in it specifically about pulling pumps and checking hoists. Mr. Furrey asked Ms. Bright if this was on the checklist. She stated she did not see one in the checklist only that it states to pull the pump as needed and confirmed this should be done regularly. Mr. Kearney noted it was not necessary to pull the pump if it is running. Mr. Pitsker commented in the standard operating procedures it states pulling the pump to check its operation and said at that point it should be discovered if the pump is bad. Mr. Furrey suggested having a preventative maintenance program with a checklist log for the system before parts break to be set up by Mr. Lazier. Mr. Kearney concurred and clarified that it can be modified from the current log into a standard operating procedures manual. Ms. Bright advised Mr. Lazier can set up a scheduled log. At this time Mr. Lazier joined the meeting.

Ms. Bright asked Mr. Lazier to draw up a schedule to ensure the MUA is checking all operational items on a regular basis. Mr. Furrey commented the MUA should be doing the service work in house to save money rather than hiring a private company which is more expensive.

Mr. Kearney asked about the status of the safety issues. Ms. Bright advised the majority of the safety updates are completed, the safety railings will be installed at Black Creek Sanctuary in the next two to three weeks after return from the galvanizer. She advised there were two quotes received, one company quoted on permanent chain link fencing, but she chose the vendor who

made the railings removable to allow for maintenance access. Mr. Kearney asked about the status of the list of capital items required for updating and maintenance compiled by Mr. Lazier.

Mr. Lazier stated the need to obtain two pumps for the lift stations at \$1,900.00 each through USA Blue Book. He advised the bearings in the muffin monster machine at Pump Station #3 are unfixable with a new machine required. He said he talked with JEM Electric about the panel boxes; a replacement was quoted \$6,400.00 for a new panel. He advised Blue Book carries the complete panel at \$2,000.00 with the same electrical setup. He stated what they are finding at one of the lift stations the panel has cheap switches which do not work, the relays only work and checked several electrical vendors for replacement parts however none of them carry them. He advised vendor Raymond Cornetto of North Jersey Pump & Controls, LLC recommended obtaining new transmitters for the lift stations because they are more efficient. Mr. Lazier stated the new lid received for the La Touquet lift station is too heavy to lift and weighs over 300 lbs.

At this time, Mr. McDermott entered the meeting. Mr. Furrey asked about the status of the muffin monster part and clarified it is the highest priority item to order. Ms. Bright advised a quote was provided by vendor GP Jager, Inc. who requested the serial number off of the machine to complete the order. Mr. Lazier confirmed it will be provided. Mr. Lazier stated he spoke with Mike of Mike's Mobile today about the muffin monster down at Pump Station #3 and Mike advised he can handle the service work. Mr. Furrey advised Mike has vendor contacts to provide quotes and can install the muffin monster. Mr. Lazier confirmed the machine is electric not hydraulic, discussed the generators needed, the types, sizes required and specifications, including the electrical wiring. Mr. Pitsker commented if a permanent generator is needed by the lift stations it would need to be installed in a lock box and asked whether it was included in the estimates. Ms. Bright stated she is researching prices and concurred a permanent generator is preferable.

Mr. Furrey advised he wished to have Mr. Benosky review the different options of generators and advise on his recommendations. Mr. Benosky asked if there were generator quotes available. Ms. Bright advised she would provide Mr. Benosky with pricing obtained to date. Mr. Lazier advised Mr. Benosky they are currently set up for portable generators and will provide the specifications, types of generators, sizes required. He said the generators are for the four lift stations at the Mountain Creek condominiums and E&M Electrical had made up the wiring. Mr. Lazier clarified it is physically difficult to move the portable generators up and down between lift stations due. Mr. Furrey commented the generators' purchase should be reviewed carefully with cost analysis. Mr. Lazier concurred with his recommendation and advised Mike of Mike's Mobile speculated it might just be the gear box on the hoist which needs replacement.

Mr. Kearney asked about the status of the billing inquiries by the Vernon Valley Plaza property manager Roy Pascal and the MUA's recommendation to retain a professional engineer to evaluate the billings. Ms. Bright answered to date she has not heard back from him regarding the engineer, nor received a list of stores that were vacant for EDU review which Mr. Pascal said he would provide.

Mr. Pitsker questioned about the coordination of finances with the timeline received by Mr. Benosky on the pump station construction. Ms. Bright answered to her understanding once

Dewberry prepares the engineering design and plan it will be submitted to NJIB for review. She advised she will need to prepare a bond ordinance at some point which needs to be approved by the Vernon Township Council. Mr. Pitsker advised it should be listed on the project outline. Ms. Bright concurred and advised she would reach out to bond counsel to find out timing to file the bond ordinances in conjunction with planning and design of the project. She explained typically an authority would need to do a bond ordinance to have available cash flow to pay for capital expenditures however the Township of Vernon has already put aside \$200,000.00 in the past two years to be able to pay for expenditures for the sewers to help reimburse the MUA for planning and design.

Mr. Pitsker asked if the project outline includes the transfer station. Mr. Benoksy advised it is intended to include both stations, stated he had reached out to Dave Bauer of Wind River to coordinate, and is awaiting his response. He asked if Wind River will be the primary vendor as user. Mr. Furrey advised it will be put out to bid to other vendors. Ms. Bright stated there are existing agreements between Mountain Creek and Wind River. Mr. Benoksy stated during his meeting with Mr. Bauer he provided good ideas on the design and construction of the transfer station, noting if they will be the primary vendor the project should be acceptable to Wind River. Ms. Bright advised Wind River will be contacted to set up a review. Ms. Wheaton asked about the existing Mountain Creek agreement with Wind River. Ms. Bright clarified the town has an arrangement with Mountain Creek to pay the town for the pump station. She stated when the meeting was held with Mountain Creek they agreed they would work out a deal with Wind River to be paid for the initial infrastructure whatever that cost is so the town does not have to work out an agreement directly with Wind River. Ms. Wheaton asked how this defrays costs by making it a public transfer station. Ms. Bright clarified the transfer station belongs to the town and the town is charging for it.

Mr. Furrey advised it will be opened up as a transfer station available to other companies to use with Wind River likely the primary user. Ms. Wheaton asked for clarification on the permitting. Mr. Furrey stated the township is obtaining the permit to build it, and whatever arrangement Wind River makes with Mountain Creek the town in the end will obtain reimbursement from Mountain Creek. Mr. Wenner advised it is correct to his understanding and will confirm. Mr. Furrey commented there is a complicated question about the legalities with the transfer station to be resolved. Ms. Wheaton asked about the public-private partnership with regards to the town funding application. Mr. Furrey confirmed the town is funding the project with reimbursement of the entire cost pursuant to the agreement with Mountain Creek.

Mr. Pitsker asked Mr. Benosky to insert additional edits into the project outline under the blank area for a document objective for pump station #2, transfer station and additional relevant necessary data.

Mr. Kearney asked for clarification of the relationship between Wind River and Mountain Creek and will Wind River be paying Mountain Creek. Mr. Furrey advised Wind River would need to work out a direct arrangement with Mountain Creek. Mr. Kearney stated to his understanding the purpose of the transfer station was for companies to transfer their waste at the station, increasing usage/flow. He asked if there is an arrangement between Mountain Creek and Wind River how it financially benefits the town. Ms. Bright explained there are two payments, one between Wind River and other companies made to the MUA as a per gallon fee at the transfer

station and the second agreement between Wind River and Mountain Creek. She stated there is additional infrastructure that goes into creating the transfer station; and in order to put it in, Mountain Creek has agreed to pay for what is being built there and will work directly with Wind River.

Mr. Pitsker asked about the status of the sewer fees for Acme from Sussex. Ms. Bright advised she contacted SCMUA for copies of the bills, received incomplete copies and will submit a standard OPRA request for actual billing for the entire period. Mr. Pitsker stated he submitted an OPRA request for two police reports filed by Ms. Bright and Mr. Furrey to determine the outcome of those investigations. He said he spoke with the Vernon Police Department who confirmed they are working on it.

Ms. Wheaton suggested the Administrator's report be heard first before the Commissioners comments in the future. She asked for more permitting information from Mr. Benosky about the transfer station. She stated she felt it will be a longer process as it is a unique installation as there are few places that receive septage and asked if there is correspondence / notes about conversations between Wind River and SCMUA on the project. Ms. Bright confirmed there were none. Ms. Wheaton stated she had concerns about the willingness of SCMUA to embrace this kind of a project. Mr. Furrey stated he believed SCMUA will not like it. Ms. Wheaton said there was research conducted between herself and Ms. Bright and discovered SCMUA is not in charge of the industrial pretreatment program rather it is handled by the New Jersey Department of Environmental Protection ("NJDEP"). She recommended addressing this up front first by contacting the NJDEP. Mr. Furrey and Mr. Benosky concurred on her recommendation, both advised it was necessary to reach out to the NJDEP on the specifics of what is required and to obtain direction before proceeding on the project.

Mr. Furrey commented about making the MUA better, taking his position as Chairman seriously and will always listen to the public. He read his Chairman's comments for the MUA 2021, its visions, plans going forward and requested the comments be posted to the web site. Ms. Bright advised she will circulate the annual and year-end financial reporting to the board for review at the next meeting.

At this time, Mr. Furrey referred to Item No. 7.a. stating he preferred to enter the Executive Session first and wanted all in attendance to join the closed session.

Ms. Bright advised the public that this meeting will reconvene to address any decisions made and additional public comments.

Ms. Wheaton motioned to move to Executive Session for purposes of discussion of potential litigation, which was seconded by Mr. Kearney and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott and Ms. Wheaton.

Mr. Furrey moved to reconvene, seconded by Mr. McDermott and carried upon the unanimous vote.

Approval of Minutes:

a. March 4, 2020 Regular Meeting

Mr. Pitsker motioned to approve, which was seconded by Mr. Kearney and carried upon the unanimous vote.

b. November 19, 2020 Regular Meeting

Ms. Wheaton stated she is listed as absent however noted she arrived later in the meeting. Ms. Bright advised the minutes will be revised to reflect the correction.

Mr. Pitsker motioned to approve, which was seconded by Mr. Kearney and carried upon the unanimous vote.

c. December 3, 2020 Regular Meeting

Ms. Wheaton and Mr. McDermott stated that they were not in attendance at this meeting. Mr. Kearney motioned to approve, which was seconded by Mr. Pitsker and declared carried upon affirmative votes of Mr. Pitsker, Mr. Furrey and Mr. Kearney.

d. December 17, 2020 Regular Meeting

Mr. Pitsker noted Jean Murphy was absent from the meeting. Ms. Bright advised Ms. Murphy will be removed from the attendance list in the minutes.

Ms. Wheaton motioned to approve as amended, which was seconded by Mr. McDermott and carried upon the unanimous vote.

Mr. Furrey referred to Item No. 7.b.

7. Resolutions:

a. Resolution 21-01: Executive Session for Discussion of Potential Litigation

Ms. Bright advised the public that this meeting will reconvene to address any decisions made and additional public comments.

Ms. Wheaton motioned to move to Executive Session for purposes of discussion of potential litigation, which was seconded by Mr. Kearney and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott and Ms. Wheaton.

Mr. Furrey moved to reconvene, seconded by Mr. McDermott and carried upon the unanimous vote. Mr. Furrey referred to Item 6.a.

b. Resolution 21-02: Authorizing the VTMUA to Execute a Shared Service Agreement with the Township of Vernon for DPW Services

Ms. Bright advised she reached out to Mr. Wenner about drafting a basic reimbursement shared service agreement with the town for the Department of Public Works services as backup in the event of emergencies. Mr. Furrey clarified this is not in the MUA budget, it is on an on needed basis to tap into the DPW for services. Ms. Bright explained it is not a structured payment, not guaranteed money to the town and is a line of money if it is required. Mr. Pitsker asked if the resolution needed to be presented to the Town Council for vote. Ms. Bright confirmed, explaining the MUA approves the resolution first and then it is presented to the Town Council. Mr. Pitsker asked that a cap on spending limit be entered into the resolution. Ms. Bright confirmed it will be amended in an amount not to exceed \$20,000.00 from the MUA budget line and will add her certification of funds for her sign off. Mr. Wenner advised Mr. Pitsker to abstain voting as he serves on both the MUA and Council.

Mr. McDermott moved to pass the resolution, seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott and Ms. Wheaton. Mr. Pitsker abstained.

8. Work Session

a. Subcommittee Reports

At this time Mr. Furrey commented he did not wish to discuss the subcommittees as they have already been discussed.

i. PS2 / Transfer Station Subcommittee

Mr. Furrey tabled the discussion on this subcommittee until the next meeting.

ii. Sewer Service Area Subcommittee

Mr. Furrey stated he saw a reply received about the sewer service area map from Matt of the NJDEP who is working on the Town Center designation for the township. Ms. Bright confirmed, stated she circulated it to the board and advised she is still waiting for a response from Paul DeMuro of the NJDEP. Mr. Furrey asked Mr. Benosky to contact Kerry Pflugh of the NJDEP for a status update. Mr. Pitsker provided her contact information to Mr. Benosky. Mr. Furrey advised Ms. Pflugh is in charge of government affairs at the NJDEP and is the MUA liaison at the agency. Mr. Benosky confirmed he reached out today to her and will follow up.

iii. Solid Waste Subcommittee

Mr. Furrey tabled the discussion on this subcommittee until the next meeting.

iv. Bylaws / Personnel Subcommittee

Mr. Furrey tabled the discussion on this subcommittee until the next meeting.

v. Water Supply Subcommittee

Mr. Furrey tabled the discussion on this subcommittee until the next meeting.

vi. Finance Subcommittee

Mr. Furrey tabled the discussion on this subcommittee until the next meeting.

9. Administrative / LOR Updates:

a. 2021 Capital Projects

Ms. Bright stated discussion was previously held on some capital projects. She said one that was not discussed was the winch that needed to be repaired and possibly obtaining an electrical hoist that breaks down, is transportable between lift stations and commented it is a good investment.

b. Pump Station / Lift Station issues

Mr. Lazier said the call out was on December 26, 2020 for a pump failure where the wires were burned up, JEM Electric fixed it; however, the control switch does not work and a new one is required. Mr. Furrey advised vendor North Jersey Pump and Controls would be able to find one. Mr. Lazier advised on Tuesday JEM Electric came out and fixed an electrical problem at LaTouquet, it turned out to be a bad motor. He stated he put in for the five electrical panels. Mr. Pitsker stated these are critical components that are breaking down and asked the reason for the delay in correcting the issue. Mr. Lazier advised it is the cost and stated one vendor wanted \$6,500.00 for one panel.

Ms. Bright advised for these expensive items written quotes from all companies must be obtained since there are so many of them to be ordered and advised the order cannot be put in until the budget is approved. Mr. Pitsker asked if one panel can be ordered in the interim with the controller part removed. Ms. Bright confirmed correct. Mr. Furrey stated this is an emergency situation which needs action for the system operation and requested the panel be ordered immediately.

Mr. Lazier commented about preventive maintenance items and staying on top of the debris collected in the systems. Mr. Furrey concurred and asked Mr. Lazier to order the screens. Ms. Bright advised nothing can be ordered until the budget is approved and quotes for them will be required. She stated a larger pump was ordered in 2017 at a cost of almost \$7,000.00; however it is not known if it is the right fit. Mr. Lazier clarified it is a spare pump kept at Pump Station #3, it is oversized, may not be the right pump and stated there are no tags on it. He stated JEM Electric will come in to inspect it to determine if it is the right fit, the voltage and the right phase.

c. Backup LOR

Ms. Bright stated Chris Steelman the backup operator was provided with keys and met with Mr. Lazier and MUA staff: Mathew Duffy and Zachery Von Oesen to review the system. Mr. Lazier stated Mr. Steelman asked if anything with the system changed and he was advised it had not.

d. Staff Training

Ms. Bright said she obtained information from a confined space training company, and is looking into coordinating with the township fire department to save money by obtaining one price. Mike's Mobile mentioned conducting training on January 19 or January 20. Mr. Lazier confirmed it will be a two day training course. Mr. Furrey commented about talking with Mike on the specifics of the training especially whether they need to learn the "mining confined space" and whether there is need for them to attend both days. He advised the trainer's name is Harry Smith. Mr. Kearney commented the one day training may be the initial confined space training and two day may be a refresher course. Mr. Lazier confirmed he would check into the requirements and provide an update.

e. Emergency Situations RFP

Ms. Bright discussed assembling a bid to vendors for better pricing for a RFP, said she spoke with Mr. Benosky and Thomas F. Carroll, the qualified purchasing agent and is still under review.

f. Press Release

Ms. Bright stated she assembled her administrator's report with the final copy to be circulated to the board. She advised she would like to make it the MUA press release to include information about the VFW connection issue resolution, the MUA 2020 budget savings, where the money went, the final financials and mindful use of funds' spending. She stated once it is reviewed by the commissioners it will be posted on the MUA web site and provided to Vernon Mayor Howard Burrell for publication on Vernon Township website and Facebook if he wishes.

g. Force Main Evaluation Awards

Ms. Bright advised the pressure gauge installation portion of the bid award has been given to vendor Ferraro Construction Corporation, advised they had the lowest bid for the ARV replacements and said because it is over \$17,500.00 a pay to play resolution will need to be drafted for review at the next meeting. She said Fred Cook had the lowest quote on the CCTV footage work. Once the purchase orders are in place, Mr. Lazier will coordinate with Wind River on a date to schedule a truck to pump it out. She said it is a three day process. Mr. Benosky confirmed he will attend the start of the process. Ms. Bright confirmed Fred Cook and Ferraro Construction acknowledged they need to work together on the CCTV and ARV footage.

h. Billing/Accounts Payable for 2021 / Updates

Ms. Bright advised the owner of Green Realty called her, updated her he was out of town since the spring of 2020, was unaware of the MUA attempts to contact him and advised he will fill out paperwork for a connection in Spring 2021. Mr. Pitsker asked how many connections on route 94 corridor need to be hooked up. Ms. Bright stated the former Faline Building property (which is not on route 94) is not hooked up, was sold and the current owner met with her to review the connection application. She advised a resolution was done in November for the former owner's application, the new owner is doing the actual hookup, is not changing anything and will retain his own engineer to provide plans for approval with the EDU's to remain the same. She said

there is one more home on route 94 that is still unconnected together with the former florist location on route 515 and she has not heard from the owner to date.

She stated the MUA meetings will be uploaded to YouTube and posted to the MUA website for public review.

She stated the accounts receivable is high this year compared to prior years, due to one of the largest commercial accounts' nonpayment, Acme's outstanding sewer bill and Black Creek unites. Mr. Furrey asked about the New Jersey State COVID funding mechanisms for water and sewer and whether the MUA would apply for it to make up the difference by nonpaying accounts. Mr. Wenner advised he would research it. Ms. Bright advised she will consult with the auditor on this funding. Mr. Furrey advised employees working in water and wastewater facilities are considered Class 1 D personnel and qualify for COVID vaccinations and can register.

10. Commissioners' Comments

Mr. Pitsker lauded the completion of all outstanding 2020 minutes by Ms. Borell. Mr. Kearney asked about nonpayment of the largest sewer account. Mr. Wenner advised it will be discussed at Executive Session. Mr. Pitsker asked about the capital expenditure list and whether it will grow further. Ms. Bright confirmed she will review additional items that may be added. Mr. Pitsker asked about the easement Mr. Benosky referenced in correspondence, whether it needs to be done right away and advised the town is looking to place a trail in that area. Mr. Benosky advised he will research and provide his findings.

11. Chairman's Comments

Mr. Furrey asked about the change in the meeting agenda. Mr. Pitsker and Mr. Kearney suggested maintaining the original agenda structure. Ms. Wheaton concurred. Mr. Furrey confirmed the agenda will remain the same format.

12. Adjournment

Motion to adjourn was made by Mr. Kearney seconded by Mr. McDermott which was declared carried by Mr. Furrey at 9:41 p.m. upon the affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. McDermott, Ms. Wheaton and Mr. Kearney.



Respectfully submitted,
Colette J. Borell
MUA Recording Secretary

Minutes approved January 21, 2021

REGULAR MEETING / WORK SESSION MINUTES

VERNON TOWNSHIP

MUNICIPAL UTILITIES AUTHORITY

21 CHURCH STREET, VERNON, NJ 07462

JANUARY 21, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 1/21/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority.

1. Call to Order

The regular meeting of the MUA was convened at 7:04 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Paul Kearney
Andrew Pitsker
Kristin Wheaton
Dave McDermott

The following individuals were absent:

Jean Murphy

The following Professionals were present: Donelle Bright, Administrator; Harry J. Shortway, Vernon Town Council President, Colette J. Borell, Recording Secretary, Howard Lazier, Licensed Operator of Record, Brian Tipton Attorney Special Counsel, Richard Wenner, MUA Attorney and Steven Benosky, Project Engineer.

At this time Michael Furrey stated Harry Shortway was to be sworn in. Mr. Pitsker asked Mr. Shortway be sworn in prior to Executive Closed Session. Mr. Wenner administered the oath of office to Mr. Shortway as alternate commissioner of the MUA.

At this time Mr. Furrey requested to move to Executive Session. Mr. Pitsker motioned to move to Executive Session for purposes of discussion of potential litigation, which was seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott and Ms. Wheaton.

Ms. Bright advised the public this meeting will reconvene to address any decisions made and additional public comments.

At 8:15 p.m. Mr. Pitsker motioned to close Executive Session and reconvene, which was seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

5. Open Meeting to the Public

Mr. Kearney motioned to open the meeting to the public, which was seconded by Mr. McDermott and carried upon unanimous vote. Ms. Bright stated no emails, comments or phone calls were received to give public statement.

Seeing no members of the public come forward, Mr. McDermott motioned to close to public, which was seconded by Mr. Pitsker and carried upon unanimous vote.

6. Approval of Bills: Resolution 21-03

At this time Ms. Bright tabled the approval of the bills until the next meeting due to only two bills pending for review.

7. Approval of Minutes:

a. January 7, 2021 Regular Meeting

Ms. Bright noted the following minor changes to the date in the statement of compliance from January 20, 2020 to December 22, 2020 and the correction of the minutes' date in the Agenda from January 7, 2020 to January 7, 2021.

Mr. Pitsker motioned to approve, which was seconded by Mr. McDermott and carried upon the unanimous vote.

8. Resolutions:

a. Resolution 21-04: Authorizing the Award of a Required Disclosure Contract with Ferraro Construction for Air Release Valve Replacement

Ms. Bright explained Ferraro Construction was previously awarded and issued a purchase order for the pressure gauge installation of the force main evaluation portion for the pump station. She stated it is part of the asset management plan and because they are going over the \$17,500.00 threshold for "Pay to Play" they needed to fill out all the disclosure information and a resolution was required to allow them to go over that threshold. She advised even though the MUA is not

going over the bid threshold, the resolution is required. Mr. Pitsker asked about the cost and whether once paid if it goes into the grant program for evaluation of the force mains and pump stations. Ms. Bright confirmed it is part of the asset management plan, the MUA will be reimbursed for these amounts it pays out, she will submit them through IBank for reimbursement to the MUA. Mr. Furrey confirmed this is all part of the asset management program.

Mr. Pitsker moved to approve the resolution, which was seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton and Mr. McDermott.

9. PUBLIC HEARING: 2021 Budget

Ms. Bright explained this is for the 2021 budget, a public hearing needs to be held, opened to the public for comments and after the hearing is held a resolution to adopt the budget is proposed afterwards.

Mr. Furrey motioned to open the meeting to the public, which was seconded by Mr. McDermott and carried upon the unanimous vote.

Ms. Bright stated no members of the public came forward to give comments.

Mr. Pitsker moved to close the hearing to the public, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney and Ms. Wheaton.

10. Resolution 21-05: 2021 Budget Adoption

Mr. Pitsker asked if the updated budget numbers are posted on the MUA web site. Ms. Bright confirmed they were and once approved the updated adopted budget will be posted. Mr. Pitsker asked if public comments were received. Ms. Bright confirmed there were none.

Mr. Pitsker moved to pass the resolution, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Ms. Wheaton and Mr. Pitsker.

11. Resolution 21-06: Executive Session

Mr. Pitsker move to approve Executive Session for purposes of discussion of potential litigation, which was seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott and Ms. Wheaton.

12. Administrator / Licensed Operator Update

Ms. Bright stated Matthew Duffy and Zachery Von Oesen attended general safety training on Wednesday, January 20, 2021 with some confined space training. She advised she reached out to several companies about the initial confined space training which is a full day course and is

coordinating the training in conjunction with the Vernon Township Fire Department who also has staff to confine space train to obtain a cost effective price for both groups. She said since the budget passed they can now move forward on additional purchases for backup pumps and other items on the capital list for this year and has a purchase order for two needed pumps.

She stated Acme contacted her on Wednesday, January 20, 2021 via letter from their engineer who acknowledged in it the MUA is using the standard calculation for EDU's however asked for a decrease of fifty percent in total allocation for EDU's citing it should be based on their water usage. Mr. Furrey stated the vacancy issue was addressed at the last meeting when the MUA asked for documentation for vacant units from Ron Pascal the Vernon Plaza (the "Plaza") property owner. He asked if the vacancies were addressed in the letter. Ms. Bright confirmed they were not and had not received the documentation to date. Mr. Pitsker commented he saw four vacant units in the plaza. Mr. Furrey stated if the MUA is going to respond it should be addressing the vacancies first with a hardship case based on vacancies to be considered next. Mr. Benosky clarified the spreadsheet Mr. Pascal provided was for five units. Ms. Bright confirmed that was the correct number of vacant units, however did not see the number of EDU's these units are calculated for. Mr. Benosky stated the math can be done by backing into the unit calculations. He noted the spreadsheet listed unit #1, unit #6, unit #7, unit #9 and unit #11. Mr. Benosky said there are two asterisks and unit #11 as an asterisk regarding the bagel store and maybe there are four vacancies. Mr. Furrey asked if they totaled up the EDU's. Mr. Benosky stated no, they did it based on flow but it could easily be calculated into EDU's in for those units and that it is not much for the smaller flows. Mr. Furrey asked if they paid their bill for 2020. Ms. Bright confirmed they still owe payment for their 2020 bill. Mr. Furrey asked how to proceed on handing their nonpayment of their 2020 billing. Mr. Kearney stated they approached the MUA at the end of 2020 with respect to their billing, it still remains unpaid, if the MUA decides going forward the rates are too high and changes the rate, the fact remains the account still owes the 2020 bill. He commented they should be required to pay the 2020 bill and the MUA can then listen to the hardship application. Mr. Pitsker stated Mr. Benosky should do an engineering re-evaluation based on the MUA calculations what the EDU's are less those four / five vacant buildings. He commented just because the plaza calculations go from 56.95 EDUs, asking for reduction down to 20.5, they are basing it on flow rate and the MUA should base it on the hard calculations used by the MUA. Mr. Benosky commented he believed billing is based on the MUA regulations, if it was accounted for the vacancies it would come out to a 10% discount as opposed to a 60% discount. Mr. Pitsker agreed and advised it should fair to all rate users, rate payers and if the plaza wishes to negotiate in good faith all outstanding bills should be paid up in full. Mr. Furrey asked for Mr. Wenner's legal opinion on the outstanding bill.

Mr. Wenner concurred with Mr. Kearney and Mr. Pitsker's recommendation against having conversations with the property owner until the settlement of their outstanding 2020 bill, at this point they are not acting in good faith and hold off having any constructive conversation with them until they make the MUA whole. Mr. Pitsker stated based on Mr. Wenner's opinion, a letter should be transmitted to the Mr. Pascal indicating the MUA's willingness to negotiate in good faith upon payment in full of the 2020 bill. He commented the EDU calculations should be checked and verified by Mr. Benosky.

Mr. Benosky stated the property owner provided the square footage calculations of the units along with the number of employees. He said it will be reviewed, evaluated, verified and / or assumed to be factual. Mr. Furrey agreed with his recommendation and asked him to check his calculations and facts for review at the next meeting. Mr. Kearney stated it is unknown as to the accuracy of those "supposed" meters they installed versus the EDU calculations. He commented the MUA does not know their accuracy, if the meters are on all the time, noted they can be manipulated, i.e. similar to automobile odometer tampering and come up with numbers favorable to the property owner. Ms. Wheaton commented the calculations should be based on EDU's, noted it should not be termed "negotiations" rather it being a recalculation based on vacancies. She said an audit needs to be conducted of the vacant stores footage to revisit the EDU calculation. Mr. Pitsker concurred with her opinion, noted the EDU calculations are based on standards set forth on the MUA web site and stated the property owner's meters are not registered with the MUA.

Ms. Bright stated the GIS mapping was received from Mott McDonald, Mr. Benosky forwarded it to Paul DeMuro of the New Jersey Department of Environmental Protection (the "NJDEP") and they are looking to set up a meeting with Mr. DeMuro regarding his review of it. She commented she reviewed the Township's updated Town Center planning map with the changes made, however noted Legends was not included in that map and said the NJDEP will need to comment on this omission.

She advised with regard to the financing timeline for pump station #2, she spoke with bond counsel about it and he stated the MUA needs to wait until IBank approves the project after Mr. Benosky uploads all the required documentation and then can move forward on the bond ordinance. She stated once approved, it will not take long to do the ordinance, would be a six week turnaround, be an ordinance unto itself and not fixed into other debt.

Mr. Lazier advised there were two backups at the condominiums that occurred with one at Purgatory involving heavy grease coming up out of the pipe out of the manhole that was two feet long. He commented it was a small spill that was caught in time. He stated vendor Mike of Mike's Mobile came out to check pump station #1's crane. Mr. Furrey stated Mike corresponded with him about the issue. Mr. Lazier explained Mike came out to check the crane and hoist for pumps, it was not greased, was lacking gear oil which was applied and got it working and was able to lift a pump out. He stated upon fixing it, it was noted the newer one pump just installed was not hooked correctly to be pulled and was fighting the whole crank and pinching it on the line. He advised the pump was hammering and the whole bottom of pump #1 is loose so every time it shuts down due to hammering it loses a couple of inches. Mr. Lazier stated it should be fixed as soon as possible before a pipe is lost or a pipe explodes from the hammering effect. Mr. Furrey stated Mike's Mobile wrote an email about what was found and provided an estimate to Ms. Bright to do all the work. He asked about the wiring issue with the backup pump in the wet well. Mr. Lazier stated the wire was a seal sensor that was noted during Mike's Mobile first service call several months ago where the wire was up underneath the motor.

Mr. Furrey asked Ms. Bright to share the email and quote with the board. Ms. Bright confirmed she would and stated upon speaking with Mike about the repair estimate it would take about four to five hours work at approximately \$4,800.00.

Mr. Furrey asked about the issues with the wet well, the scheduled yearly maintenance for the pump out work and asked if it was done on this particular pump station. Mr. Lazier stated upon inspection there was sludge in the bottom, it was not too bad and was probably cleaned out in the past year. He advised the yearly clean out maintenance work was scheduled for all the pump stations. Mr. Furrey asked Ms. Bright about doing these repairs and the required approval to procedure. Ms. Bright confirmed once approved the repairs can proceed.

Mr. Furrey asked about the muffin monster at pump station #3 and whether a new one should be purchased. Mr. Lazier stated the old muffin monster was removed and taken apart by Matthew Duffy and Zachery Von Oesen with assistance from the machinist. Mr. Kearney asked if this means the pump is now unprotected because there is no muffin monster. Mr. Lazier confirmed correct, there is nothing there to control it and explained the inner gears of the muffin monster were totally destroyed. Mr. Kearney asked what the status was on the new muffin monster order. Ms. Bright advised she was waiting on a quote from GP Jager Inc. ("Jager"), was advised they were looking into pricing information, they were provided with the serial number and have reached out again to them. Mr. Kearney stated it would be a shame if the MUA lost a pump if the vendor did not respond and had to not only pay for the muffin monster but also for a new pump. Mr. Furrey asked Mr. Lazier if he considered this an emergency. Mr. Lazier confirmed it was, the muffin monster was needed and stated when Mike's Mobile was doing work at the lift station he checked out what was there in terms of a muffin monster and would obtain a quote. Mr. Furrey stated he believed Mike would obtain it from the same vendor and after speaking with Mike he preferred the MUA purchase it with him installing it.

Mr. Furrey stated the muffin monster needs to be ordered immediately as this is now an emergency, have it repaired soon and cannot wait any longer as it will damage the pump with the possibility of an overflow. Mr. Kearney stated no muffin monster leaves the pump asset vulnerable without it being there. He stated skipping one wrong step with the pump would require replacement of both the muffin monster and the pump let alone the cleanup associated with it. Mr. Lazier stated that was the reason why the muffin monster was removed because the weir was not working and the pump was backing up. Mr. Furrey concurred with Mr. Lazier's decision to remove it and stated the next step is to purchase a new muffin monster. He asked Mr. Benosky about other vendors who could supply it. Mr. Benosky advised there are other vendors who make similar products, however Jager is the best vendor in north Jersey to supply the muffin monster. Mr. Furrey asked to move immediately to order the muffin monster from Jager. Mr. Pitsker asked Mr. Benosky about standardized fits, valve sizes and whether there are ESTM standards that could be applied with respect to a backup plan for a different muffin monster. Mr. Benosky stated this is not the same as a valve, these ones require different pieces, i.e. the chute there is a nonstandard setup and that a muffin monster would work best. He stated there is another manufacturer for it in New Jersey, Franklin Miller who makes a similar model. Mr. Furrey stated that is a good backup plan, asked Ms. Bright contact Jager tomorrow to provide a price and if none is provided move forward on purchasing the muffin monster from an alternate vendor. He commented the muffin monster may not be in available in stock, with a possible delayed delivery date and the order needs to be expedited immediately. Mr. Furrey asked about

the status of the confined space training. Ms. Bright, Mr. Lazier confirmed it was both safety training and confined space training done yesterday and stated it was Mike's Mobile who conducted the training. Mr. Furrey asked Ms. Bright to contact Sawmill the company who did the safety review and ask them about confined space training. Ms. Bright advised she spoke with Dave of Sawmill today and advised there was another company she spoke with as well. Mr. Furrey asked if the training is done remotely or in person. Ms. Bright advised Dave said Sawmill conducts the class in person allowing for social distancing and other COVID requirements. She said the other company did not specify the maximum class size and she would find out and provide it.

Mr. Pitsker asked if Ms. Bright and Mr. Lazier if they have the project list completed for capital improvements. Ms. Bright and Mr. Lazier stated they have the list from before and there are additional priority items to add to the list. Mr. Pitsker asked about the status of the quotes for the electrical panels for the lift station for the capital list. Ms. Bright advised quotes are in on everything for the capital list, once the budget is approved and in the system the quotes can be submitted. Mr. Pitsker asked if there is any work on the list that Mr. Benosky needs to do. Mr. Furrey stated once the list is finalized it should be assembled into priority order by Ms. Bright and Mr. Lazier with the list shared with the board for review. Mr. Pitsker commented on the need to get the items on the list done especially to avoid potential operational issues. Mr. Furrey stated once it is put in priority order and finalized it can be provided to Mr. Benosky for the engineering evaluation to be reviewed at the next meeting to discuss his involvement. Mr. Benosky stated the generators will need to be reviewed and discussed.

13. Commissioners' Comments

Ms. Wheaton asked Mr. Benosky if there was any progress made with the NJDEP on industrial user permitting. Mr. Benosky stated not hundred percent, have heard from a few people and can schedule a meeting for a more in depth discussion next week.

14. Chairman's Comments

Mr. Furrey asked about the status of Jean Murphy's board seat. Ms. Bright advised she did not received notification Ms. Murphy would not be at this meeting. She stated she is not sure how the board wishes to proceed about her alternate #1 spot which runs through 2025. She said if Ms. Murphy is not going to be active it is up to the board to decide how to move forward. Mr. Kearney asked if there was a statement in the By-Laws about missing meetings. Mr. Wenner advised a commissioner to the MUA is appointed by the governing body and only the governing body can remove a commissioner. He stated they can be removed prior to the expiration of the commissioner's term for neglect of duty or misconduct. He said the process in general is the governing body, being the Vernon Township Council would file charges (i.e. provide notice) advising the commissioner they are seeking to remove them from the position of commissioner to the MUA and they have right to a hearing. He said the hearing can be no less than ten days from the date the charges are issued. He stated it is due process afforded to the commissioner of any MUA by statute. He advised the charges would state they are seeking to remove the commissioner for failure to appear at "x" number of meetings to which they were appointed to serve, they will have a hearing on "x" date and advise them they have ten days from the issuance of those charges to respond. He advised whether it is a meeting, three meetings or a certain

number of meetings missed all are sufficient cause. He advised in this situation not having heard from Ms. Murphy in his opinion at a minimum the MUA should request the governing body draft and issue charges seeking to remove Ms. Murphy from the MUA. He said at that point she would have the right to the hearing and state her case. He said either way she would be removed by the governing body from the commission and confirmed the MUA could not remove her. Mr. Kearney stated that was not what he was looking to do, he was seeking to determine if all was well with her and if she wished to remain involved with the MUA. Ms. Wheaton agreed, stated that was the approach with Angela Erichsen, suggested Ms. Murphy be contacted by Mr. Furrey or Ms. Bright to determine if she is planning to participate on the board and if not to submit her resignation. Mr. Pitsker asked if she was sent the agenda via an alternate email address regarding the meeting. Ms. Bright advised she was not provided with an alternate email address. Ms. Wheaton asked if she still had the log in information. Ms. Bright confirmed she does and her Vernon Township email is still active. Mr. Furrey advised he would contact her separately and if she does not respond will pursue the path recommended by Mr. Wenner.

15. Adjournment

Motion to adjourn was made by Mr. Furrey seconded by Ms. Wheaton which was declared carried by Mr. Furrey at 9:08 p.m. upon the affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. McDermott, Ms. Wheaton and Mr. Kearney.



Respectfully submitted,
Colette J. Borell
MUA Recording Secretary

Minutes approved February 18, 2021

REORGANIZATION MEETING MINUTES (AMENDED)

VERNON TOWNSHIP

MUNICIPAL UTILITIES AUTHORITY

21 CHURCH STREET, VERNON, NJ 07462

FEBRUARY 4, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 2/4/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The reorganization meeting of the MUA was convened at 7:05 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey

Paul Kearney

Andrew Pitsker

Kristin Wheaton – Arrived at 7:15 p.m.

Dave McDermott

Harry Shortway

The following Professionals were present: Donelle Bright, Administrator; Colette J. Borell, Recording Secretary and Richard Wenner, MUA Attorney.

5. Elections

At this time Mr. Furrey stated the first order of business is the election of the Chairman.

a. Chairperson

Mr. Wenner administered the oath of office to Mr. Furrey as Chairman of the MUA.

b. Vice Chairperson

Mr. Furrey asked for nominations for Vice Chairperson. Mr. McDermott nominated Mr. Kearney and carried upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton. Mr. Wenner advised he did not need to administer the oath of office to Mr. Kearney as Vice Chairman of the MUA.

6. Open Meeting to the Public

Mr. Pitsker motioned to open the meeting to the public, which was seconded by Mr. McDermott and carried upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton. Ms. Bright stated no emails, comments or phone calls were received to give public statement.

Seeing no members of the public come forward, Mr. Kearney motioned to close to public, which was seconded by Mr. Kearney and upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

7. Consent Agenda Reorganization Resolutions:

a. Resolution 21-07: Resolution Designating the Official Newspaper for 2021

Ms. Wheaton moved to pass the resolution, seconded by Mr. Pitsker and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

b. Resolution 21-08: Resolution Authorizing the Award of Professional Services Contracts and the Advertising of Same

Mr. Pitsker moved to pass the resolution, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

c. Resolution 21-09: Resolution Appointment for Professional Services - Auditor

Ms. Wheaton noted an edit change in the title of the resolution from engineer to auditor.

Ms. Wheaton moved to pass the resolution as amended, seconded by Mr. Kearney and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

d. Resolution 21-10: Resolution Appointment for Professional Service - Engineer

Mr. Pitsker moved to pass the resolution, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

e. Resolution 21-11: Resolution Appointment for Professional Services For Municipal Utilities Authority Attorney

Ms. Bright noted an edit change in the title of the resolution from engineer to attorney.

Mr. Kearney moved to pass the resolution, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

f. Resolution 21-12: Resolution to Adopt the Cash Management Plan for 2021

Mr. Pitsker asked what the fee was for this year for the shared services. Ms. Bright responded it was \$76,300.00, stated the MUA is saving money and noted it is not just for the finance office. Mr. Pitsker commented it goes up again next year and the MUA has a continuing services agreement for three years.

Mr. Pitsker moved to pass the resolution, seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

g. Resolution 21-13: Resolution Establishing the Authority to Spend Funds and Sign Checks

Mr. Furrey asked about the designation of treasurer on the resolution to sign checks and stated there is no treasurer. Ms. Bright responded there was no provision on the agenda to appoint a treasurer and noted there were elections to appoint a Chairman and Vice Chairman however none for treasurer. Mr. Wenner advised the title of treasurer can be struck from the resolution noting Ms. Bright's signature as Chief Financial Officer is required on checks with either Mr. Furrey or Mr. Kearney's signatures as Chairman and Vice Chairman as an acceptable signature on checks. Mr. Furrey confirmed the other signature on checks can be the Chair, Chairperson or Vice Chairperson and noted this minor change to the resolution.

Mr. Pitsker moved to pass the resolution as amended, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

h. Resolution 21-14: Resolution Authorizing the Payment of Regulated Bills

Ms. Wheaton moved to pass the resolution, seconded by Mr. Kearney and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

i. Resolution 21-15: Resolution Creating a Fee for Dishonored Checks

Mr. Pitsker asked if the \$20.00 return fee was the standard policy for the township. Ms. Bright confirmed it was. Ms. Wheaton requested an edit to the resolution to modify the third paragraph to state the financial impact incurred by the MUA when checks are returned for insufficient funds.

Mr. McDermott moved to pass the amended resolution, seconded by Mr. Pitsker and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

j. Resolution 21-16: Resolution Approving Membership in the American Environmental Association

Mr. Pitsker asked about the costs, the meetings and the organization of the American Environmental Association. Mr. Furrey asked Ms. Wheaton if it is more appropriate for the MUA to be involved with the WEA rather than the AEA. Ms. Wheaton concurred with Mr. Furrey's opinion, recommended the AEA, commenting the AEA is comprised of authorities like the MUA, it functions as a lobbying entity to help represent the opinion of authorities with respect to governmental matters such as new bills, rules and regulations at the state level. She stated she believes a newsletter is distributed advertising seminars and functions to allow for attendance at a nominal cost or for free.

Mr. Pitsker asked if the MUA was involved with the AEA previously. Ms. Wheaton confirmed that was correct with their newsletters distributed at prior in person MUA meetings. Mr. Furrey commented the AEA is a strong lobbying group in Trenton and asked about the annual cost. Ms. Bright advised the annual cost is approximately \$3,400.00, noted lobbying updates of activities in Trenton are received, some of which are related to the MUA and there are check in meetings. Ms. Wheaton commented the notices should be circulated to the board as received. Mr. Pitsker agreed. Mr. Furrey concurred, commented these meeting notices should be provided to the board members and noted the MUA should be involved as it provides continuing education on the water and wastewater industry. Ms. Bright confirmed she would circulate the notices to the board relevant to the MUA. Mr. Pitsker commented the AEA topics should be on the MUA meeting agendas. Mr. Wenner concurred with Mr. Furrey on the benefit of the board's participation on the AEA, attendance at its meetings and advised MUA participation in it relates to the goals, objectives of the MUA as an actively engaged board and credibility it takes its job seriously. Ms. Wheaton noted the municipal rate fee is \$1,352.00. Ms. Bright advised the dues are based on the size of the MUA's operating budget category minus debt service. Ms. Wheaton clarified the regular member fees is for authorities and the other for municipalities.

Ms. Wheaton moved to pass the resolution, seconded by Mr. Pitsker and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

k. Resolution 21-17: Resolution Adopting Rules and Regulations for 2021

Mr. Kearney moved to pass the resolution, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

8. Subcommittee Appointments

Mr. Furrey commented there are a total of six sub-committees, noted there are six MUA members to serve on each sub-committee and advised he assigned two members to sit on a sub-committee, noting these assignments are open for discussion for any changes. He stated he

edited each sub-committee to make it even and fair across the board. Mr. Furrey explained two members would serve on each sub-committee, working together to gather information and report the findings to the board with recommended plans of action. He stated some of the original sub-committees changed. He advised the following members will serve on each sub-committee noting Mr. Kearney is now serving on two sub-committees:

a. PS2 / Transfer Station Subcommittee

Mr. Kearney and Mr. McDermott are on this sub-committee.

b. Sewer Service Area Subcommittee

Mr. Furrey and Mr. Kearney are on this sub-committee.

c. Solid Waste / Storm Water Subcommittee

Ms. Wheaton and Mr. Shortway are on this sub-committee.

d. Bylaws/Personnel Subcommittee

Mr. Pitsker and Mr. McDermott are on this sub-committee.

e. Water Supply Subcommittee

Mr. Shortway and Ms. Wheaton are on this sub-committee.

Mr. Shortway commented he was on four to five meetings with SUEZ during his tenure as mayor and the timing is good now to consider water supply with the possibility of the Circle K development coming into town on Main Street. Final phase 3 water to town center would increase pressure and volume. He stated the cost would have to be picked up by the town for approximately \$3 million.

f. Finance Subcommittee

Mr. Furrey and Mr. Pitsker are on this sub-committee.

Mr. Furrey stated the website will be updated as the charters change. Mr. Pitsker asked about the existing reports on the web site. Mr. Furrey stated the existing August 24, 2020 reports can remain on the web site as historical archives with the new updated reports to be posted on the website as the 2021 reports.

9. Administrator / Licensed Operator Update

Ms. Bright advised Howard Lazier the MUA licensed operator of record would not be able to attend the meeting tonight due to extensive snow plowing required from the snow storm. She stated the two pumps were received for the lift stations and they are awaiting the delivery of the muffin monster. She spoke with vendor GP Jager, Inc. about expediting the muffin monster

delivery; however, the cost would have been \$3,000.00 for expedited shipping. She advised Mr. Lazier is scheduling a meeting with vendor JEM Electric regarding lift station improvements and the installation of the electrical panels. She stated the MUA will order the electrical panels with the installation of one panel by JEM and the MUA to install the remaining panels to try to save money. She stated she and MUA engineer Steven Benosky of Dewberry have reached out to Dave Bower, Vice President of Wind River to obtain final information regarding Wind River's trucks entering/exiting the transfer station so Mr. Benosky can continue with the planning and design of the project.

Ms. Bright advised she sent correspondence to ACME regarding their outstanding \$40,000.00 in sewer bills. She stated she and Mr. Benosky spoke with them about the calculations for square footage for the buildings; she verified the numbers they received from the MUA on file are accurate. She said Mr. Benosky will review the numbers regarding the vacant locations there to allow the board to determine if they wish to amend the vacancy numbers.

Ms. Bright informed of three new applications for sewer service allocations. She advised one was discussed at a prior MUA meeting, said it was the new owner of the former Faline Realty building who came in and submitted his drawings. She stated the drawings will be reviewed compared to the prior approvals that were issued in November 2020 to the previous owner. She advised provided they are the same plan it would need an administrative approval which will be submitted to the construction office; if these are different than previously allocated, it would come to the Board for approval. She stated there was an application from a resident in the Great Gorge condominiums for adding a bathroom however noted the construction office advised he was adding a bedroom which she will review with the construction office. She said there was a tenant application in the H&H Plaza for a salon that was previously a barber shop. She advised Mr. Benosky reviewed the application who advised there was no change of use and said it will be an administrative approval of the application which she will submit to the construction office this week.

She advised she contacted Corey Stoner, Vernon Township engineer about connecting with SUEZ Water regarding the status of his talks with SUEZ and is waiting to hear back. She said she discussed dual financing with SUEZ with NJIB and informed Mr. Stoner of same. She advised Mr. Stoner this is the direction the MUA wants to take with the need to expedite it.

Mr. Furrey asked about the repair to pump station #1 and whether it was fully repaired. Ms. Bright stated Mr. Lazier advised vendor Mike's Mobil came out to service it and to her knowledge it was completed as an invoice was received. Ms. Wheaton asked about the status of the letter and meeting with Paul DeMuro of the New Jersey Division of Environmental Services regarding the GIS mapping. Ms. Bright advised she and Mr. Benosky received the electronic mapping from Mott McDonald, Mr. Benosky reached out to Mr. DeMuro today regarding his review of the mapping and is waiting to hear back from Mr. DeMuro on scheduling a meeting with him to review the mapping.

Mr. Furrey asked if the meeting was scheduled yet. Ms. Bright advised it had not been scheduled yet and is pending feedback from Mr. DeMuro on his review completion of the mapping. Mr. Furrey asked Mr. Kearney if he wished to participate in the meeting, noting it will be a virtual meeting. Mr. Kearney advised yes and stated it was dependent on his work schedule.

Mr. Furrey requested Ms. Bright to send the meeting dates to him and Mr. Kearney once it was scheduled.

Mr. Pitsker asked about the status of the Green Realty connection application. Ms. Bright advised the owner of Green Realty, Geoffrey Green contacted her two weeks ago and advised her he would be coming in the spring of 2021 to fill out his application. She stated he already has the allocation and has to complete the filing with the building department to do the actual hook ups.

Mr. Pitsker asked about the ACME payout and asked Mr. Wenner if it is an outstanding non-payment for one year now. Mr. Wenner concurred that was correct. Mr. Pitsker asked if notice should be provided to them to settle the delinquent amount.

Ms. Bright advised a reminder letter was sent to ACME with a status request for the timeline for remittance. Mr. Furrey asked for confirmation the \$44,000.00 was for one year of non-payment. Ms. Bright clarified it was six months, stated they made a payment at the end of 2020 however did not pay through the full second quarter and owes \$3,500.00 from the second quarter and two other quarters. She commented all accounts are billed at the start of the year and they are delinquent with their bills owed at the end of the year (2020).

Mr. Furrey asked for the recourse. Mr. Wenner advised the only recourse the MUA has when a delinquency exists at the close out of the year, is to move to a tax sale with either a third party purchasing the tax sale certificate, making the MUA whole or it won't and the tax sale certificate is struck off and sold in a technical sense only by the MUA holding that tax sale certificate. He stated after six months foreclosure can be commenced on the tax sale certificate to take the property. Ms. Bright stated the property owner was advised it is subject to tax sale. She advised the township holds its tax sales in November or December of the year. Mr. Wenner concurred and advised an accelerated tax sale can be held however there are costs associated with it. Mr. Pitsker commented he wished to address the matter to work with them to re-evaluate their usage. Mr. Furrey stated to table any action to make a decision on this until the next meeting. Mr. Kearney commented action should be taken to bring an end to it, on the length of time elapsing prior to taking action to enforce the billing and the obligation of the property owner to pay. Mr. Furrey stated action will be taken at the next meeting, asked Ms. Bright to send one more warning notice letter and then the MUA will set this as an agenda item to take action at the next meeting.

Mr. Pitsker asked if Mr. Benosky spoke with them about the EDU's re-evaluation. Ms. Bright advised they had submitted their paperwork from their engineering office to Mr. Benosky for review and he confirmed the square footage with her. She stated it is fair enough to conduct further examination by reviewing their vacant locations to ensure the standard calculations are applied in accordance with state standards. Mr. Furrey stated no monies should be expended by Dewberry until the MUA determines the appropriate action to be taken. Ms. Bright advised Mr. Benosky would review it only to ensure it is in accordance with how EDU's are calculated.

Mr. Shortway asked if there other limited liability corporations who owe money to the MUA. He stated his review of the Black Creek Condominium Association account two months ago showed it had not paid any MUA fees for the year. Ms. Bright advised she would double check the outstanding account list and stated they might have made payments after the first of the year. Mr. Shortway asked for a list of businesses in town that owe money to the MUA, stated it is a wide spread problem, the MUA needs to take action to be fair to the other users of the system. Mr. Kearney concurred the delinquent enforcement should be across the board of system users.

Mr. Furrey asked for a list of all delinquent accounts to circulate to the board and make it an agenda item for the next meeting. Mr. Kearney asked about entities that are one year, two years or a quarter behind in the sewer payments and what the procedure is to pursue payment for these accounts. Ms. Bright advised there are delinquency notices issued to the account holder in which they are notified by how much they are delinquent by and their due dates for payments. She clarified they are also notified when they are up for tax sale. She explained for example if an account did not pay their 2020 fourth quarter they are up for tax sale in 2021. She stated anything that was delinquent from 2019 was just at tax sale in 2020 and those were purchased by outside lien holders. She commented the MUA receives its money, is made whole and the lien holder on that property charges interest. She stated in order for that lien to be lifted off of the property, the lien holder has to be paid off and the MUA is notified the lien is lifted. She clarified whether an account is all four quarters delinquent or one quarter delinquent it will still go to tax sale in the following year. Ms. Bright advised the township historically holds its tax sale in November or December of the year. Mr. Shortway commented a dollar amount of the delinquencies should be provided to the board. Ms. Bright advised the current delinquent accounts are in the amount of \$300,000.00. Mr. Furrey stated a full report should be provided to the board. Ms. Wheaton advised there may be a prohibition against full shutoff due to COVID rules. She commented there was a question from the public asking whether the meeting will be re-opened at the end to the public. Mr. Furrey confirmed the meeting will be re-opened to the public. Mr. Furrey stated there was an executive order from the governor which is still in effect prohibiting shut offs. Ms. Wheaton commented the MUA would not be shutting off the accounts and stated she did not know if that includes nonpayment of bills. Ms. Bright advised it does not for sewer. Mr. Furrey stated there is a mechanism for getting funding from the government on recouping monies lost for utilities. Ms. Bright clarified she consulted with Mr. Wenner and the auditor Robert McNinch and advised it does not apply to the MUA. Mr. Wenner advised upon consultation with Mr. McNinch there is a mechanism for certain MUA's or utilities of a certain size, which the MUA is not large enough, to receive CARES funding not to fill revenue loss but to help the rate payer pay the bill. He stated the funding would come via debit card for the individual rate payer to pay the utility bill however it is not available to the MUA. Mr. Furrey stated the outstanding sewer bills will be an agenda item for the next meeting. Mr. Pitsker commented dialogs should continue to be held with delinquent rate payers so they understand what the issues are.

Mr. Kearney motioned to open the meeting to the public, which was seconded by Mr. McDermott and carried upon unanimous vote.

Ms. Jessica Paladini came forward and asked why Green Realty was given three years since they purchased the building to hook up. She stated the deadline to connect was seven years ago. Mr. Furrey responded the MUA is looking into it. Ms. Paladini stated the MUA is doing a good job and lauded Ms. Bright's management.

Mr. Pitsker motioned to close the meeting to the public, which was seconded by Mr. Kearney and carried upon unanimous vote

10. Commissioners' Comments

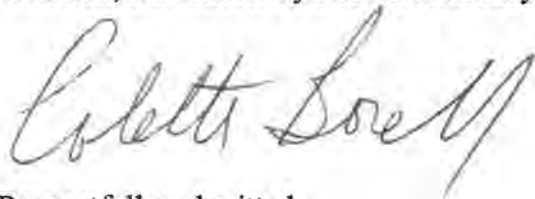
Mr. Pitsker commented on Mr. McDermott and his review of the MUA policies specifically with regard to hardships. He said they are considering adding a provision on hardships, stated he will circulate a document to the board and asked about including a provision on economic and financial hardships by ratepayers. Mr. Kearney commented he does not object to adding it, noted it should be on a case by case basis and needed to be defined with guidelines. Mr. Shortway commented the property tax laws should be followed and the policy should be modeled after these laws. Mr. Wenner advised to his understanding this proposed policy cannot be for non-payment of sewer user charges. He stated as it relates to the sewer user charges themselves, the MUA cannot waive a sewer user charge for any user however can make allowances outside the sewer user charge, i.e. applications, connection hookups, hardship waivers on the fees, Sussex County Utilities Authority connection reduction fee or based upon use classification such as a charitable organization. He commented it must be followed with the conversation to be focused on non-user charges that can be waived. He advised the matrix to be used should be specific, measurable, and not inflexible for users. Mr. Furrey stated any hardship cases would be related to connection fees which are high. Mr. McDermott commented whatever is done should be documented, on setting parameters for the users and anything to be done by the MUA should be codified. Mr. Kearney concurred the parameters should be set and on a case by case basis. Mr. Furrey concurred with Mr. McDermott and Mr. Kearney. Mr. Pitsker advised he is continuing his research into utility authority guidelines. Ms. Wheaton commented on forming a storm water utility as a potential revenue mechanism by the MUA, stated the state of New Jersey is now allowing storm water utilities as a fee mechanism to provide for maintaining storm water facilities and suggested a potential sub-committee to be added to address it. Ms. Bright advised she would review her files for documentation on it from the GFOA class she attended. Mr. Furrey concurred with Ms. Wheaton's suggestion, stated the solid waste sub-committee will be amended to include this modification and will connect Ms. Wheaton with Chris Sturm and Gary Brune of New Jersey Future who is interested in working with utilities on it for storm water contacts. Mr. Shortway commented on his review of the 1400 sewer account payments, his comparison of property tax bill payments and stated there are large numbers of outstanding commercial accounts. He said the rules of paying the sewer bills should be enforced across the board.

11. Chairman's Comments

Mr. Furrey concurred with Mr. Shortway's comments and stated action will be taken at the next meeting on enforcement of the outstanding bills. He noted his conversation with James Schappell, Project Engineer of Dewberry who talked with the NJDEP on the preliminary permitting and Mr. Schappell advised the NJDEP stated it might not be allowable to install the transfer station in Pump Station #2. Mr. Furrey asked Mr. Schappell to check with the NJDEP to obtain the regulatory references and regulations behind it that state it cannot be done and might be a hurdle which needs to be resolved before the project can move forward.

12. Adjournment

Motion to adjourn was made by Mr. Furrey seconded by Mr. Pitsker which was declared carried by Mr. Furrey at 8:35 p.m. upon the affirmative votes of Mr. Furrey, Mr. McDermott, Ms. Wheaton, Mr. Shortway and Mr. Kearney.



Respectfully submitted,
Colette J. Borell
MUA Recording Secretary

Minutes approved March 4, 2021

**REGULAR MEETING / WORK SESSION AGENDA
VERNON TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462
FEBRUARY 18, 2021 AT 7:00 P.M.**

These minutes are a synopsis of the meeting that took place on 2/18/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:05 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Paul Kearney
Andrew Pitsker
Kristin Wheaton
Dave McDermott
Harry Shortway

The following Professionals were present: Donelle Bright, Administrator, Colette J. Borell, Recording Secretary, Richard Wenner, MUA Attorney and Steven Benosky, MUA Project Engineer.

At this time Mr. Furrey stated Andrew Pitsker was to be sworn in. Mr. Wenner administered the oath of office to Andrew Pitsker as alternate commissioner of the MUA.

At this time Mr. Furrey requested to move to Executive Session. Mr. Benosky asked whether he was required to attend the closed session. Ms. Bright advised he was not and stated the closed session was for the members of the board and the attorney with the purpose of the session for discussion of personnel and potential litigation. Roll call was taken prior to Executive Session: Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott, Mr. Shortway and Ms. Wheaton were in attendance.

Ms. Bright advised the public this meeting will reconvene to address any decisions made and additional public comments.

At 8:32 p.m. Mr. Pitsker motioned to close Executive Session and reconvene, which was seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott, Mr. Shortway and Ms. Wheaton.

5. Resolution 21-18: Executive Session

Mr. Kearney motioned to approve the resolution authorizing the attorney to undertake the action discussed in Execution Session, which was seconded by Mr. Pitsker and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott, and Ms. Wheaton.

6. Open Meeting to the Public

Mr. Pitsker motioned to open the meeting to the public, which was seconded by Ms. Wheaton and carried upon unanimous vote. Ms. Bright stated no emails, comments or phone calls were received to give public statement.

Seeing no members of the public come forward, Mr. McDermott motioned to close to public, which was seconded by Mr. Pitsker and carried upon unanimous vote.

7. Approval of Bills: Resolution 21-19

Mr. Furrey asked about the number of emergency call outs between electricians and vendor North Jersey Pump. Ms. Bright advised before there was a budget in place, they could not enter service calls into the system without having line items so they are allowed for emergency call outs if a purchase order could not be immediately obtained. Mr. Pitsker asked if billing is done with the engineering firm Mott McDonald. Ms. Bright confirmed that was correct and advised payments were held off until all were reviewed inclusive of the receipt of the remaining asset management invoices. Mr. Pitsker asked if these monies come out of the 2021 budget or the 2020 budget. Ms. Bright advised these lines are rolled over into accounts payable and are not in the 2021 budget.

Mr. McDermott motioned to approve, which was seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton and Mr. McDermott.

8. Approval of Minutes:

a. January 21, 2021 Regular Meeting

Mr. Shortway noted at this meeting the minutes reflected he voted, advised he was a non-voting member and requested his vote be removed from the draft minutes. Ms. Wheaton noted the

language on the immediate ordering of the muffin monster discussion specifically referencing her comment regarding “covering the assets” and requested deletion of this comment.

Mr. Pitsker motioned to approve the minutes with both amendments. This was seconded by Mr. Kearney and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton, Mr. Shortway and Mr. McDermott.

9. Resolutions:

- a. Resolution 21-20: Authorizing Setting Forth the VTMUA Position in Regard to the Collection of Unpaid Sewer Service Charges

Ms. Bright explained it is a positional resolution stating the MUA is supportive of Vernon Township moving forward on enforcement of sewer charges due to the rate of delinquencies. This is taking a firm stand against non-payment of sewer fees, noting the largest ratepayers have been delinquent on their accounts while the average person has been paying. Mr. Furrey reminded this was discussed at the last meeting with this strong position approach to be memorialized via resolution. Ms. Wheaton asked if counsel reviewed and agrees with the language. Mr. Wenner confirmed he reviewed. Mr. Shortway asked if there was a time period in the resolution regarding delinquency enforcement. Mr. Wenner explained the resolution follows and supports the current tax sale procedure employed by the township, i.e. delinquency status followed by tax sale on the delinquent account the subsequent year.

Mr. McDermott moved to approve the resolution, which was seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton and Mr. McDermott.

10. Subcommittee Reports

Mr. Furrey stated there will be short updates on the sub-committees and noted Ms. Bright previously issued updates on all the sub-committee items to the board members.

- a. PS2 / Transfer Station Subcommittee

Mr. Furrey asked Mr. Benosky to provide an update on the pump station / transfer station design and the obstacles encountered. Mr. Benosky stated there were two matters they were working on to move forward on. The first issue regarded communications with the New Jersey Department of Environmental Protection’s Division of Water Quality who would review the treatment works approval permit. He stated when he originally reached out to the NJDEP about the transfer station their email communication indicated the septage receiving station can only be located at wastewater treatment plants which was not beneficial to the MUA project and which he believed was not in any regulation. He advised subsequent to that communication the NJDEP requested additional information for their review which was provided today to them together with a meeting request with them. He said the second issue is the location of the anticipated equipment necessary for the transfer part of the project. He advised there had been an initial meeting with Dave Bower, Vice President Operations of Wind River and Joe Hession, Chief Operating Officer of Mountain Creek to review the location; the outcome of that meeting was to move the

equipment location. He stated subsequent communications to Wind River were not returned. He advised Ms. Bright contacted Wind River numerous times, then contacted Mr. Hession who connected with Mr. Bower and a meeting was scheduled for February 24th to discuss the project. Mr. Furrey asked once the transfer station portion is worked out on, how long it would take to put together the design side of the project. Mr. Benosky advised it would take an estimated two to three months. Mr. Furrey commented once the NJDEP permitting process is completed it will take several extra months to accomplish. Mr. Pitsker asked about the location of the substation and whether the NJDEP accepted the location of the substation two to three hundred feet uphill from the pump station. Mr. Benosky advised originally the NJDEP stated it was not allowable and only allowed at a wastewater treatment plant. He stated the vast majority of these substations throughout the country, about ninety percent of them are located at wastewater treatment plants and advised the original reaction from the NJDEP was if it was not at a wastewater treatment plant then it was not allowable. Mr. Furrey stated if the NJDEP is going to make that regulatory determination there must be a clear regulation backing that up and the MUA will need that reference. Ms. Wheaton commented the MUA would be considered a significant industrial user and it will come down to how much load will be placed on the plant with that septage, i.e. pounds per day of biochemical oxygen demand. She advised that would be the type of criteria / verification required of an industrial user, if the discharge is outside of the parameters of a typical wastewater load then that is what it will have to be regulated for. She commented if the plant is designed to accommodate a particular load and if it is overloaded with BOD, COD or solids it will upset the whole treatment process. Mr. Furrey concurred with Ms. Wheaton comments noting the MUA will need to be very clear this is a sanitary sewer discharge *not* industrial waste. Ms. Wheaton explained this is the process of regulation that governs a sourcing user, even though the MUA is not an industry this is the program that governs these kinds of extra discharges to the system where it is needed to impose extra limits on the user because their discharges might be outside of what the treatment plant is designed to receive. Mr. Furrey asked Mr. Benosky to review to address these concerns raised by Ms. Wheaton. Mr. Benosky confirmed and noted this may require discussions with the Sussex County Municipal Utilities Authority at some point.

b. Sewer Service Area Subcommittee

Mr. Furrey commented Ms. Bright circulated information on the NJDEP response. Ms. Bright advised the NJDEP communication attachments received did not show any changes made and noted Mr. Benosky had conversations with Paul DeMuro of the NJDEP subsequently. Mr. Benosky advised based upon his conversations with Mr. DeMuro and NJDEP staff member Matthew Blake of the Office of Planning Advocacy there was a miscommunication in their interpretation of what the MUA was requesting. He commented Mr. DeMuro had thought all of the environmentally sensitive areas were being excluded with new changes and Mr. Blake thought exceptions were being asked for the environmentally sensitive areas. He noted they are now understanding the clarifications to the submittal, the next steps to include these properties and is hoping to schedule the meeting with them soon. Mr. Furrey asked if there should be an expedited request to senior NJDEP management to push meeting scheduling. Mr. Benosky advised if no response is received two weeks, it should be requested; he confirmed he requested another meeting today. Mr. Furrey commented, Pat Gardner, a senior staff member of the NJDEP Water Resource Management, will be contacted to move the meeting along. He noted

Ms. Gardner is the assistant commissioner who oversees the divisions of water monitoring and standards, water quality and water supply and geoscience.

c. Solid Waste / Storm water Subcommittee

Mr. Furrey stated there is an extensive website on storm water, he circulated the Jersey Water Works data and commented there is a large amount of information on it which was distributed to Mr. Shortway and Ms. Wheaton. Mr. Shortway commented he reviewed it, noted the MUA would be the first in the state to implement it and stated he was not in favor of it due to the imposing of additional taxes on the businesses and residents and will report back on his further review. Ms. Wheaton acknowledged receipt of the information, confirmed she reviewed it, noted the sensitivity of the extra cost to the town and advised she spoke with Gary Brune, policy manager for Jersey Water Works who indicated a willingness to set up a meeting to get a better understanding where the program stands. Mr. Brune's primary focus areas at New Jersey Future are storm water utilities and lead in drinking water, with ancillary work on energy issues and water financing policy. Mr. Furrey advised to follow up with Mr. Brune who can connect her with Daniel Van Aps who is very knowledgeable about storm water and who is the associate professor, Rutgers University and a member of the Jersey Water Works Steering Committee and very knowledgeable on it.

d. Bylaws / Personnel Subcommittee

Mr. Pitsker commented he had no report for today. Mr. McDermott commented the last discussion held was on the difficulty in making the hardship rules. He stated Mr. Shortway commented there were not hardship rules on property taxes. Mr. McDermott discussed the difficulty of structuring hardship rules and something should be structured especially in light of the ACME sewer bill. Mr. Pitsker noted he believed the town is addressing the ACME matter, he did draft a hardship policy for review which needs revision and requested it be tabled for the next meeting.

e. Water Supply Subcommittee

Mr. Furrey stated there is nothing to report.

f. Finance Subcommittee

Mr. Furrey stated the resolution was already discussed.

11. Administrator / Licensed Operator Update

Ms. Bright advised Howard Lazier the MUA Licensed Operator was unable to attend the meeting due to snow plowing obligations; she distributed his licensed operator report. She stated they received both of the Sulzer pumps and extra parts in January. She noted there were several emergency call outs with JEM Electric coming out to inspect La Touquet lift station to install the pump, which had wiring issues and returned to fix one of the o-rings at the pump where the seal was broken. She stated they received a call out from a landlord regarding a recurring issue at one of the fairly vacant Baily Bunions condominium units. She advised Mr. Lazier set a

monthly maintenance schedule rotation for inspection for that unit to ensure there are no more issues moving forward. She noted the safety railing was installed at Black Creek. Ms. Bright scheduled a safety review to take place in April with Dave Smith who did the last safety review and suggested the procedure be done annually to make sure the MUA meets all requirements. She advised there were multiple call outs due to the power outages which were addressed by Mr. Lazier and the staff sewer laborers Matthew Duffy and Zachary Von Oesen. She noted Mr. Benosky previously discussed the NJDEP communication issues and meeting along with the scheduling of the meeting with Mountain Creek next week for the project at Pump Station #2 to resolve the issues with Wind River. Ms. Bright informed they scheduled the sewer laborers for their initial confined space training with Saw Mill Safety who came in with the lowest quote and the training will be combined with the Vernon Township Fire Department to save money. She noted Acme paid \$20,000.00 towards their sewer bill, as the town is taking a firmer stand on the tax and sewer payments; however they still owe outstanding money. She advised she met with Black Creek Condominium representatives who were advised of their extensive outstanding fees to the MUA and who were advised no permits or licenses would be issued until the taxes and sewer fees are paid. She noted special counsel sent out the draft letter with revisions to go out early next week. She commented they are meeting with alternate risk managers together with insurance managers to look at other options for MUA insurance carriers. She stated the MUA is currently with Statewide Insurance which is a joint insurance fund, noted a lot of municipalities and utilities use joint insurance funds and there are number of them around the state. She commented the ones the MUA is eligible for are small and a lot are county wide or specific, noting some municipalities form their own. She said statewide is one of them the MUA is eligible for, another one is the New Jersey Utilities Authority, JIF and NJIIF another joint insurance fund. She stated those are typical, the MUA does not necessarily have to go with a joint insurance fund. She advised she has meetings scheduled within the next week to review the MUA options on choosing a different risk manager and insurance carrier. Mr. Furrey asked about a \$4,500.00 invoice and if it was for workman's compensation. Ms. Bright confirmed it was more than just workman's compensation, explained it was the Statewide invoice, advising it was all inclusive of the insurance policies. Should the MUA wish to move to a different insurance carrier, she prefers to move forward on a decision within the first quarter.

Mr. Pitsker asked about the capital projects list. Mr. Furrey commented it was sent to him. Ms. Bright advised the spreadsheet list will be circulated to the entire board. Mr. Furrey asked about the circulation of the correspondence drafted regarding the Sussex County Municipal Utilities Authority issue. Ms. Bright confirmed it will be circulated. Mr. Furrey asked for final review on the letter by the board for transmittal to the Township. Mr. Wenner advised a motion will be needed authorizing the Chairman's execution and delivery of the letter.

Ms. Wheaton moved to approve the execution and delivery of the letter to the Township which was seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott and Ms. Wheaton.

12. Commissioners' Comments

At this time Mr. Pitsker requested the meeting be re-opened to the public.

Mr. Pitsker moved to open the meeting to the public which was seconded by Mr. Kearney and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott and Ms. Wheaton.

Ms. Jessie Paladini came forward and commented the agenda procedure was not clear whether the first public comment was only for agenda items. She stated she was confused as there was action taken at Executive Session. Mr. Wenner explained there was no action taken at Executive Session. He informed there was a discussion held for a proposed course of action; and when the board resumed open session, it board authorized him to take that action on the matter discussed at Executive Session. He clarified the action involved personnel.

Ms. Paladini commented she wished to announce the biggest economic development opportunity ever to happen in Vernon Township, noting Vernon Township has been designated a national scenic by-way. She stated this is an unprecedented event, informing the township is now one of thirty-four municipalities with this designation. Working with Shawn Mazur and with the Mayor's support and approval, she hopes to announce it soon. She informed of a scenic by-law committee meeting scheduled with the county next Thursday. She asked about the status of the sewer expansion and whether the NJDEP has issued information. Mr. Furrey congratulated her on the scenic by-way designation. He explained there was a sewer service area map submitted to the NJDEP and there is a meeting scheduled to finalize the map; the MUA is hoping to receive approval pending response and determination. Ms. Paladini commented the Vernon Township is looking to purchase the Baldwin property for open space for almost \$40,000.00 an acre. She stated the Economic Development Commission recommended to not take this commercial property in the sewer area off the tax rolls. She asked the MUA write a letter to the Vernon Town Council recommending not removing the property from the tax rolls.

Seeing no members of the public come forward, Mr. Pitsker motioned to close to public, which was seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott and Ms. Wheaton.

Mr. Pitsker noted his comments previously made regarding the web site, project list and the updating of the sewer service area map.

Ms. Wheaton suggested placing two public comment sessions on the agenda one at the beginning of the meeting and the second at the conclusion. Mr. Kearney and Mr. McDermott concurred with her recommendation. Mr. Pitsker commented the first public comment session should be agenda items with the second session for general public comments.

Ms. Wheaton commented addressing the proposed sale of the Baldwin property and the MUA's role and responsibility advocating for one parcel over another parcel. She noted she believed it is within the realm of the Vernon Town Council, not necessarily the MUA. Mr. Furrey concurred and agreed with her comment that it is not the MUA position. Mr. Kearney concurred with Ms. Wheaton and Mr. Furrey, stating it should fall under the jurisdiction of the elected officials as the board is appointed by the Council and this does not fall under the board's purview. Mr. McDermott asked if the MUA is allowed to express public petition on this. Mr. Wenner advised the MUA board members can speak as a resident of Vernon; however if the board member is projecting it as a position of the MUA it cannot be expressed.

Mr. Kearney asked about the annual \$3,395.00 invoice to the Association of Environmental Association and what the organization provides for this fee. Ms. Bright answered the association has webinars, holds seminars and issues newsletters and is a good advocate for the type of authority the MUA is. She advised the cost is based on the MUA budget amount and it provides new regulations passed mostly with an emphasis on the water side. She advised she will circulate updates she receives from them.

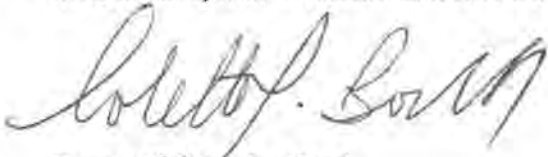
Mr. Kearney asked about Mr. Lazier's operator's report regarding the JEM Electric service call where they found crossed wires. He stated this is third time in the last twelve months that wires on the pumps have been found crossed. He said emergency calls cost more and suggested it might be a prudent move to schedule JEM Electric or another vendor to perform checks as preventive maintenance. Mr. Furrey agreed with his recommendation, commented it had been previously discussed to have vendor Mike's Mobile come in to perform a review to catch these issues before they become emergencies. Ms. Bright agreed with his recommendation and confirmed it can be set up. She noted that although it is not in his report, Mr. Lazier had made sure all the annual maintenance was done and completed in January.

13. Chairman's Comments

Mr. Furrey stated he received reports from the back up operator Chris Stillman who made observations which were submitted to Ms. Bright. Mr. Furrey commented the operator report was very good, said he does a lot of work with municipalities with water systems that are failing and noted this system has potential to start failing soon. He emphasized the importance of receiving and circulating the operator report from Mr. Lazier to prevent issues turning into emergencies which become expensive. He stated he was very happy with the report and commented it was very good.

14. Adjournment

Motion to adjourn was made by Mr. Pitsker, seconded by Mr. McDermott which was declared carried by Mr. Furrey at 9:30 p.m. upon the affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. McDermott, Ms. Wheaton and Mr. Kearney.



Respectfully submitted,
Colette J. Borell
MUA Recording Secretary

Minutes approved March 4, 2021

REGULAR MEETING / WORK SESSION AGENDA

VERNON TOWNSHIP

MUNICIPAL UTILITIES AUTHORITY

21 CHURCH STREET, VERNON, NJ 07462

MARCH 4, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 3/4/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority.

1. Call to Order

The regular meeting of the MUA was convened at 7:04 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Andrew Pitsker
Kristin Wheaton
Dave McDermott
Harry Shortway

The following member was absent: Paul Kearney

The following Professionals were present: Donelle Bright, Administrator; Colette J. Borell, Recording Secretary, Howard Lazier, Licensed Operator of Record, Richard Wenner, Attorney and Steven Benosky, Engineer.

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open the meeting to the public for agenda items only, which was seconded by Mr. McDermott and carried upon unanimous vote.

Jessi Paladini commented this Zoom meeting should allow visibility of all participants. She said the Chairman was not visible along with Ms. Wheaton and in one view it shows a spackled wall without a person; she requested complete views of all participants when they speak.

Ms. Borell stated there was one comment received via email from Shawn Mazur to give public statement. Mr. Mazur's email stated the following, which was read into the record:

Why does Vernon twp MUA have members that also currently serve as township council members as well as a paid contractor? This is clearly a conflict of interest. For instance: Mr. Shortway and Mr. Furrey and Mr. Pitsker are advocates in support of purchasing the Baldwin property for trails and removing it from the Town Center of TC zoning designation that it currently holds. Furthermore Mr Furrey is not only the chairman of the MUA he is also a paid contractor. Furthermore, Mr. Furrey is also a member of the sewer service sub-committee which advocates sewer expansion and growth. Yet His public comments made at the last council meeting appear to be full of falsehoods regarding this lot.

Mr. Furrey can you explain this? .

In addition how is it that the current and proposed existing sewer service maps reflect the Baldwin lot as well as the DPW lot as no longer being in the proposed expanded service area. The older maps included both these parcels when was this changed? Please provide the date and specifics on when these areas had been removed and why such action was taken.

Thank you,

Shawn J. Mazur Architect, NCARB, AIA, LEED AP M.Arch

Mr. Wenner advised members of the Board that are dual members on the Township Council do not present a conflict as the statute explicitly authorizes members of the governing body to also sit on the MUA. He stated with respect to Chairman Furrey it is not a conflict due to the fact the Chairman is not conducting sewer work for the MUA nor the Township.

Ms. Bright explained the existing and proposed sewer service area maps are on the web site. Mr. Pitsker asked if Mr. Mazur's entire email was read. Ms. Borell read the second paragraph of Mr. Mazur's email. Mr. Furrey explained the Baldwin property was never in the current sewer service area map, is not in the proposed map submitted to the NJDEP under consideration now, and advised the existing sewer service area map is online on the MUA web site with a copy also available in the MUA office for review.

Seeing no further members of the public come forward, Mr. Pitsker motioned to close to public, which was seconded by Mr. McDermott and carried upon unanimous vote.

6. Approval of Minutes:

a. February 4, 2021 Reorganization Meeting

Ms. Bright advised at the February 4th reorganization meeting Mr. Pitsker had not yet been sworn in until the second meeting in February and a bulk re-motion and approval for the resolutions that were highlighted was needed to be done for those eight resolutions he took action on.

Mr. Wenner advised action taken on the eight resolutions particularly on the motions on which Mr. Pitsker motioned or was the second of which both were required to bring the resolutions to a vote are to be redone on mass as group approval Consent Agenda to ensure the record is clear.

Mr. McDermott re-motioned to pass the resolutions Resolution 21-07 Resolution Designating the Official Newspaper for 2021, Resolution 21-08 Resolution Authorizing the Award of Professional Services Contracts and the Advertising of Same, Resolution 21-09 Resolution Appointment for Professional Services - Auditor, Resolution 21-10 Resolution Appointment For

Professional Services - Engineer, Resolution 21-12 Resolution to Adopt the Cash Management Plan for 2021, Resolution 21-13 Resolution Establishing the Authority to Spend Funds and Sign Checks, Resolution 21-15 Resolution Creating a Fee for Dishonored Checks and Resolution 21-26 Resolution Approving the Membership in the American Environmental Association as amended, seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton. Mr. Shortway abstained.

At this time Ms. Bright stated a motion to adopt these February 4 meeting minutes will be tabled until after the edits have been implemented. Mr. Wenner confirmed he will review and verify the revisions for review by the board.

b. February 18, 2021 Regular Meeting

Mr. Pitsker moved to approve the minutes, which was seconded by Mr. Shortway and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton, and Mr. McDermott.

7. **Resolutions:** None at this time.

8. **Subcommittee Reports**

a. PS2 / Transfer Station Subcommittee

Mr. Benosky explained there has not been a great amount of progress to date, advised there was a meeting held last week with Joe Hession CEO of Mountain Creek and his attorney Scott Baldassano. They are still trying to engage Dave Bower of Wind River in further discussions; however, to date there has been no response from him. He stated he did not know how to proceed with respect to input from Wind River on the design of the project that may or may not be to Mr. Bower's approval. He advised they have been in communications with the New Jersey Department of Environmental Protection who originally advised the transfer station was not viable and he was waiting to hear back regarding the sanitary sewer pumps.

Mr. Furrey asked if it is necessary to have Mr. Bower's input in order to proceed towards the design of the transfer station. He proposed the MUA move forward pending feedback from the NJDEP and whether there were any regulations that exist that prohibited a transfer station at a pump station. Mr. Benosky advised it would be ideal if he confirmed Wind River was on board with the project however it is a two part process: the first being the business and the second more technical part which is contingent upon the business approval. Mr. Furrey asked Mr. Benosky to move forward with the design of the pump station, keeping in mind the layout of the proposed location of the transfer station and move ahead with the NJDEP water treatment permit approval process.

Mr. Benosky confirmed the design of the pump station could be done pending the NJDEP permit approval for the funding. Mr. Furrey recommended using other hauling companies and to contact them for their feedback, stating if no response is received from Wind River it might be best to reach out to other haulers as Wind River's input may not be critical to designing the pump station. Mr. Furrey commented if the NJDEP has regulations that clearly state this could not be done, then the MUA should see such regulations. Mr. Pitsker asked if a dialog should be held with Mr. Hession. Ms. Bright confirmed she spoke with Mr. Hession who reached out to Mr. Bower and connected with him; however no contact was made with Ms. Bright or Mr. Benosky. Ms. Wheaton asked if contact with Mr. Bower was attempted via voicemail and email. Ms. Bright confirmed both communication methods were attempted, advised she called left voicemail messages and emailed with no response. Mr. Furrey stated Wind River is now a large corporation having acquired Earth Care whose size might be a hindrance. He advised Mr.

Benosky to contact NJDEP Director Kerry Pflugh of the Office of Local Government Assistance for assistance to expedite the permitting approval process and stated the NJDEP is undergoing huge organizational changes within the department.

Ms. Wheaton asked about not proceeding too far in the direction of the design of the transfer station unless the MUA knows it will be permitted as a significant industrial user. Mr. Benosky stated he had been in communications with the NJDEP water quality department, agreed they should be on board as their original communications were negative towards the MUA project with the technical aspects to be worked out. Ms. Wheaton stated it does not make sense to design for a transfer station unless it will be permitted by the NJDEP and asked about whether the design is proceeding. Mr. Benosky stated no proceeding has been done on the design of the transfer station. Mr. Pitsker asked about the status of the design of the pump station. Mr. Benosky stated there has been no progress made, stated they were going to move those two projects forward together as one unit and noted the design of the transfer station and the pump station can be separated.

Mr. Furrey agreed with his recommendation and stated the two projects should be separated. He stated he agreed with Ms. Wheaton and requested a follow up letter to the NJDEP about the transfer station asking for any applicable permitting regulation regarding it. He stated written documentation with NJDEP was essential to obtain a definitive answer regarding any regulation or objection to the transfer station in order to proceed with the design of the pump station. He said until a clear answer is received back from the NJDEP then it is crucial to document written correspondence on MUA letterhead to the NJDEP with a respond date. Mr. Benosky confirmed he would work with Ms. Bright on such correspondence. Ms. Wheaton asked if it makes sense to contact other hauling companies until an answer is received from the NJDEP with the requested information. Mr. Furrey concurred on holding off contacting other hauling companies until a definitive answer is received from the NJDEP. Ms. Wheaton asked what would be is a realistic decision point on moving forward on the projects. Mr. Furrey stated it would be to design the pump station without the transfer station until an answer is received from the NJDEP. He advised the engineering design will need to be reviewed towards the possibility of adding the transfer station to the pump station project until an answer is received and stated the project cannot be held up and time is of the essence as there is funding tied into the pump station to be obtained before other entities receive the funding. Ms. Wheaton commented there should be contingencies built into the design in case the transfer station could not be built, i.e. an extra pump or make sure there is enough room for the hauling. Mr. Benosky confirmed that could be done. Mr. Furrey stated it is essential to be creative in the design given the lack of cooperation from the NJDEP. Ms. Wheaton commented there should not be too much effort put into the contingency design with space built into it for modification by the MUA so there is not too much excess money expended on the design. Mr. Pitsker commented pump station #2 is the critical project to move forward on given its age. Mr. Benosky concurred with Mr. Pitsker on proceeding with the pump station #2 design, getting it ready for permitting, building in the contingencies mentioned by Ms. Wheaton and the existing condition of the current pump station. Ms. Wheaton asked if the MUA should wait on the design of the pump station given the delays encountered with the NJDEP. Mr. Furrey stated the design of the pump station should proceed as the design document needs to be submitted to NJIB for approved funding and monies will not be received until receipt of the NJDEP permit for the pump station.

b. Sewer Service Area Subcommittee

Mr. Furrey advised he contacted NJDEP Director Kerry Pflugh of the Office of Local Government Assistance, spoke to her about Paul DeMuro of the NJDEP and the lack of response. Ms. Pflugh advised she would check into it. Mr. Benosky confirmed he spoke with Mr. DeMuro on 2/25/21 who told him there are a number of existing properties to be removed from the proposed sewer service area primarily because they are in the environmentally sensitive

areas. He stated Mr. DeMuro is not so quick to allow any of those properties back in to the SSA despite what direction may have been provided in the past. Mr. Benosky stated that there are a number of properties that can be brought back into the SSA with some relatively simple negotiations however Mr. DeMuro wants at least half maybe more of the properties to have a habitat suitability determination conducted to determine if the properties in the environmentally sensitive areas are subject to bobcat habitat territory.

Ms. Bright commented she spoke with Mr. DeMuro's supervisor, Gabriel Mahon, Bureau Chief of the Bureau of Stormwater Permitting Division of Water Quality, who mirrored Mr. DeMuro's position. She said Mr. Mahon advised they were willing to adjust properties that have approved plans, i.e. the two homes to be discussed tomorrow on Alpine and Snowshoe if there were more of these properties they would be willing to discuss these. She noted the other choice offered by Mr. Mahon was to have a habitat study done which could take years depending on the type of animal. She stated in order to do studies on some sites, such as owl habitats, they must be conducted on their nesting sites which are available only during certain times of the year. Ms. Bright advised after the study, the NJDEP would need to confirm this study, which could take years. Mr. Furrey stated the MUA was not interested in that. She stated with the exception of a few properties the NJDEP is willing to say is 90% outside SSA or properties currently with an existing building on the property, the only choice is to remove those properties.

Mr. Furrey asked if the NJDEP needs an updated map. Mr. Benosky advised they need an updated GIS file. Mr. Benosky stated there are about a dozen properties that meet that criteria and once Mr. DeMuro's signs off, the MUA can move forward at that point. Mr. Furrey agreed and concurred with Mr. Benosky's recommendation to work with Mr. DeMuro, provide him with the data he needs and ask for an approval date for the map. Mr. Pitsker commented in order to bring in new and expanded users on the system, it was necessary to work with the NJDEP to move ahead to take advantage of the funding. Mr. McDermott, Mr. Furrey, and Ms. Wheaton concurred. Mr. Shortway agreed with Mr. Pitsker's comments and stated he had been working on expanding the SSA since 2013 to 2015. Mr. Furrey requested Mr. Benosky follow up with Mr. DeMuro.

c. Solid Waste / Stormwater Subcommittee

Ms. Wheaton stated she had no update on these items. Mr. Shortway stated he had no update on these items.

d. Bylaws / Personnel Subcommittee

Mr. Pitsker stated he had no update on these items. Mr. McDermott stated he had no update on these items.

e. Water Supply Subcommittee

Mr. Furrey stated they do want to talk to SUEZ and asked Ms. Bright for updates of discussion with SUEZ. Ms. Bright informed she emailed Vernon Township engineer Corey Stoner, has not heard back and did not know if Mr. Stoner tried to reach out to SUEZ. She advised she discussed with the township to begin proceedings however no further action has been taken. Mr. Furrey asked Ms. Bright to reach out to SUEZ engineer Tony Vincente to set up a meeting to try to move the matter along.

f. Finance Subcommittee

Mr. McDermott stated he had no update on these items. Mr. Pitsker stated he has no update on this item either than the Pump Station #2 applications to be submitted. He asked Ms. Bright

about the posting of the budget on the website. Ms. Bright confirmed it was and advised the auditor was in this week. Mr. Furrey asked Mr. Benosky about the process for submitting the permit application for approval first before proceeding with the financing funding application with NJIB. Mr. Benosky answered he believed that was correct. Mr. Furrey stated the importance of obtaining the permit application started and approved for the design for the financing.

9. Administrator / Licensed Operator Updates

Mr. Lazier stated it has been quiet since his last operator report submitted at the last meeting, advised scheduling with vendor Ace Walco has been set up for treatment for the rodent issue at Pump Station #2 and will be scheduling a site visit with vendor J.E.M. Electric to all the lift stations for the wiring to ensure there are no more issues regarding cross-wiring. Mr. Furrey asked if the cross wiring was corrected. Mr. Lazier confirmed it was corrected. Mr. Pitsker asked about the sub-panels for the lift stations being upgraded. Mr. Lazier advised it was on the order list, J.E.M. Electric advised to order only one panel to ensure it works and proceeds as planned. Mr. Pitsker asked about the time schedule for installation. Ms. Bright answered the installation timing is within the next few days, explained all the quotes were pulled for the order from vendor USA Blue Book which will be submitted as one order.

Mr. Furrey asked about the status of the muffin monster delivery at Pump Station #3. Ms. Bright advised the muffin monster was shipped and they are awaiting delivery. Mr. Furrey asked about the condition of the Pump Station #3 without the muffin monster and the issues there. Mr. Lazier explained it is messy; it is cleaned during the site visits to try to upkeep it. He advised sewer repairer Matthew Duffy devised a custom screen to try to stop the rags from flowing down to help the issue. Mr. Furrey and Mr. Pitsker expressed their appreciation for his effort. Ms. Bright stated Chris Steelman, the backup licensed operator, will be issuing his most recent report and she will distribute it tomorrow. She said Mr. Lazier is working with MUA staffers Mr. Duffy and Zachery Von Oesen to address the issues raised in the report. Mr. Furrey asked Mr. Lazier if he saw the report. Mr. Lazier confirmed he did.

Mr. Furrey stated at one of the pump stations there were issues. Mr. Lazier answered there were issues at Pump Stations #2 and #3, the issues were addressed at Pump Station #2 yesterday and the issues at Pump Station #3 were resolved for the most part there and not the muffin monster issue. He stated there were site cleanups conducted at the buildings that were straightened up as much as they could. He explained the building at Pump Station #3 had interior cleanups done for upkeep however the exterior still needed maintenance. Mr. Lazier asked if the muffin monster will be shipped directly to the Vernon Department of Public Works. Ms. Bright confirmed and noted she will follow up with the vendor on the timeline of delivery status. Mr. Furrey commented due to the shortage of parts that all pump stations should be reviewed for back up supplies as the lead time can be four to six weeks to receive them when ordered. Mr. Lazier agreed and confirmed he will do so. Mr. Pitsker asked for an update on the status of the project list and items on the list at the next meeting. Mr. Lazier confirmed he would provide updates.

Ms. Bright advised Black Creek Sanctuary came in today and paid the township for taxes and sewer fees which will be applied tomorrow. She stated ACME is now paid in full for last year's MUA fees. Mr. Benosky stated he is trying to coordinate the engineering review of the vacancies in the Vernon Valley shopping plaza owned by Vernon Valley Investors LLC. Mr. Benosky explained they submitted their engineering analysis approximately six weeks ago and he is trying to coordinate with their property manager to verify the vacant units at the plaza; he

has not heard back to date from the property manager. Mr. Furrey commented it was good news they paid, had no issues with looking at the vacancies and adjusting their bill accordingly as a good faith effort by the MUA. Mr. Pitsker asked if a full fledged audit will be conducted by Mr. Benosky upon touring the vacancies, i.e. tables and chairs contained within the units. Mr. Benosky confirmed they were not planning to do an audit. Mr. Furrey requested a follow up on the status at the next meeting.

Ms. Bright advised both MUA sewer repairers Mr. Duffy and Mr. Von Oesen had been set up with direct emails for communications in the event of issues arising during the day when Mr. Lazier was unavailable. She said she was following up with Green Realty about coming in to apply for their permits to ensure once the permits are completed they can proceed with their hook up connection. She stated she and Mr. Benosky will be meeting tomorrow with the developer for the two homes at Mountain Creek's Alpine and Snow Shoe Trail addresses on how to proceed who will be putting in applications with the land use department. She is working on new risk management companies, advised in the past the MUA has used Skylands Risk Management. She explained she had another interview on Tuesday, March 9 and said the two risk managers she met with both recommended the MUA stay with Statewide Insurance because the asset belongs to the township and the township currently is insured through Statewide Joint Insurance Fund. She advised they both said it is the job of the risk manager every few years to look at the other insurance funds, provide their best recommendation, the joint insurance funds are the best way to proceed due to the liability and commented she received a call today from a private broker to obtain a quote with whom she will follow up with tomorrow. Mr. Furrey stated he has no problem on the risk management company she decides to use unless it has to be voted on. Ms. Bright advised a resolution will be needed to appoint the risk manager and will provide the board with her recommendations.

10. Open to the Public for Items Not on the Agenda

Mr. McDermott motioned to open the meeting to the public, which was seconded by Mr. Pitsker and carried upon unanimous vote.

Jessi Paladini commented there was discussion this evening about Mr. DeMuro and bobcats. She stated at the last Vernon town council meeting, Mr. Furrey and Mr. Pitsker stated nothing could be built on the Baldwin property because of bobcats and Mr. Pitsker advised to contact Mr. DeMuro and ask him. Ms. Paladini stated she and several others contacted Mr. DeMuro who she said immediately responded in writing stating he never said the Baldwin property cannot be developed and there was a bobcat crossing. She commented earlier tonight Shawn Mazur asked about the Baldwin property and was it removed from the sewer service area. She stated Mr. Furrey's response to him it was the Baldwin property was never in sewer service area or the proposed expansion. She said she has a map dated 2017 sent to the NJDEP which clearly shows the Baldwin property on it. Mr. Furrey answered most likely that map may have been a proposed map of the area at that time. He stated 2015 is the last official existing sewer service area map submitted to the NJDEP and is posted on the MUA web site. He clarified what is being proposed now is the new map which the MUA is asking the NJDEP to approve, that both the proposed map and the existing map are on the MUA web site. He advised she may have been given a map about what was proposed prepared by an engineer. Ms. Paladini said it does not answer her question, asked why it was taken off and said the answer provided to her was it was never on and it was never proposed. She stated she was the recording secretary for the MUA for almost nine years and the map she was provided was the official map submitted to the NJDEP for the expansion. She said it does not answer when the Baldwin property was removed from the sewer service area. Mr. Furrey responded the Baldwin property was not in the current proposal to the NJDEP. Ms. Paladini stated the map she has is the official map with the Baldwin property

in the sewer service area. Mr. Shortway answered the 2018 Vernon town council minutes would have to be checked for the discussions about the existing sewer service area map, the Baldwin property and Mountain Creek where the NJDEP stated they would not include them.

Seeing no one else wishing to be heard, Mr. Pitsker motioned to close to public, which was seconded by Mr. McDermott and carried upon unanimous vote.

11. Commissioners' Comments

Mr. McDermott commented the MUA was proceeding forward the best it could and get past the NJDEP issue successfully. Mr. Pitsker lauded Mr. Lazier, Mr. Duffy and Mr. Von Oesen on keeping the system up and running without the muffin monster. Ms. Wheaton had no comments.

Mr. Shortway suggested, based upon the previous conversations about Pump Station #2 and the expansion of the sewer service area, passing an ordinance on the township side requiring septic system clean outs every three year to five years, whatever is environmentally safe to do and healthy for the septic systems. He commented a request for proposal for a vendor to pump these tanks can be issued with the pump outs transferred to Pump Station #2 instead of transporting it to other areas. He stated he understood only wastewater could be accepted within the sewer service area, discussions would be needed with the Sussex County Municipal Utilities Authority along with financial and engineering studies and what the legalities are and move forward on the completion of the pump house. He commented West Milford passed such an ordinance.

12. Chairman's Comments

Mr. Furrey stated he discussed the ordinance proposal at the Land Use Board several years ago and it was not well received by the board for various reasons. He commented once a definitive answer is received on the transfer station then a follow up can be made by an ordinance making it mandatory to pump septic systems every three to five years and agreed with Mr. Shortway's statement that such an ordinance was passed in West Milford. He said he was pleased with the progress moving ahead addressing the issues with SCMUA, is waiting to hear an answer back on that and will continue moving the process along.

13. Resolution 21-21: Executive Session

At this time Mr. Furrey requested to move to Executive Session. Mr. Shortway motioned to move to Executive Session for purposes of discussion of personnel, which was seconded by Mr. Pitsker and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott, Mr. Shortway and Ms. Wheaton.

Mr. Pitsker motioned to close Executive Session and reconvene, which was seconded by Mr. Shortway and declared carried by Mr. upon affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. Kearney, Mr. McDermott, Mr. Shortway and Ms. Wheaton.

14. Adjournment

Motion to adjourn was made by Mr. Shortway seconded by Mr. Pitsker which was declared carried by Mr. Furrey upon the affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. McDermott, Ms. Wheaton, Mr. Shortway and Mr. Kearney.

Respectfully submitted,

Colette J. Borell
Recording Secretary

Minutes approved April 1, 2021

**REGULAR MEETING/WORK SESSION AGENDA
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462
MARCH 18, 2021 AT 7:00 P.M.**

These minutes are a synopsis of the meeting that took place on 3/18/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:04 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Paul Kearney
Dave McDermott
Kristin Wheaton
Andrew Pitsker
Harry Shortway arrived at 7:24 pm

The following Professionals were present: Steven Benosky, Engineer; Rich Wenner, MUA Attorney; Donelle Bright, Administrator; Howard Laizer, Licensed Operator

5. Open Meeting to the Public (for Agenda Items Only)

Motion to open the meeting to the public was made by Mr. Kearney, seconded by Mr. Pitsker and declared unanimously carried by Mr. Furrey.

Ms. Bright stated the public was not present in the chat and no correspondence was received to be read into the record.

Motion to close the meeting to the public was made by Mr. Kearney, seconded by Ms. Wheaton and declared unanimously carried by Mr. Furrey.

6. Approval of the Bills: Resolution #21-22

Mr. Furrey asked all members if there were questions regarding the bills and stated that the packet is well put together. Mr. Pitsker added that the details are helpful to have for review.

Mr. Pitsker motioned to approve the resolution seconded by Mr. Kearney and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, and Ms. Wheaten. Mr. McDermott was not able to vote due to internet connectivity issues.

7. Approval of Minutes: None at this time.

Mr. Furrey questioned the status of minutes. Ms. Bright informed the minutes were just finished today and they were the only set outstanding.

8. Resolutions: None at this time.

9. Subcommittee Reports

a. PS2/Transfer Station Subcommittee

Mr. Benosky reported the design for the pump station has begun, but that the transfer station is not included in the plans; however, they are leaving space for same. Mr. Furrey requested the timeline for the station's construction and planning. Mr. Benosky explained the process for design and planning of the pump station. Preliminary drawings are sent to the board to approve and review. Then permit ready drawings, which show everything included but may not include a detailed electrical or structural designs, are generated. Generally, the permitting agencies do not approve these details, as it is not part of their jurisdiction and full detail is not necessary. Once those are approved, he will finish electrical and structural designs. The permit ready drawings should be ready by the end of April to be endorsed by SCMUA. Mr. Pitsker questioned when the work would likely begin, and Mr. Benosky advised the fall is a reasonable date. Mr. Furrey stated there is an urgency with the failing PS2 and that needs to be documented to the DEP. The DEP can be up to three months and with the bidding phase, awarding phase, and notice to precede, it can take 2-3 months. Mr. Furrey asked if the Division of Water Quality was reorganized. To which Mr. Benosky responded that it was not. Being that there was not a reorganization, hopefully this can be done in a timely fashion.

Mr. Pitsker expressed his concern and would like the work to start in June or July; he stated the Board needs the DEP to work with it on this considering PS2 is failing. Mr. Kearney is also concerned about the timeliness and attention to detail to avoid breaks, problems and equipment being down. We need to be more diligent in getting problems fixed in a more timely fashion. Mr. Furrey agreed with sense of urgency and stated this is a priority. Mr. McDermott questioned if all the pump stations are equipped with the same equipment and suggested a storage area for spare parts in one central location. Mr. Furrey and Mr. Lazier responded that there are two different pumps between the stations. Mr. Kearney advised it may not be possible to have the same pumps since there are different pumping parameters, lifts, and pipe sizes; however, it is a good idea when possible to have the same throughout. Mr. Benosky questioned if is there a preferred brand of pumps to which Mr. Lazier responded that Sulzer is the preferred. Mr. Furrey

asked if it was possible to have backup parts for control systems, relays, etc.... Mr. Lazier replied the MUA could purchase backup parts and have done so in the past, including backup fuses. Mr. Furrey advised purchasing backup parts to avoid future problems or a delay in delivery. Mr. Kearney stated there can be a supply chain issue and it is not on the employees who are responsible, but it is concerning if some assets are not being protected properly.

b. Sewer Service Area Subcommittee

Mr. Benosky reported that the MUA was unable to retain all the areas in the environmentally sensitive areas, but there are some properties that the DEP would consider. The first are those properties that have a site plan application or construction permit. Second, properties with treatment works approval through the DEP, are eligible. Third, properties that are partially encumbered, if the ESA boundary clips the property, they can be rounded to take the property out. The final category would be properties with existing structures on them. There are not many properties that fall into these categories, but there will be some that will remain in the sewer service area. This is being reviewed now.

Mr. Furrey questioned that if we follow the DEP guidelines are there any anticipated obstacles for approval. Ms. Bright believed that as long as the MUA follows the guidelines, she does not anticipate that this will take long since we are complying with their requests. Mr. Furrey asked if this could be finalized by the middle of April to which Ms. Bright responded that she met with the developer by Snowshoe and Alpine Trails. One of which needs to be approved by the Land Use Board and she would like all of the properties to be included in the sewer service area. As of now these properties would not be included in the sewer service area since there is no existing approval for them. The Land Use Department Head gave information on the land use application, but the approval time is unknown. In response to Mr. Furrey's question about an approved plan, Ms. Bright responded the DEP advised in order to be in the sewer service area, a property would need an approved plan or an existing structure or the DEP also considered smoothing out properties that do not have the majority of the property in an ESA.

Ms. Bright noted that there was an anonymous question on the chat in regards to the location of the sewer service area map. Ms. Bright responded that it is on the VTMUA website under rates and forms.

c. Solid Waste/Stormwater Subcommittee

Ms. Wheaton did not have an update for this subcommittee. Ms. Bright reported America Rescue Plan passed by Congress allocated funds to Vernon Township and it seemed the state is not permitted to control how much funding will be sent. The money that will be coming to Vernon is permitted to be used for water and sewer infrastructure. There is also the option to move the money to other organizations that have fund-eligible projects.

d. Bylaws/Personnel Subcommittee

Mr. McDermott reported that Ms. Borell has put in her notice of resignation and a replacement will be found. Ms. Bright reported that she is interviewing this week. Mr. Pitsker and Mr. Furrey thanked Ms. Borell for her time over the past year.

e. Water Supply Subcommittee

Mr. Furrey stated that Corey Stoner, Township Engineer, was reaching out to Suez. He commented that it is good news that the grant money Vernon will be receiving will be able to be used for water and wastewater projects. He is under the understanding that there may be more funds available under this act. Ms. Bright responded that the state may have additional funds that they can send out to the counties to be distributed to the municipalities as well. Mr. Furrey asked Ms. Bright if she reached out to Tony Vincente about the water for Town Center and Ms. Bright reported that she spoke to Corey and he has not heard back from Tony. There needs to be another meeting to discuss an agreement between both parties, Suez and the Township, on what would be beneficial for each. Mr. Furrey asked if this was a franchise agreement and Ms. Bright responded that it could be a number of things. It could be a franchise agreement in which the town gives the franchise over to Suez, it could be a combination of Suez applying for NJIB funding, which they're eligible to do, which they may not be aware of that opportunity. Ms. Wheaton added that Suez is aware of that and are included in the meetings. Mr. Furrey adds there needs to be an agreement between Suez and the Town. He also added there is a need for water to come to town center; however, it would be up to the Township to decide if they wanted the MUA to take on the responsibility of water or have Suez keep that franchise area.

f. Finance Subcommittee

Ms. Bright stated there was no report for this subcommittee.

10. Work Session:

a. Vernon Valley Investors (Acme) Discussion

Ms. Bright reported that Acme had voiced concerns over the current EDU calculations and requested their calculations be reviewed. Mr. Benosky reviewed their calculations and conducted a site visit to determine vacant store fronts. Mr. Benosky reported one unit, which was documented as vacant, is being currently fitted out for expansion. Normally, Acme would have 57 EDU's, based off the information sent over by their engineer they had 52 EDU's, which did not properly account for one of the units. Mr. Furrey asked if they were current on their payments and Ms. Bright responded a delinquency notice did go out. Mr. Furrey stated his opinion that the account needed to be current before a reduction of EDUs is considered. Mr. Kearney added that they did not act in good faith by not paying their invoice on time and that needs to be kept in mind. Mr. McDermott and Mrs. Wheaton added within the last couple of meetings they were up to date but they have not maintained that. Mr. Pitsker also stated that they were behind last year and the only reason they paid was to gain access to the permits for addition and this cannot be the cycle. Ms. Wheaton wondered if the expansion permit was the reason for paying. Ms. Bright added it was not just the permit but also refusal of inspections which pushed them to make their payments.

Ms. Bright is going to e-mail the construction official to let him know that they are delinquent again. Mr. Pitsker added that the MUA has been fair and are complying with the agreement and everyone must be fair with each other. Ms. Bright will notify Acme that the board considered the reduction, but they have to be up to date with their bills in order to move forward. Mr. Pitsker confirmed that they are asking for a reduction of 4 EDUs and he will take it into consideration moving forward. Mr. Furrey said it will be considered when they are current.

11. Administrator/Licensed Operator Updates

Ms. Bright updated that she sent the letter to the DEP regarding the transfer station. Pump station 2 is still awaiting information which was requested twice. Ms. Bright also reached out to Green Realty to remind them to come and fill out the application to be connected to the line. Ms. Bright is also interviewing applicants for the assistant position and received many resumes. Ms. Bright informed she had interviewed four Risk Managers. One risk manager is from the private sector, but offers the same services as the government entity managers. She reached out to the current risk manager to get documentation on the current policies and she has not heard back. Ms. Bright has copies of the statements but no details which are required to shop insurance rates/policies. Lastly, the standard operating procedures are being worked on. There are currently two standard operating procedure books and there are things that have changed and new things that are incorporated; the goal to complete this is the end of May.

Mr. Furrey questioned Ms. Bright on Green Realty and the mandatory connection and would like it explained. Ms. Bright responded that years ago letters were sent out informing people of the mandatory connection. Green Realty did that at the time, when owned by the Board of Education, and paid the connection fee and never followed through on the rest of the connection. There is nothing that the board can do to enforce the connection to the sewer line. Mr. Wenner responded that the MUA cannot force the connection and neither can the township since there isn't an ordinance mandating hookup. The penalty is that they are being billed even though they are not connected. Mr. Furrey stated it he was under the impression of a state regulation mandating connection if you are within a certain distance from the sewer line. Mr. Wenner clarified that it is in the regulations; however, the enforcement taken by the MUA is billing as if you were connected. Mr. Furrey revisited that if the town had an ordinance that they would be required to hookup then they would have to hook up. Mr. Wenner responded, noting the Township would enforce via financial penalties. Mr. Furrey added that if they had a septic system that failed, they would have to hook up. Mr. McDermott questioned that the connection fees were paid to which Ms. Bright responded that the connection fees were paid. Mr. McDermott asked for confirmation of bill payment and requested Ms. Bright to check again on the connection fee payment as he was advised a few years ago that they never paid the connection fee. Ms. Bright stated she would check the file and accounting system to determine whether the fees were paid.

Ms. Wheaton added if the letter to the start about the transfer station and was addressed to a specific person. Ms. Bright noted it was sent to Gabriel Mahon at the DEP since she does not know specifics of departments. Mr. Mahone is above Paul DeMuro so it was asked that he send the letter to the appropriate department.

Mr. Lazier updated the board that he was sending the sewer staff to Bailey Bunion to do monthly inspection with a camera; he updated nothing was found. Mr. Lazier believed issues were from lack of use, which causes backups for the next person renting the unit. He notified the board the grinder came in and JEM installed it with a new junction box and it is running. Mr. Pitsker confirmed that this is the grinder is for PS3. Mr. Lazier also reported the discharge line at PS2 ruptured last week. Mikes Mobile was contacted and they came out to fix the problem. They cut the existing pipe out and advised the entire discharge line from pump to wall needed to be replaced so it took longer than initially planned. JEM Electric was contacted and the fuses were checked for the generators.

Mr. Pitsker asked Mr. Lazier if PS2 is clear and functioning properly. Mr. Lazier confirmed that it was. Mr. Furrey asked if there was any additional work that was done in addition to the pipe. Mr. Lazier stated that they put the stabilizer on the pipe so that when the pump kicks on it does not twist the line and the tank was also cleaned out. Additionally, Mr. Lazier contacted Mathis to bring an additional truck in the second day since Wind River could not get a second truck until 10:30-11:00 am.

Mr. Furrey questioned about the force main evaluation. Ms. Bright responded that Ferraro has ordered the parts and is waiting on them. Mr. Benosky stated Ferraro will do the air release and pressure gauge and is a few weeks out and Fred Cook is doing the CCTV part of the inspection. The camera work cannot be done until the air release valve is in and the intent is for the work to be done at the same time.

Mr. Furrey also discussed about an RFP for emergency repairs. He spoke to Bob Holowich from Sussex Borough and they have a water and sewer system. They would be interested in working together and to send out a joint proposal for emergency repairs. This needs to be worked on, Bob will come to the next meeting to tell the board about himself and also discuss their needs. If Ms. Bright and Mr. Lazier can put together a list of repairs and costs to compare. It would be better to have an emergency contract and pay a flat fee for cases of repairs instead of paying emergency rates.

Mr. Pitsker inquired about the updates on the lift stations and if the issue with the panels were fixed. Mr. Lazier informed the board that the panels were still on backorder and he still has not received them. Mr. Lazier also reported that everything right now is running and functioning properly. The only problem lately was that on a very cold day the breaker tripped and a heater went down- it has been fixed. JEM Electric suggested to put the heater on a thermostat so that it is not running 24 hours a day. Right now, Mr. Lazier reports that the heaters constantly run and around April they manually remove the heaters.

12. Open to the Public for Items Not on the Agenda

Mr. McDermott to open to the public for Items not on the agenda, which was seconded by Mr. Pitsker and declared unanimously carried by Mr. Furrey.

Jessi Paladini stated that she was shocked that the Board of Education paid its connection fees. Ms. Paladini would like to know when this was paid and she would also like copies of their payment documents. Ms. Paladini also stated that up until 2018 she had not been aware of them ever having paid. She also questioned why Green Team has been in the building for three years now and has never had to connect. Ms. Paladini reports that she was told by Green Team that the MUA "cut them a break." Ms. Paladini stated that when the Historical Society was in the building that they constantly asked to pay the connection fees, paid in full by the Historical Society, and they were told not to do that and to wait. However, in the mean time they were significantly slandered and falsely accused of not paying, playing games with fees and now she is hearing that the Board of Education had already paid to connect. Ms. Paladini also commented that she was unaware that there was not an ordinance to mandate connection or hook up. She stated the Board and public were told at the onset of the MUA that the state mandates anyone within the sewer line to hook up. She stated at this meeting they were told there is no way to force someone to do that. Ms. Paladini would like to know what the MUA is going to say to all the people they took to court, all of the private homeowners and individuals, who paid legal fees

and forced them to hook up and now saying there is no way to enforce it. Ms. Paladini continued to state that she is very confused about the Board of Education and their connection fees. Mr. Furrey stated this will be looked into. Ms. Paladini advised she would send an OPRA request to Ms. Bright for the information. Ms. Paladini expressed her discontent over the matters of the sewer service area.

Mr. Wenner commented that it was never said that property owners are not required to hook up to the sewer system if it is in the service area. It was stated that they are required to hook up to the system if they are in the sewer service area. It was also said that the option to compel would require an owner to go to court to seek a written order compelling the property owner to undertake that action. Barring this, the only option to encourage people to hook up is through the issuance of a charge as if they were connected and then to issue summonses if they are not. Ms. Wheaton commented that the distinction is that we are talking about that they paid to connect but they have not already connected. Mr. Wenner responded that that was accurate and we are saying it is a violation of the regulations not to connect then we charge you and then go on to issue summonses to enforce connect. This is all monetary none of this is actually forcing to make the connection.

Ms. Paladini clarified that when the Historical Society was in the building, they always paid their sewer fees. When they offered to connect, they were never told that the Board of Education paid to connect. Ms. Paladini asked why the people that refused to connect were taken to court. Mr. Wenner replied that he does not know the particulars on why they were taken but he imagines that they were taken for summons that were issued for failing to comply with the requirements to connect. Ms. Paladini responded that in other words those people did not pay to which Mr. Wenner did not have an answer.

Ms. Bright noted that there was no one else from the public with a question.

Mr. Pitsker motioned to close the meeting to the public, which was seconded by Ms. Wheaton and declared unanimously carried by Mr. Furrey.

13. Resolution: #21-23 Executive Session

Mr. McDermott made the motion to move to Executive Session, which was seconded by Ms. Wheaton. Mr. Furrey declared carried upon the affirmative votes of Mr. Kearney, Mr. McDermott, Ms. Wheaton, Mr. Pitsker and Mr. Furrey.

14. Commissioners' Comments

Mr. Kearney had no other comments.

Mr. Pitsker wanted to address public comments from the prior week. The first was regarding the last meeting on Zoom: the Zoom platform was giving some problems last week. He apologized for the inconvenience, noting technology is not perfect. He looked into how the Board is complying with governmental regulations; and according to the Division of Local Government Services and the Open Public Meetings Act, the Board is in total compliance as well as being in accordance with the Executive Order 107. Members do not have to have a face on the screen. Some users may not have the bandwidth or may not have the cameras to attend remote meetings as well; it is important to understand that volunteers do the best they can. Mr. Pitsker informed

he has attended many meetings, including SCUMA, which is only a phone dial-in, which is considered to be in compliance.

Mr. Pitsker also spoke regarding conflict of interest, noting this has been brought up before on VTMUA and Town Council. He advised that both lawyers have weighed in on this topic and noted the Council and the Board are both in compliance. The N.J.S.A 40:14b-1, states the conflict of interest includes the portion where members can be on both boards. He commented regarding Mr. Furrey and his professional relationship with the town: Mr. Furrey has brought a level of knowledge to this Commission and users of this town. He added that Mr. Furrey has addressed many issues and provided the resources for the operations of the VTMUA. He further commented that Mr. Furrey's concern for the town water and sewer are to the highest regards in helping to protect the township. Mr. Pitsker stated that he was proud to work with Mr. Furrey, Ms. Wheaton, Mr. Kearney and Mr. McDermott as commissioners who all have the highest regard for this municipality and safe and cost-effective operations to the users. The board tries to protect the town, and the goals and charters of the VTMUA are on the website. The VTMUA is eager to get control of the rates, expand the system, and upgrade the system. When it comes to the meeting minutes, the MUA was behind back in 2019 and they are now caught up. This is due to Ms. Bright and her team catching up and keeping current. Mr. Pitsker also commented that the MUA is trying to upgrade the sewer system and currently working on getting PS2 upgraded. Mr. Pitsker's biggest concern is the DEP and the pressure will have to be continually applied.

Ms. Wheaton thanked Ms. Borell for her time and service. Ms. Wheaton also thanked Mr. Pitsker for looking into the law and the clarification provided. Ms. Wheaton agrees with Mr. Pitsker on the comments about Mr. Furrey and that he is doing an excellent job keeping on task and getting things done. There is now order and direction that was not present before Mr. Furrey came on to the Board. Also, she commented on the entities that may have paid the connection fees but not physically connected, noting that the only resolution if they are paid current it is possible to take them to court, but there is no benefit in taking them to court if they are paying their bills. If there is an environment issue, or failing septic, then it is a different matter and they would be mandated to hook up by at least the Health Department.

Mr. Shortway expressed his appreciation for the comments by Mr. Pitsker and Ms. Wheaton regarding Mr. Furrey. He stated that Mr. Furrey has been ethical and done what is right for the town for almost 20 years.

Mr. McDermott stated his feelings are the same as the rest of the Board with regards to Mike Furrey, commenting it was a great decision to have Mr. Furrey chair the Board. The Board is made of volunteers and doing the best they can. The DEP is a battle that hopefully the MUA can get past especially in regard to PS2.

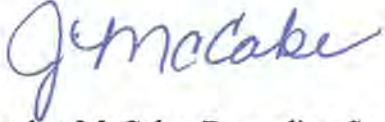
15. Chairman's Comments

Mr. Furrey thanked Ms. Borell for her service and appreciated the work she has done. This MUA is very engaged and doing a great job and going in the right direction. There is a tremendous amount of time and effort and this team does put the effort to get things done.

16. Adjournment

Mr. Furrey declared the meeting adjourned via unanimous vote at 9:33 p.m.

Respectfully submitted by



Jaclyn McCabe, Recording Secretary

Minutes approved May 6, 2021

**REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462
APRIL 1, 2021 AT 7:00 P.M.**

These minutes are a synopsis of the meeting that took place on 4/1/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:10 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Paul Kearney
Dave McDermott
Kristin Wheaton
Harry Shortway
Andrew Pitsker

The following Professionals were present: Steven Benosky, Engineer; Rich Wenner, MUA Attorney; Donelle Bright, Administrator; Howard Lazier, Licensed Operator

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Kearny motioned to open to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote. Ms. Bright informed there were no members of the public and she did not receive any correspondence to read into the record.

Mr. Kearney made the motion to close to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote.

6. Approval of Minutes:

a. February 4, 2021 (amended)

Mr. Furrey questioned why the minutes were amended. Ms. Bright noted that the motions and seconds were amended from the reorganization meeting. All the corrections were highlighted and sent to the board. Mr. Wheaton asked if this was the meeting where it was hard to hear Mr. Shortway and it was determined that was in March.

Mr. McDermott made the motion to approve the minutes which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Ms. Wheaten, and Mr. Shortway.

b. March 4, 2021

Mr. Furrey inquired if everyone was able to review the minutes. Ms. Wheaton asked if Mr. Shortway was able to be heard in the recording of the meeting. Ms. Bright responded that she would go back and listen to the meeting but minutes were able to be recorded from it. Ms. Wheaten responded that if minutes were able to be pulled then Mr. Shortway was able to be heard. Mr. Pitsker asked if they wanted to go back and check the recording before approving the minutes. Ms. Bright informed the minutes are the official document to keep and whether there is a recording or not.

Ms. Wheaton made the motion to approve seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Ms. Wheaten, Mr. Pitsker and Mr. Shortway.

7. Resolutions:

a. Resolution 21-24: Resolution Authorizing Employment Agreement with Jaclyn McCabe for the services of Administrative Assistant

Ms. Bright explained this resolution was for the employment authorization of Jaclyn McCabe. Ms. Bright informed she interviewed six other individuals and felt that Ms. McCabe was the most qualified candidate. She included Ms. McCabe's resume and noted her start date would be April 12, 2021. Mr. Pitsker questioned if background checks were completed and Ms. Bright confirmed same. Mr. Furrey asked if there were any further comments on this resolution.

Motion to approve was made by Mr. Pitsker, seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Ms. Wheaten, Mr. McDermott, and Mr. Pitsker.

b. Resolution 21-25: Resolution Approving EDU Calculation for 527 Route 515

Ms. Bright confirmed that this is the address for the Faline building and that all the paperwork and back up data is attached. All information was sent to Mr. Benosky for his total EDU determination and the official calculation. After the calculation is determined they would then turn in connection fees and move forward with construction, ultimately resulting in connection. Mr. Benosky explained how he determined the EDUs calculation, noting the renovation will result in one three bedroom unit as well as one two bedroom unit in addition to office space. Those three factors combined add to 2.5 EDUs. The only other information shared with the applicant that there may already be a lateral so they may not have to dig all the way to the main in the street.

Mr. Furrey stated that there is a lateral but the building is not yet connected. Mr. Furrey asked Ms. Bright if the connection fees were collected yet to which Ms. Bright responded that they were not since it is based off of the EDUs; once approved, the fees are collected. Mr. Pitsker questioned if any other properties along that same line were not connected. Ms. Bright responded that she would have to look at all the other properties that are on that line, but believes there are not any others in that area. Mr. Pitsker requested to check again to ensure that that is accurate. Ms. Bright is fairly certain it was just the Faline building that was township owned for years.

Motion to approve the resolution was made by Ms. Wheaton, seconded by Mr. McDermott, and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Ms. Wheaton, and Mr. Pitsker.

c. Resolution 21-26: Resolution Appointing Risk Management Consultant

Ms. Bright explained the last few months she did research on risk management as well as risk managers. The MUA has not had much correspondence with current risk manager but an appointment is needed for this year. Statewide Insurance is currently an insurance fund and there needs to be an actual manager for the year. Her recommendation is PIA with Frank Covelli, who the Township is currently using. Some of the risk managers that Ms. Bright reached out to suggested that the MUA use the same risk manager as the Township and stay in the same insurance fund. This is because the assets are owned by the Township and things will be more streamlined. More importantly, Frank has decades of experience, is from Vernon, is well known and is good at his job. He also will be putting the MUA first and Ms. Bright's experience working with him on The Township side is a positive one. This is a one year appointment and will end January 31 of next year. Mr. Furrey stated that the Board is not locked in and we can change the risk manager if needed. Mr. Furrey stated that he is aware that Ms. Bright has been asking for information from the current risk manager and not getting any response from them; which is completely unprofessional and he does not want to hire them again.

Motion to approve the resolution was made by Mr. McDermott, seconded by Mr. Pitsker, and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Ms. Wheaton, and Mr. Pitsker.

d. Resolution 21-27: Resolution Appointing Fund Commissioner

Mr. Furrey asked if there were any questions or concerns. No comments were made at this time.

Motion to approve the resolution was made by Mr. Kearney, seconded by Mr. Pitsker, and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Ms. Wheaten, and Mr. Pitsker.

8. Administrator/Licensed Operator Updates

Mr. Furrey stated that he invited Bob Hallowich, who is on the Council for the Borough of Sussex, as there was interest in putting together a RFP for emergency services and having a joint effort with Sussex Borough. He is not on the meeting tonight to speak so he should be invited to the next meeting to follow up with him on this matter. The reason for the RFP is that the sewer system is in serious danger of falling apart; there have been some emergencies and the rates for emergency service callouts are expensive. Mr. Furrey asked Ms. Bright if there was an update on the RFP to which Ms. Bright responded she received the update from Mr. Benosky who sent the specs to go out for the emergency services. She would like this to go out in the month of April. Ms. Bright is working with Mr. Benosky and the VTMUA's QPA to put together something to save on the emergency call outs. Mr. Furrey would like to make a list of items to go on the RFP; including emergency repairs to mains and pump stations. Mr. Benosky stated that the RFP is general in nature with different labor and equipment times as well as equipment prices. Mr. Furrey would like to list the general assets to have the ability address any needs and rates as they come up. Mr. Furrey also spoke to Ms. Bright about reaching out to Sussex, they also have a water system not just sewer, so if they would like to work together they will also have list their assets. Since Bob was not on the meeting Mr. Furrey requested Ms. Bright to reach out to him and see if he is still interested and to supply the list of assets. Mr. Furrey said this has to be a priority to get this out and back due to the pending failure of the system. All the funds that have been saved will have to be used if emergency rates are to be paid.

Ms. Bright reported that Acme contacted her regarding inspections; their inspections were halted again as they initially did not pay the first quarter. They have now paid in full. Ms. Bright questioned if the Board wanted a resolution to adjust Acme's EDU's; to remove the vacant or adjust the vacant unit; or if the board would like to discuss this at the next meeting. Mr. Furrey requested to include the resolution on the next agenda. Mr. Kearney questioned if there was a set charge/minimum rate for any given property. Mr. Shortway added this could set a precedent. He advised to seek legal counsel. Ms. Bright asked Mr. Wenner if there was a way to write the resolution so as not to set a precedent. Mr. Wenner said the resolution can be worded that way, however, whether or not it is going to set a precedent is debatable. The important distinction is that the reduction of EDUs is based on a change in usage. For example, if there is a multi-unit commercial building and there is a change in use from occupied to unoccupied there must be an application for the change resulting in a new allocation calculation. It needs to be clearly notated that if an entire building has sat vacant for a period of months and was not occupied that there would be a potential reduction since it was not being used. Mr. Wenner suggested a timeline could be considered and the Board would need to look at future concerns. Any action taken by

the Board will be looked at by other commercial users in the sewer service area who have already experienced this circumstance or may experience it.

Mr. Furrey inquired if there is a hardship application in the by-laws; he stated there should be a process for the application for hardship, should the Board decide. Ms. Bright said there are hardships for connection fees but not for billing matters. Mr. Wenner stated that there should not be hardship applications when discussing EDUs because the allocation is approved by the Board. This should not be framed as giving an exemption because of financial difficulties, as it would be contrary to the statutes requiring uniformity across all classes and types of users. It comes down to the user to completing an application to the MUA stating the facts of their usage versus what they actually use. If it is determined that the EDU should be changed based on actual usage an actual hardship is not being granted it is just being adjusted to the actual usage. Mr. Furrey requested guidance for these situations. Mr. Kearney stated wording needs to be very specific to avoid being open to interpretation. Mr. Shortway stated the MUA wants to be business friendly but it needs to be acknowledged that other business may be in similar situations and their usage may already be considered.

Mr. McDermott reminded he looked into this when reviewing the by-laws; when the definition of hardship was brought up, the Board did not want to address hardships with financial difficulty. Mr. Kearney stated this cannot be done on a case by case basis because it can be viewed as favoritism or biased against someone else in the decision making; what the Board decides must be defined. Mr. Pitsker commented the Acme situation and a hardship are two different topics. Acme also has a responsibility to fill the vacancies and their business model may not be working right. He suggested this be researched to see what other towns, cities, and states are doing for similar situations. It needs to be reviewed that if a condo is vacant for a year should they not have to pay even though taxes are being paid; and it is not the MUA's responsibility to fill the spots or to identify vacancies. Ms. Wheaton also questioned how this will be tracked and who would be responsible for the tracking. It was concluded that this would not be able to be done.

Mr. Furrey requested information be gathered on what other townships/utilities are doing to address this issue and brought before the Board prior to a decision being made. He added, should a decision be made by the Board to address vacancies, it would be up to the rate payer to make a written application justifying the vacancy. He believed the Board needed guidance and any change would require an official by-law. Mr. Pitsker expressed his opinion that Acme should be helped to fill those vacancies and grow their business; however, the Board cannot check every vacancy.

Mr. Shortway suggested considering the EDU charges as a hybrid type model, with EDU calculation by fee type. Mr. Furrey stated a decision must be made down the line whether to meter every user to be fair and reasonable. Meters are very costly, but if there is funding available to add meters, then we should consider metering. Mr. Kearney acknowledged meters enable people to pay for what they use, but the expense of purchasing the meters also comes with expense of maintenance and additional staff. It is also unknown if meter flow charges at least break even with the EDU system and reduce the revenue. Mr. Shortway added that this is a long term goal 10-15 years down the line, not something that can be done in six months. Mr. Furrey asked Mr. Shortway if there was ever an analysis of meter usage versus EDU; Mr. Shortway is not aware of any. He stated when they first started looking at this, many of the properties that they estimated would be hooked into the sewer lines never hooked up because pipes were not laid in those areas, so the estimates were skewed. Mr. Shortway stated he was unaware if a water

study was conducted to see if there was enough water coming in to create the wastewater flows. Mr. Furrey stated a financial analysis to determine the financial impact of EDU versus metered may need to be done at some point. Mr. McDermott commented changing to meters would result in significantly less revenue. Ms. Wheaton added that the rate structure would have to be corrected to balance this. Mr. Furrey stated nothing can be done without the financial analysis and this should be put on the next agenda.

Ms. Bright updated that herself, Mr. Benosky and Mt. Creek are meeting with Dave Bower from Wind River and Scott Baldasano. Gabriel Mahon, from the DEP, put Ms. Bright in touch with the individual responsible for determining whether the MUA can have a transfer station or not. He has also been in touch with Mr. Benosky, who is hopeful for more positive outcomes. Mr. Benosky stated that Ted Ovsiew, a staff engineer with the DEP Municipal Finance and Construction Element in the Department of Water Resource Management, who handles the permits for wastewater work, and they were under the impression that there would not be any special accommodations. However, Mr. Benosky informed them that would not be the case and they are looking into it further. Mr. Benosky informed the DEP was to give the MUA guidance by the April 15th meeting. Mr. Furrey asked Mr. Benosky why those who are reviewing the sewer service area map at the DEP are also involved; Mr. Benosky was unsure why this was the case.

Ms. Bright informed the panels for the lift stations have not arrived yet from Blue Book; things are back ordered and taking longer than usual. Also, the cost for simple items are skyrocketing and they are looking for other vendors and using Amazon in some cases to save money.

Ms. Bright notified the Board that Mt. Creek made their final payment today and are fully paid for the entire year. This is for obligations to both the Township and the MUA.

She further informed that Cory Stoner, Township Engineer, reached out again to Tony Vincente to get an updated agreement for water at town center. He did make it clear that Township is very keen on moving forward with the water for future growth. There is an update from the America Relief Plan that came out and the act does include water and sewer infrastructure but the breakout is 50% this year and 50% next year and everything needs to be expended by December 2024. There is time, but if this is something that the Township and the MUA want to support, it needs to keep moving.

Lastly, Ms. Bright updated that Mr. Benosky has been working on the properties for the sewer service area and is in touch with the DEP.

Mr. Furrey questioned the force main evaluation. Ms. Bright said she reached out to Ferrero because they gave an original date of 3-4 weeks from March 5/6 until they got the pressure gauge and ARVs they need, but she has not heard anything back yet. Ms. Bright will reach back out to them to at least get this scheduled as she does not want to wait any longer. Mr. Furrey asked if this is a delay in the supply chain to which Ms. Bright responded that is what she was told and that she was informed that the supplies were ordered at about the same time.

Mr. Shortway asked Ms. Bright if the Crystal Springs Development paid their MUA fees since they wouldn't be inspected unless they paid the bills in full. Ms. Bright stated that in the first quarter they only paid a quarter of the first quarter and it is unsure if it was intentional but currently first quarter is now paid.

Mr. Lazier reported Mr. Benosky requested numbers on the lift stations for the generators. JEM Electric came in and did another check to make sure all the lift stations are set up the same and they all are. He informed he was gathering a list of spare parts for the system. He also reported a grease gun will be needed in order to grease the grinders and maintain them. There were some call outs for the condos for cable being installed. He received a high level alarm at LeTouquet, which he addressed.

Mr. Furrey asked for the total cost on the repair for pump station #2. Ms. Bright estimated it is around 7,000, but will pull the actual invoice for the Board. Mr. Furrey reminded this was an emergency fix and expressed concern that there will be an abundance of emergency fixes at pump station #2 and on the system if the MUA cannot move on the station replacement soon.

Mr. Pitsker asked Mr. Lazier if the lift station panels are completed to which Mr. Lazier responded that they were not since they are backordered. Mr. Lazier noted the one panel should be sent in the next week or two. Mr. Furrey acknowledged the supply issue was not unusual; he recommended backups be purchased in case of emergency. Mr. Kearney and Mr. Pitsker both agreed backup supplies were necessary.

Mr. Lazier noted the generator would be delivered on Tuesday.

9. Open to the Public for Items Not on the Agenda

Motion to open to public comments was made by Mr. Pitsker, seconded by Ms. Wheaton, and carried via unanimous vote.

Ms. Bright noted that Jessi Paladini did send in a comment stating: "Please post the language of your resolutions on your agenda as the township does and as the MUA has always done since 2012 what is the EDU calculation for the Faline building that should be in the official resolution and the public has the right to know that information when you approve it."

No other comments were received and no one further wished to be heard.

Motion to close to public comments was made by Mr. Pitsker, seconded by Mr. McDermott, and carried via unanimous vote

10. Resolution: #21-28 Executive Session

Ms. Bright reminded the Board they had a session regarding potential litigation. At this time, the Board moved onto Item No. 11, Mr. Furrey advising executive would take place after comments.

11. Commissioners' Comments

Ms. Wheaton wished to follow up on Jessi Paladini's comment, stating she believed, in the past, that the meeting packet and resolutions were available to the public in advance. Ms. Bright responded that this can be done and placed on the website where the resolutions can be viewed as is done on the Township's website. Ms. Wheaton proceeded to give information on the AEA check in call noting it was informative and gave guidance on upcoming bills as well as other items to look out for. The new air regulation was also discussed on the call and how the hydrogen sulfite requirements could be affecting some utilities; this was not specific to the VTMUA, but the information was valuable.

Mr. Kearney was curious if there was an update on the backup operation status. Ms. Bright sent the report to Mr. Lazier. Mr. Lazier reported all the items on the list were taken care of except the fence at pump station 3.

Mr. McDermott had no further comments.

Mr. Pitsker stated that when the agenda goes out the resolutions and the backup materials should be uploaded to be transparent. Mr. Pitsker also stated that the AEA also has important information on their website. Lastly, Mr. Lazier was advised to keep on top of the system and make sure all patches are in place proactively.

Mr. Shortway had no further comments.

12. Chairman's Comments


Mr. Furrey directed his comment to Mr. Lazier and Ms. Bright if the backup operator produces pictures and log information that it is collated into one log book. The current DEP inspector has retired and we will be getting a new inspector eager to find errors. It is critical to have all the information together in one document so that it can be easily reviewed. Mr. Kearney added that this is completely accurate and that all the new inspectors are eager to find errors and we would like to avoid that. Mr. Lazier stated that he does have all correspondence in a file with the corrections together in a folder. Mr. Furrey added to keep the file well documented.

Motion to move to Executive session was made by Mr. Pitsker and seconded by Mr. Kearney and declared affirmative votes of Mr. Furrey, Mr. Kearney, Ms. Wheaton, Mr. McDermott, and Mr. Pitsker.

13. Adjournment

Motion to adjourn the meeting at 8:24 pm was made by Mr. Pitsker, seconded by Mr. Kearney and declared unanimously carried by Mr. Furrey.

Respectfully submitted by



Jaclyn McCabe, Recording Secretary

Minutes approved May 6, 2021

**REGULAR MEETING/WORK SESSION AGENDA
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462
APRIL 15, 2021 AT 7:00 P.M.**

These minutes are a synopsis of the meeting that took place on 4/15/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:02 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Dave McDermott
Kristin Wheaton
Harry Shortway
Andrew Pitsker

The following members were absent:
Paul Kearney

The following Professionals were present: Steven Benosky, Engineer; Donelle Bright, Administrator; Howard Lazier, Licensed Operator; Jaclyn McCabe, Recording Secretary

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open to the public, which was seconded by Mr. Shortway, and carried by unanimous vote. Ms. Bright informed there were no members of the public and she did not receive any correspondence to read into the record.

Mr. Shortway made the motion to close to the public, which was seconded by Mr. McDermott, and carried by unanimous vote.

6. Approval of the Bills: Resolution #21-29

Mr. Furrey questioned if there was anything related to the DPW coverage in this list. Ms. Bright informed that this will not be on bills list since the purchase order was just created and it will be on the next bills list for review. Ms. Bright also clarified that there is a shared service with the Township in case of an absence or if additional backup is needed to ensure coverage.

Mr. Pitsker questioned who caught the error for Mikes Mobile and the overcharge of 3 hours. Ms. Bright responded that the original quote was 8 hours and upon review of the work with Mike it was determined they only needed 5 hours for completion and the invoice was updated.

Mr. McDermott motioned to approve, which was seconded by Mr. Pitsker and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Pitsker, Ms. Wheaton and Mr. McDermott. Mr. Shortway abstained from voting.

7. Approval of Minutes:

Mr. Furrey questioned if the meeting minutes were up to date. Ms. Bright noted that the last two sets of minutes, March 18 and April 1, need to be completed. Ms. McCabe will have them completed by the next meeting.

8. Resolutions: None at this time.

9. Subcommittee Reports

Mr. Furrey asked if anyone from Sussex Borough was on the meeting tonight and if an invitation was sent. Ms. Bright informed that an e-mail exchange with Mr. Holowach occurred and contact with the Sussex Borough engineer was made. Ms. Bright has been in communication with the engineer to obtain updated information on what Sussex is looking for.

a. PS2/Transfer Station Subcommittee

Mr. Benosky updated that the pump station design is progressing but the transfer station is not. It is hopeful to have preliminary plans as early as tomorrow. One of the first goals is to have the Board and Mr. Lazier give input on ensuring that the design expectations are met. One thing being worked on is considering the future flow rate of Mountain Creek as this will significantly change the design depending on their master plan. Mr. Benosky reported that a memo will be put together for Mt. Creek to obtain information on this.

Mr. Furrey asked if the transfer station design can accommodate a retrofit of the pump station if needed. Mr. Benosky responded that this is the intention, however, accommodating the future flows of Mt. Creek is another issue and it may not be wise to try to accommodate that projection yet. Mr. Furry agreed it is best to reach out to Mt. Creek with a technical memo with the questions that would impact the design of the stations. It is critical to get the permit application and design document to the DEP as soon as possible.

Mr. Shortway added that the Township is responsible for 99,000 gallons per day and Mt. Creek at 166,000 gallons per day and this will have to be accommodated in the plans. Mr. Benosky stated that he was not aware of the specific numbers; however, he will review that for the plan. Mr. Furrey asked if the flow readings are known for the Town Center and Mt. Creek. Mr. Benosky replied that the flow readings are known from Town Center and the newer pump stations as well as from the nearest manhole to the pump station that is being replaced. Mr.

Furrey added that the pump station does not want to be over or under designed but future growth factored in. Mr. Benosky stated that down the road with future growth the force main pipe will need to be addressed. Mr. Furrey added that force main information is critical and that is why the evaluation is being done since the design on PS2 will have impact on the force main which is the weakest link in the entire system and it is a possibility that a new force main will have to be installed based on the evaluation. Mr. Shortway questioned if this could possibly be sleeved. Mr. Benosky replied that it may not be the structural condition but may be the hydraulic capacity at the high flow rate. Mr. Shortway advised Mr. Benosky to read the financial agreement with Mt. Creek and the Township in regards to the pump house which Ms. Bright would send to him for review. Mr. Shortway reminded that Mt. Creek was responsible for replacing the pump house and it was not replaced by 2013 as promised and they are financially liable for the replacement and it is expressed what Mt. Creek's payments will be per month. The pump house should be built out, at minimum, based upon that agreement. Mr. Benosky reported that he met with Mt. Creek regarding the transfer station and they did mention this. Mr. Furrey asked Ms. Bright to share this agreement with the Board. Ms. Bright reported that Mt. Creek has asked for projected revenues for the transfer station and how it affects the developer contributions moving forward. They would also like a draft amortization schedule for their bond. Mr. Bright reported once a preliminary number is received an estimate can be given to Mt. Creek.

Mr. Furrey questioned when a submission can be made to the DEP and he would like to look it over before it is sent. Mr. Benosky should have this completed by the middle of May.

Mr. Shortway inquired when the force main evaluation will be completed. Mr. Furrey stated that this is scheduled for the week of April 27th. Ms. Bright informed the Board that it was confirmed today that the evaluation will be from the 27th-29th and the pressure gauge will be installed on Friday March 30th. Ms. Bright reported that contacting Ferraro has been difficult; however, contact has been made and the evaluation has now been scheduled as well as the CCTV footage. Mr. Furrey reviewed that this cannot be delayed and if Ferraro cannot complete this project then another contractor will be hired if this is not completed by the end of April. This is a complicated job and coordination is critical. Mr. Furrey also expressed that he would like a definitive schedule in order to ensure that this project is completed timely. Mr. Shortway inquired if the force main is the one by the railroad tracks. Mr. Furrey replied that that is one that is being evaluated as well as one in the condos. Mr. Lazier questioned if both force mains are being evaluated and Ms. Bright informed that CCTV was not being done PS2 and only a pressure gauge is being installed at that location. Mr. Shortway inquired when the RFP went out. Ms. Bright informed last summer; however, there were many issues and included all of the work needing to be done and the quotes were too high. Last fall the RFP was split into three parts in order to obtain different vendors and better pricing.

Ms. Wheaton inquired if there is accurate documentation on how often the pumps cycle and how long we can keep them off and if the work was to be done at night to ensure the project is done efficiently. Ms. Bright advised this work will be done during the day and there will be trucks there to handle the sewage collection. Mr. Lazier confirmed there will be two trucks to handle the flow and from there it will be transferred to PS2.

Mr. Furrey added that the completion of this project is critical on how to move forward with designing the pump station. Mr. Benosky added that the pressure gauge is a key piece of information to verify the hydraulic design data for PS2. Mr. Pitsker inquired if the pressure gauge at Mt. Creek was still operational and was informed that the gauge is being placed at PS2 which does not have one. Mr. Pitsker also inquired if another lift station was going to be installed

near the houses being built on Alpine Drive. Mr. Benosky responded that he and Ms. Bright have been speaking to the engineer and attorney for the properties and they are proposing a lift station and the review for that should start shortly but the information they have is lacking. The builders will design the pump station and Mr. Benosky will review it once completed.

b. Sewer Service Area Subcommittee

Mr. Furrey stated that he is aware of the difficulties in obtaining a response from Paul DeMuro at the DEP. Mr. Benosky replied that he asked Mr. DeMuro for the information on the properties in which the boundaries could be smoothed out and the response was that Mr. DeMuro was working on it. The MUA is not holding up this project as everything is provided to the DEP and approval needs to come from them. Ms. Bright informed that it was over a week before a response was given to Mr. Benosky on the smoothing of the ESA25 lines. Ms. Bright was also under the impression that Mr. DeMuro was already in possession of a list of these properties and when Mr. Benosky asked for them, the question was seemingly ignored. Mr. Furrey added that Mr. DeMuro was already given all the information that he keeps requesting and he will contact Mr. DeMuro's supervisor to get moving on this project. Mr. Shortway added that although it is not looked at favorably, a letter may have to be sent to Senator Oroho and the assembly people at the County to take care of this at the state level. Mr. Furrey agreed and requested that Ms. Bright reach out to Senator Oroho, supply him with all the information, summarize what is being asked of the DEP; he noted this will hopefully help the situation. Ms. Wheaton inquired if the DEP is requesting more information than what was already supplied; Ms. Bright advised they are not asking for further information. Mr. McDermott added that it is time to start moving through the channels to get a response from the DEP as this has been going on for years. Mr. Pitsker stated that the MUA has spent countless hours and funds on this project for the DEP not to respond. Mr. Furrey also requested Ms. Bright reach out to Helen Carou to help move this process forward to the Senators office.

c. Solid Waste/Stormwater Subcommittee

Ms. Wheaton reported she had a conversation with Jean Murphy on solid waste last year regarding research within the community and it was indicated at the time it was a non-starter. Ms. Wheaton will have another conversation with Ms. Murphy; however, the biggest impediment was that many of the community lake associations have waste pickup built into their dues fee structure and it may be difficult to extricate that from the communities. It is possible that if the town comes up with a more cost effective option then more citizens would be in favor. Ms. Bright added that you can bid this out any way you would like but research would have to be done into lake communities and the fees. Mr. Furrey added that this can start out small and does not have to incorporate the entire township. It is possible that particular sections that could benefit and Mr. Furrey requested that more facts be gathered and bring them back to see if this is worth pursuing.

d. Bylaws/Personnel Subcommittee

Mr. Pitsker reported that he and Ms. Bright are discussing by-law and personnel wording to be added for the future. Mr. Pitsker advised with added personnel, they are interested in having all aspects covered under the by-laws and contractual agreements; they are not just following the township regulations, but ensuring state regulations are being followed as well. Mr. McDermott added that changes will need to be made as more people are hired.

e. Water Supply Subcommittee

Mr. Furrey asked Ms. Bright if there has been any progress made with Suez. Ms. Bright replied that there has been a response from Suez and they would like feedback on the 2018 agreement that was sent to the Board. Ms. Bright reported that the 2018 agreement states that the Town would be responsible for infrastructure and all the changes. However, this is not the best interest of the Township or the MUA as this only benefits Suez's franchise area. The attorney and the Town are reviewing the agreement as well and hopefully there can be a compromise that works for both parties. Mr. Furrey inquired if there is a middle ground between public and private partnership that can benefit both parties and was informed that that is the discussion that needs to happen with Suez. Ms. Bright also stated that there is a unique opportunity with the America Rescue Plan approved by the federal government that provided for funding inclusive of sewer and water infrastructure; this could help to bring water to Town Center. Bringing water to Town Center is essential; there is a large sewer allocation and the kind of gallon usage cannot be met without water. Without the federal money it would be incredibly expensive to charge rate payers or taxpayers to cover the cost; however, we do not want to give Suez the entire franchise and then pay for it all as well. There are a good number of improvements that need to be made and if it is also going to benefit Suez as well then the Township should not be the only one paying for it. Mr. Furrey added that the MUA is willing to take the lead on this project and take on the responsibility of water supply. It would be beneficial to obtain another meeting with Suez on the agreement and what each party is willing to do. Mr. Furrey also added that Suez mentioned they were willing to add a water main extension down 515 and connect to CVS. Mr. Shortway advised that the Town will have to be included since they have ownership over the mains. Mr. Furrey reiterated that this project will benefit the town and that if you do not have water you will not have sewer. Ms. Wheaton inquired when the comments are due back on the agreement and was informed that a timeline will be established. Ms. Bright will inform the Mayor that the agreement will be sent to the MUA Board for comments before a response is made to Suez.

f. Finance Subcommittee

Mr. Pitsker reported that there is a document for Mr. Furrey to sign and once that is done the audit should be completed within a week. After the audit is completed it will be reviewed in the subcommittee and it will go before the Board for approval.

10. **Work Session:**

a. New Business:

i. RFP for Emergency Services with Sussex Borough

Mr. Furrey reported that with all the potential emergencies there was an RFP completed. Mr. Benosky drafted the RFP together and included all pertinent information. Ms. Bright reported that the Sussex Borough engineer was sent our draft of the RFP. It was also requested if it would fit the needs of Sussex Borough or if anything would need to be included. Once this is completed a resolution for cooperative pricing will need to be passed by the VTMUA as well as Sussex Borough; then it can be posted for quotes. Mr. Furrey requested that Ms. Bright reach out to PCI, the Sussex Borough engineer, and obtain a list of assets, not including the water treatment plant, and give a deadline to respond to the request. By the next meeting a resolution to finalize should be completed. Mr. Furrey elaborated that the reason for this is emergency rates are very expensive so having a bid like this ensures reasonable pricing is locked in and it is a more efficient and cost effective way to manage repairs.

ii. Discussion SCMUA Connection Fees

Mr. Furrey made a request to Brian Tipton to put together a detailed legal memo regarding connection fees. Mr. Furrey would like clarification on why businesses pay a connection fee to the Town as well as to SCMUA. Mr. McDermott added that this has been discussed before and the possibility of removing the connection fees or giving a grace period for it to enable more people to connect. Mr. Furrey clarified that although we cannot change SCMUA's connection fees, Vernon's connection fees can be modified. Mr. Furrey requested feedback if this is worth pursuing; if it needs to be addressed, it will be in the by-laws. Mr. Shortway added that the connection fee is tied into the debt service.

Ms. Bright commented some points stood out with the memo; the fee is supposed to be for the capital expenditure and right now 60% is being kept in a rate stabilization fund for the MUA to utilize. The MUA has used this fund every year to help stabilize the skyrocketing rates. The remaining 40% is being kept by SCMUA for the capital infrastructure. However, capital expenditures are already being paid for and there is also a capital expenditure on the annual general billing so it is unsure where 40% is going. At the end of the memo, it is noted that SCMUA may charge their own connection fee as long as it is done in a fair and equal manner amongst its participants. Ms. Bright will reach out to other towns in the Upper Wallkill System to see what the rate payers connection fees were for the past few years. Mr. Furrey stated that his focus is on whether the rates are fair and equal to other municipalities. Mr. Pitsker agreed with reaching out to other municipalities and having comparisons from other towns on connection fees. Mr. Pitsker also added there needs to be a clear understanding on where the funds are going. Mr. Furrey reviewed that in the memo it shows how the fees are calculated and is perfectly legal; however, the question is fairness. Once we get the feedback from other towns the Board will be able to address this. Mr. Furrey also stated that he understands that once connection fees are lowered it impacts the financial operation; however, if you want to attract new customers it will not happen with a \$10,000 connection fee. Ms. Bright added that ideally a connection fee is based on the actual capital expenditure and is broken down over time and based on interest rates; addressing the MUA fees is more than reasonable and fair. Mr. Shortway commented that this is why studying the town center plan was so important so once it is passed the Mayor has the opportunity to negotiate a pilot and the money they save could help pay for the connection fees. He also added that this was another avenue to attract development that the payment would be in lieu of taxes, which would be up to the mayor to negotiate, and every developer would get a separate negotiation. Mr. Furrey questioned Mr. Shortway on rolling connection fees into the program. Mr. Shortway responded that if they are saving money on the taxes they will have additional money to put to the connection fees.

b. Old Business: Vernon Valley Investors (Acme) Discussion

Ms. Bright reviewed that this was a discussion last meeting and the slippery slope of adjusting vacancies and if the Board would like to do that. Mr. Furrey commented that there should be a vote to decide on handle this as there needs to be an answer for Acme. Mr. Pitsker requested dialogue from Mr. Wenner before moving further on this matter. Mr. Furrey asked to draft a legal opinion on this so a decision can be made at the next meeting. Mr. Pitsker added that the Board needs to be fair and equal and that we want the businesses to thrive so before moving forward legal advice is needed. All members of the Board were in agreement.

11. Administrator/Licensed Operator Updates

Ms. Bright reported that the website is now updated to include the resolutions which can be accessed through the agenda; this is in line with what the township does. The connection fees for the Faline building were also received; this will be sent to SCMUA so that they can calculate their own connection fees and the actual connection can then progress with the Building Department.

The application for Snowshoe and Alpine Trails were received and Mr. Benosky is working with the applicant on updated plans; before it comes to the Board there needs to be preliminary planning board approval for those three homes. Mr. Benosky reported that the current plans show two homes connecting via pump station and one via gravity. Ms. Bright added one home has to go before the Land Use Board but the others do not.

Ms. Bright referenced the Backup Licensed Operator report, noting there was a pest control issue at PS2 and this will be remediated next week. The panel ordered through Blue Book has also been delivered.

For the ongoing issues with SCMUA there will be a draft to the Board distributed for comments early next week.

Finally, regarding Green Realty, it was stated in the past that the connection fee was paid by prior owners. However, that was a mistake and while reviewing the financial software Ms. Bright did not realize that the previous owner had two buildings and paid one connection fee and not the other. Ms. Bright compared the files and called the Board of Education to discuss payments and it does turn out that the building has never paid the connection fees to SCMUA or the Township. Ms. Bright reported that when she did speak with the Board of Education there was an agreement that the new owner would pay the connection fee; this was never followed up. Ms. Bright has spoken with the current property owner about the connection fees for the MUA and SCMUA as well as the delinquent sewer bills and this will be updated moving forward. Mr. Furrey adds that they were notified of their obligations and unfortunately this is an ongoing problem; however, it is now being addressed. Mr. Pitsker asks if there needs to be a reevaluation for Green Realty as the last evaluation was .75 EDUs. Ms. Bright responds that it was still .75 EDUs with the last application, however, there is no correspondence after 2016. Mr. Shortway suggests to review the minutes from 10/19/2017 as this is when the confusion begins.

Mr. Shortway requested that a list be compiled either twice a year or quarterly on who owes sewer fees. Ms. Bright stated she has put together the first quarter financial records, which includes the delinquent list, and it will be sent to the Board. Ms. Bright also reported that at the end of last year the delinquencies were around \$400,000 and they have now reduced to around \$190,000 which is positive as some of the bigger issues have been rectified. Mr. Shortway reported that he has been mentioning this problem at council meetings; now that the Building Department is enforcing ordinances, more people are paying their delinquent bills. Mr. Furrey reminded that if bills are not being paid that permits and inspections will not be issued until the customer is current. Mr. Furrey also credited Ms. Bright on being able to reduce the delinquencies in the middle of a pandemic. Mr. Shortway requested an update on Mt. Creek; Ms. Bright informed Mt. Creek has been immediately responsive and on top of all of their obligations, including paying their obligations in full as of April 1, 2021. Mr. Pitsker added that he has noticed that the number of LLC's on the delinquency listing has drastically reduced as well. Ms. Bright added that it was helpful to remind the LLC's that they cannot have short term rental permits without being up to date on their sewer fees.

Mr. Lazier reported that the panel for LeTouquet was delivered and JEM will come and set it up to ensure that it works properly. There was one emergency call out at Stonehill for a clogged pump, which was rectified.

For the air release valve installation that is scheduled, Mr. Lazier will contact the two contractors to see their time frame so trucks can be scheduled with Wind River. Mr. Furrey suggested that before the project is started that Mr. Lazier meet with someone on site to review the process so that there are not any surprises.

Mr. Furrey questioned the response to the alarm on Friday, April 9, and if there are many call outs for pump clogs. Mr. Lazier reported that there are not many call outs for clogs and that the grates are in and they will be installing the one at Stonehill.

Mr. Lazier also reported that some of the chains in the lift stations need to be replaced and they will be completing that.

Mr. Pitsker requested an update on the generator installation for the lift stations. Ms. Bright reported she received an update from Mr. Benosky and that now we can go out for quotes on the generators and installation.

Mr. Pitsker inquired about an update on the capital list projects, Ms. Bright responded that she will review the list and see what items are completed or outstanding. Ms. Bright also stated that the panel has come in which was what they were waiting for and once it is determined it works properly the other four panels will be ordered. Mr. Furrey would also like the capital items list with periodic updates to the Board so progress can be shown.

Ms. Bright reported that there is also going to be an annual safety review and it will be with the same inspector. Ms. Bright advised that the confined space training will be done by Statewide for the initial certification for free on May 11. Mr. Bright informed this is the eight hour course and it includes equipment.

12. Open to the Public for Items Not on the Agenda

Motion to open to public comments was made by Mr. Pitsker, seconded by Mr. Shortway, and carried via unanimous vote. Ms. Bright informed there were no members of the public and she did not receive any correspondence to read into the record.

Motion to close to public comments was made by Mr. Shortway, seconded by Mr. McDermott, and carried via unanimous vote.

13. Commissioners' Comments

Mr. Pitsker had no further comments.

Mr. Shortway had no further comments.

Ms. Wheaton directed her comment to Ms. Bright to keep up the good work and saving the MUA money.

Mr. McDermott had no further comments.

14. Chairman's Comments

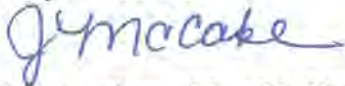
Mr. Furrey commented that the board is working well together and making progress. Mr. Furrey spoke to Mr. Wenner today who reported that this Board is very engaged. Mr. Furrey also welcomed Ms. McCabe to the MUA.

15. Adjournment

Motion to adjourn the meeting at 8:36 pm was made by Mr. Shortway, seconded by Ms. Wheaton and declared unanimously carried by Mr. Furrey.

Respectfully submitted by

Jaclyn McCabe



Approved on May 20, 2021

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462

May 6, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 5/6/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:03 p.m.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Dave McDermott
Kristin Wheaton
Harry Shortway
Andrew Pitsker
Paul Kearney

The following Professionals were present: Steven Benosky, Engineer; Donelle Bright, Administrator; Howard Lazier, Licensed Operator; Jaclyn McCabe, Recording Secretary; Rich Wenner, MUA Attorney

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open to the public, which was seconded by Mr. McDermott, and carried by unanimous vote. Ms. Bright informed there were no members of the public and she did not receive any correspondence to read into the record.

Mr. Kearney made the motion to close to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote.

6. Approval of Minutes:

a. March 18, 2021

Mr. Pitsker motioned to approve the minutes, which was seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearny, Mr. McDermott, Mr. Pitsker and Ms. Wheaton.

b. April 1, 2021

Mr. McDermott motioned to approve the minutes, which was seconded by Ms. Wheaton and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearny, Mr. McDermott, Mr. Pitsker and Ms. Wheaton.

7. Resolutions: #21-30 Resolution Cooperative Pricing

Ms. Bright explained that this is an RFP for emergency service quotes. Mr. Benosky compiled all the information and contact was made with Sussex Borough, however, they have not responded. Ms. Bright explained when going out for an RFP for cooperative pricing a resolution must be passed to establish the cooperative pricing system and go out to bid and Sussex Borough would have to do same. The VTMUA is taking the steps to complete this and a time frame should be established for Sussex Borough to respond. Ms. Bright noted that the system is aging and this needs to be done in a timely manner. Mr. Furrey stated that he spoke to Mr. Hallowich, the Sussex Borough Town Council President, and was informed that they had a Town Council meeting on Tuesday and the RFP was to be discussed. Mr. Furrey added this resolution should be passed while awaiting the response from Sussex Borough and if a response is not given shortly it will go out to bid. Mr. Pitsker asked if a sixty day timeline would be reasonable for a response from Sussex Borough or if that is too long. Ms. Bright responded that she will handle the RFP with the QPA and that Sussex should be given thirty days to respond. Mr. Furrey stated that to reach back out to the engineer from Sussex and if he does not have clear direction by May 27, 2021, the VTMUA will move on.

Mr. Pitsker moved to pass the resolution, seconded by Mr. McDermott and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Ms. Wheaton and Mr. Pitsker.

8. Administrator/Licensed Operator Updates

Ms. Bright informed the Board that about the progress of PS2 and figures are still being gathered for Mt. Creek. Ms. Bright added that she did receive estimated on the I-Bank funding from the auditor who can run the amortization schedules. Ms. Bright will complete the calculations for the future deficits as Mt. Creek had questions on how any revenue would affect their future deficit contribution to the MUA budget. The rates revenue is already known for the transfer station and is based on what Dave Bower gave of 100,000 gallons contributed daily. The information from Mr. Benosky that was distributed to the Board on the future plans for expansion need to be included in the design of the pump station. Mr. Benosky added that Mt. Creek has a lot of development that could occur if they build out to their Master Plan, which may or may not happen, and an analysis was put together for the future capacity of the pump station. Mr. Furrey asked if there is a danger that the pump station can be overdesigned. Mr. Benosky responded that it could but he suggests going with a medium case scenario for the pump station which would not present a detrimental concern. Mr. Furrey requested that the Board review the preliminary design document from Dewberry and offer any questions or comments to Mr. Benosky. Mr. Shortway inquired that if it is planned now to handle a moderate increase from town center and Mt. Creek, with the possibly to expand to the full amount in the future, which may or may not happen, that there should be an agreement with Mt. Creek that they will be liable for future buildout if it occurs. Mr. Furrey added that the way to prevent any issue moving forward is that once the preliminary design is completed to present it to Mt. Creek with clear expectations on what is being completed. Mr. Furrey also stated that there is a danger of overdesigning the pump station as it can be predicted what the MUA will do but not Mt. Creek's development will be; because of this there needs to be total buy in from Mt. Creek. Ms. Bright added that she will send the report from Mr. Benosky to Mt. Creek with all of the information that they have requested. Additionally, Ms. Bright stated that if Mt. Creek was going to expand in the future they would have to go before the Land Use Board and show the ability to push things through the pump station for expansion; the point of a disaster would not happen but they would not be able to expand if the pump station could not accommodate the flow. Mr. Shortway stated that working as closely as possible with Mt. Creek is imperative as they are the apart of the community, our largest customer and are fulfilling all of their obligations.

Ms. Bright reported that there has been some correspondence with the DEP on the issues with the transfer station. The DEP is giving possible objections but not clear statutory issues with the idea of a transfer station in Vernon. Mr. Benosky agreed with Ms. Bright and stated that in the letter that was received the objections were left up to interpretation. Mr. Benosky added, for example, that the DEP suggested to look at parts of the NJAC where the recommendations for wastewater pump stations; it is stated that the wastewater pump station is intended for sewage, making it unclear on what the response means. Mr. Furrey asked for the document to be sent to the Board and to review the letter and help with the interpretation.

Ms. Bright informed the Board that she has reached out to other municipalities and reviewed the SCUMA rates. The connection fees do not vary by municipality; SCUMA bases their connection fee off the town approval and then calculates per EDU which is \$7,065 per EDU. The auditor is looking into the connection fee calculations for VTMUA, which is currently \$4,665, so there should be data for the next meeting. Mr. Pitsker added that the connection fees need to be reviewed as they have not been looked at since 2011. Mr. Furrey asked Mr. Wenner if this can be

reviewed during the meeting based off the memo that was sent out. Mr. Wenner stated that there is no mystery to the connection fee and that is it a statutory formula that established how connection fees are calculated and recalculated on an annual basis. Mr. Wenner recommended that it would be best to wait until the next meeting when there is more comprehensive discuss based off the actual calculations.

Ms. Bright reported that the force main evaluation was completed and will be added to the existing asset management plan; which will then be able to be approved and completed. The PS2 funding with I Bank is contingent on the asset management plan being completed.

Ms. Bright then reported that a meeting was held with the Senator on the sewer service area mapping which went well. There is another meeting scheduled with the Senator and the DEP on May 18, 2021, there is support at the state level and this is moving in the right direction.

Ms. Bright stated that the updates on the capital items was distributed to the Board. There are new items from the safety review and clarification on railings that are needed, which have now been added.

Ms. Bright updated that the OPRA requests that were made will be finalized tomorrow and sent out. Also noted was Ms. McCabe has updating the filing system and organized the files for easier review. The MUA laptop is being updated to include office and will be able to be utilized. Ms. Bright reviewed that the safety review will be completed annually to stay in compliance. The safety auditor is also working on a town wide plan as well so that it is not just an MUA plan; it will address not only the sewers but the storm drains as well.

Mr. Furrey questioned Ms. Bright if there is a time for the meeting with Senator Oroho on the May 18. He further explained that this meeting is with the Senator and the Commissioner of the DEP hopefully many of the issues will be resolved. Senator Oroho has been very helpful and he understands the gravity of the situation.

Mr. Lazier reviewed that during the safety review at PS1 there were wires left exposed after the pipe job was completed. This was resolved; however, where the inspector wanted the wires would not be feasible if the tank needed to be accessed. The wires were placed behind the ladder and are now in compliance. Also noted was the landscaping needs to be maintained. Mr. Lazier reported that at PS2 the landscaping also needed to be maintained. At PS2, the railings need to be adjusted for safety. However, fixing the railing will be up to the MUA since a new pump station is being built but PEOSHA may not agree if they come out. Ms. Bright added that the railing height is 36" and the standard is now 42"; companies are coming out to give quotes on updating the railing to make a decision.

Mr. Lazier reported that a pressure gauge was installed on the main. During the inspection it was noticed that the blowers in the back building were moving and although there is a cage over the belt the auditor would like the entire motor caged. Mr. Benosky inquired if readings could be obtained from the pressure gauge for each pump running. Mr. Lazier reported that this can be recorded. Mr. Pitsker questioned how Mr. Benosky would like this completed and was informed that both pumps are rarely or never running at the same time. Mr. Lazier added that to obtain the reading you must get down into the hole and it is a digital reading. Mr. Benosky requested that

the initial 30 seconds when the pump is coming online should be disregarded and then monitored for one minute after to obtain an accurate reading. Mr. Furrey inquired what pressure reading is and was informed 24 PSI; which Mr. Furrey comments was very low.

Mr. Furrey requested that a brief review of the force main evaluation be given. Mr. Lazier reported that the closest manhole to the golf course, #3 on the diagram, went out easily. They used the CCTV from the golf course to Falkenstein and it was clean until it dropped into the gravity where sludge was found and the camera could not move through. It was suggested that this be flushed. When the camera went back to the hotel the overall section looked good. Mr. Furrey inquired about the force main review along the railroad tracks. Mr. Lazier responded that there was no camera work performed on that force main and only PS3 was completed. Mr. Furrey directed his question to Ms. Bright if the force main on the railroad tracks was to be evaluated. Ms. Bright responded that it was never part of the specs only PS3 was to be completed. Mr. Furrey inquired when the video and report will be available and was informed that the company will be contacted to obtain the video. Mr. Lazier reported that he was very happy with Ferrero and they were very efficient. Mr. Lazier also reported that the next manhole did have low spots where the camera was underwater and then in resurfaced; this happened both ways. The low spots also occurred at the first manhole. Mr. Lazier reported that all in all the force main connections look good.

Mr. Pitsker inquired on the list of capital items can notes be added on what percentage of the project has been completed; this will be beneficial for clarity. Ms. Bright responded that this can be done; however, some of the items will not be completed as they are backups.

9. Open to the Public for Items Not on the Agenda

Motion to open to public comments was made Mr. Kearney, seconded by Ms. Wheaton, and carried via unanimous vote.

Jessi Paladini requested to know if the OPRA request she made will be one that is ready tomorrow. Ms. Bright thanked Ms. Paladini for her patience. There were only large paper copies of the maps and her request will be completed tomorrow.

Seeing no one else wished to be heard, motion to close to public comments was made by Mr. Kearney, seconded by Mr. Pitsker, and carried via unanimous vote.

10. Work Session:

a. Old Business:

i. ACME and Vacant Properties

Mr. Wenner stated that the law is very simple and there is not a lot of ambiguity in the laws to whether adjustments can be made for commercial properties with multiple tenants who are

experiencing vacancies; this can be done. However, the more global question is one of a policy position and the MUA needs to decide on taking action or not. The danger in pursuing a policy on the adjustment of EDU calculations based on vacancy rates is that because the MUA is not flow based. There are many reasons for this including: losing EDU's as we're are trying to add EDU's to the systems would be counterproductive to the goals and efforts of the MUA; constant changing of EDU's will wreak havoc on the budget and forecasting revenue while adding to administrative costs and billing issues; commercial properties owners may not fill the vacant property if the owner is not paying the EDU's on the vacant location. Mr. Wenner informed the Board that there are commercial property owners, not referring the Acme owners, who own commercial properties as a dumping ground for business losses for tax purposes. Additionally, even if not connected to the system, users are still being charged the connection fee and being billed for their EDU calculation, so it may not be equitable to lower the EDU calculation due to vacancies. Mr. Wenner pointed out that the MUA has to decided which direction it want to go in and does the Board want to make limited exceptions to unique circumstances. Mr. Furrey agreed with Mr. Wenner that it is a slippery slope as there is a struggle with EDU's to begin with. He further added that there are areas to work on to reduce rates and although there is a desire to do something it will be too difficult to manage. Mr. Kearny added when the initial conversation around this issue came up he was sympathetic. After reading the memo, the EDU standard should be maintained and not be reduced. Mr. Kearney added that many properties have been purchased and there will be future expansion contributing to the system. However, if the real estate market goes down there would still be a responsibility to pay to fees associated; so, we have to ensure that when properties are purchased bills are paid just as taxes still have to be paid. Mr. Shortway added because you are not living in a home you are still paying taxes and for municipal services. Mr. Shortway further added that if breaks are given for vacant commercial properties it will be difficult to keep up with currently and in the future. Additionally, every effort is being made to control connection fees and obtain more users. When the bonds increase in 2023, what will effects be if property owners start receiving amnesty or breaks for vacant propertied and what will be the incentive to join the system. Mr. Furrey agreed that the way to attract new users is by adjusting the connection fees. Mr. Pitsker shared the opinion of Mr. Kearney; the responsibility falls to the owner and how they are managing the business. He further stated that homeowners will still have to pay whether their home is being occupied or not. The audit on Acme was completed and as previously stated other entities will look at the reduction and also want adjustments based on their current situations. Ms. Wheaton added that this would be an administrative nightmare without being a self-regulating meter-based system and is not in favor of reducing EDU's. All members of the Board agreed of not reducing the EDU calculation at the Acme Plaza.

b. New Business:

i. Water Infrastructure Financing/Water Bank

Mr. Furrey reported that he attended an IBank seminar and concluded that there is tremendous amount of funding available through the DEP and the MUA will take full advantage of it. Ms. Bright reported that the first step in getting water to town center is meeting with Suez again. The town has been in touch with Tony; the 2018 agreement was sent out; however, more information needs to be added. The Township has given the MUA the lead to work on this project and once the plan is in place we can then apply for the IBank funding. The majority of work is done by the

engineer after set up. I Bank then will help with notes and short-term financing and at completion will place permanent bonding through them, not a separate financial institution. There is also different levels of financing forgiveness or mixed rates depending on the type of project and what funding is available. Ms. Bright stated that this project is moving forward. Mr. Furrey requested Mr. Benosky to pivot to the water side; documentation that was done by the Suez engineering firm that can be provided to get started in terms of water supply. Mr. Furrey inquired about the funds the Township received under the American Rescue Plan. Ms. Bright replied that the Township should receive around \$2 million, however, there is no guidance on when it will get here or how it is received. There are stipulations on how the funds are to be spent however, water and sewer are areas that are included. Mr. Furrey added that he was contacted by The Bergen Record and there is interest in what towns are going to do with the funding when it is received. Although exact details of what other towns are going to do are unknown it seems that many are going to use them for water and wastewater.

ii. Overcharges of Jan. 2020-Sept. 2020 Sewer Fees at 2 Snowbird Ct. Unit 5

Ms. Bright informed the Board that in 2020 the property owner of 2 Snowbird Ct contacted the MUA stating that he was being charged for a two-bedroom unit when the unit was only one bedroom. Ms. Bright stated that the tax assessor went out and inspected the property and confirmed that it is a one-bedroom unit. Last year the resolution 20-50 approved the EDU's to be .6. The property owner had recently stopped into the office and stated that he has been trying to get the EDU reduction resolved since he purchased the property. Ms. Bright added that there is no written communication that can be found regarding this issue; however, the property owner stated that he had verbal communication with the former Executive Director. Ms. Bright asked the Board if a refund can be given from the beginning of 202. Mr. Furrey asked Ms. Bright is the resolution to consider is 20-50 to which Ms. Bright responded that it was already passed and since an effective date was not formally included it will be the date that the resolution was passed. Ms. Bright asked Mr. Wenner if there needed to be a resolution to refund the monies owed to the property owner. Mr. Wenner responded that since the resolution was to be effective January 1st and they paid three quarters are the .9 EDU count a refund can be given or a credit to the account. Mr. Pitsker inquired what the town policy for a tax reduction. Ms. Bright answered that with taxes they are assessments in which property owner's appeal by the court process. Mr. Wenner added that typically with an overpayment of taxes then a refund is given; a tax appeal can either be a refund or credit. Mr. Furrey inquired that if a credit is given is a resolution necessary. Mr. Wenner responded that if a credit is given a motion can be made immediately to resolve the issue. Mr. Furrey preferred to do a credit to which Ms. Wheaton stated she agreed.

Mr. McDermott motioned to provide the credit, seconded by Mr. Furrey and declared carried by Mr. Furrey upon affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, and Ms. Wheaton. Mr. Pitsker abstained from voting.

11. Resolution: #21-31 Executive Session

Mr. Pitsker made the motion to move to Executive Session, which was seconded by Ms. Wheaton. Mr. Furrey declared carried upon the affirmative votes of Mr. Kearney, Mr. McDermott, Ms. Wheaton, Mr. Pitsker, Mr. Shortway and Mr. Furrey.

Mr. Kearney made the motion to move back to the regular meeting, which was seconded by Mr. McDermott. Mr. Furrey declared carried upon the affirmative votes of Mr. Kearney, Mr. McDermott, Ms. Wheaton, Mr. Pitsker, Mr. Shortway and Mr. Furrey.

12. Commissioners' Comments

Ms. Wheaton had no further comments.

Mr. Pitsker stated that the capitals list and the reports that are being published with the agenda are helping with communication and providing clarity. Mr. Pitsker would like Mr. Benosky to start putting together project timelines for an idea when the work will start. Additionally, if the PS2 and transfer station projects are going to be separate projects a schedule should be made for both.

Mr. Shortway thanked the professionals for the information that is now being given to the board which he has not seen since 2016. Mr. Shortway requested an updated report on the Green Realty situation including dates paid, money received, and money owed to narrow down the mistakes and ensure that they are not made in the future. Mr. Shortway added that it needs to be known what transpired with this property. Mr. Shortway also added that he has been told by residents that there was a letter from the MUA to Green Reality that they did not have to pay and instead of receiving OPRA requests on this topic to be transparent with the information.

Mr. Kearney added that he agreed with Mr. Shortway and thanked the professionals for all of the information that is being compiled which reduces embarrassment when delivering the facts on the Green Reality property. Mr. Kearney reported that no one from the current Board was involved when many of the issues did or did not transpire so we are relying on the facts that we have filed. Moving forward, unless the documentation is present, any questions from the public should not be answered until the facts are compiled. Mr. Kearney added that this will give a more accurate representation to the people.

Mr. McDermott added that he believes that the regarding the EDU reductions for commercial properties that the right decision was made and the Board must stand its ground.

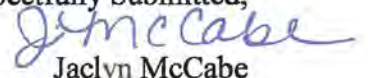
13. Chairman's Comments

Mr. Furrey stated that the Board needs to continue to look at connection fees and establish good policies which encourage new users to hook up to the system. Mr. Furrey added that the sewer system expansion must continue as well as upgrading the system so that it is sustainable. Mr. Furrey credits the MUA for working together and there is an incredible improvement which is positive. This is the direction the Board needs to go in and these are very bold steps addressing rates and issues with strides are being made.

14. Adjournment

Motion to adjourn the meeting at 9:07 pm was made by Mr. Pitsker, seconded by Mr. McDermott and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,



Jaclyn McCabe

Recording Secretary

Minutes Approves June 3, 2021

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462
May 20, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 5/20/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:02 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Appointments and Oath of Office

At this time Ms. Bright stated Mr. Shortway was to be sworn in as Alternate #1 of the MUA. Mr. Wenner administered the oath of office to Mr. Shortway.

5. Roll Call of Members and Professionals

The following members were present:

Paul Kearney
Dave McDermott
Kristin Wheaton
Harry Shortway
Andrew Pitsker

The following members were absent:

Michael Furrey

The following Professionals were present: Steven Benosky, Engineer; Rich Wenner, MUA Attorney; Donelle Bright, Administrator; Howard Lazier, Licensed Operator; Jaclyn McCabe, Recording Secretary.

6. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open to the public, which was seconded by Mr. Shortway, and carried by unanimous vote. Ms. McCabe and Ms. Bright informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Shortway made the motion to close to the public, which was seconded by Mr. McDermott, and carried by unanimous vote.

7. Approval of Bills: #21-32 Approval of Bills

Mr. Pitsker asked Ms. Bright with the bills being \$141,000 how the budget looks in comparison. Ms. Bright responded that it is sufficient.

Mr. Pitsker motioned to approve the bills, which was seconded by Ms. Wheaton and declared carried by Mr. Kearney upon affirmative votes of Mr. Kearney, Mr. Pitsker, Ms. Wheaton and Mr. McDermott, and Mr. Shortway.

8. Approval of Minutes:

a. April 15, 2021

Mr. Shortway made the motion to approve the minutes which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. McDermott, Ms. Wheaton, Mr. Pitsker and Mr. Shortway.

9. Resolutions: None at this time.

10. Subcommittee Reports:

a. PS2/Transfer Station Subcommittee

i. Asset Management Plan Force Main Evaluation

Ms. Bright reported that she is still working with the auditor, however, there has been a decision on how to calculate revenue from the transfer station. Ms. Bright will now set up a meeting with Mt. Creek to discuss the estimated numbers with them.

Ms. Bright reported that the force main along railroad tracks from PS2 were not evaluated. This main does not have pressure gauges and a pressure test cannot be performed. Mr. Benosky added that there is a 2-mile pipeline with no valves and no entry into the pipe except for at either end of the line which makes the assessment challenging for this force main. CCTV was attempted a few years ago and it was abandoned because of the difficulty and the limited distance it was able to travel. Mr. Benosky stated another way to perform the inspection would be to use a "coupon" method, or cutting out short section of pipe, and inspecting through the coupon. Mr. Pitsker inquired when the last time this pipe was walked for a visual inspection. Mr. Lazier responded that he has not inspected the pipe since taking over. Mr. Benosky added that a visual inspection would be a good starting point in the evaluation of the pipeline. Mr. Pitsker volunteered to walk the pipeline with Mr. Lazier and would like to schedule to do this as soon as possible. Mr. Pitsker asked what frequency is required for the visual inspection. Mr. Lazier responded that it was twice a year. Mr. Pitsker stated he has not heard of the pipeline being walked at all and a schedule should be put in place. Mr. Lazier and Ms. Bright reported that the railroad needs to be contacted to inform them that we will be on the railroad for an inspection. Mr. Shortway added that he was under the impression that the town bought the easement to inspect the line. Mr. Lazier responded that they still must be notified for safety purposes. Ms. Wheaton inquired if there was an easement and if the property is owned by the MUA. Mr. Shortway replied that the information would have to be looked into whether there is an easement or not. Mr. Shortway thanked Mr. Benosky for all the additional information as he has brought this issue up before never knew that an assessment was unable to be done. Mr. Kearney inquired that when the pipelines are walked are there reports on file. Mr. Lazier responded that he did not file a report when he did the inspection. Mr. Kearney added moving forward there needs to be documentation recorded and filed. Ms. Bright added this should be with annual/monthly maintenance records. Ms. Bright asked Mr. Benosky if a visual inspection would be beneficial since it does not show integrity of the pipe. Mr. Benosky added that a lot of what is being discussed is not going to be comprehensive for the length of the pipe but the "coupon" method would be something and give results. Mr. Kearney added that where he is employed a company was contracted to come and install sensors to look for issues. Mr. Benosky responded that there are two companies that he knows of, Ecologics and Pure Technologies, they give very valuable information but not less than \$75,000. Mr. Benosky stated that another idea would be low-tech leak detection, similar to inspecting water mains. Ms. Wheaton inquired if a pressure test was putting air into the line. Mr. Benosky answered that it would be hydrostatic water which is another logistical issue. For a new water or force main being installed it would typically be done with clean water to perform a hydrostatic test. Ms. Wheaton added leaks are a concern; however, pipe condition is also an issue. Ms. Wheaton continued that CCTV inspections will not give you wall thickness. High points on waste water mains are points of concern and coupon test will be able to show the levels. Ms. Wheaton inquired on the age of the pipes to which Mr. Benosky replied 1985; which is old but not ancient. Ms. Bright stated when the Town originally approved the asset management plan it was approved at \$140,000. Now we only are getting reimbursed for

\$105,000 from IBank, so there is ability for additional funds. If the bond ordinance is passed we would have to take out a loan for the pipeline. Mr. Shortway added that eventually the money will have to be spent and it should be done proactively. Mr. Kearney and Mr. Pitsker added that the pipe is not old. Mr. Pitsker inquired that integrity aspect has been brought up over the last year, however, where did that concern come from as the integrity of the pipe is good based on previous testing. Mr. Benosky responded that he believes that to be true. Mr. Kearney stated that since the pipeline is located next to the railroad tracks it could be more vulnerable and should be checked. Ms. Wheaton added that corrosive soils are a possibility, high points with hydrogen sulfide, crossings with other utilities, and opportunity for galvanic action; although the entire pipe cannot be inspected the areas with the highest activity should be done to collect data on the condition of the pipe. Mr. McDermott added that there is sonic testing for wall thickness in which they are looking for a depression in the pipe, this is time consuming but can be done. Mr. Benosky responded an ultrasonic thickness test on exposed areas can be done but there will not be a comparison point of what it is supposed to be since there are no records. Ms. Wheaton questioned if we "coupon" in problem area and one not in a problem will there be enough for comparison. Mr. Kearney asked Mr. Benosky how many "coupons" would be needed to cut out to which Mr. Benosky replied that three would be the best for an assessment. Mr. Lazier added that when the pressure gauge was installed it he was informed that the wall thickness was still satisfactory. Ms. Wheaton added that she is unsure of how the pipeline was built without air release valves and is installing them a project to consider. Mr. Benosky asked Mr. Lazier if he is aware of ball valves to manually open. Mr. Lazier responded that he is not and the one they thought was a ball valve turned out not to be one. Mr. Lazier added that when he did walk the pipe that he could not get down off the tracks because the ground was so wet. Mr. Kearney inquired on how was this pipe not included all along. Ms. Bright responded that it was originally included in the asset management plan and the former engineer put the force main specs together; this was before Ms. Bright was on and this could have been discussed but there is no documentation. Ms. Bright would venture to guess that Mott McDonald knew there was no gauges and it would be expensive to install. Mr. Lazier added that when he was speaking to previous employees that CCTV was tried and it did not work. Ms. Bright added that is why they did not add this main since they knew CCTV could not be done and there were no other ways to access the pipe. Mr. Pitsker inquired if the pipelines are epoxy lined or have any other particular properties. Mr. Benosky responded that he believes they are dutco iron cement lines. Ms. Wheaton asked if there was any protection shown on the plans and was informed that there is not. Ms. Wheaton added that one other option is to inject lithium into the line which is a unique process and can be detected in the line with a sniffer. Mr. Kearney added that is this was done with potable water years ago and is not used any longer. Mr. Kearney added that if this was something to consider it may need DEP permits and approval. Ms. Wheaton added that acoustic test has merit but problematically you need access areas to listen to the pipe. Mr. Shortway added that his major concern is that this pipe running through the largest aquifer in the whole Northeast, which was shown in the water studies, and chances cannot be taken. Mr. Kearney responded that this has to be done to prevent any future issues. Ms. Wheaton asked Mr. Benosky to put together a table on cost and benefits.

b. Sewer Service Area Subcommittee

Ms. Bright and Mr. Benosky met with the DEP Commissioner and the Assistant Commissioner as well as Senator Oroho. At the meeting they reiterated what the regulations are and they are not going to let us keep our existing SSA. Ms. Bright stated that what she and Mr. Benosky are looking for are what specific properties the DEP will consider to remain in the existing area. Ms. Bright added that the amount of time the engineers spend in going through the percentages on the blocks and lots gets costly and we need direction from the DEP. Ms. Bright was under the impression that this was the purpose of the meeting and before the end Ms. Bright received an e-mail for another meeting in June to hopefully wrap this up with the Assistant Commissioner. From now on any correspondence should include the Assistant Commissioner to ensure that this is followed up on. Ms. Bright requested that Mr. Benosky put together a map with the block and lots and then it will be reviewed for existing structures to carve as well as properties to be smoothed out. Also added was that Legends is currently vacant but it will eventually be purchased by a developer who will then have to do a habitat study to be able to enter into our SSA. The DEP did suggest that some municipalities split the costs so that the studies can be moved along. Ms. Bright stated she cannot say when this will be approved but we are moving in the right direction. Mr. Benosky stated he is hopeful that the Assistant Commissioner will be helpful in closing out the last steps. Ms. Wheaton inquired on why the DEP cannot just mark off a map with the properties they will not consider. Ms. Bright stated we were told we have the map with the red areas, which are ESA areas, and it was explained that they are not proven but they could be ESA areas and will be considered so until proven otherwise. Ms. Wheaton can understand it still may be a determination down the road; however, what is the harm of having the properties in our SSA and having the developer make that determination and do their due diligence. Mr. Benosky added that if the area is wet lands they would not be able to build. Ms. Bright added that some properties, like Weichert, half property is in ESA25, and it is all impervious but it may mean we have to carve out the existing structure to hopefully include impervious areas. Ms. Bright reported that the area along Black Creek Condos and Mt. Creek parking lot is a small percentage of the whole lot and some of the area and we will ask for the to be smoothed. Mr. Kearney inquired that original SSA was laid out and now they pulled back properties; if they were developed would they be able to pull them back. Ms. Bright responded that she had this conversation with Paul DeMuro last summer and he stated that they could have been considered ESA at the time but it was not reviewed in as much detail. Ms. Bright stated that it was alluded that our area is being scrutinized more since we are not participating in the county wide evaluation. Mr. Kearney asked if the MUA has to pay for every assessment to which was responded that the engineers must be paid for all the mapping. Ms. Wheaton requested what the next steps will be. Ms. Bright responded that in the next few weeks the properties for smoothing will be finished and hopefully the DEP will agree. Ms. Bright added that the properties on Alpine and Snow Shoe have only one approved by the Land Use Board, and the other three it is unsure if they can be included. Mr. Pitsker requested to know if there had been a previous agreement and discussion on this matter and take what we can get and move on. Mr. Pitsker added that this has been going on 2015 and we have lost business and funds because of the hogtying of the DEP. Ms. Bright responded that the discussion was to ask for the properties that could be smoothed out but no to ask for the large properties that the DEP will not agree to. Ms. Wheaton inquired if there will be a footnote for those areas or are they actually taking them out of the SSA. Mr.

Benosky responded that the hope is to have the SSA boundary moved in some locations. Mr. Benosky agreed with Ms. Bright that areas of high importance, as well as easier areas, should be compiled and presented. Ms. Bright informed that the perfect example is the Kelly Farm, the DEP wants the whole area removed, but there are existing structures and they will have to be carved out. Ms. Bright stated she would like to see this buttoned up by the end of June and have everything approved by the end of the summer.

c. Solid Waste/Stormwater Subcommittee

Ms. Wheaton stated no reports at this time.

d. Bylaws/Personnel Subcommittee

Mr. Pitsker reported that he, Mr. McDermott, and Ms. Bright are working on a clear model in the policy for the cost of connection fees; to add a model which would give a homeowner an estimate connection cost to reference. Mr. Pitsker added that when speaking to the auditor, he suggested that we may want to have a clear example of the estimated total costs for connection.

Mr. Pitsker added that they are still looking into personnel policies and that is not completed. Mr. McDermott added that there has been talk of this for a while and we had to wait to hear from legal. Now that we have we know where to go and we just have to document, vote, and finalize.

Mr. Pitsker added that the connection fees are being looked at and inquired if the evaluation should be done annually. Ms. Bright responded that it can be done annually to determine if the prices are competitive. Mr. Kearney asked what the goal in reassessing is. Ms. Bright responded that she has reviewed other towns in the Upper Wallkill System to see what their connection fees are. Ms. Bright added that the only other town that has a lower connection fee is Hamburg, which is half of what Vernon's is. Ms. Bright stated that she does not think the connection fee itself is the issue, but is the sewer fees associated with the EDU. The other towns, Franklin and Hamburg, for example, their EDU rates are half of what Vernon charges. Ms. Bright stated this will be our issue until we get SCUMA bills handled. Ms. Bright added that reevaluation of connection fees is a good idea as a lower connection fee may be more enticing for businesses to come to Vernon. Ms. Bright added that it also has to be more affordable for residential properties to hook up. The fees are calculated based on the debt for infrastructure; Ms. Bright has been working with the auditor on numbers and some items need to be tweaked; the Board would then decide the connection fee. Mr. Pitsker inquired about Sparta's fee is over \$6,000 to which Ms. Bright responded that it true, however, their annual fees are less than ours. Mr. Kearney added that it may be reasonable to wait to see what happens with the SCUMA bills before anything is altered. Ms. Bright added that the connection fee will change when expansion takes place and more infrastructure is put into the ground and creating more debt. Ms. Bright added a connection fee should always be reviewed and revolving within guidelines set forward by the state. Mr. Kearney inquired if payment is taken in full or in installments when a connection is made. Ms.

Bright responded that a payment is required to be made in full unless a hardship application was approved by a resolution.

e. Water Supply Subcommittee

Ms. Bright reported that she is still trying to work with Suez. Ms. Bright stated that there has finally been some guidance on the American Rescue Plan; Vernon should receive 2.1 million dollars and the ability to use it for sewer and water infrastructure. The Federal Government said it can be used to replace revenue lost due to Covid but Ms. Bright does not believe the statutes of the State of New Jersey will allow for that the way the budgets are set. Ms. Bright added that the best financial recommendation to the Township remains as sewer and water infrastructure. Ms. Bright reported that she received an email from State that they have created another office to oversee and ensure there is no misuse of funds. Additionally, the State cannot make it more difficult for us to obtain the funds.

f. Finance Subcommittee

Ms. Bright reported that the audit will be discussed at the next meeting. Ms. Bright, Mr. Pitsker, and Mr. Furrey will meet to go over the draft and the resolutions will be on the next meeting. Ms. Bright added that there were no recommendations on the audit.

11. Administrator/Licensed Operator Updates

Ms. Bright reported that the QPA is finalizing the RFP for Emergency Services. Sussex Borough has decided not to be part of the RFP so it will be posted once it is completed.

Mr. Lazier reported that he and the crew have completed the confined space training. Mr. Lazier also reported that Dave came back and went over additional information from the safety sheet and Mr. Lazier had most of it completed. The recommendation for additional stickers and signs was completed, however, he would like some wording changed which Mr. Lazier will complete. Mr. Lazier took inventory on the confined space equipment up to date; one piece of the harness needs to be changed since it is bent. Mr. Kearney asked Mr. Lazier for his assessment on Dave and the work he is completing. Mr. Lazier responded that Dave is excellent and very informative. Mr. Lazier added that the work is being done slowly but it is getting completed. Mr. Lazier added that the biggest issue is enclosing LeTequet. Mr. Pitsker inquired if that is on the Capital Budget List to which he was informed it is.

Mr. Bright reported that Sussex Rural Electric came out to give us a quote for generators and installation which we are waiting for. There was also another company that came out and we are awaiting a quote from them as well. The one quote that was received which would require a resolution since it exceeds the pay to play threshold.

Mr. Pitsker asked Mr. Lazier what the status of the control panels are. Mr. Lazier responded that one is done. Ms. McCabe added the other four panels are on backorder for at least 30 days. Mr.

Lazier added that once LeTequet is enclosed that the metal container be moved out of it so they do not have to keep climbing down inside.

12. Open to the Public for Items Not on the Agenda

Motion to open to public comments was made by Mr. Pitsker, seconded by Mr. McDermott, and carried via unanimous vote. Ms. McCabe informed there were no members of the public and she did not receive any correspondence to read into the record.

Motion to close to public comments was made by Mr. McDermott, seconded by Ms. Wheaton, and carried via unanimous vote.

13. Commissioners' Comments

Ms. Wheaton had no further comments.

Mr. Shortway had no further comments.

Mr. Pitsker had no further comments.

Mr. McDermott had no further comments.

Mr. Kearney requested the status of PS2. Mr. Benosky responded that the permits are almost ready to be filed. The first step is to get authorization from SCUMA for the permitting. Mr. Benosky asked if Mt. Creek needs to be presented with any additional information regarding to location or flow projections. Ms. Bright added she sent the flow projections to Mt. Creek with the revenue items. Ms. Bright will reach out to Mt. Creek to set up a meeting so that everyone is on the same page. Ms. Bright questioned if all information has to be added to H2 Loans. Mr. Benosky said he would find out what is required.

14. Chairman's Comments

15. Adjournment

Motion to adjourn the meeting at 8:19 pm was made by Mr. Pitsker, seconded by Mr. Shortway and declared unanimously carried by Mr. Kearney.

Respectfully Submitted,



Jaclyn McCabe

Recording Secretary

Minutes Approved June 17, 2021

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462
June 3, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 6/3/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:10 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Appointment and Oath of Office

- a. Scott Galway- Alternate #2

At this time Mr. Furrey stated Mr. Galway was to be sworn in as Alternate #2 of the MUA. Mr. Wenner administered the oath of office to Mr. Galway.

5. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Paul Kearney
Andy Pitsker
Dave McDermott
Harry Shortway
Scott Galway

The following member was absent:

Kristin Wheaton

The following Professionals were present:

Steven Benosky, Engineer; Rich Wenner, MUA Attorney; Donelle Bright, Administrator; Jaclyn McCabe, Recording Secretary; Robert McNinch, Auditor.

6. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open to the public, which was seconded by Mr. Shortway, and carried by unanimous vote. Ms. McCabe and Ms. Bright informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Kearny made the motion to close to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote.

7. Approval of Minutes:

a. May 6, 2021

Mr. Pitsker made the motion to approve the minutes which was seconded by Mr. Shortway and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott, and Mr. Shortway.

8. Discussion of the 2020 Audit

Ms. Bright reviewed the 2020 Audit and reported that the net position has increased from \$242,000 to \$659,000 which is a positive increase. The increase stems directly from the strict budgeting since 2020 which included restructuring, the shared service agreements with the Township, and being mindful on incoming and outgoing funds. Ms. Bright added that this is a 171% change in net position and there were not any findings on the audit.

Mr. McNinch added that it was a great year and three strong areas of finances, internal controls, and statutory/federal regulations resulted in a clean audit as there were no findings. Mr. McNinch added that reconciliation is performed timely and the checks and balances are compliant. Mr. McNinch stated that the resolution has to be filed with the State with the audit report. The Board must acknowledge the findings, in this case there are none, and provide the affidavit to the State.

Mr. Pitsker inquired if the debt was \$5.4 million and what the interest rate moving forward will be. Ms. Bright responded that notes were taken out and the interest rate changes annually, however, bonds will be taken out in July and the rate is unknown but were under 1% last year. Ms. Bright added that the debt service back to the Township is significantly less and now would be the time to go for permanent financing to lock in low interest rates.

Mr. Furrey questioned Mr. McNinch on what was done well during the year to result in these positive findings. Mr. McNinch responded that the monitoring of spending and reducing costs was the major contributor. Mr. McNinch suggested to review Schedule 3 which shows the areas of savings.

Mr. Shortway thanked the Commissioners and Ms. Bright for putting the VTMUA in line. Mr. Shortway added that this has been a sore spot in the community and he is glad to be back on track.

Mr. Furrey suggested that a press release be made to show the funds that the MUA has saved as a result of the strict budgeting. Mr. Furrey added that this should be advertised to the public.

Mr. Kearney questioned if this is the second year that the rates will not increase. Ms. Bright responded that she can not comment on the 2022 budget as of yet. Ms. Bright added that the SCUMA debt does not increase until 2023 and savings that were accrued went into the net position; this year a portion was used so that rates were not raised. Mr. Shortway added it is important to have a surplus so that it can be used when necessary.

Mr. Furrey asked Ms. Bright to speak about the funds that the Township will receive from the American Rescue Plan. Ms. Bright responded that around \$2.1 Million will be given directly to Vernon Township and they will be able to decide how to utilize the funds. Ms. Bright added that there has been guidance for municipalities, like ours, who will not receive the funds directly from the Federal government and will receive them through the State. Ms. Bright reiterated that it is up to the Township on how to spend the funds and it has been her recommendation to spend the funds on long-lasting water and sewer infrastructure.

Mr. Furrey asked the Board if a letter to the Town should be drafted to recommend utilizing the funds for the water and wastewater infrastructure. Mr. Furrey questioned, since the MUA does not own the asset, but are the managing entity, whether or not the recommendation should be made to the Town. Mr. Shortway responded that he does not think that a resolution will hurt and this is a one-time opportunity to increase the infrastructure without substantial debt and it will increase the sustainability of the MUA. This is an investment that has been tabled as there was not development being made in the past, however, now there is and the MUA wants to show the ability to invest in the infrastructure where necessary. Mr. Shortway added that this will not add debt to the Township side and noted that the MUA cannot take debt and do not own assets; the only receivables are the rates.

Mr. Pitsker added that this is a great idea but there needs to be more information on what the funds are intended for in order to give the Council and Mayor the best understanding possible. Mr. Shortway responded to recommend on what areas to focus on specifically to utilize the funds. Mr. Pitsker agreed with Mr. Shortway and stated talking points should be established on what is needed for specific locations and intentions. Mr. Furrey asked Mr. Shortway and Mr. Pitsker if it would be prudent to have another meeting with the Town and let them know the position of the MUA and what recommendations the MUA has. Mr. Furrey added that the trend in most other towns is to use the funds for water and wastewater infrastructure. Mr. Shortway responded that he agreed and that the MUA needs to have bulleted points on what they want to present.

Mr. Furrey questioned if Mr. Benosky should be authorized by the MUA to a draft water and wastewater plan. Mr. McDermott added that although \$2.1 million is a large amount of money, as far as infrastructure goes, it will be used quickly. He suggested to put the bullet points to projects that can be completed with the funds received rather than start something new. Mr. Kearney added that he agreed with this as he does not want to start a project and then run out of the money before completion. Mr. Shortway stated there needs to be a project priority list in the future based on how the engineer guides the MUA.

Mr. Pitsker inquired if there are other funds available for fresh water. Mr. Shortway responded that fresh water funds can be obtained through the USDA, however wastewater funds are more difficult to obtain. Mr. Pitsker added that we are looking to do fresh and wastewater and to complete one project at a time and to use the funds to cover the project with the highest priority. Mr. Furrey requested Mr. Benosky to work on a document for a priority list of Capital projects to present to the MUA for review and then be added to the presentation for Town Council. The list does not have to be an exact list of spending, but a strong recommendation of how to utilize the funds. Mr. Shortway added that the priorities should be on what will give long term sustainability to the rate users and tax payers. Mr. Furrey inquired if a resolution needs to be presented or if a recommendation in the form of a letter would be sufficient. Mr. Shortway asked Mr. Wenner if an informal memo would be acceptable. Mr. Wenner responded that a memo will serve the same purpose as a letter and to add details supporting the memo. Mr. Shortway added that there should be a resolution for Mr. Benosky to start work on the plan. Mr. Wenner added

that a resolution should be made and passed as this goes above and beyond the normal fees. Mr. Pitsker added that while this is being done to draft a letter of intentions to the Mayor and Council so they are aware of the recommendations that the MUA will be presenting. Mr. Shortway added communication is key. Ms. Bright reported that she has been in communications with the Mayor and Administration on the recommendations for the utilization of the funds. Mr. Pitsker asked Mr. Benosky how long it would take to compile a priority list. Mr. Benosky responded that a list can be as comprehensive as we would like them to be and that it may be helpful for the Board to list ideas so that nothing is left out; this can take a month or more. Ms. Bright stated she will put together a list of points that were discussed. Mr. Pitsker added that all the details do not need to be listed just the big picture. Mr. Shortway inquired if using the \$2.1 million will help with leverage to obtain IBank or USDA money. Mr. Furrey stated that he does not believe it will help with leverage as if it is a legitimate project there is not usually an issue obtaining funds from IBank. Mr. McNinch responded that it is a straightforward process and this is a good time to apply for funds that have favorable rates.

9. Resolution: #21-33 Audit Resolution and Affidavit

Mr. Mc Dermott made the motion to approve Resolution #21-33 which was seconded by Mr. Shortway and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott, and Mr. Shortway.

10. Work Session

a. Old Business

i. Discussion on Connection Fees

Ms. Bright reviewed that Mr. McNinch was requested to put together sewer connection rate study to determine a ceiling for the rates. The Board can determine the rates and this can be reviewed annually. Mr. McNinch stated this is the onetime fee to connect based on statutory formula which takes the infrastructure debt divided by number of EDU's and this gives ceiling; which is the maximum amount that is able to be charged. Mr. McNinch added that many entities do charge the maximum but there are many that do go below, which is not uncommon.

Ms. Bright asked the Board to refer to Exhibit A for each portion of the debt service that is included with the connection fees. Mr. Pitsker asked if the first line on page 71 is the SCUMA line. Ms. Bright reported that this is the amount that SCUMA has been paid on the debt service. Mr. Pitsker inquired if this was based on 2021 and if the amount be higher. Mr. McNinch added that this is typically reported two years behind so the figures being used are up to 2019 due to the availability of the financial information. Mr. Pitsker added that this may be good information, the breakdown of the connection fees, to be added to the website. Ms. Bright responded that this is a draft report and is the ceiling of what the fee can be and the Board would decide what the rate is. Mr. Furrey questioned if anything can be done about the SCUMA connection fees to which he was told there cannot. Mr. Furrey stated the only option is to reduce the Township connection in order to make the connection fees more affordable. Mr. Furrey questioned if the reduction of connection fees would have a large financial impact on the MUA. Ms. Bright answered that in the past few years the MUA has not received a substantial amount of connection fees as many of the customers are already established. Ms. Bright added that this year \$15,000 was received in connection fees that was not anticipated in the budget which helps the net position. Mr. McNinch added that there are times of new construction, however, you can not anticipate connection fees in the budget as there can be delays.

Mr. Furrey asked the Board for opinions on reducing connection fees. Mr. Shortway responded depending on finances are, if it will project stimulated growth, and old connections will see savings over time, that it will be worth reducing the connection fee. Mr. Shortway inquired if there were to be a new developer if a PILOT program could be negotiated to include the MUA connection fees. Mr. Wenner responded that PILOTs usually apply to the improvements themselves and does not believe that the law allows it to apply to infrastructure. Mr. Wenner added that often times there are contractual agreements that you can draw up negotiating connection fees. Mr. Furrey added that this is not a pressing issue and, as a Board, in the future, can discuss connection fees can be reduced. Mr. Kearney added that he would like to see an estimated projection of what reducing fees will do to the budget. Ms. Bright stated she will complete an analysis on the impact of reducing connection fees for vacant properties. Mr. Furrey added his opinion that if we would like to attract new development then the fees must be reduced. Mr. Kearney added that he is inclined to reduce the fees but he would like a forecast of reductions before he decides. Ms. Bright clarified that the analysis that is being requested is for the sewer service area as it is now without the expansion and how a reduction can alter revenue. Mr. Kearney responded that is was he is looking for as an expansion is not always a guarantee especially with the DEP changing plans frequently. Mr. Shortway suggested to show different scenarios to see where this can lead the MUA in the future. Mr. McDermott added that an analysis will help lay out the facts before voting and also have a documented basis on how the decision was made. Ms. Bright stated that she will put together an analysis using vacant properties that are not currently connected in the exiting sewer service area as a forecast can not be made with current business that could potential change usage.

Mr. Kearney asked if a hardship was sought after would the connection fee be the same as a one-time payment. Ms. Bright responded she will review what has been done in the past. Ms. Bright added that many times with utilities that there is a reduction for the connection if done within a certain period of time. Mr. Kearney added that obtaining the connection fee over time is positive; an incentive to connect would be a reduction in fees for a one-time payment. Ms. Bright stated that a financial analysis will need to be completed to ensure the capital costs are covered but having more connections will add additional flows to combat the SCUMA bills. Mr. McDermott suggested to look at the meeting from 4/15/21 and to do a survey of other towns fees. Ms. Bright responded that she completed the survey and was discussed previously and Hamburg is the only other town that has a lower connection fee. Ms. Bright added that they other towns had higher connection fees but their annual rates were nearly half of what Vernon charges. At this time, because of the massive SCUMA bills, rates cannot be decreased and reducing the connection fee may make connections more attractive. Mr. Furrey stated that ultimately the Board should try to restructure policy on connection fees. Mr. Pitsker stated he disagrees that the connection fees should be reduced, as you can negotiate connection fees with business and the fees are competitive; the real issue is the sewer rates being so high. Mr. Furrey and Mr. Kearny stated they agree with Mr. Pitsker; however, they are separate issues that need to be explored. Mr. Pitsker reiterated that he does not agree they are two separate issues. Mr. Pitsker stated that connecting to the sewer system is a value to the customer, as they do not have to maintain a septic system, and fees should not be reduced until an expansion. Mr. Kearney stated that both issues can be addressed, however they are separate. Mr. Kearney added that he understands that connection fees are a source of income but some people cannot afford the high connection rate and smaller amounts may be more manageable. Mr. Pitsker added that our rates need to be addressed and we should not be talking about a reduction in connection fees until there is an expansion as there are not many connections at this time. Mr. Furrey stated to have Ms. Bright put together the analysis on rates and connections and see what the financial impact will be. Mr. Shortway added that businesses need to be attracted to our current sewer service area which will be more EDU's and rates will be able to be adjusted. Mr. Shortway added we will need the help of the Township to obtain more businesses in Town Center as there are 14 vacant lots at this time. Mr. Furrey stated the numbers will be studied and this topic will be revisited.

11. Administrator/Licensed Operator Updates

Ms. Bright reported that regarding Mt. Creek, and the pump and transfer station, she spoke with Scott Baldasano and went over the specs for the pump station. Ms. Bright reviewed that we would not build out to max capacity as it would be too large. However, the size proposed would leave room for future development. Ms. Bright stated that meeting went well and she also gave general info on the possibility on a transfer station in the future. Mr. Benosky stated that Mt. Creek was on board with the projections for the pump station.

Ms. Bright reported on the force main evaluation; Mr. Lazier is going to obtain information from JEM Electric on the electric check valves to see if we can shut them off for an inspection. Ms. Bright added that since the pipes are different materials that the "coupon" inspection may not be a good indicator on the integrity of the pipes.

Mr. Benosky discussed that the "coupons" were originally discussed as the type of inspection; however, the design plans indicate that the pipeline is ductile-iron pipe, the most common, and the crossings are steel. Mr. Benosky added that the inspection on the steel pipe wouldn't apply to the rest of the pipes. Mr. Benosky continued that the reason Mr. Lazier is looking into the check valves is that essentially, we are thinking about inspecting at the highest elevation to the discharge pump station. This area is relatively easy to excavate and it may be possible to take a "coupon" or CCTV of this area. The issue with the valve is keeping the sewage in the pipe all the way up and it is easier if the valves can be opened to reverse to the wet well for better evaluation. Mr. Furrey asked Mr. Benosky if it would be a good idea to do a pressure test. Mr. Benosky responded that since it is only on 10,000-foot pipe and the longer the pipe the less conclusive the test it; if a leak is found it would be difficult to locate it. Mr. Furrey asked if putting a valve halfway down the pipe would be beneficial. Mr. Benosky stated that the complication there is that the pipe is 6-feet off the railroad track and excavating there is dangerous. Ms. Bright stated that JEM will be out next week to look at the electric valves and the decision can be made on how to inspect.

Ms. Bright reported that all the blocks and lots were reviewed that the DEP removed from the expanded sewer service area. Ms. Bright stated that we are asking the DEP if they will smooth out properties with a low percentage rate removed, properties with prior land use approval and the properties which are adjacent, and properties to be carved out if they have an existing structure. Paul DeMuro sent a small list of properties and reported that his list was not yet completed, that was May 21. Ms. Bright added that we gave our list on May 26 and was informed Mr. DeMuro was on vacation. Another meeting with Mr. DeMuro is scheduled for June 8th. Mr. Furrey questioned why the meeting with the Commissioner did not motivate Mr. DeMuro to complete the project. Ms. Bright responded that we did obtain a small list but it is not completed. Mr. Furrey asked for an explanation on what needs to be done in order for the to be completed. Ms. Bright added that she will include the Assistant Commissioner on the e-mails so that he is aware that this is not being finalized. Ms. Bright stated that she has asked the DEP for clear direction on what properties that they are willing to smooth; since the list given to us was not completed, it was completed by Ms. Bright and Ms. McCabe and sent to Mr. DeMuro for review for June 8th. Mr. Furrey asked if it be requested that Mr. DeMuro be removed from the project and have a new represented assigned to the case as nothing is being completed. Mr. Shortway suggested that this be brought to the Federal level, as the DEP received federal funds, to finally achieve a solution to this. Mr. Shortway will reach out via phone to see what can be done at the Federal level. Ms. Bright stated she will update again after the meeting on June 8th.

Ms. Bright reported that the Capital list is updated and is mostly complete; pending items out for delivery. Ms. Bright stated that a free training was given for the Muffin Monster, no maintenance is needed except or the occasional grinder replacement. Ms. Bright added that the current screens are working properly and we do not need any additional backups. Ms. Bright reviewed that the current lift stations have Sulzer pumps, which do not go in reverse if they are clogged, and requested to know if

they should start being replaced by the Zoeller pumps, which reverse. Replacing the pumps would be an investment up front, however, they will not need to be replaced as often. Mr. Benosky stated that the non-reversing pumps are not a preferred situation and that a pump which reverses is more desirable. Ms. Bright will continue working on this with Mr. Lazier and if this is the route that will be taken it will need a formal resolution.

Ms. Bright advised that the RFP is almost completed and only minor changes need to be made. One contractor has reached out and Ms. Bright sent over the contact information.

Ms. Bright added that the safety review and confined space are being completed. Mr. Lazier is now the official Confined Space Coordinator for the entire Town including the MUA.

Mr. Pitsker inquired on the budget on the Capital expenses and the cost of the Zoeller pumps. Ms. Bright responded that the budget is significantly lower, however, two pumps are needed for each station.

12. Open to the Public for Items Not on the Agenda

Mr. Shortway motioned to open to the public for items not on the agenda, which was seconded by Mr. Pitsker, and carried by unanimous vote. Ms. McCabe and Ms. Bright informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Kearny made the motion to close to the public for items not on the agenda, which was seconded by Mr. McDermott, and carried by unanimous vote.

13. Commissioners' Comments

Mr. Pitsker commented that he is proud of the audit and the savings are outstanding. He added that he is happy with the detail of the reports. Mr. Pitsker asked Mr. Benosky for a project timeline on PS2. Mr. Benosky responded that it was discussed today and the original goal was not met but it is hopeful to be completed next week. Mr. Benosky added that he personally wanted to confirm acceptance from Mt. Creek which has happened and can now move forward.

Mr. Shortway welcomed Mr. Galway to the Board. Mr. Shortway commented that he appreciated the Professionals and Commissioners for controlling the finances and the outstanding report.

Mr. Kearny had no further comment.

Mr. Galway commented he is happy to be here and appreciates the opportunity to be part of the Board.

Mr. McDermott commented that the funds from the American Rescue Plan should be used to complete a full project.

14. Chairman's Comments

Mr. Furrey had no further comments.

15. Resolution: # 21-34 Executive Session

Mr. Pitsker made the motion to move to Executive Session, which was seconded by Mr. Kearney. Mr. Furrey declared carried upon the affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, Mr. Shortway, Mr. Furrey, and Scott Galway.

Mr. Pitsker made the motion to move back to the regular meeting, which was seconded by Mr. Shortway. Mr. Furrey declared carried upon the affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, Mr. Shortway and Mr. Furrey and Mr. Galway.

Mr. McDermott made the motion to approve Resolution #21-35, Authorizing the Initiation of a Lawsuit Against Sussex County Municipal Utilities Authority, seconded by Mr. Pitsker. Mr. Furrey declared carried upon the affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, Mr. Shortway, and Mr. Furrey.

16. Adjournment

Motion to adjourn the meeting at 9: 05 PM was made by Mr. Shortway, seconded by Mr. Pitsker and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,



Jaclyn McCabe

Recording Secretary

Minutes Approved July 1, 2021

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462
June 17, 2021 AT 7:00 P.M.

These minutes are a synopsis of the meeting that took place on 6/17/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:01 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following members were present:

Michael Furrey
Paul Kearney
Andy Pitsker
Dave McDermott
Kristin Wheaton
Harry Shortway
Scott Galway

The following Professionals were present:

Steven Benosky, Engineer; Rich Wenner, MUA Attorney; Donelle Bright, Administrator; and Jaclyn McCabe, Recording Secretary; Howie Lazier, Licensed Operator

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Kearney motioned to open to the public, which was seconded by Mr. McDermott, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Pitsker made the motion to close to the public, which was seconded by Mr. McDermott, and carried by unanimous vote.

6. Approval of Bills: #21-36 Approval of Bills

Mr. Pitsker inquired about the lumber that was purchased. Mr. Lazier replied it is for a workbench at PS3.

Mr. Pitsker made the motion to approve the bills which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott, and Ms. Wheaton.

7. Approval of Minutes:

a. May 20, 2021

Ms. Wheaton made the motion to approve the minutes which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott, and Ms. Wheaton.

8. Resolutions: #21-37 Authorizing Submission of NJDEP Permit

Mr. Pitsker made the motion to approve resolution #21-37 which was seconded by Mr. Kearney and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott, and Ms. Wheaton.

9. Subcommittee Reports:

a. PS2/Transfer Station Subcommittee

Mr. Benosky stated that the preliminary plan specific to pump station is ready to go to the DEP for the treatment works approval permit. The documents, as they are now, are not ready for bid documents; the permit process takes three months during which time the plans can be fine-tuned to go out to bid. Mr. Benosky added that a wetlands investigation was completed and there are no wetlands found. Mr. Benosky stated that a survey of the area and pipe elevation was done on Wednesday to ensure accuracy. As far as transfer station we have not advanced and there has been no communication from Wind River with the guidance they were going to give; additionally, the letter of objection from the DEP is a factor we may not be able to overcome. Mr. Furrey asked Mr. Benosky if the application must be signed by himself and Mt. Creek. Mr. Benosky replied that a signature from property owner has been inserted on the permit. Mr. Furrey also questioned if SCUMA needs to give approval. Mr. Benosky answered that he has stated for a number of years he has obtained approval; however, upon reading further it is only required for new connections, which we do not have. Mr. Furrey stated he will sign off on the permit tomorrow. Mr. Pitsker questioned if there is a finance plan in place. Ms. Bright responded that there is a plan in place and the bond council has been spoken to. Ms. Bright added that a bond ordinance will need to be passed on the Township side which will be done once the permit is done. Mr. Pitsker inquired on what the cost of the bond ordinance will be to which was answered the full dollar amount of the project. Mr. Pitsker inquired if there is any grant money associated with this project. Ms. Bright answered that we have the asset management plan that was approved through IBank; the loan of \$105,000 will be the principle that is forgiven provided

that we move forward with an approved project through IBank. Ms. Bright answered that debt is being issued so an ordinance is still needed.

Mr. Benosky added that one of the forms for DEP lists construction cost used to determine permit fee; this is supposed to be the construction cost and can fluctuate. Mr. Furrey added that when the application is completed it will be distributed to the Board.

b. Sewer Service Area Subcommittee

Mr. Pitsker stated that his opinion on this subject is that the DEP has taken a project and has made a lifetime career out of it. Mr. Pitsker added that this was a short-term project and the small pieces of properties being excluded is now becoming trivial.

Ms. Bright reported that Mr. Pitsker and Ms. McCabe were in attendance during the meeting with the DEP. Ms. Bright stated it was her understanding that this meeting was to obtain clear direction based on what was advised in the previous meeting. Ms. Bright added that during the meeting she requested to go through the properties to which she was told that they did not have time to do that. Ms. Bright questioned whether or not there was a certain percentage rate of area removed being used to determine smoothing; there was no answer to this question. Ms. McCabe reviewed all the block and lots with a small percentage rate removed and this was sent to Mr. DeMuro in advance for review; however, there was no communication between Mr. DeMuro and his Supervisor and no response given. Ms. Bright reviewed that one of the areas which was discussed was the Weichert Building and the property next to it; the response to these properties was since they are commercial and share an owner the DEP will not smooth the line. Ms. Bright reported that she took photos of areas which were being removed to show roadways that were dividing properties and existing development to send to the DEP. Additionally, during the meeting each time a property was mentioned Mr. DeMuro was told to consult the regulations and no approval was given. Mr. Furrey questioned how the stonewalling can still be continuing after the previous meeting with Senator Oroho and the Commissioner. Mr. Furrey requested that Ms. Bright draft a letter to the Governor, and also speak to the Mayor about drafting a letter, to bypass the DEP Commissioner. Mr. Furrey stated he has a meeting with the Mayor tomorrow and he will discuss this matter detailing the economic impact this is having on the Town. Mr. Furrey added that the DEP should come out and look at the properties instead of relying on old maps. Mr. Furrey stated that money cannot be continued to be spent without any progress. Mr. Benosky stated that the lack of communication between the levels of staff at the DEP, as well as the disagreements occurring, were surprising. Mr. Benosky added that his opinion was Mr. DeMuro was trying to ask for compromise; when Mr. DeMuro asked for input from management nothing was answered unless he was told to review the regulations. Ms. Bright added that the DEP asked why we are pushing so much to save the properties to which Ms. Bright responded that we are pushing for the developers and property owners to have the areas which were originally approved. Mr. Benosky reported that it was said that Vernon has not expanded in the last 13 years so why is this needed now. Ms. Bright stated that over 800 homes have been sold since April 2020, Vernon is expanding, and this needs to be approved. Mr. Furrey stated that it is now time to rely on political influence as all other options are exhausted. Mr. Furrey added that it is time to focus on Town Center and add infrastructure.

c. Solid Waste/Stormwater Subcommittee

No reports at this time.

d. Bylaws/Personnel Subcommittee

No reports at this time.

e. **Water Supply Subcommittee**

Mr. Furrey reported that himself, Mr. Shortway, and Ms. Bright have a meeting with the Mayor tomorrow to discuss infrastructure projects and how best to spend the funds from the American Rescue Plan. Mr. Furrey added that in terms of water system infrastructure one consideration is the possibility of water in the area of Town Center and getting water from Suez to develop the area. Mr. Furrey stated that this may be possible using the funds from the American Rescue Plan or IBank to develop this system. Suez and BSJ have supplied information on how to develop this and what the costs will be. Mr. Furrey asked for input from the Board on keeping the franchise area and bringing water to town center. Ms. Wheaton responded that she agrees to control the franchise area. Mr. Shortway added that if we become a customer of Suez we will then sell the water to the rate payers and keep the franchise area. Furthermore, if the lines for water and wastewater run in front of a property they are required to hook up creating more rate payers. Mr. Shortway added he has never been able to find the water study and is unsure if there is enough water to sustain and create enough wastewater. Ms. Bright reported that Aqua, the other water company, has wells in Highland Lakes so they may be a possibility as well. However, Ms. Bright was thinking to go with Suez since they are close to Legends in the event that it gets developed. Mr. Furrey stated that with the funds from the American Rescue Plan, if we are able to add infrastructure, Suez may take this more seriously and then work on an agreement with them. Mr. Kearney added that communities purchase water from his company and then sell it at 5-7x the cost of what they paid and this is a very common practice. Mr. Pitsker added to look at this as a business plan and make projected operation costs; however, what will happen when we start charging the rates for water and sewer using EDU and metered water. Mr. Kearney responded that water is usually metered since you cannot estimate it as water usage is abused. Mr. Kearney added you can then revert back to what is going in and what is coming out and it may be the possible point of changing the sewer calculation. Mr. Furrey added that the operation costs are going to be: installing meters, laying pipe down, service lines to the properties, service meters at individual locations, and minimal water testing requirements. Mr. Pitsker added that operation costs also need to be included such as man power, service, and maintenance. Mr. Furrey added there will also have to be valve operation and hydrant flushing and a water distribution operator. Mr. Furrey suggested that Mr. Lazier could obtain his water distribution license and be both the operator for water and wastewater. Mr. Kearney added that even if Mr. Lazier obtained his license that during the first year there would need to be a separate operator as the licensed operator must have at least one-year experience. Mr. Furrey noted that a plan must be in place and an engineering study done to determine cost.

f. **Finance Subcommittee**

Mr. Pitsker stated that this has been a team effort in controlling costs and there is significant improvement. Mr. Pitsker added that we have not raised rates for 2021 which is an accomplishment. Mr. Furrey stated the entire MUA should be proud that this has been accomplished.

10. Licensed Operator Update

Mr. Lazier stated that himself, Mr. Pitsker, Ms. Bright, Ms. McCabe, Mr. Benosky, and the rest of the MUA crew, walked the railroad line to inspect the force main. During the review nothing of significance was noticed. Mr. Lazier spoke with SCUMA about the 6-inch pipe and was informed it was their line that fed water, it is capped off because it froze one year, and the railroad cannot remove it.

Mr. Lazier reported at PS1 it was noticed the eye wash needed to be changed so it was taken to McAfee Hardware to be replaced. Also, on 6/8/21 there was a power outage. At PS2, Mr. Lazier and JEM Electric replaced the transfer switch and now it runs everything on a daily basis instead of just the pumps. At PS3 the wood was delivered to build the bench in order to complete projects. Mr. Lazier added that at the lift stations the only item to report is the power failure on 6/8/21. Mr. Furrey inquired about the power failure at PS2, since the transfer switch failed, if the generator kicked on. Mr. Lazier responded that it did start but it blew the transfer switch when it started. Mr. Furrey asked if there were any operation issues without the power; to which was responded there were not as the power came back on within a reasonable timeframe.

Mr. Lazier gave updates on the panels which are still on backorder with an estimated delivery of 6/24/21. Dave came in and made new MSDS sheets for all three pump stations. The bioxide was shut off and will be delivered the week of 6/28/21 from the supplier. Mr. Lazier added that two more vendors came out to give estimates on the railings, PM Welding and Weber Welding, Weber gave a verbal quote of around \$11,500. Finally, the winch is installed at PS1. Mr. Furrey question if PS2 is operating correctly and Mr. Lazier informed no issues have been noted.

Mr. Pitsker asked about updated lists for capital improvements. Ms. Bright responded that the winch was installed and that other items are ordered but have not yet been delivered. Ms. Bright also noted that the davit system has been finalized and will be ordered. Mr. Pitsker added we are halfway through the year on capital expenditures and we have more than half of the budget left; it was talked about cleaning up PS3 or should back up pumps be purchased with the funds available. Ms. Bright stated that she has spoken with Mr. Lazier about changing the pumps out with the Zoller pump which we have at Black Creek. Mr. Furrey added that replacing the pumps should be done. Ms. Bright stated she will get quotes on the pumps and a resolution will be needed as the dollar amount is over the pay to play threshold. Mr. Lazier reported that this pump goes in reverse to kick out any debris and then reverts back on the next cycle. Mr. Lazier recommended that we do one lift station at a time to ensure proper function. All members agreed.

11. Administrator Update

Ms. Bright updated that the RFP for emergency services, which we have been working on, was not recommended by our QPA. The QPA, after talking to the State, recommended that we obtain informal quotes and to use companies that may be able to handle parts, if not all, of what services we need. Ms. Bright will work on the dollar amounts and who to call for emergency services.

Ms. Bright noted that a local finance notice was received on water infrastructure. The state gave guidance ad paperwork on how to request the funds. Additionally, another update is that now the funds need to be expended by 12/31/2024, which gives time to plan on how to spend the funds.

Ms. Bright discussed the draft report on connection fees reviewing that is the ceiling number; the Board needs to address the rate using that number as the maximum charge allowable. In the report, Mr. McNinch added the breakout debt of how the ceiling was calculated and all or some of the debt can be used to calculate the connection fee. Ms. Bright added possible connections for comparisons; however, that is hypothetical as predictions cannot be made about expansion and new business. Ms. Bright added a low-end average, a median average, and broke down what it will cost for business to come in to Town; using not only our fees but the SCUMA fee as well. Ms. Bright stated she also included a rate reduction so you can see affects. Mr. Furrey stated that this will be reviewed and discussed at the next meeting. Ms. Bright stated in 2012 resolution #12-02, the MUA did reduce connection fees for 50% of connection

fee, if paid in the first year. This would be for expansion connections, not new connections, if the Board decided to do something of this nature. Mr. Furrey added that the paving of Rt 94 may have significant impact on our operations if there is a possible 5-year moratorium on digging up the road. Ms. Bright stated she reached out to Mr. Benosky if there is a moratorium or advanced notice that should have been given by the DOT, which was not received. Mr. Furrey stated we need to look into this as we may be making efforts in areas we cannot use. Mr. Kearney stated this is a moot point as we could not appeal for them to delay as we don't have any concrete plans. Mr. Furrey stated that Mr. Benosky obtain the information related to this.

Ms. Wheaton thanked Ms. Bright for the written reports in advance as they are extremely helpful. Ms. Bright responded that she was hopeful that the reports would be useful to review the ongoing projects in advance.

12. Open to the Public for Items Not on the Agenda

Mr. McDermott motioned to open to the public for items not on the agenda, which was seconded by Mr. Pitsker, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. McDermott made the motion to close to the public for items not on the agenda, which was seconded by Ms. Wheaton and carried by unanimous vote.

13. Commissioners' Comments

Mr. Pitsker commented that the reports from Ms. Bright and Mr. Lazier are helpful to keep everything on track. Mr. Pitsker added he is impressed with the organization and was happy to see the laminated maps while walking the line; keep up the good work.

Mr. McDermott commented he is happy with the shape Ms. McCabe has the MUA office in.

Mr. Kearney commented that he would like to put on the website all of the work being done and show what Ms. Bright has accomplished. Mr. Kearney asked if there was a way to put it in the paper or the Township page so that it reaches more people. Ms. Bright stated she will contact the mayor to see if it can be linked to the Town Facebook page. Mr. Furrey stated he will speak to the Mayor tomorrow.

Ms. Wheaton commented that during the AEA area check-in there is pending litigation, The Rich Bill, which enables special panels to transition from public to private utilities. Mr. Furrey stated he is aware of this and that the bill has been pulled due to opposition.

Mr. Shortway no further comment.

Mr. Galway commented he is appreciative for the help he has received. Mr. Furrey stated if Mr. Galway would like a tour to reach out as it is important to see.

14. Chairman's Comments

Mr. Furrey made the following statement:

I am proud to announce that the VTMUA had its detailed financial audit for 2020 review completed last week and that we have improved the fund balance and are managing the cost of operations in an effective manner that is responsible and professional.

I want to highlight three key areas related to the MUA:

1. MUA Financial Achievements

Some accomplishments include;

1. No rate increases in 2021 to Users.
2. An improvement in net position, which in fact is a cost savings.
 - a. \$242K in 2019 Net position improvement
 - b. \$416K in 2020 Net position improvement
 - c. Therefore, giving us a full net capital gain of \$658K as of the close of the 2020 year.

VTMUA continues to control cost while making capital improvement that keeps the system operational and developing preventative programs to avoid breakdowns. The current Commissioners along with Donelle Bright, MUA professionals and all MUA staff have done an outstanding job of managing the system while developing plans to secure future improvements and growth so as to stabilize cost and improve service. The amount of work completed by the VTMUA Administration and Commissioners only shows what can be achieved when project management and communications work.

2. Sewer Service Area Map System Expansion:

Which brings me to an Issue of Growth and cost concerns with the VTMUA. We have an Economic detractor in regards to the NJDEP way of working. The DEP Environmental team and our Sewer Service Area Expansion plan that has been in limbo and paralysis due to DEP's inability to give closure to this project started back well before 2015. Going forward, THE VTMUA has a lot to do if we are going to expand the system and make the system pay for itself. But they, meaning the DEP has paralyzed the Sewer Expansion area since 2015.

The DEP's slow response along with lack of field visits has basically tied VTMUA from expanding the system and therefore is impeding Vernon to grow economically.

We have been working with our local political representatives to work more diligently and effectively to close out this Sewer Expansion process so Vernon can reduce the cost to rate users by expanding our base in the future and also stop the exorbitant cost of multiple engineering reviews and slow process they have pressured us with since 2016.

We have probably spent well over 100K in engineering time since 2016 in trying to work with the DEP in finalizing this map. It is time to get it done DEP and stop wasting taxpayers' money and holding Vernon's hostage on any potential Economic growth.

We will explore every avenue to get the best funding and meet our towns needs whether it is with the American Relief Plan or NJDEP I bank funding sources.

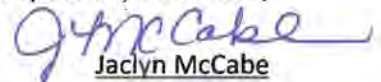
3. SCMUA lawsuit

The details of lawsuit are in the complaint filed to the courts with the approval of the MUA will be posted on the VTMUA website. Please call us if you have questions.

15. Adjournment

Motion to adjourn the meeting at 8:29 PM was made by Mr. McDermott, seconded by Ms. Wheaton and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,



Jaclyn McCabe

Recording Secretary

Minutes Approved July 1, 2021

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462

July 1, 2021

These minutes are a synopsis of the meeting that took place on 7/1/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:00pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Michael Furrey
Paul Kearney
Andrew Pitsker
Harry Shortway
Scott Galway

The following Members were absent:

Kristin Wheaton
Dave McDermott

The following Professionals were present:

Donelle Bright, Administrator; Rich Wenner, MUA Attorney; Steve Benosky, Engineer; James Schappell, Engineer; Howard Lazier, Licensed Operator; Jaclyn McCabe, Recording Secretary.

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Kearney motioned to open to the public, which was seconded by Mr. Shortway, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Shortway made the motion to close to the public, which was seconded by Mr. Kearney, and carried by unanimous vote.

6. Approval of Minutes:

a. June 3, 2021

Mr. Shortway made the motion to approve the minutes which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furry, Mr. Kearney, Mr. Pitsker, Mr. Shortway, and Mr. Galway.

b. June 17, 2021

Mr. Pitsker made the motion to approve the minutes which was seconded by Mr. Shortway and declared carried by affirmative votes of Mr. Furry, Mr. Kearney, Mr. Pitsker, Mr. Shortway, and Mr. Galway.

Mr. Furrey inquired if meetings should begin to be in person, kept virtually, or a hybrid model. Mr. Kearney responded that he is open to all options. Ms. Bright stated all the hardware to have hybrid meetings should be ready by the beginning of August; with full hybrid meetings established by the second meeting in August. Mr. Kearney inquired what a hybrid model consists of. Ms. Bright responded that there are municipalities who are currently using a hybrid model; Commissioners, Professionals, and the public would have the option to come to the in-person meeting or to attend via Zoom. Mr. Shortway asked if the mask mandate is currently still in effect at the Municipal building. Ms. Bright answered that it is and with social distancing guidelines a maximum amount of 20 people can be in attendance. Mr. Kearney inquired if masks will be required during an in-person meeting if it is under the maximum allowed. Ms. Bright answered that if social distancing guidelines can be met they will not be required; however, confirmation from Administration will be needed. Mr. Kearney added that if all Members are present and sitting at the front it will not be able to be socially distant. Ms. Bright asked Mr. Shortway if the Members split up between the two levels if that would be a sufficient amount of socially distancing. Mr. Shortway respond he is also concerned that in the event that more than 20 people attend there would not adequate spacing. Mr. Shortway inquired if the plan for speakers in the hallway was put in place. Ms. Bright responded she is not aware of the particular specifications of the plan. Mr. Furrey inquired if the hybrid model is available and operating correctly if it would be reasonable to begin in August. Mr. Shortway added that Council and the Court will be starting this and the MUA can look to them for guidance on how to run the meetings smoothly. Mr. Furrey added he does not want to start a meeting and then not have it run properly. Mr. Pitsker suggested that a test run be competed to become comfortable with the technology. My. Shortway responded that if the Board is together it would be considered a meeting so a test run is not an option. Mr. Furrey stated this will be revisited when the technology is available.

7. Administrator Update

Ms. Bright updated the DEP permits were signed for PS2 and sent to Mr. Benosky to be filed with the State. Mr. Benosky added that the permit will be filed any day.

Ms. Bright requested that the connection fees be discussed and a conclusion be made during the work session tonight.

Ms. Bright reviewed that the force main inspection along the railroad was completed and there were no signs of erosion. Ms. Bright added that the final report from Dewberry has not yet been received.

Ms. Bright reported on the sewer service area mapping noting that the Mayor did send a letter to the Governor regarding the issues we are having with the DEP and the SSA. Ms. Bright added that Mr. Furrey, Mr. Wenner, and herself had a discussion regarding the SSA. In the meeting it was discussed that the Town Planer is working toward getting a state designation for the Town Center which could affect the SSA. Ms. Bright suggested that we should wait until this is completed, which should be the end of July, to push this issue any further.

Ms. Bright updated on the capital items stating the control panels came in and the specifications of the Zoeller pump are being reviewed. Ms. Bright stated that the welder has been chosen to fix the railings at the pump stations and the purchase order will be ready next week. Additionally, responses have been obtained from two vendors for emergency services quotes.

Ms. Bright reported that she met with the Town to discuss on how to utilize the funds from the American Rescue Plan. The Township can use it for many options but was concluded to use the funds for something long lasting; which is water and sewer infrastructure to help our Town Center. Ms. Bright added that estimated plans for expansion are needed, which Mr. Benosky is compiling. This will be a rough plan on four different areas of the sewer service area which will show the approximate connection costs for properties. The cost projections will be based on this rough plan combined with old estimates from Suez. In order to use the funding, you can issue a capital ordinance, to use all or part of the funding, or a bond ordinance, if the total project is more than the ARP funding. In the event of a bond ordinance, then the ARP funds can be used as part of the cash down payment. Ms. Bright suggested to put the ordinance in place, which will confirm that the plans are serious; once the estimated costs are known the ordinance will be drafted. Mr. Furrey asked both Mr. Shortway and Mr. Pitsker, since they are also on Town Council, if the ordinance is drafted can it be placed on the next council meeting agenda to be considered. Mr. Furrey added that during the meeting it was discovered that there are plans to pave RT 515 and we do not want to run into any problems like we had when RT 94 was paved. Mr. Furrey stated that in order for Suez to take us seriously this ordinance needs to be completed. Mr. Shortway responded that if he receives the ordinance he will put it on the agenda. Ms. Bright clarified that there is an estimate for water; however, we spoke about using the funds for water and sewer, so that is easy enough to address with a capital ordinance. Ms. Bright continued that it is known that the water and sewer project will be more than \$2.1 million, which will then require a bond ordinance, and we will need a cash down payment on the Township side. Ms. Bright would like a ballpark cost, in order to ensure there is enough cash for the down payment and this project is done correctly. Mr. Furrey asked Mr. Benosky how quickly a technical

memo can be drafted for the rough cost estimate focusing on Town Center. Mr. Benosky answered he can complete the memo in a week to ten days. Mr. Shortway added that, Corey Stoner, the Township Engineer, will have to be contacted as he has been working on this project in detail; the plan needs to be specifically laid out with realistic expectations to present to the Council. Mr. Shortway also agreed with Ms. Bright on having the cash down payment for the bond ordinance. Mr. Furry agreed with Mr. Shortway to reach out to the Township engineer as working with the Town and Council is critical. Mr. Shortway reminded that the Mayor must be informed before reaching out to the engineer. Ms. Bright stated that she will reach out to the Mayor and ask for permission to work with Mr. Stoner. Mr. Pitsker inquired if there are any water grants that could help fund this project. Ms. Bright responded that there are USDA loans for water and wastewater, however, due to Vernon's population we would not qualify for one as it is too large. Ms. Bright stated that for the IBank funding we need to focus and figure out what the actual project will be in order to secure the funds and go for a bond ordinance after IBank approval. Mr. Furrey stated that the plan must be specific and well laid out with the projected costs included to get started with the DEP. Mr. Kearney inquired about the population size for the USDA funds to which he was answered that the maximum population is ten thousand people. Mr. Schappell stated that those funds are population based for rural development therefore Vernon would not be eligible. Ms. Bright asked Mr. Benosky and Mr. Schappell if they have any knowledge about the CDBG grants which may have COVID related funds available. Mr. Schappell answered he did not know but will find out.

8. Licensed Operator Update

Mr. Lazier reported that there was a high level at Le Touquet for pump failure, which was promptly fixed. Mr. Lazier also reported that the bioxide was delivered, the mag meters at all stations have been calibrated, and all personal air meters have been received. Mr. Furrey asked if the alarm functioned properly during the pump failure to which he was answered that it did. Mr. Furrey inquired if the new employees are making progress pulling and maintaining the pumps. Mr. Lazier responded that they are greatly improving and the call outs have decreased. Mr. Furrey asked if they were interested in obtaining licenses. Mr. Lazier responded that they are and he is looking into the materials for them. Mr. Furrey said that the classes can be taken on-line which should be encouraged as he would like for them to both have a license. Mr. Furrey informed Mr. Lazier that because he is the licensed operator there has been a waiver granted for CE credits, however, we would still like you to obtain the credits for this year.

Mr. Pitsker asked Mr. Lazier about filling in the pipeline ravine that is near PS1 and if it is on the list of projects to complete. Mr. Benosky responded that this would be a precautionary measure that is not necessary to do immediately due to the depth of the ravine. Mr. Shortway added that the ditch runs parallel to the road so the concern is one of safety and if the funds are available it should be filled in with drainage and stones. Mr. Shortway added that this may be the area where the ATV was almost lost and he will check the report on it. Mr. Furrey questioned if this is a priority to address to which Mr. Kearney added that if it is a safety issue it should be addressed. Mr. Pitsker stated that although he knows it is not a priority it should be fixed as a preventative measure. Mr. Kearney added that safety comes first and to be proactive. Mr. Benosky stated that he did not think of it this way and was most concerned about the protection of the pipe. Mr. Benosky stated that if a recommendation is desired he can put together a description of what needs to be done. Mr. Lazier added that he does not think a drainage pipe will be

able to be placed due to the location and stone will probably be best. Mr. Lazier and Mr. Benosky will review the area and construct a plan.

9. Open to the Public for Items Not on the Agenda

Motion to open to public comments was made by Mr. Kearney, seconded by Mr. Shortway, and carried via unanimous vote. Ms. McCabe informed there were no members of the public and she did not receive any correspondence to read into the record.

Motion to close to public comments was made by Mr. Pitsker, seconded by Mr. Shortway, and carried via unanimous vote.

10. Work Session

a. Old Business

i. Connection Fees

Mr. Furrey stated that the connection fee analysis has been distributed for review by the Board and asked Ms. Bright to explain the breakdown. Ms. Bright stated that she took existing calculated EDU's and current vacant properties, basing on what could potentially be constructed, and averaged them together to come up with a hypothetical amount. This is difficult to do since we do not know exactly what will be developed but it did help to show the existing connection fee would be and the total connection fee will be. Ms. Bright stated that giving the total connection, which includes SCUMA fees, gives a global perspective on what it would cost for a business to come to Vernon.

Mr. Furrey said that the choices, according to Ms. Bright's perspective, are a 25%, 50%, or 75% reduction. Mr. Furrey asked Ms. Bright what the financial impact would be with a 75% reduction; or is it more reasonable to have a 50% reduction or a reduction scaled over time. Ms. Bright responded, in her opinion, that there are many vacant properties and consideration should be taken that if a large business comes in they may have to pay significant fees and a reduction in connection fees may be helpful to encourage development. Ms. Bright added that as the CFO she is most comfortable with a 50% reduction based on the calculations from the auditor. Ms. Bright stated that an estimated \$2,300 connection fee based on the existing debt since some of the debt is paid by Mt. Creek. Ms. Bright added that some revenue will be lost, however, it is not a reoccurring revenue and is used to off set debt expenses. Additionally, even if revenue from connection fees will be reduced but if more businesses come to Town that will be made up with annual fees. Ms. Bright reported that the connections fees were not added to the budget this year as no connections were made last year. Ms. Bright added that the connection fees can be changed annually and should change if there is expansion.

Mr. Kearney inquired if past connections were given the option to pay over time or at once and if there was a reduction in the fee for paying in full upfront. Mr. Kearney added that he suggests that options are given for payments, but the longer the payment is stretched out the more it will cost. Ms. Bright stated that in 2012 there was a resolution passed that if the connection fee was paid within the first year that there was a 50% reduction and we do have a large number of connections that did that. Ms. Bright added that some properties, because of the number of EDU's, applied for hardships but still do have to pay the full connection fee amount, which is still an option for the expanded sewer service areas. Ms. Bright clarified if Mr. Kearney meant new connections or people not currently connected when talking about hardships. Mr. Kearney answered anyone that does not have the money for the fee and an extension would be helpful for them and the MUA will gain revenue making up the gap. Ms. Bright stated she is not sure if that is allowable but she will find out from the auditor.

Mr. Furrey stated that this is a decision that needs to be made and he is strongly in favor of a 50% reduction and making it official through a resolution. Mr. Furrey added that this makes a statement we are serious about getting new businesses into Town Center. Mr. Furrey asked for feedback from the Board. Mr. Shortway asked if a reduction was cause great risk to the MUA financials. Ms. Bright responded that there is currently no risk as we are not bringing in many connections. Ms. Bright added that this be readdressed when the expansion is ready to take place. Mr. Furrey questioned if the Faline building is currently paid to which was answered that they are paid in full. Mr. Shortway stated he is in favor of reducing the connection fee by 50%. Mr. Pitsker stated that he is thinking about the public impact and the past connection fees that were collected; however, he is also in favor of the reduction. Mr. Galway added that it makes sense to have as many connections as possible for the reoccurring revenue; therefore, the reduction makes sense. Mr. Kearney agreed that the reduction is appropriate and will establish reoccurring revenue. Mr. Pitsker added that the reduction be marketed as a sale for the expansion. Mr. Furrey added that if the sewer and water projects are progressing businesses will see it as a chance to come to Vernon. Mr. Furrey asked how the change is officially made. Mr. Wenner answered that it is established by resolution with the supporting documents from the auditor. Mr. Pitsker questioned when the reduction would occur, now or during the expansion. Mr. Wenner responded that the reduction will happen now and then increase again when ready to expand. Mr. Furrey asked Ms. Bright to have the resolution drafted for voting at the next meeting. Mr. Shortway added that this is the time to reduce connection fees and obtain more connections. Mr. Pitsker questioned if there is a term limit should be added to the connection fee reduction. Ms. Bright responded that the fee can and should be reviewed annually based on the debt and ceiling number. Ms. Bright added that the sliding scale was not touched on, which could make connection more affordable for development. Ms. Bright stated that something to keep in mind is that our sewer rate is twice as high as other municipalities so utilizing a sliding scale may bring in substantial development. Mr. Shortway added that lowering connection fees and bringing in water will entice new construction. Mr. Furrey stated

that he spoke to Wawa and they would be interested into coming to Vernon if the rates were attractive. Mr. Pitsker added that the reduction is a marketing opportunity and realtors should be made aware. Mr. Furrey agreed and suggested to send out a newsletter to the realtors and Chamber of Commerce notifying them of the changes being made.

11. Commissioners' Comments

Mr. Shortway requested that Ms. Bright obtain an overlay on the town Center showing the sewer pipes and the water pipes. Mr. Shortway added that there is some confusion as people think there are sewer pipes on Main St. and this will clearly show where the pipes are. Mr. Shortway asked if all the Commissioners can have a copy of the maps.

Mr. Pitsker no further comments.

Mr. Kearney no further comments.

Mr. Galway agreed with Mr. Shortway in that the maps will be helpful as he is new and trying to learn the plans. Mr. Galway asked if there will be any potential issues with the upcoming paving of 515. Ms. Bright responded we are looking into that and have reached out to the DOT. Ms. Bright added she spoke to Administration and they have not received notification which and they are supposed to be notified if work will be done. Additionally, after speaking to county they have recognized that they will have to be more lenient because of the ARP funding. My. Galway asked if there is any further action needed in regards to the letter sent to the Governor regarding the DEP. Ms. Bright answered there are notes in the administrative report and we want to wait to see what happens with the Town Center endorsement which supersedes the Highlands Town Center and will put us in conformance with the master plan.

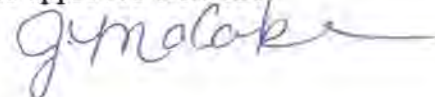
12. Chairman's Comments

Mr. Furrey commented as always, we are moving in the right direction project moving forward taking steps to position MUA to meet the challenges of 2023. Mr. Furrey thanked Dewberry for all of the hard work with the many projects and your support to move forward quickly.

13. Adjournment

Motion to adjourn the meeting at 8:13 pm was made by Mr. Pitsker, seconded by Mr. Shortway and declared unanimously carried by Mr. Furrey.

Respectfully submitted,
Jaclyn McCabe
Recording Secretary
Minutes approved 8/5/2021



REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462

July 15, 2021

These minutes are a synopsis of the meeting that took place on 7/15/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:03 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Michael Furrey
Paul Kearney
Andrew Pitsker
Scott Galway
Kristin Wheaton
Dave McDermott arrived at 7:40

The following Members were absent:

Harry Shortway

The following Professionals were present:

Donelle Bright, Administrator; Rich Wenner, MUA Attorney; Steve Benosky, Engineer; James Schappell, Engineer; Howard Lazier, Licensed Operator; Jaclyn McCabe, Recording Secretary.

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Kearney motioned to open to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Pitsker made the motion to close to the public, which was seconded by Mr. Kearney, and carried by unanimous vote.

6. Approval of Bills: #21-38 Approval of Bills

Mr. Kearney asked what the keys were made for on the bills list. Ms. Bright answered that she is aware that keys were needed for PS1 and Ms. McCabe's office and has not been notified that any keys were missing. Mr. Kearney stated it is not a matter of the cost of the keys but rather that keys were not given to anyone not authorized to have them. Mr. Lazier stated that additional keys were made for the DPW building as the truck needs to be parked there.

Mr. Furrey inquired if there were any issues with the bioxide delivery. Mr. Lazier answered that it was delivered now since it is difficult for the truck reach the station in the winter months. Mr. Furrey asked Mr. Lazier if the bioxide tank was low at any point. Mr. Lazier responded that the tank was turned off for a month to ensure the tank did not go completely dry. Mr. Kearney asked when the tank is shut off is there an adverse effect on the smell. Mr. Lazier answered that at this time there is no difference in controlling odor. Mr. Kearney questioned if the bioxide is turned off and it does not make a difference is it a necessary expense. Mr. Lazier sated that at this time the pit is empty; however, when it is not empty there is odor associated and the bioxide is needed. Mr. Furrey added that the pump station is remote so the smell may not be a problem if the bioxide is turned off. Mr. Furrey requested Mr. Lazier to make the decision if the boxiode is necessary or not and to turn it off when it is not needed. Mr. Pitsker asked if the bioxide is in the other stations and was answered that the other stations have aeration and this station does not; which is why the bioxide is utilized.

Mr. Pitsker requested to be updated on where the budget stands as the year is more than half way over. Mr. Bright responded that she will update the budget and send it to the Board.

Mr. Pitsker made the motion to approve resolution #21-38 which was seconded by Ms. Wheaton and declared carried by affirmative votes of Mr. Furry, Mr. Kearney, Mr. Pitsker, Ms. Wheaton and Mr. Galway.

7. Approval of Minutes: None at this time.

8. Resolutions: #21-39 Establishing Connection Fees

Ms. Wheaton inquired if this was discussed at the last meeting which she was not in attendance. Mr. Furrey responded that this was the work discussion and the conclusion was to reduce the connection fee by 50%. Mr. Pitsker and Mr. Kearney requested this resolution be tabled until Ms. Wheaton has sufficient time to review the supporting documents and previous meeting as Ms. Wheaton may have her own point of view on the reduction. Mr. Pitsker asked if there was a separate fee charged by the auditor for the connection study. Ms. Bright answered that since the study was outside of the standard scope that a separate fee was charged. Mr. Pitsker also inquired as to why the study is not on the website. Ms. Bright informed that this is a draft document and should not be placed on the website. Mr. Furrey requested that Ms. Wheaton review all the documents and come to her own conclusion for the next meeting.

Mr. Pitsker made the motion to table resolution #21-39 which was seconded by Mr. Kearney and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. Shortway, Ms. Wheaton and Mr. Galway.

9. Subcommittee Reports:

a. PS2/Transfer Station Subcommittee

Mr. Benosky updated that the permit for the pump station 2 treatment works approval application was submitted last week; this process usually takes three months to complete. Mr. Benosky added that the only other permit required is for the full erosion sediment control which is an easier process. Mr. Benosky detailed the next steps including different review processes for the IBank application and scheduling a meeting with an IBank representative to confirm what they will be needing for completion. Mr. Furrey asked if the application was received by the DEP and deemed administratively complete. Mr. Benosky replied that he has not received any correspondence; however, he has been trading voicemails with the representative and will continue to try and reach them live. Mr. Furrey asked Mr. Benosky if he knows the reviewer and was answered that he does not. Mr. Furrey outlines the steps that will be taken by the DEP to complete the permit application and that it can take up to 90 days to complete the entire process. Mr. Benosky added that the administrative review can take the full 30 days, which is allowed, to complete and it is not uncommon for something to be found incomplete on the application. Mr. Furrey questioned if anything can be done while the permit is in review to keep the project moving. Mr. Benosky answered that often times IBank makes sure all permits have been received prior to spending time on their evaluation, so they do not evaluate a project that will not be permitted; however, we may be able to meet with IBank and have the projects run concurrently. Mr. Pitsker questioned Mr. Benosky on the project outline plan stating that the current outline is one page and not specific; in order to keep informed an updated plan was requested. Mr. Benosky responded that he and Mr. Schappell were reviewing the document and noticed items were missing this will be updated after they speak to IBank. Mr. Furrey added that it would be a good idea to also get design specifications ready to go out to bid when the permits are finalized. Mr. Benosky responded

that about 75% of the design went with the permit application and that the contract documents and "front end" work can be worked on while waiting for the permits. Mr. Schappell added that moving further with the technical specifications may not be in the best interest until the permit is approved due to revisions that the DEP may request. Mr. Furrey stated that we are lucky that the pump station is still functioning and, in his opinion, this is an "in-kind" rebuild, as it is not much different than we have now, and this has to be fast-tracked. Mr. Furrey added that a schedule is critical and he would like one outlining the, MUA responsibilities, IBank process, and the design specifications for the next meeting. Mr. Pitsker inquired if there is anything to be done ahead of time regarding the Mayor or Council as far as finances are concerned. Ms. Bright answered once it is approved through IBank then we can go for a bond ordinance. Mr. Pitsker asked if we have everything needed from Wind River in regards to the pump station. Ms. Bright and Mr. Benosky stated we have everything needed at this time. Ms. Wheaton asked if there needs to be a commitment from Council for the bond ordinance after going through the IBank process. Ms. Bright clarified that Council needs to approve a bond ordinance and that approves the funds to be spent. Ms. Bright continued that the ordinance does not take long there is the introduction, the adoption, and then 20 days after until you can pay from the bond ordinance. Mr. Furrey added that this will coincide with a bid process, which can be lengthy.

b. Sewer Service Area Subcommittee

Mr. Furrey asked if there has been any movement on the sewer service area and the DEP. Mr. Bright responded that Mr. DeMuro did send out an e-mail, however, we are waiting on the upcoming meeting for the Township next week and we can move on from there. Mr. Furrey questioned if this was for the Highlands Council. Ms. Bright responded it is not Highlands but the Town Center endorsement, which the State has to approve. Mr. Furrey questioned if this is approved it necessary to go through the SSA approval process. Ms. Bright stated that ideally, we would like to have Town Center endorsed since they have different regulations than the current status that the Townships holds.

c. Solid Waste/Stormwater Subcommittee

Ms. Wheaton stated that there has been no new development for this subcommittee; however, she would like to ask Mr. Wenner how the revenue will be allocated or used if solid waste pickup were to happen. Mr. Wenner answered that the general MUA operating accounts will have their own budget but the general pool of money does not need to be separated.

Mr. Furrey questioned Mr. Lazier if there are any current programs that the Town has for solid waste. Mr. Lazier answered currently there is not a program except for the bulky waste day the township offers twice a year. Ms. Wheaton asked Mr. Lazier about the recycling program and if it is contracted out. Mr. Lazier responded that it used to be contracted out and now the Town runs it except for refrigerators and metal if we cannot run it. Mr. Furrey asked Mr. Lazier for an opinion on whether or not this avenue should be perused as an income source. Mr. Lazier answered if it will help and benefit the Town then he thinks it is worth looking in to. Ms. Wheaton questioned if the recycling center pays for itself right now and if it produces an income. Mr. Lazier replied that it does and it has been for a long period of

time. Mr. Furrey stated he thinks that starting a solid waste program is worth perusing for the MUA. Mr. Kearney said that at this point this is an idea and needs further exploration. Mr. Kearney added that we need to have a financial investigation to obtain an educated thought on this as we lack all the information to complete this properly. Ms. Wheaton agreed with Mr. Kearney and stated she would look into what other municipalities do for solid waste. Ms. Bright added that she did send out the specs for what Jefferson Township does, they have a district, which is no longer allowable, but it does show the revenue produced. Mr. Pitsker stated he has been reviewing the charter and he thinks it should be expanded upon for a more established direction. Mr. Furrey suggested to possibly have an engineer look into what other townships do for solid waste and how to get one started. Mr. Pitsker questioned the purpose and objective of this charter. Ms. Bright added that other towns provide garbage and/or recycling to the residents either by contracting out with a vendor or the DPW picking up as a solid waste utility. Additionally, instead of multiple vendors the MUA could go out for bid and then decide which contracted vendor will be chosen for the year. Ms. Bright continued that the idea is that it will be a lower price than residents are currently paying and we can bring in additional revenue for charging for the service while still providing a savings. Mr. Pitsker stated that should be included in the charter. Ms. Wheaton stated she will review the charter and come up with language to revise it.

Ms. Bright questioned about the stormwater utility aspect of the subcommittee stating that she does not believe that Vernon has a need for this utility. Ms. Bright added that during her research no other town in the State has a stormwater utility and does not want to be the first. Ms. Wheaton stated that this is a touchy subject and although we do not want to be the first, Vernon does have many lake communities, and we see what happens when toxic algae blooms. Ms. Wheaton added that although the lakes are private communities, the point is to have resources to prevent the blooms, and we are lucky this has not happened yet. Mr. Kearney stated that he recently read there is a lake in Highland Lakes that is currently closed due to an algae bloom. Ms. Wheaton added this is a new concept and not very popular, but it is important. Mr. Furrey suggested that the MUA can possibly put information in the website to help inform the lake communities of the algae. Mr. Kearney added that also related to storm water runoff, are septic systems and chemical use, and people need to understand that their behaviors can also make these problems worse. Mr. Furrey added that the educational piece is of value and should be researched.

Mr. Furrey requested Ms. Bright to do a simple financial analysis to determine if solid waste is worth perusing. Ms. Bright added to consider that some lake communities have their own contractors built into their fee structures. Ms. Bright will look into both the commercial and residential sides and come up with a financial analysis. Mr. Kearney added that on the residential end of the discussion if this can be rolled into taxes and save the tax payer money then they will be on board; if there is not a savings this will not happen. Ms. Wheaton added to the point of the lake communities, that they may be using the solid waste as a source of income and we may be taking a revenue source away from them. Mr. Furrey stated that if it is not worth pursuing we will take it off the agenda. Mr. Kearney said to see what the analysis brings before a decision is made. Mr. Pitsker added that this was the idea Mr. Shortway so in all fairness Ms. Wheaton and Mr. Shortway should make the decision if this is viable or not.

Mr. Pitsker added that on the website the sub-committee reports for February 4, 2021 do not have any reports attached. Mr. Pitsker asked Ms. McCabe to have the reports removed from the website as they are blank. Ms. McCabe stated she would take care of the necessary revisions.

d. Bylaws/Personnel Subcommittee

Mr. Pitsker reported that based on August 2020, we have continued to make improvements on the website; however, we have not gotten into the personnel aspect very much. Mr. McDermott added that so far everyone is complying with their rolls. Mr. Pitsker stated the last issue is the fees which are on the agenda and will be updated on the website after approval.

e. Water Supply Subcommittee

Mr. Furrey reported that there has been a lot of activity on water supply and asked Mr. Schappell to update the Board. Mr. Schappell reported had he had a meeting on Tuesday with Corey Stoner, the Township engineer, and reviewed all of the downloaded history of where the existing watermains are and if they are active or dry. Mr. Schappell added that they also reviewed the necessary upgrades that would be need to supply water to Town Center. Additionally, a meeting was held with Mt. Creek to gauge what their needs will be based on their current needs and what they are planning on developing in the future; Mt. Creek said will try to get a number on that. Mr. Schappell added that we also need to know what the available supply is; he did a check on the Suez Vernon system and it is advertised around 240,000 gallons a day. As far as a next step, Mr. Schappell and Mr. Stoner will read through the main extension agreement, which is really a boiler plate agreement, if we want to have a type of interconnection with Suez and also evaluating if we would like to have our own utility in the town center. Mr. Schappell stated that at this point we want to outline what the best situation for the MUA will be and present it to Suez and let them comment on it. Mr. Schappell added in the next two weeks he will meet with the MUA attorney to go through the agreement and decide what the next steps should be. Ms. Bright stated for water, in general, a capital ordinance, for Council to review, was drafted using the ARP funds for use of water and/or sewer infrastructure. Ms. Bright added that half of the funds have been received and the ordinance is for \$1.75 million, which is not the full amount, so that there are funds for a cash down payment. Ms. Bright agreed with Mr. Schappell that the MUA provide our own agreement for Suez, which will show how serious we are. Mr. Furrey asked Ms. Bright if anything is needed from Dewberry, detailed cost analysis, to support the ordinance. Ms. Bright responded that no support documents are needed, that the ordinance allows Council the right to spend the funds specifically for something. Ms. Bright added that we will need Dewberry estimates on what they think the cost of the project will be for the bond ordinance, but not for the capital ordinance.

Mr. Furrey inquired if Ms. Bright had any knowledge of the paving project timeframes from the county. Ms. Bright responded that the county has reached out and informed that this fall

they will be starting; the Town has to notify the County in writing that we will be doing these projects in the next three years. Ms. Bright will ask Mr. Voelker, the Township Administrator, to send a letter to the county notifying them. Mr. Furrey questioned if this letter has to come from the Administrator. Ms. Bright replied that the letter does have to come from the Administrator; however, the county did seem like they are willing to wait if a written letter was provided stating that we are planning infrastructure. Ms. Bright added that once the information is compiled we will meet with Suez and the Township to come to an agreement.

f. Finance Subcommittee

Ms. Bright reported the financial support documents were updated and sent out as well as an updated capital items list. Ms. Bright added that the budget is currently on target for the year. Additionally, the specifications for the Zoeller pump are being finalized. Finally, Mr. Lazier reported that a blower is broken and needs to be replaced; this will be placed on the capital items list.

Mr. Furrey requested Mr. Galway to review the subcommittees and consider joining a committee he is interested in.

10. Licensed Operator Update

Mr. Lazier reported that on July 6, 2021, there was a power failure at pump station 3 due to a squirrel popping a fuse on the pole, which was a simple fix. Mr. Lazier updated that Wind River has sent a quote for the pump station cleaning. Additionally, Weber welding has taken measurements for the railings to start work the first week in August.

Mr. Lazier stated that he does not believe anything needs to be done with the ditch near PS1 as there is no concern where the run off is. Mr. Pitsker responded that it will not be able to be seen until the fall when the vegetation has left. Mr. Lazier added that nothing has ever been lost there and not to worry about filling it in. Mr. Benosky suggested evaluating the area in October when the vegetation has died out as the pictures that were taken do not do the ditch justice on how deep it is. Mr. Furrey asked if a drainage pipe is run and covered with quarry process would that make a difference for the depth of the ditch. Mr. Lazier stated that can be done, but in his opinion, it would make it a jet stream coming from behind the sewer line. Mr. Furrey asked Mr. Lazier if he thought that putting the pipe in would make it worse. Mr. Lazier answered that he does not think it will help.

Mr. Furrey questioned the power outage and if the alarm worked. Mr. Lazier responded that the alarm did not work when the fuse was popped. Ms. Bright added that it was strange the alarm did not go off, however, when the generator was restarted the alarm functioned properly. Mr. Furrey requested that Ray Cornetto, who did the original work, be called in to evaluate the alarm.

Mr. Pitsker added to note that the ditch be looked at in October when the vegetation is gone. Mr. Lazier agreed with Mr. Pitsker, however, he did take the time to look at it during the hard rain and he does not think anything needs to be done at this time but will revisit it in the fall.

11. Administrator Update

Ms. Bright reported that the force main evaluation is attached including the long report with photos and rankings to review. Ms. Bright added there will be additional language for the asset management plan, which hopefully can be done by August; this needs to be completed as the recommendations for pump station two are listed there. Ms. Bright stated that once the asset management plan is completed that the principle of \$105,000, can be forgiven since it will hopefully be approved through IBank.

Ms. Bright updated on meeting with Mt. Creek to discuss their water needs. Mt. Creek will get us the possible development buildout numbers to see the projected water usage. Ms. Bright added once this is received she will meet with the Township attorney to discuss the agreements with Suez. Ms. Wheaton asked if there are similar buildout estimates for the Town Center. Mr. Schappell stated there is a document from Mr. Stoner of around 80,000 gallons a day. Ms. Bright agreed that this is what she has heard but it is hard to determine as it around existing zoning. Ms. Wheaton requested the information that was given to Mr. Schappell. Ms. Wheaton asked if the meeting date was set for Mt. Creek. Ms. Bright responded it was not but was told about 2 weeks out.

Mr. Pitsker asked about the level 5 on the force main evaluation report and if it has been rectified. Mr. Furrey added he had the same question and if they should be looking at the grading system while reviewing the report. Mr. Benosky responded that the MUA can try to be proactive and most utilities would not start to do anything unless a problem occurs. Mr. Benosky continued that cleaning this main is not easy due to the bends in the line. Mr. Benosky asked Mr. Lazier if there was extreme grease in the wet wells. Mr. Lazier responded that once a year this happens and a letter is sent out to the condos and renters about what is acceptable to put into the sewer. Ms. Wheaton questioned why the report stated that the CCTV was abandoned and is it a potential blockage. Mr. Lazier responded that this is where the main drops. Mr. Benosky added this is not a simple thing to start planning for as the vertical elevation of the pipe is not well defined. Mr. Pitsker added that he wanted to know if these were immediate needs or if they can wait. Mr. Benosky stated they will look at them and come back with recommendations.

12. Open to the Public for Items Not on the Agenda

Motion to open to public comments not on the agenda was made by Mr. Pitsker, seconded by Mr. McDermott, and carried via unanimous vote. Ms. McCabe informed there were no members of the public and she did not receive any correspondence to read into the record.

Motion to close to public comments not on the agenda was made by Mr. Pitsker, seconded by Ms. Wheaton, and carried via unanimous vote.

13. Commissioners' Comments

Mr. Pitsker had no further comments.

Mr. Kearney had no further comments.

Ms. Wheaton had no further comments.

Mr. Galway commented that he thinks that solid waste collection is something to explore. When he moved to Vernon he was wondering when his garbage would be collected as it had in his previous town. Since garbage collection is a costly utility, with rates continually increasing, if there is a way to provide savings to residents then we should look into it.

Mr. McDermott had no further comments.

14. Chairman's Comments

Mr. Furrey had no further comments.

15. Adjournment

Motion to adjourn the meeting at 8:41 pm was made by Ms. Wheaton, seconded by Mr. Pitsker and declared unanimously carried by Mr. Furrey.

Respectfully submitted,
Jaclyn McCabe
Recording Secretary
Minutes approved 8/5/2021



REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462

These minutes are a synopsis of the meeting that took place on 8/5/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:00 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Michael Furrey
Andrew Pitsker
Harry Shortway
Scott Galway
Kristin Wheaton arrived at 7:12 pm.
Dave McDermott

The following Members were absent:

Paul Kearney

The following Professionals were present:

Donelle Bright, Administrator; Rich Wenner, MUA Attorney; Steve Benosky, Engineer; James Schappell, Engineer; Jaclyn McCabe, Recording Secretary.

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open to the public, which was seconded by Mr. McDermott, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. McDermott made the motion to close to the public, which was seconded by Mr. Shortway, and carried by unanimous vote.

6. Approval of Minutes:

a. July 1, 2021

Mr. Pitsker made the motion to approve the minutes which was seconded by Mr. Shortway and declared carried by affirmative votes of Mr. Furry, Mr. Pitsker, Mr. Shortway, and Mr. Galway.

b. July 15, 2021

Mr. Pitsker made the motion to approve the minutes which was seconded by Mr. Furrey and declared carried by affirmative votes of Mr. Furry, Mr. Pitsker, and Mr. McDermott, and Mr. Galway.

7. Resolutions:

a. #21-39 Establishing Connection Fees

Mr. Furrey inquired if voting occurred at the last meeting. Ms. Bright responded that it was tabled. Mr. Pitsker asked if it was tabled because Ms. Wheaton was not able to review the documents and make an informed decision. Mr. Furrey and Ms. Bright answered that was correct.

Mr. Pitsker made the motion to approve resolution #21-39 which was seconded by Mr. Shortway and declared carried by affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. McDermott, Mr. Shortway and Mr. Galway.

b. #21- 40 EDU Calculation for 514 RT 515

Ms. Bright informed that this is the old Snap Fitness building and originally, years ago before connection to the sewer line, it was residential and commercial. However, when the initial application to the sewer line occurred it was only commercial. The property owner is now reverting back to residential and commercial which is why the change of use paperwork was filed. Mr. Furrey asked if the engineer has reviewed the documents to which was responded that he did. Mr. Pitsker questioned if the construction has started yet and if there needs to be an inspection done when completed to ensure that it was constructed as planned. Ms. Bright responded that when the construction is completed the permits will be closed out and then the tax assessor will ensure that it was constructed as planned. Mr. Pitsker inquired when the EDU calculation of 1.5 would go into effect. Ms. Bright responded that she would think today when the resolution is passed. Mr. Wenner answered that it will go into effect once all permits have been closed. Mr. Pitsker added that the resolution should reflect that it will become effective upon permit closure. Ms. Bright stated that the resolution will be amended to reflect when the calculation will become effective. Mr. Furrey stated he has no problem with amending the resolution. Mr.

Wenner added that it may also be a good way to encourage the property owner to close out the permits. Ms. Bright stated that if the Board makes a motion to approve that the change will be included.

Mr. Pitsker made the motion to approve resolution #21-40, amended as discussed, which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Pitsker, Mr. McDermott, and Mr. Galway. Mr. Shortway abstained from voting.

8. Administrator Update

Ms. Bright updated that the permits for pump station 2 have been filed and we are waiting to hear back from the DEP. Mr. Benosky added that a detailed schedule of the timeline will be done after speaking to IBank and finding out their procedural steps. Mr. Benosky added that he did have a few conversations with the DEP, however, he is confused as to who the permit reviewer is. Mr. Benosky asked Ms. Bright if she would reach out and make an online request for a meeting with IBank so that we have a better understanding of what is needed as next steps. Mr. Benosky added that the TWA application has gone to the top of the reviewers pile this week. Mr. Furrey added he was under the impression that the IBank and DEP reviewer were the same person. Mr. Furrey added that we have reached out and made contact to establish funding which can be done at the same time as obtaining the permits

Ms. Bright reported the force main evaluation, as part of the asset management plan, is included in the packet. Ms. Bright questioned if the Board will have time to review the large document prior to the next meeting so that a resolution can be made. Ms. Bright added that if a resolution is passed accepting the plan that IBank can then be notified and approval can be granted for pump station 2. Mr. Furrey added that it is important to review the plan and the related reports as soon as possible. Mr. Furrey stated that funding for the pump station is contingent upon the approval of the asset management plan. Ms. Bright clarified that IBank will forgive the principle of \$105,000 provided upon approval of a project listed in the asset management plan. Mr. Furrey asked that in order to close out the plan does it need to be approved by the board. Ms. Bright stated that it needs to Boards approval to be finalized. Mr. Furrey stated that it will be a major accomplishment to have the plan completed. Mr. Furrey added that the document is large and must be looked over carefully so that it can be placed on the next agenda for approval. Ms. Bright added that if any member would like a paper copy to review it can be printed and picked up at the members convenience. Mr. Benosky added that at the previous meeting Mr. Pitsker questioned the grading on defects listed as a category 5. Mr. Benosky clarified that the category of 5 seems to be overstated and it does not appear to be that significant, however, he is trying to contact the CCTV company to confirm the appropriateness of the rating. Ms. Bright added that she e-mailed the company over a week ago and has not obtained a response.

Ms. Bright reported that in regards to the sewer service area the State has approved the Town Center mapping and to move forward the Town needs to have a public hearing in August for the Town to approve the plan. Ms. Bright added that hopefully after the Town approves the mapping the sewer service area will go through and we can move forward.

Ms. Bright updated that the control panels that were ordered have been returned. Ray Cornetto, from NJ Pumps, came out for another issue and looked at the control panel that was installed by JEM Electric. After seeing the panel, Mr. Cornetto immediately called Ms. Bright informing her that the control panel was not installed properly and although the electrician made it work it was

not done properly. Mr. Cornetto suggested that custom control panels be made and installed at all stations which Mr. Cornetto will then install correctly. Mr. Pitsker asked if 4 or 5 panels will be purchased. Ms. Bright answered that we are only doing 4 panels as Black Creek does not need a panel. Mr. Pitsker inquired about the panel that is currently piggybacked onto the original panel and if that is being replaced. Ms. Bright responded that the four panels are being replaced. Ms. Wheaton asked when the new test panel was installed and how they were selected. Ms. Bright responded that JEM came out and told us what we would need, however, after they were looked at by Mr. Cornetto it was determined they are not compatible. Additionally, only one panel was installed as a test and the rest of the panels have been returned. Mr. Furrey added that the control panels and pumps need to be compatible and this needs to be done correctly. Ms. Bright added she also spoke with Mr. Cornetto in regards to the pump replacement and was informed that we should keep what we currently have, Sulzer, as they are for municipal use and not the other options we were looking at are more for commercial usage. Ms. Bright updated that the fencing at the pump stations should begin the week of August 16th and that we are waiting for a second quote on the blower replacement before ordering.

Ms. Bright stated that the water infrastructure information was sent to Marcy Gianattasio, Town Clerk, to review with all of the backup documentation for the ARP funding capital ordinance, which should be on the agenda for the next town council meeting. This will give the town the ability to use the funds for water and sewer infrastructure. Additionally, Ms. Bright and Mr. Schappell are meeting with Mt. Creek on the 17th to discuss their needs for water; right now, they have just come out of bankruptcy so their expansion needs are not written in stone and are unable to give an exact number of what they will need. Mr. Schappell added that Mt. Creek is such a far way away from understanding what they will develop in the future and it is better to work backwards and right now focus on what the town needs are. Mr. Furrey asked Mr. Schappell to briefly describe what the needs of the town are at this time. Mr. Schappell responded that the infrastructure needs to be upgraded based on the 2016 reports and the meeting he had with Cory Stoner, township engineer, who also discussed that in 2016 it was not feasible to upgrade the pumps, however, with new technology an upgrade may be possible. With the upgrades, if possible, it would be a big cost difference then if we would have to drill new wells. Mr. Schappell added that Mr. Stoner stated that the old report did not include water coming down 515 in front of Acme and those differences are now shown. Mr. Schappell noted that the cost estimations show 4 alternative options and one of which will have to be chosen to complete the project. Mr. Pitsker questioned the 4 alternative options and asked what the best option would be. Mr. Schappell answered that he believes that the tank option, which leaves options 2 and 3, granted there is new technology for upgrades. Mr. Schappell added that he has heard that Suez has already upgraded their wells but is not sure if that is accurate information. Mr. Pitsker asked if there is a firm cost from the estimates given. Mr. Schappell answered that it is hard to put a firm cost on the project given how preliminary it is and that no real engineering has been done yet. Mr. Schappell added that you can estimate the cost of the tanks but when it comes to the site you will not know the factors until you get into design progression and this is why a cost range was given for each example. Mr. Pitsker asked how detailed the ordinance is when it comes to outlining all that is needed. Ms. Bright answered it does not go into full detail. Mr. Schappell pointed out that the descriptions for alternatives can have some or all of the recommendations needed and to use the highest estimate as the worst-case scenario for budgeting purposes. Mr. Furrey added that this is not an estimate for cost but a rough idea based on what we already know and a design and engineering detail will be necessary for bids and ultimately what the cost will be. Mr. Shortway wanted clarification on the objective of the ordinance and if it is for the utilization of the ARP funds for water and sewer infrastructure. Ms. Bright answered that the ordinance allows to spend the funds for the option of sewer and water infrastructure and is not a detailed pricing or engineering plan as this would be paid for out of the funding. Mr. Furrey stated that it is important to set the funds aside and then we can meet with Suez for the water

supply agreement; as it will show how serious the town is about bring water to town center. Mr. Shortway added that supplying water and a water tank will also be important for developers to have fire suppression. Mr. Furrey said that most of the towns that he works with are utilizing the ARP funds for water and sewer infrastructure and upgrades.

Ms. Bright reviewed the installation of the hybrid software for meetings. Ms. Bright stated that there was a test meeting, however, there needs to be training on how to use the equipment. Hopefully, meetings can become hybrid in September if that is what the board would like to do. Mr. Furrey inquired on what the thoughts were for hybrid meetings. Mr. Pitsker stated that as of now with the mandates being put back in place, due to the Delta variant, for the safety of the public we should wait on approval from Administration for in person meetings to resume but will also have a hybrid meeting. Mr. Shortway stated that community safety is a major concern as we cannot ask about vaccination status and need to ensure social distancing; however, a target date of September is what is being aimed for either in person or hybrid meetings. Mr. Pitsker added that the hybrid option is a great alternative for professionals as they do not always have to attend the entire meeting and can just attend their part. Ms. Wheaton added that she is a fan of hybrid meetings, with or without a pandemic, so that there can be more active participation and the public can see what we are doing. Mr. Galway agreed that hybrid meetings give the public an opportunity for attendance that does not have to be in person. Mr. McDermott stated that safety comes first and if we can conduct business via Zoom we should.

Ms. Bright updated that Mr. Lazier helped Green realty find the sewer line to make their connection. Mr. Furrey mentioned that Chris Steelman, backup operator, credited and was impressed by Mr. Lazier and how well the stations are being maintained.

9. Work Session:

a. Old Business: Asset Management Plan

Mr. Furrey reiterated that the asset management plan needs to be reviewed in order for it to be finalized and approved on the next agenda. If any member of the board would like a paper copy for review it can be made and distributed. Mr. Shortway stated that he is happy that the plan is completed as this has been a pet peeve of his for over six years and it shows the long-term goals as well as the progressive improvements being made.

b. New Business: Snow Shoe/Alpine Trail Homes

Ms. Bright reviewed that in February the developer for the four homes was met with to discuss the plans for development, extending the sewer line that is in the condo area, and installing a lift station. They needed a land use application for one of the homes and wanted to do our application at the same time as to not delay the process. The developer submitted the application information to Mr. Benosky and there are outstanding items from the review that they would like to discuss, as they are in attendance of the meeting. Mr. Benosky reviewed that as of now the application is for four homes. Currently, the plans show that they are providing service to three homes and the application will need to be revised to show three homes as well as a connection to the gravity system in the condos and a small force main. Mr. Benosky continued that there have been technical issues that have mostly been worked out; however, there are ongoing discussion regarding easements on property that is owned by Stonehill as Alpine and Snowshoe are private roads. Additionally, there have been discussions with the Township to

ensure they are satisfied with the plans as well as who will be the owner of the infrastructure and lift station as it is assumed that the developer will want the township and the MUA to take over ownership and maintenance once completed. Attorney for the developer, James Polles, stated that he appreciated being able to be in attendance and explained the current project at Alpine and Snowshoe Court. Mr. Polles stated that Mr. Benosky gave an accurate description on what the ultimate goal is for the lots. Mr. Polles added that they proceeded to the land use board and received approval to construct a single-family home on lot 12 and that there are currently plans for three homes on four lots. Additionally, there is a unique situation with the sewer connection, as they are not looking to install septic systems; and that ownership of the infrastructure and lift station is not desired. Mr. Polles continued that George Gloede, project engineer, drafted a letter to Mr. Benosky, as well as a follow up conversation, to complete the technical requirements and it is his understanding this has been completed. However, an outstanding issue is that written confirmation for the escrow account set up is needed. Mr. Polles added that they would like to get started on the foundations of the structures while the remaining approvals are being granted. Additionally, Mr. Polles said that his office, the MUA, and the Town Council need to come together with an understanding of ownership for the infrastructure as well as the easements, which will be drafted by his office as they are prompt and eager to keep the project moving. Mr. Furrey asked Mr. Wenner what the order of approvals are to get the project moving. Mr. Wenner stated that permits can not be granted until the MUA approves the application which we are reluctant to do due that until the technical aspects that are outstanding as well as the easements are completed. Mr. Wenner continued that this is a three-party situation in which the town, the MUA and the property owner have to decided on who will own the assets and if the easements will be granted. Mr. Wenner added that if the application is approved, permits are issued, and then one of the outstanding items is not granted then there will be incomplete construction. Mr. Polles stated that his client would like to obtain foundation permits as a first step and will provide the town and the MUA with a roadmap of the next steps in the near future. Mr. Polles further stated that his client has put in time and expense and understands what goes into the process; they ultimately will like to connect to the sewer system and in the unlikely event that the town or the MUA does not want to be involved, they understand this is risk to take moving forward with construction. Mr. Wenner responded those are good points that the application can come with conditions and the builder can proceed at their own risk with construction stopping the conditions are not being met. The conditional approval could be for the foundation permits and then further progressing when the easements are issued. Mr. Mr. Furrey questioned if this is further complicated by the MUA not owning the assets, the town does, and the ownership will then have to be transferred to the town. Mr. Furrey wanted to ensure that this is understood during the application process and not after approval. Mr. Wenner responded that there was a meeting between Ms. Bright and the town and the town is aware that this is a three- party agreement and it is important to know if the town is going to take ownership. Mr. Furrey added that if the MUA does take over the lift station that additional operational and maintenance costs would incur. Mr. Wenner answered that it is a good point and he does have a positive working relationship with the town attorney and although he does not think this will be a problem he will speak to him regarding costs and how this would be covered. Mr. Shortway stated that positively the connection fees were reduced at this meeting. Mr. Shortway added that the MUA has been actively trying to increase EDU's, and although the developers are looking for

conditional approval for the foundation permit, it will depend on the easements, technical specifications, and if the developer will proceed at his own risk. Mr. Polles responded that he will leave it up to the board to review the conditions but he would like a letter to the building department that all escrows are up to date. Mr. Furrey asked if there will be any issues regarding the HOA. Mr. Polles responded that per his understanding there will be limited impact on the HOA, as far as flow, due to construction being three single family homes and not a multi-family complex. Mr. Benosky added there is an additional question regarding DEP approvals and if they are necessary or not as the wording is not clear. Mr. Polles answered that he is happy to make that an additional condition and will obtain a firm answer from the DEP. Ms. Wheaton questioned why the board is being asked for approvals. Mr. Polles answered that the town advised that no permits will be granted until the MUA approves the application. Ms. Bright stated that this was not reported by the construction official, however, the correct information is that no permits will be granted unless connection fees are paid to the MUA and SCUMA. Mr. Polles responded he was not aware of the connection fees needing to be paid and in his correspondence with Mr. Wenner was never informed of the fees. Mr. Wenner confirmed same. Ms. Bright stated that this is a town rule to pay the connection fees before permits are granted. Mr. Polles asked for the application to be approved and provide proof of escrow to the town and if the town states connection fees need to be paid it will be done at that time. Mr. Shortway inquired when the easements can be obtained as they can go sideways quickly. Mr. Polles answered that if it were up to his client this would already be completed and he would like conditional approval to be made so that the permits can be granted. Mr. Shortway responded that legal needs to draft a formal resolution before the council and if the outstanding requirements can be resolved he is in favor. Mr. Furrey stated that he is strongly in favor of the EDU increase and would like to move forward and inquired if a resolution is needed to approve. Mr. Wenner stated that a resolution is needed and conditions need to be added and he will work with Mr. Polles to ensure a level of comfort is met by all parties. Mr. Wenner questioned Mr. Polles if two weeks is a sufficient timeframe to work out conditions and have a resolution. Mr. Polles answered he appreciated the offer to have this on the agenda in two weeks but he would like to move forward and have conditions on record to consider approving the application so that time is not wasted. Mr. Shortway stated he also sits on the town council and if the MUA favors the agreement he may be able to get this on the town agenda for the first week of September. Mr. Furrey added he would like to have something in writing before approval is given and he will have this on the next agenda to hopefully approve or consider as we do not want to be holding up the progress. Mr. Polles stated he thinks there is a better understanding of what is being asked he would appreciate a resolution on the next agenda and to please consider the application. Ms. Wheaton asked three questions: 1. Do we want to change procedures unless there is clear impetus and justification? 2. Is a performance bond a way to ensure that there is follow through on the outstanding items? And 3. Should there be a discussion on the land use board application that the applicant will pay the attorney fees? Mr. Polles responded that an escrow was provided for the MUA and will cover professional costs. Additionally, in response to the performance bond considerable time and expenses have already occurred and they would like to see this project through. Mr. Polles added in regards to the permits and connection fees, they have expended a considerable amount of funds and want to ensure that this is completed satisfactorily and right now they are just asking for the foundation permits and conditional approval. Mr. Polles added that they are

backing up against time frames and deadlines to utilize the materials that they have purchased and will have penalties that will occur if not completed in a timely fashion. Mr. Polles stated that he understands that this is not the problem of the MUA, however, this has been on the radar since February and there are contractual obligations being felt by the developer at this time. Mr. Furrey thanks Mr. Polles for the presentation and stated he will respond as soon as possible. Mr. Polles asked in the MUA will consider a motion at the current time. Mr. Furrey responded that he is not comfortable considering a motion without a written resolution and backup details. Mr. Shortway agreed with Mr. Furrey and stated that this is the first time he is hearing about connection fees and would like to have this in writing. Mr. Pitsker stated that he agreed and there are too many variables and a decision cannot currently be made. Mr. Shortway added that we are for moving forward but it must be done correctly and all legal and technical issues need to be worked out. Mr. Polles asked the board for a voice vote. Mr. Wenner responded that the board has spoken clearly to their preference and this will be done in two weeks.

10. Open to the Public for Items Not on the Agenda

Motion to open to public comments not on the agenda was made by Mr. Pitsker, seconded by Mr. McDermott, and carried via unanimous vote. Ms. McCabe informed there were no members of the public and she did not receive any correspondence to read into the record.

Motion to close to public comments not on the agenda was made by Mr. Shortway, seconded by Mr. Pitsker, and carried via unanimous vote.

11. Commissioners' Comments

Mr. Pitsker commented that everyone is focused on getting things done and he has tasks he is looking for updates on. Mr. Pitsker asked Mr. Benosky if the project timeline for PS2, which was asked for at the previous meeting, was completed. Mr. Benosky answered that the good news is that the DEP permitting is moving more quickly than anticipated but before meeting with IBank he is not confident in a final timeline. Mr. Pitsker asked Mr. Benosky for a checklist instead of a time line and was answered that would be possible. Mr. Pitsker commented on producing a newsletter as there hasn't been one done in many years and asked if Ms. McCabe would be able to help put one together or if a team would be needed. Mr. Furrey agreed to the newsletter stating that the MUA should be highlighting the accomplishments made and it can be added to the website. Ms. Bright stated that we can review the old newsletters and come up with ideas. Ms. Pitsker added that it could be distributed to the rate payors as we have accomplished tasks they should know about.

Mr. McDermott had no further comments.

Ms. Wheaton commented a job well done by the Board and Leadership for the connection fee rate reduction and apologized for being tardy and unable to vote. Ms. Wheaton notified the Board that she will be away on the 19th and the 2nd, missing the next two meetings.

Mr. Shortway thanked the commissioners, professionals, and employees for getting the plan moving forward, the work on PS2, and reducing the connection fees. Mr. Shortway added that he appreciates all the hard work.

Mr. Galway had no further comments.

12. Chairman's Comments

Mr. Furrey commented that the MUA is doing an outstanding job and would like to continue with improvements. Mr. Furrey asked that, in regards to the ordinance, that members go to the meeting and show support in any way possible as it is critical to get a passing vote for the ARP funds.

13. Adjournment

Motion to adjourn the meeting at 8:39 pm was made by Ms. Wheaton, seconded by Mr. Pitsker and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,

Jaclyn McCabe


Recording Secretary

Minutes Approved 9/2/21

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY
21 CHURCH STREET, VERNON, NJ 07462

These minutes are a synopsis of the meeting that took place on 8/19/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:01 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Mike Furrey
Paul Kearney
Dave McDermott
Andrew Pitsker
Scott Galway at 7:04 pm.

The following Members were absent:

Harry Shortway
Kristin Wheaton

The following professionals were present:

Donelle Bright, Administrator; Howie Lazier, Licensed Operator; Steve Benosky, Engineer; James Schappell, Engineer; Jaclyn McCabe, Recording Secretary.

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Kearny motioned to open to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Kearney made the motion to close to the public, which was seconded by Mr. McDermott, and carried by unanimous vote.

6. Approval of Bills: #21-41 Approval of Bills

Mr. Pitsker asked if tools are being catalogued to which Ms. Bright stated nothing under \$5,000 receives an asset tag; however, we do keep a list of what is purchased. Ms. Bright said we will complete and inventory of tools. Mr. Pitsker stated he wants to ensure what is purchased does not go missing. Mr. Furrey agreed that items purchased need to be inventoried as well as backup parts. Mr. Pitsker asked Mr. Lazier to ensure that the employees have the correct tools.

Mr. Kearney made the motion to approve Resolution #21-41 which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Mr. Galway.

7. Approval of Minutes: None at this time.

Mr. Furrey asked if all the minutes are up to date on the website. Ms. McCabe answered the website is currently up to date.

8. Resolutions:

a. #21-42 Pay to Play Resolution for North Jersey Pumps and Controls

Ms. Bright stated this is for the replacement of the panels as the original panels that were purchased are not compatible with the system. Mr. Cornetto notified Ms. Bright that custom panels were needed as a replacement for the existing panels. Ms. Bright added that the resolution is necessary as the cost of the panels is over the \$17,500 threshold and once approved can be purchased. Mr. Pitsker asked if the panels will be installed before the fall and was answered they are being custom built and will not be in before fall. Mr. Pitsker added it is important this is done before the winter so that we do not have to worry about the couplings freezing. Mr. Lazier responded freezing happens at all the lift stations. Mr. Lazier added the panels do not freeze the meter does and is unsure if Mr. Cornetto is looking to eliminate the meters. Mr. Furrey and Mr. Pitsker asked Mr. Lazier to have Mr. Cornetto review this issue it can be resolved. Mr. Furrey asked Ms. Bright what the time frame for completion is and was informed four weeks. Mr. Pitsker stated that he is hopeful this can be installed and operational by October.

Mr. McDermott made the motion to approve Resolution #21-42 which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Mr. Pitsker and Mr. Galway.

b. #21-43 Pay to Play Resolution for Montague Tool

Ms. Bright reviewed that these are generators for the lift station most items from them are on state contract, however, these are not so we need the pay to play. The other quote we received was slightly lower in cost but a 30-week lead time and this is 4-6 weeks. Mr. Pitsker asked if they are going to be installed at all lift stations and are they enclosed so no one steals them again. Ms. Bright answered that the one that went missing was portable and these are not. Ms. McCabe noted that they are in a galvanized steel enclosure.

Mr. Pitsker made the motion to approve Resolution #21-43 which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Mr. Galway.

9. Subcommittee Appointments:

Mr. Kearney stated regarding subcommittees he has been reviewing the process and initially the thought was two commissioners on each subcommittee were to gather information and provide feedback to the board. Mr. Kearney continued, after speaking to other commissioners on other boards, the real leg work should fall under the administration and staff of the MUA not the commissioners. Mr. Kearney added the commissioners are volunteers, who also have full time jobs, and do not have the time to get processes moving forward. Mr. Kearney gave an example of the transfer station; he and Mr. McDermott can talk about what the goal is and then reach out to Ms. Bright to have the work completed. Mr. Kearney further stated the commissioner's ideas will be a guidance for administration to carry out, as he cannot think of any commissioner that executes a plan themselves. Additionally, Mr. Kearney stated the board is not currently satisfied with the pace the engineering firm is working as we are under a stopwatch and actions need to be completed quickly. Mr. Kearney stated the commissioners have already replaced one engineering firm and, if necessary, will replace the current engineers as well. Mr. Kearney added that when asked for a project timeline it needs to be supplied timely and given a rough idea on what to expect. Mr. Kearney added it is unacceptable to be expected to pay for services that are not completed. Ms. Bright stated regarding subcommittees if a meeting is needed for a specific item she will send invitations to the appropriate commissioners. Mr. Pitsker added he also agrees with Mr. Kearney and will give information to the professionals for follow up. Mr. Pitsker stated that he completes a double check to ensure the professionals and commissioners are following through with their duties as he is eager to complete tasks in a timely manner. Mr. Kearney added he understand items come up last minute but unless it is an emergency it can wait as the board meets every other week; additionally, all information must be sent once as he does not have the time to continually review information. Mr. Pitsker spoke to Mr. Benosky stating it was an insult that he has asked several times for a timeline and it is yet to be received. Mr. Pitsker added he understands that there is not always movement but what Mr. Benosky has shown the commission

is unacceptable. Mr. Benosky apologized to Mr. Pitsker for not following through as requested and stated it will not occur again. Mr. Pitsker added that Mr. Benosky does a satisfactory job of following up with Ms. Bright but also wants to ensure that projects are being followed up on aggressively. Mr. Furrey agreed with Mr. Kearney on the idea of the subcommittees gathering information and bringing it back to the administration to perform the work. Mr. Furrey stated his discontent about the length of time projects are taking to complete. Mr. Furrey stated the MUA is active and aggressive and all professionals need to be on board to ensure the MUA does not fail. Mr. Furrey encouraged the board to review the subcommittees and report any changes needed. Mr. Pitsker added purpose summaries should be included with the subcommittees and wording adjusted. Mr. Furrey stated that the subcommittees are evolving and will adjust as items are accomplished.

- a. PS2/Transfer Station Subcommittee: Paul Kearney and Dave McDermott
- b. Sewer Service Area Subcommittee: Mike Furrey and Paul Kearney
- c. Solid Waste Subcommittee: Kristen Wheaton and Scott Galway
- d. Bylaws/Personnel Subcommittee: Andrew Pitsker and Dave McDermott
- e. Water Supply Subcommittee: Mike Furrey and Scott Galway
- f. Finance Subcommittee: Andrew Pitsker and Harry Shortway

10. Licensed Operator Update

Mr. Lazier updated he spoke to Mr. Cornetto regarding the control panels and no heater is needed as floats will be monitoring levels. Mr. Furrey confirmed the original panels purchased were returned to which Mr. Lazier responded they were returned due to not having a capacitor. Mr. Lazier reported Green Realty building is now hooked up to the sewer line and awaiting inspection. Mr. Lazier continued that the generators were serviced and updated the battery at PS1 needed to be changed and Black Creek lift station will be changed at the next visit. Mr. Lazier reported the davit is not yet installed due to needing a concrete drill bit to lag it into the wall; however, the winch is installed at PS1. Mr. Pitsker asked for clarification for where the davit is to be installed. Mr. Lazier informed that it is a portable davit for PS1. Mr. Furrey question if the MUA field employees were going to take the classes. Mr. Lazier responded he has mentioned it several times and gave them materials but it is not completed. Mr. Furrey stated it is a 180-hour class, which is not easy, and to keep encouraging them to complete it.

11. Administrator Update

Ms. Bright updated that a meeting was held with IBank and four members of the DEP who handle the permitting process resulting in a project number being obtained and documents can now be uploaded. Ms. Bright added that permitting may take several months; however, the financing does not take more than a month and after financing is secured it can go out for bid. Mr. Schappell stated he is working on the environmental plan and will upload it to the application once completed.

Ms. Bright stated the asset management plan has been completed and will need approval. Ms. Bright added missing was the force main evaluation and will be updated, in addition to the report by Mott McDonald, by the next meeting. Mr. Furrey questioned if the update could be an addendum to the original plan by Mott McDonald. Ms. Benosky answered that although the table

of contents could be changed to include the addendum; it is better as a separate document as it is a different report. Mr. Furrey stated a formal resolution will be completed at the next meeting to then be submitted to the DEP to start the funding process.

Ms. Bright discussed the sewer service area updating that a public hearing is scheduled for Monday regarding the town center designation and should be completed in September. Ms. Bright continued that the town center designation helps our sewer service area but does not address the expanded area and Dewberry is working on addressing that issue.

Ms. Bright updated the capital ordinance is on the town council agenda for the second reading and once approved will have the twenty-day waiting period. After the waiting period is completed charging from the ordinance will occur and the town can reimburse the MUA.

Ms. Bright updated that no information has been received from Alpine and Snowshoe homes and therefore is not on the agenda for the meeting.

Mr. Furrey commented on water supply stating that he has spoken to the Mayor on the unusual circumstances of the MUA not owning the assets. Mr. Furrey stated that the Mayor is going to let the MUA take the lead on what to do with the water supply and the MUA will work with Suez on infrastructure. Mr. Furrey questioned if the town should hire an engineering firm which will work directly for the town and not the MUA. Ms. Bright answered it is up to the town how they will want to proceed and the MUA can be reimbursed if that is the decision that is made. Mr. Pitsker spoke about the water mapping and inquired if there is a specific map of what the project entails that can be made available for the public. Mr. Furrey responded that there is a 2014 report from Suez which Mr. Schappell has been working with to create a plan. Mr. Schappell stated there are different elements to be factored in including dry mains that were not in the original plan. Mr. Schappell added he does have some small maps which he is currently working on. Mr. Furrey added that in some areas the mains are undersized and need upgrades to support development. Mr. Pitsker added there are supporting documents but there is ambiguity on what is being completed and he would like a clear map to understand the big picture. Mr. Furrey requested Mr. Schappell to send the MUA the maps in an e-mail for review. Mr. Furrey said he spoke with John Hildebrandt, a private manager of Suez, and was told they did upgrades and can easily meet capacities; which is a major capital item that may not need to occur. Mr. Furrey added as plans get developed and designed then big picture and costs will be known.

12. Open to the Public for Items Not on the Agenda

Motion to open to public comments not on the agenda was made by Mr. Pitsker, seconded by Mr. McDermott, and carried via unanimous vote. Ms. McCabe informed there were no members of the public and she did not receive any correspondence to read into the record.

Motion to close to public comments not on the agenda was made by Mr. Kearney, seconded by Mr. Pitsker, and carried via unanimous vote.

13. Commissioners' Comments

Mr. Kearney had no further comments.

Mr. McDermott commented he would like to see pump station 2 go ahead with increased urgency.

Mr. Pitsker commented to please add the completion date to the capital list. Mr. Pitsker added that Mr. Lazier is working well to keep emergencies down. Mr. Pitsker asked Mr. Benosky to keep up the timeline on PS2 and for Mr. Schappell to keep up with the water.

Mr. Galway looking forward to the subcommittees, especially solid waste, as it benefits both the town and residents. Having the map is beneficial and will show where the funds are being utilized and it will make it easier to see the bigger picture. Additionally, it may bring more positive comments about the council members who are trying to do good things for the community.

14. Chairman's Comments

Mr. Furrey asked all members to read over the subcommittee charters and let him know if there are any updates needed. Mr. Furrey added to support the ordinance and if people ask give them the right information so that it will be clear what the goal is.

15. Executive Session: Resolution #21-44

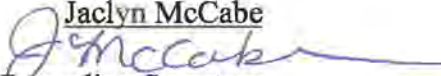
Mr. Pitsker made the motion to approve Resolution #21-44 which was seconded by Mr. Kearney and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Mr. Galway.

Mr. Pitsker made the motion to reconvene the regular meeting, which was seconded by Mr. McDermott and carried by unanimous vote.

16. Adjournment

Motion to adjourn the meeting at 8:37pm was made by Mr. McDermott, seconded by Mr. Kearney and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,

Jaclyn McCabe

Recording Secretary

Minutes approved 9/16/21

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY

These minutes are a synopsis of the meeting that took place on 09/02//2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:03 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Mike Furrey
Paul Kearney
Dave McDermott
Harry Shortway
Scott Galway

The following Members were absent:

Andy Pitsker
Kristin Wheaton

The following professionals were present:

Donelle Bright, Administrator; Howie Lazier, Licensed Operator; Rich Wenner, MUA Attorney; Jaclyn McCabe, Recording Secretary.

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Shortway motioned to open to the public, which was seconded by Mr. Kearney, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. Kearney made the motion to close to the public, which was seconded by Mr. Shortway, and carried by unanimous vote.

6. Approval of Minutes:

a. August 5, 2021

Mr. Shortway made the motion to approve the minutes which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Shortway, and Mr. Galway.

7. Resolutions:

a. #21-45 Adoption of the Asset Management Plan

Mr. Furrey asked if the plan needed to be completed and approved in order to obtain IBank funding for PS2 and any other project that we may want to do in the future. Ms. Bright replied that the asset management plan works in conjunction with the PS2 project and we do not need the approval to obtain IBank funding but we need the plan approved in order to have the principal forgiven by IBank, since it is an approved project in the plan. Mr. Shortway stated this has been a six-year process that the former MUA never completed and this group of commissioners and professionals were able to complete the plan, which he greatly appreciates. Mr. Furrey agreed with Mr. Shortway on the importance of the plan and thanked the professionals for the completion.

Mr. Shortway made the motion to approve Resolution #21-45 which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Mr. Shortway, and Mr. Galway.

b. #21-46 Shared Service Agreement for Administrative Duties

Ms. Bright requested to hold this discussion on contract negotiations for the executive session. Ms. Bright added that if the board would like to, they can adopt the resolution after the discussion. Mr. Furrey stated this will be tabled until the executive session.

8. Administrator Update

Ms. Bright updated that Mr. Schappell has reached out to the DEP for the environmental planning documents to ensure unnecessary information is not sent. Additionally, Mr. Benosky has updated the PS2 timeline to reflect the anticipated completion date of early next fall.

Ms. Bright stated that the town center designation was approved at council and then will move to the land use board. The sewer service area will be revisited when the land use board is complete.

Ms. Bright explained the capital list has been updated and if there are any questions please reach out.

Ms. Bright updated that the capital ordinance for water infrastructure was approved at the last council meeting and there is now a 20-day waiting period before the engineering fees can be charged to it. Additionally, Mr. Schappell has a meeting with Suez scheduled.

Ms. Bright stated there has been no update to Snowshoe and Alpine homes since the last meeting. There was a meeting with the attorneys on the township side; however, there needs to be an application, as well as an agreement with the town, and neither has been completed. Ms. Bright added Mr. Benosky has reached out again to inquire about the outstanding items.

Mr. Furrey asked if the town center designation means that the sewer service area will automatically be approved or if there will still be a process. Ms. Bright responded as of right now, the blocks and lots carved out were originally approved, and now we are being told some are no longer in the service area. Ms. Bright continued that in the DEP regulations it allows them to make the changes as there is no designation for the town center. Ms. Bright added that in the beginning of the regulations it states that anything in town center will be included in the sewer service area, including the expanded area, and believes the DEP cannot remove the area if we are in compliance with the highlands master plan. Ms. Bright noted that anything outside the sewer service area and not in town center, would need approval from the DEP. Ms. Bright stated this should be done after the sewer service area is approved. Mr. Furrey agreed to wait for the process to finalize and then will reevaluate. Mr. Galway asked after designation how long we will have to wait to begin work. Ms. Bright answered that is actual engineering for when we can start and right now there are rough estimates for the expanded locations. Ms. Bright added she is working on cost and benefit ratios as there needs to be more details before a decision is made.

9. Licensed Operator Update

Mr. Lazier updated at PS1 the railings have been installed as well as at all the other stations that repairs were required. At PS2 everything is running smoothly; the rat situation is hard to evaluate as no rats have been seen. Mr. Lazier reported at PS3 the davit crane was to be installed, however, upon digging a 600v electrical cord was discovered and it is not known what it is for. Mr. Lazier stated on Friday, JEM electric will come out to evaluate the wire and determine what it is for. Mr. Lazier added it may be necessary to find another location to install the davit. Mr. Furrey stated that it may be wires to the old treatment plant that was located there. Mr. Lazier replied that was his thought as he doesn't not believe it is to the muffin monster.

Mr. Lazier reported at Black Creek there was a high-level call during the last storm. Mr. Lazier stated that rainwater, as well as black creek pumping their pool water, increased the levels. Mr. Lazier stated all other stations were checked and were in at normal levels.

However, because of all the rainwater and water we were sending, SCUMA notified us that we backed up their pumps. Mr. Furrey asked why SCUMA could not keep up with the flows being sent. Mr. Lazier answered this was what he was informed and was asked to back off our pumps. Mr. Lazier added this has never happened before even in other severe storms. Mr. Shortway stated he is confused as the town is paying for a minimum flow, which we do not reach, and even with the extra rain how SCUMA could not keep up with the flows. Mr. Lazier answered when the flow is heavy, and an influx of rain occurs the pumps cannot keep up. Mr. Shortway added that they should be able to handle the extra gallons since it is within our allocations. Mr. Furrey inquired how many gallons were being pumped during the event. Mr. Lazier answered he is unsure but will obtain the information. Mr. Furrey noted that it needs to be known how much flow was being sent that could not be handled as this could have forced us to call in trucks and to incur an unnecessary expense. Mr. Furrey added that it sounds like SCUMA had an operational issue and we do not know what they are or are not doing. Mr. Furrey requested the flow rates and stated that Mr. Lazier did a great job handling the situation. Ms. Bright stated the average flow rate is between 208,000-210,000 gallons and the max, during significant storms, is around 310,000 gallons. Ms. Bright sent the flow calculations to the board.

Mr. Lazier updated there was a call last week at Gunstock Units 2-9, for a small back up into the condo units. Mr. Lazier reported that the line was snaked out 10 feet to where the clog was discovered, no flooding was reported but a backup into the tub.

Mr. Lazier asked Mr. Furrey to have the backup operator call him regarding any concerns. Mr. Lazier, said for example, the reason the gate was unlocked was that he was paving and could not unlock the gate for the welder who was repairing the railings and would have been able to explain the situation as it occurred. Ms. Bright and Mr. Furrey agreed that Mr. Lazier should be called by the backup operator before another contact is called. Mr. Shortway inquired if the police have keys to all the pump house locks in case of emergency as the police should have access to every asset the town owns. Ms. Bright responded she is unsure if they do but will e-mail the Chief to find out.

Mr. Lazier updated that SCUMA can pump 1,200 gallons a minute. Mr. Furrey added that they should be able to keep up and to obtain the flow numbers. Mr. Furrey asked Mr. Lazier to find out what type of pumps SCUMA uses.

10. Work Session:

a. New Business:

i. Overcharges of Sewer Fees at 2 Squaw Ct Unit 3

Ms. Bright reported that there was a similar overcharge situation last year where the property owner came in stating they are assessed at a one bedroom and being charged a two-bedroom rate. For this unit, this is the first time we are being notified of the overcharge. Ms. Bright stated she would prefer to issue a credit and not to have a resolution. Ms. Bright stated she will only go back for the 2021 year as this was the first notification and a credit is the best option. Mr. Furrey stated he does not have a problem issuing a credit. Mr. Shortway added that Ms. Bright is

the CFO and will take her recommendation. All members of the board unanimously agreed upon issuing a credit.

b. Old Business:

i. Discussion on Water Infrastructure

Mr. Furrey discussed a letter was sent relating to the paving of Rt 515. Mr. Furrey continued the Business Administrator sent a letter to the engineer outlining the concerns related to paving and our plans to place infrastructure in the ground. Mr. Furrey noted that the county does not want to delay their paving project to allow us to do the work and does not make sense as the area will then need to be repaved. Also stated, Mr. Schappell reached out to the county engineer and was informed there is a three year moratorium for digging up the pavement. However, was verbally told they would allow us to do the project. Mr. Furrey added he is not comfortable with a verbal agreement and would like this to be put into writing as it would be a mistake to put money into engineering and projects that cannot be completed. Mr. Kearney inquired if it is possible for the county to hold back on the areas that we are planning to use until our work is completed. Mr. Furrey agreed that the section we need is not very large and we should reach out to possibly coordinate this with them as it would make sense not to waste tax payors money. Mr. Furrey added Mr. Schappell is working on getting answers for this situation as well as any permits that may be needed. Mr. Shortway added that there is a power point presentation from 2008 which outlines the whole town center including infrastructure and will forward it to Ms. McCabe to distribute it for guidance. Mr. Shortway added it does show the cost outline as well and inflation can be factored in. Mr. Furrey responded that the cost of pipe is currently triple the regular price with lead times that can be up to six months. Mr. Furrey added that the county needs to work with the MUA to accommodate our needs and not with a verbal agreement. Mr. Furrey asked Mr. Wenner if anything can be done to get the county to accept the request. Mr. Wenner responded that it will not be an easy task and the best course of action is to engage politicians across the spectrum. Mr. Shortway added perhaps the commissioners can pass a resolution and it will possibly help as Vernon is the largest municipality in the county. Mr. Furrey suggested to reach out to Senator Oroho. Mr. Shortway responded to use the proper chain of command and go to the director of the county commissioners first, initiate dialogue, and have the conversation on the needs of the town. Mr. Furrey added this is a difficult situation as we have funding for the project, and it is possible that we may not be able to complete it if the county does not agree to wait on the paving project. Mr. Furrey stated that answers need to be given regarding the paving job in order to move forward.

11. Open to the Public for Items Not on the Agenda

Motion to open to public comments not on the agenda was made by Mr. Kearney, seconded by Mr. Shortway, and carried via unanimous vote. Ms. McCabe informed there were no members of the public in attendance.

Motion to close to public comments not on the agenda was made by Mr. Kearney, seconded by Mr. Shortway, and carried via unanimous vote.

12. Commissioners' Comments

Mr. Kearney had no further comments.

Mr. Shortway had no further comments.

Mr. McDermott commented not to go on a handshake with anyone and all agreements need to be in writing with the person signing it having the authority to do so. Mr. McDermott added if we spend the money and the deal falls apart it would not be good.

Mr. Galway commented to try and work around the future roadblocks.

13. Chairman's Comments

Mr. Furrey had no further comments.

14. Executive Session: Resolution 21-47

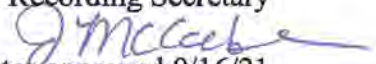
Mr. Kearney made the motion to approve Resolution 21-47 to enter executive session, regarding contract negotiations, which was seconded by Mr. McDermott and declared carried by unanimous votes.

Motion to reconvene was made by Mr. McDermott which was seconded by Mr. Shortway and declared carried by unanimous vote.

Mr. McDermott made the motion to approve Resolution #21-46 which was seconded by Mr. Shortway and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Mr. Shortway, and Mr. Galway.

15. Adjournment

Motion to adjourn the meeting at 8:32 pm was made by Mr. Shortway, seconded by Mr. McDermott and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,
Jaclyn McCabe
Recording Secretary

Minutes approved 9/16/21

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY

These minutes are a synopsis of the meeting that took place on 09/16//2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:00 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Mike Furrey
Paul Kearney
Dave McDermott
Andy Pitsker
Kristin Wheaton
Harry Shortway
Scott Galway

The following professionals were present:

Donelle Bright, Administrator; Rich Wenner, MUA Attorney; Steven Benosky, Engineer; James Schappell, Engineer; Jaclyn McCabe, Recording Secretary; Mayor Howard Burrell

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Kearney motioned to open to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote. Ms. McCabe informed there were no members of the public and did not receive any correspondence to read into the record.

Mr. McDermott made the motion to close to the public, which was seconded by Mr. Kearney, and carried by unanimous vote.

6. Approval of Bills: #21-48 Approval of Bills

Mr. McDermott stated he found a typo on a bill and contacted Ms. McCabe and the issue is now resolved. Mr. Pitsker inquired where the budget stands. Ms. Bright responded it is in good standing and the 3rd quarter report will be on one of the next two meetings.

Mr. Pitsker made the motion to approve Resolution #21-48 which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton, and Mr. McDermott.

7. Approval of Minutes:

a. August 19, 2021

Mr. Kearney made the motion to approve the August 19,2021 minutes, which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Mr. McDermott, and Mr. Galway.

b. September 2, 2021

Mr. McDermott made the motion to approve the September 2,2021 minutes, which was seconded by Mr. Shortway and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. McDermott, Mr. Shortway, and Mr. Galway.

8. Administrator Update

Ms. Bright updated the railings were installed for the locations addressed in the safety review.

Ms. Bright stated that regarding the sewer service area the Land Use Board held the public hearing and final approval from the State is now needed. Ms. Bright added Ms. Caldwell, the township planner, will let us know when she hears from the State and then we can move onto to the expanded sewer service area.

Ms. Bright stated that there has been an update on the Snowshoe and Alpine homes. Ms. Bright was notified from construction that they were approached by the developer to install septic systems instead of sewers as they do not have enough funds for the sewer lines. Ms. Wheaton

questioned if that is allowable do to the fact that the property is in the sewer service area. Ms. Bright responded that although they are in the sewer service area there aren't any mains outside of the property to connect to. Mr. Wenner added that he would like the maps reviewed before responding and there will be information on the next meeting.

Ms. Bright asked Mr. Schappell if the PS2 environmental planning document has been uploaded. Mr. Schappell responded one piece is outstanding and this will hopefully be completed tomorrow. Ms. Bright clarified the document is for IBank funding.

Ms. Bright stated Mr. Schappell spoke to the county in regards to the paving project that is starting on Rt. 515 and plan of the MUA to install infrastructure. Ms. Bright added the township Business Administrator has also tried to contact the county and explain our needs; however, they are still planning on starting the project. Ms. Bright stated to date the last piece of correspondence requested from the county was what the towns anticipated start date will be; which is unknown at this time. Mr. Schappell suggested instead of going to Suez first and creating a plan; that installing the dry water main should be the immediate focus. Mr. Schappell added he spoke with the DEP and they informed a permit would not be needed to install a dry main and therefore, installation could be completed quickly. Mr. Schappell added one thing to keep in mind is the availability of pipe at the current time; however, a rough schedule will be completed to provide to the county. Mr. Galway asked if we are requesting that the county not pave or are we requesting a waiver to rip up the newly paved roadway. Ms. Bright responded that we would like the county to not pave until after the infrastructure is in the ground. Mr. Galway inquired where the paving will begin. Ms. Bright stated the paving will begin at the far end of Rt. 515 near Rt. 23 and it is unknown weather or not they will be able to complete the project until the spring. Ms. Bright added moving quickly in submitting a timeline could be in our favor. Mr. Schappell stated he would be able to complete a timeline by early next week. Mr. Furrey requested Mr. Schappell review the steps needed to get to the construction phase. Mr. Schappell stated without having to obtain a permit the process is much smoother; however, a survey is needed for the bid documents. Mr. Schappell continued that the documentation from Dewberry would take about a month before it is ready for the bid process, followed by procuring materials, with the intent of finishing by spring. Mr. Furrey stated the reason he invited the mayor was to speak about the verbal word the county has given and to ask for his assistance in obtaining a formal response from the county. Mayor Burrell thanked Mr. Furrey for the invitation to the meeting stating he is honored to be involved. Mayor Burrell continued that he has addressed the issue that Mr. Furrey is verbalizing and he hopes that the MUA and the public know that the administration does view this as a priority. Mayor Burrell added that the MUA manages the townships resources and we will work on this together. Mayor Burrell continued that he is unsure of how many close friends we have in the county but they have been good about the paving and the administration does not want to go over their heads; we have received a verbal answer, however, it does need to be in writing. Mayor Burrell stated his commitment to the MUA is that he will push to obtain a response in writing and if the administration is not working quickly enough to let them know. Mr. Furrey responded he appreciated the mayor's comments. Mr. Pitsker requested clarification pertaining to the permitting of the dry lines and what will happen when they are put in service. Mr. Schappell answered that when they are installed and will be dry no permit is required; however, once it is put in service, they will need to comply with the safe drinking water act standards.

Mr. Pitsker inquired what the procedures for permitting are once the lines activated and pressure tested. Mr. Schappell responded he believes the current dry line has already been pressure tested; however, is unsure of what has actually been done before and if it was permitted. Mr. Benosky added that usually when the lines are made active you would be able to pressure test them at the same time but more information is needed as the existing lines have been sitting inactive for an extended period of time. Mr. Furrey added as a fact that the lines were pressure tested ten years ago so they will need to be done again. Mr. Pitsker asked if the lines were sealed after they were pressure tested or are they completely dry to which he was answered they are completely dry. Mr. Galway asked in the time since the lines were installed were any new requirements issued in which they would have to be replaced; for example, the lines on Theta and Omega Drive are smaller. Mr. Schappell answered that the smaller lines are 4 inch which are no longer installed and there are many 4-inch lines still operational as they are grandfathered in. Mr. Schappell continued the lines on Main Street are the required 8-inch lines and as Suez installed them, they are most likely ducto-iron and should be fine. Mr. Furrey added that the lines on Theta and Omega Drive are owned by Suez so it would be their responsibility to upgrade them. Mr. Galway inquired if there will be any issues with installing the lines on Rt. 94 as they were recently paved. Ms. Bright answered there will be a process in which we put in a request, which will then be denied, and then we can escalate the request to a higher level for approval. Mayor Burrell asked if the water mains could be placed on the sides of the roadway rather than in the middle so the paving does not become destroyed. Mr. Schappell responded that it is possible; however, it depends on right of way and storm infrastructure and if it is wide enough. Mayor Burrell added that this may address the entire issue regarding the paving on rt 94 and if there are alternative ways to complete this project it should be investigated. Mr. Schappell stated this may be possible but hard to say without a survey. Mr. Benosky added the DOT informed of an additional project on Rt 94 however, it seems to be more guardrail work then paving, as they have been e-mailing updates. Mr. Furrey asked if the design is a big effort after the survey is completed. Mr. Schappell replied that the survey is time consuming but once it is completed the design is not a big effort. Mr. Furrey inquired if the MUA or the Town will put out bid documents. Ms. Bright responded she reached out to the town attorney to produce a professional service agreement for Dewberry for purposes of tracking the ARP funds. Ms. Bright continued the payment will come from the town as they have the ordinance in place. Mr. Furrey directed Mr. Benosky and Mr. Schappell to submit a proposal to the town council for consideration. Ms. Wheaton suggested correspondence or a letter of recommendation also be submitted from the MUA to the town to convey why the recommendation is being made. Mayor Burrell responded it would be a good idea to submit correspondence. Ms. Wheaton questioned the additional paving on RT 94 and if a different approval would be necessary since it is not a county road. Mr. Benosky replied nothing is being done on RT 94 right now and it is a more formal approval process when the time comes. Mr. Furrey responded he believes there is work to be done on RT 94 as the loop between RT 515 and RT 94 need to be connected. Mr. Benosky added that the work on RT 94 will be mostly guardrails but will look into it further. Ms. Bright clarified the intent is to bring the pipe up and create a loop; however, right now the focus is getting the pipe installed on RT 515 as they are currently paving. Ms. Bright continued when we are ready to do RT 94, we will have to apply to the state to obtain approval to open the road. Ms. Bright added there have been e-mails sent to the State resulting in receiving a phone call; they realize that people are utilizing the ARP funding and will be granting approvals.

Mr. Pitsker asked if the area we need to focus on is from the Daily Bean to where Rt 515 ends and there needs to be a realistic view on what can be completed short term. Mr. Schappell responded that is the area which is driving the urgency of the project. Mr. Shortway inquired if the stream at Fisherman's Pond, next to the fire station, represents a problem and would a permit be needed. Mr. Schappell stated he believes that the area in question is secured in and enclosed conduit. Mr. Schappell shared his screen to review the areas in question. Mr. Furrey asked Ms. Bright if Dewberry will still need to make a formal proposal before the work is started. Ms. Bright answered since the ordinance is in place a professional service agreement will need to be put before the town council. Mayor Burrell added a strong recommendation letter coming from the MUA is needed so as not to put Mr. Shortway and Mr. Pitsker in a position as if they are asking for the recommendation as some could make that claim. Mr. Furrey requested Ms. Bright to draft a letter for him to sign. Ms. Wheaton asked if a motion or resolution is necessary for Ms. Bright to draft the letter. Mr. Shortway and Mr. Wenner agreed that the board is moving as a body and a formal motion is necessary. Ms. Wheaton made the motion to move forward on drafting a letter for professional service agreement, seconded by Mr. McDermott and carried by unanimous vote.

Mr. Furrey stated he spoke with Mr. Schappell about providing water service to areas with water main before all construction is finished. Mr. Schappell stated there are mains on Main Street and cross to Acme and there has been discussion for the MUA to operate own water distribution system. Mr. Schappell continued since mains are in the ground, we can run the lines as soon as the details are worked out with Suez; right now, steps could be started for a distribution system under the MUA. Mr. Furrey asked Ms. Bright if the charter was only for wastewater since we are an MUA. Ms. Bright responded that is correct and because of the way the MUA operates, the township would have to establish a charter for a water utility and give it to the MUA to run. Mr. Furrey asked Mr. Wenner what the steps to establish the water utility would be. Mr. Wenner replied it is a different statutory construct and it would be created via ordinance by the municipality. Mr. Wenner continued for the MUA to run it; since it is a utility and not authority, a shared service agreement with the municipality would be likely. Mr. Furrey spoke to Mayor Burrell, Mr. Shortway, and Mr. Pitsker stating this process has to happen in order to establish a water utility and purchase water from Suez to distribute. Mr. Shortway stated that Mr. Wenner can discuss the ordinance with the township attorney and when the draft is completed it will be placed on the town council agenda for public discussion. Mr. Pitsker asked if we would still be organized under the municipal and county utility authority law or will it change. Mr. Wenner answered the charter would stay the same; however, utilities and authorities are different, authorities are a separate body of politics, can sue and be sued and can issue bonds. Mr. Wenner added a utility, in a technical sense, is a division of the township. Mr. Wenner said he will speak with the township attorney, Mr. Furrey, Mayor Burrell, and Ms. Bright to get a better sense of how this will operate in the future. Mr. Shortway added there should be a financial analysis done to see if there is any additional cost to having the utility versus the authority. Mr. Shortway added additional financial studies should be done to show the projected income of giving the franchise to Suez and being a customer or purchasing the water from Suez and distributing it ourselves. Mr. Shortway said he would feel more comfortable with a financial study outlining projected income and projected costs. Ms. Wheaton asked if the town would do the financial analysis. Mr. Shortway responded that the town owns the assets and asked Ms. Bright if her department would handle doing the analysis. Mr. Bright responded she could do rough estimate of costs although there are many open-ended details, she would need to know the cost of to

complete. Ms. Bright added she will find out who would handle this type of analysis. Mr. Shortway asked if Dewberry would be able to complete an analysis. Mr. Benosky stated his group does not do this specifically, but he will see if there is a department which handles this. Mr. Furrey stated a meeting needs to be made with Suez as we now have an idea and plan. Mr. Pitsker agreed the sooner the better to come to an agreement on who is doing what. Mr. Shortway asked if we become a consumer and not the developer, would Suez have to pay for the upgrades. Mr. Furrey responded we will not know until we meet with them to discuss details.

Mr. Furrey spoke in regards to the pumping issue with SCUMA during the last storm. Mr. Furrey previously requested Mr. Lazier to look into the pumping capacity for SCUMA and it appears their maximum gallons per day are 419,000 gallons and Vernon's minimum flow guarantee is 461,000 gallons per day; meaning that if the calculations are correct, they cannot meet out minimum flow guarantee. Mr. Furrey stated he would like to submit an OPRA request to SCUMA for information on their pumps and pump station. Mr. Furrey requested Mr. Wenner and Mr. Benosky work together to request all the information needed for the formal request and determine capacities. Mr. Furrey requested information regarding the pool backwash issue reported by SCUMA. Ms. Bright informed during the last storm, when the flows were too high for SCUMA to keep up, one of our operators said that Black Creek backwashed their pools that day. Following that, SCUMA reached out to the town, not the MUA, to notify that backwashing of pools is against their regulations. Ms. Bright reviewed the application and documents which show that the pool is not connected to the sewer line and that only standard non-chlorinated wastewater is being discharged. Additionally, the DEP approved the application for Black Creek and found no issue. Mr. Benosky added that backwashing can happen in various ways; however, in this case, it goes into a pit to be dechlorinated and then is discharged into the sewer line, which is well documented and a permitted activity. Mr. Shortway added he reviewed the flow documents and noticed between mid-March and the first week of April the flows increase substantially. Mr. Shortway wondered what could cause the increase over the last few years and added that it also happens in August. Mr. Furrey responded one idea is the snow melt from Mt. Creek running off into the storm drains for March and April. Mr. Furrey continues for August there is a possibility of emptying the water park but the only way to tell where it is coming from is to meter the flow. Mr. Schappell added looking at seasonal trends and groundwater amounts could give insight as well. Mr. Shortway replied he went back into weather reports which disproved his theory of snow as one year there was no snow reported. Mr. Furrey questioned if SCUMA was reporting the flow numbers to the MUA. Ms. Bright responded that SCUMA will send flow numbers monthly and then they are correlated with our numbers; their numbers being less than ours usually. Mr. Furrey stated that the meter at Ps2 is not accurate but that will be changed when the new station is built. Mr. Furrey asked Mr. Benosky and Mr. Schappell if the SCUMA meter is the official document is it worthwhile to install our own meter in their station. Mr. Benosky responded depending on their arrangement there may or may not be room to install a second meter; however, they may be agreeable to installing a temporary meter as a test case. Mr. Benosky added that often times the meters are required to be checked annually but is unsure of the requirements of SCUMA. Mr. Schappell added that good practice is having a meter at discharge and receiving to determine if there are any leaks. Mr. Furrey directed Mr. Benosky and Mr. Schappell to look into installing our own meter at the SCUMA station. Ms. Wheaton questioned if there are any additional customers from our discharge location to the treatment plant to which she was answered there are not.

9. **Subcommittee Updates**

There were no additional updates to be discussed.

10. **Open to the Public for Items Not on the Agenda**

Motion to open to public comments not on the agenda was made by Mr. Pitsker, seconded by Ms. Wheaton, and carried via unanimous vote. Ms. McCabe informed there were no members of the public in attendance.

Motion to close to public comments not on the agenda was made by Mr. Pitsker, seconded by Mr. Kearney, and carried via unanimous vote.

11. **Mayor Comments**

Mayor Burrell commented that once again the Township is unified with the MUA on where we are going. Mayor Burrell amplified the outstanding job the MUA has done as this is the first time, he can remember, there has not been an MUA cost increase. Mayor Burrell thanked the Commissioners for the invitation to the meeting.

12. **Commissioners' Comments**

Mr. Kearney had no additional comments.

Mr. Pitsker asked Mr. Benosky for updates on pump station 2 as there are updates for the soil boring test. Mr. Benosky stated that the soil boring test could not be performed due to the rain storm and will be completed the week of 9/20/21. Mr. Benosky added he will be in touch with Ms. Bright to ensure proper access is granted for the area. Mr. Benosky stated regarding the application updated information was provided will follow up next. Mr. Benosky added the documents for the H2 loan will be uploaded into the system tomorrow. Mr. Pitsker inquired what the next steps are. Mr. Benosky answered the environmental Planning Document needs to be reviewed as the H2 loan approval process will hopefully take weeks and not months, and then the design can be progressed to go from permit state to bid state. Mr. Pitsker requested an updated project timeline for the next meeting. Mr. Benosky answered that he would have one to review.

Mr. McDermott had no additional comments.

Ms. Wheaton had no additional comments.

Mr. Shortway had no additional comments.

Mr. Galway had no additional comments.

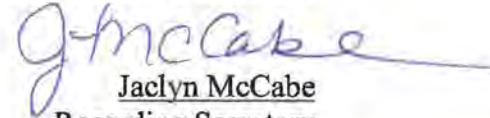
3. **Chairman's Comments**

Mr. Furrey had no additional comments.

14. Adjournment

Motion to adjourn the meeting at 8:28 pm was made by Mr. Pitsker, seconded by Mr. Kearney and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,

A handwritten signature in blue ink that reads "J McCabe". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Jaclyn McCabe
Recording Secretary

Minutes approved 10/21/21

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY

These minutes are a synopsis of the meeting that took place on 10/21/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:04 pm.

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

.. Roll Call of Members and Professionals

The following Members were present:

Mike Furrey
Dave McDermott
Andy Pitsker
Kristin Wheaton
Scott Galway

The following member was absent:

Paul Kearney

The following professionals were present:

Donelle Bright, Administrator; Rich Wenner, MUA Attorney; Steven Benosky, Engineer; James Schappell, Engineer; Jaclyn McCabe, Recording Secretary; Howard Lazier, Licensed Operator arrived at 8:07 pm.

5. Executive Session: Resolution #21-49

Mr. Pitsker made the motion to approve Resolution #21-49 to enter Executive Session, regarding litigation with SCUMA, which was seconded by Mr. McDermott and declared carried by unanimous votes.

Motion to reconvene was made by Mr. McDermott which was seconded by Mr. Pitsker and declared carried by unanimous vote.

Motion to authorize Attorney Brian Tipton to appeal the court's judgment regarding SCUMA was made by Ms. Wheaton, which was seconded by Mr. McDermott. Motion was carried by affirmative votes of Mr. Furrey, Mr. McDermott, Ms. Wheaton and Mr. Galway. Mr. Pitsker abstained from voting.

6. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open to the public for an agenda item, which was seconded by Mr. McDermott, and carried by unanimous vote. Ms. McCabe informed Ms. Jessi Paladini wished to speak.

Ms. Paladini requested clarification on the vote to motion for an appeal. Ms. McCabe read the votes of the motion. Ms. Paladini asked if Mr. Furrey was allowed to vote being that he is also on Town Council. Mr. Wenner responded Mr. Furrey is allowed to vote.

Mr. Pitsker made the motion to close to the public, which was seconded by Ms. Wheaton, and carried by unanimous vote.

7. Approval of Bills: #21-50 Approval of Bills

Mr. Pitsker inquired what the percentage rate of the restocking fee was for the return of the control panels. Ms. McCabe responded she is unsure of the percentage rate, however, since the items were not a regular stock item the fee was charged. Ms. McCabe also noted that only one freight was charged instead of two.

Mr. Pitsker made the motion to approve Resolution #21-50 which was seconded by Mr. McDermott, and declared carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton and Mr. Galway.

8. Approval of Minutes:

a. 9/16/21

Ms. Wheaton made the motion to approve the September 16, 2021 minutes, which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton, and Mr. Galway.

Resolutions:

a. Resolution #21- 51 Agreement Between VTMUA and The Commissioner of Transportation for the Design and Constructions of Rt. 94 Pleasant Valley Drive to Maple Grange Road

Mr. Benosky explained that the State has asked us to approve this agreement to do work in the future on the areas listed in the agreement. Mr. Benosky added there are different parts to the agreement, but the DOT is planning on a project on route 94 which is what this agreement is for. Mr. Benosky said based on the scope of work it does not appear that there will be impacts to the sewer service area, however, that will be determined by their engineer and this agreement allows for that. Additionally, this agreement allows for the VTMUA to be paid for their time associated with the projects listed.

Mr. Pitsker made the motion to approve Resolution #21-51, which was seconded by Mr. McDermott and declared carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton and Mr. Galway.

b. Resolution #21-52 EDU Allocation H&H Plaza

Ms. Bright explained that the resolution is for American Deli, which has been operation for the last couple of years. Ms. Bright stated an application was sent in and a report was received from the previous engineers but it was never brought before the board, which is the formal process to update EDU counts. Mr. Pitsker inquired if they have been paying the correct EDU amount. Ms. Bright answered that have been paying for a retail space and not a restaurant. Ms. Bright further explained that someone came in to look at the allocation breakdown and we realized that this application was never completed correctly and was an oversight. Mr. Pitsker asked if the owner is aware of the calculation. Ms. Bright responded we did not notify the owner yet as we wanted it to go before the board first and will make the notification after it is discussed. Mr. Pitsker asked if the allocation was being raised another ½ EDU to which he was answered that is correct.

Ms. Wheaton made the motion to approve Resolution #21-52, which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton, and Mr. Galway.

c. Resolution #21-53 Application to New Jersey Natural Resources Conservation Program

Ms. Bright explained this is the application for the DEP soil erosion and sediment control plan. The reason for the resolution is for the board to authorize Mr. Furrey to sign and submit.

Mr. McDermott made the motion to approve Resolution #21-53, which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton, and Mr. Galway.

Ms. Wheaton questioned if the resolution process needs to be completed for every permit or can a resolution be passed to authorize signature approval on an ongoing basis. Mr. Wenner answered that a global resolution can be created. Mr. Wenner will draft a resolution endorsing the chair to endorse permits upon recommendation of the MUA engineer for the next meeting. Mr. Pitsker asked if there is any fall out with this type of decision. Mr. Wenner answered this is an administrative act and not an independent judgement as it is executed at the recommendation of the engineer, so there is no issue with having a global resolution.

10. Administrator Update

Ms. Bright updated that Dewberry has uploaded the environmental planning document. There was an issue during the upload which has now been rectified and is awaiting approval.

Ms. Bright stated she has reached out to Dewberry to revise the sewer service area map in order to make a request for expansion to the DEP.

Ms. Bright updated on capital items stating that the control panels are finished and 2 out of the 4 panels have been installed. Ms. Bright stated for Pump Station 3 we have received quotes for the renovations to the building as it is extremely aged. Ms. Bright stated the quote came from the DPW to save money in completing the repairs. Mr. Pitsker inquired what repairs will be done on the building. Ms. Bright answered that there are holes in the side of the building that are patched right now so new siding will be installed as well as windows and doors. Mr. Pitsker added this project has been on the list for a long time as it is dilapidated and he wants the repairs to be stable. Ms. Bright answered that it will not be patched it will be stable and renovated properly.

Ms. Bright stated that another meeting was held with Mt. Creek and they informed us they are not going to ask us to expand the water to fit their needs. They will address the water issue when the time comes. Ms. Bright states that the town will focus on their own needs at this time. Ms. Bright added that Aqua does not have wells in Highland Lakes, they are by Legends, and it may be possible to utilize water from there and more information will be gathered. Ms. Bright informed that Corey Stoner, township engineer, will meet with Suez to obtain further details. Ms. Bright stated Mr. Schappell did put together a timeline for the water infrastructure as Dewberry was appointed to the project through the town.

Ms. Bright stated in regards to the budget that the SCUMA fees have over a 3% increase to their operation expenses; however, this does not apply to the bond payments. Mr. Furrey asked if this was a typical annual increase. Ms. Bright responded that there are large increases annually which is frustrating because the town is limited to a 2% increase and we have to pay whatever increase other entities raise their rates to. Ms. Bright added that a draft budget will be completed by the middle of next month.

Ms. Bright inquired how the board felt about hybrid meetings as well as moving to one meeting a month, as motions will be needed for both. Mr. Furrey stated he is in favor of one meeting a month. Mr. Galway answered he has not been on the board very long and inquired if one meeting a month would slow down progress that is being made. Mr. Furrey added communication needs to be done carefully when having once per month meetings but it can still work. Mr. Pitsker responded he does not want the progress of the current projects slowed down; however, he trusts

Ms. Bright, Ms. McCabe, Mr. Lazier and Dewberry and is in support of one meeting per month with another if necessary. Mr. Pitsker added the staff in place is good and to proactively inform the board of any anticipated issue. Ms. Wheaton agreed with one meeting stating two were needed in the beginning but we are in a good place now and can have a special meeting if necessary. Mr. McDermott is in favor of one meeting per month with a special meeting if necessary. Ms. Bright asked Mr. Wenner if a motion is needed. Mr. Wenner answered a motion is necessary as well as deciding which Thursday to hold the meeting. Mr. McDermott motioned to hold one meeting per month, on the third Thursday, starting on November 18, 2021, seconded by Mr. Pitsker, carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton, and Mr. Galway.

Mr. Furrey spoke about hybrid meetings and the experience with the town council meeting stating there are two screens to zoom, as well as in person, and it went fairly well. Mr. Furrey added to follow the lead of town council and to follow all rules set forth by the town including: social distancing, mask wearing, and maximum attendance. Mr. Furrey added masks are mandatory unless you are speaking. Mr. Pitsker asked for clarification if any member of the staff, board or professionals may attend the meeting in person or via zoom. Mr. Furrey answered that is correct. Mr. Pitsker added that is a good idea as professionals do not have to incur travel costs. Mr. Pitsker motioned to move to hybrid meetings starting November 18, 2021, seconded by Mr. McDermott and carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton, and Mr. Galway.

Mr. Furrey questioned Ms. Bright regarding contacting Suez as Mr. Schappell has reported he is having trouble making contact. Ms. Bright responded she spoke with Mr. Stoner and he will be reaching out directly to Suez. Ms. Bright continued she has not reached out in several months and can try again but she will touch base with Mr. Stoner first. Mr. Furrey added he will give the contact information for John Hilderbrant, the regional manager for this area, who will help get the engineers involved. Mr. Benosky stated that messages have been left for Mr. Hilderbrant. Mr. Furrey said he will follow up as he knows him personally.

Mr. Furrey asked Ms. Bright for clarification on the sewer service area and the town center designation asking if the map needs to be redone for DEP approval. Ms. Bright responded the regulations read that the town center designation, that was approved by the state, will now be considered sewer service area. Ms. Bright continued our original request for the far ends of Route 94 are not in town center so if we want to expand to those areas, we would need DEP approval. Mr. Furrey asked in Route 94 near Dairy Queen is approved. Ms. Bright responded she believes that it is but will check the map to confirm as the DEP did do some picking and choosing on some lots. Ms. Bright added she will obtain an updated map and share with the board. Mr. Galway inquired about the timeline Mr. Schappell shared as he does not believe he has it. Ms. Bright will resend this to Mr. Galway.

11. Licensed Operator Report

Mr. Lazier reported at pump station 1 the easement has been cleared all the way to the PAL building. Regarding pump station 3 and the repairs what will happen is a full renovation from the top down which will include: new roof, siding, windows, and a new single door instead of the double. Mr. Pitsker inquired if insulation would be replaced. Mr. Lazier responded the inside is

fairly new, with new sheetrock about 8 years ago, when everything was gutted and replaced. Mr. Pitsker asked, to avoid rotting, are gutters being installed to take the water away from the building. Mr. Lazier responded there is a temporary gutter there now but it will be fixed. Mr. Pitsker asked if a quote was obtained for the gutters. Mr. Lazier responded gutters were not quoted but he will look into it. Mr. Furrey asked who was completing the work. Mr. Lazier responded one of the DPW employees previously did this for a living and to save costs he will be performing the work. Mr. Pitsker asked if this was contract or as a DPW employee. Ms. Bright responded he will do the work as a DPW employee. Mr. Lazier added on Monday, Wednesday, and Friday the sewer repairers can assist.

Mr. Lazier reported the lift stations are running well and Mr. Cornetto has come to install two out of the four panels. Mr. Lazier added the final two panels will be installed next week. Mr. Pitsker inquired if the panels will be suitable for winter temperature conditions. Mr. Lazier responded that the panels are suitable for cold weather and no problems should be anticipated.

Mr. Lazier stated there have been a few call outs since the last meeting. Several of the call outs were not pertaining to our lines as they were located on the interior of the properties. There was a call out for Keystone, which is at the very top of the system in the condos, we came in the first time and snaked the line. However, we were called out again the next day, this time a camera was used, and it was determined that the entire cleanout was broken which was repaired that night. Mr. Lazier stated the DEP was notified as there was a minor spill, around 20 gallons, at most. Mr. Furrey inquired if a case ID was obtained to which was answered that it was.

12. Engineer Report

Mr. Benosky reported that PS2 received the NJ TWA permit, which is a big hurdle. Mr. Benosky added Mr. Furrey will sign off on the erosion permit and that is usually quick and easy to obtain. Additionally, the boring was performed at the location of the wet well as well as at the building, 15 feet apart, and both had positive results.

Mr. Benosky updated on the environmental planning document stating a small error occurred due to uploading to wrong portal. Upon discovery it was uploaded again and it is currently in progress. Mr. Furrey inquired if the next logical step is to draft specs to go out to bid. Mr. Benosky answered it has been a while since the MUA took out a construction permit but we have to wait for the IBank forms. Mr. Furrey then asked if the bid document can be out by mid-November. Mr. Benosky answered unfortunately not since we are in IBank review the timeline is dictated by IBank and they must review the planning document and the bid document before we are able to go out to bid. Ms. Bright added before the bid that we have to go for a bond ordinance which the town is aware of. Mr. Pitsker inquired about the permit stages and approvals completion date of 10/26 on the timeline stating that it is not very clear. Mr. Benosky responded that was the date we aimed for and we actually beat the deadline. Mr. Pitsker asked how you can tell what is completed on the timeline. Mr. Benosky answered a format change can be completed as this timeline is not the easiest to read and review.

Mr. Benosky reported on the water infrastructure plans and design. Mr. Benosky stated after talking to the county they provided us with the only survey they had which is outdated. There has been discussion on whether to use the old surveys or to conduct a new survey and what amount

of risk is deemed acceptable. In the opinion of Dewberry, a new survey is what should be completed in order to avoid unplanned problems during construction. Mr. Benosky continued some things may not have changed in the 14 years since the last survey but it is the suggestion to perform a new survey and there is agreement with the council. Mr. Benosky said he will get the scope and dollar amount of the survey to Ms. Bright in the next few days. Mr. Furrey asked if there was a location where a water storage tank could be placed. Mr. Benosky answered it would be best to speak to Suez about that as there is knowledge missing on what was analyzed previously. Mr. Furrey asked Mr. Benosky is one of his engineers previously worked for PS&J. Mr. Benosky answered that is correct and he was in the field observing this work when it was completed. Mr. Pitsker stated he would like this project list updated so that it consistent with the PS2 timeline. Mr. Benosky replied it will be updated. Mr. Benosky addressed the PS1 easement and stated they will follow up on that. Ms. Wheaton questioned if the survey needs to be authorized by the board. Mr. Benosky responded since it is of Dewberry's opinion to do it the survey does not need authorization but pricing will be submitted. Mr. Furrey and Mr. Pitsker agree the survey should be completed.

13. Open to the Public for Items Not on the Agenda

Motion to open to public comments not on the agenda was made by Mr. Pitsker, seconded by Mr. McDermott, and carried via unanimous vote. Ms. McCabe informed that Ms. Jessi Paladini wished to speak.

Ms. Paladini stated it took me by surprise and it is very unfortunate that you are appealing the frivolous lawsuit that has costs township taxpayer's tens of thousands, possible hundreds, of dollars. I'm surprised Mr. Pitsker abstained and I am wondering why since he posted just today why he wholeheartedly supports a lawsuit against SCMUA. I think its reckless and unfortunate and it's really sad. My comment tonight is directed at Mr. Furrey- I have a complaint that I want to lodge against you, as your conduct is unbecoming of a MUA member, much less chair, and now a council member. I don't know if you're aware but the MUA has a policy, a resolution, against social media posting. Your actions, especially over that the last few days, go against that policy; particularly attacking me with false information about the Wallace soil mountain site and failing at my committees. All of which is bogus, an untruthful, and you know it. I think all of it violated the MUA policy. The policy adopted strict rules against posting certain things on social media and what you post is appalling. Mr. Pitsker has a page for town council and I asked a few questions and he was civil and gracious in responding and I told him I would never be disrespectful on his personal campaign page. But you, as the chairman of the MUA, you are totally violating your policy and its disgraceful. Quite frankly, and you can deny it, but I have sufficient evidence that you created a fake profile and came on Inside Vernon posting ridiculous things about the MUA, and you are the chair. You can deny it if you want, your conduct is unbecoming, but it is in violation of your own social medial policy. I am not going to sit here and call for your resignation, as that would be a moot point, as you would never admit to wrongdoing. I am going to ask you on your own, to stop your conduct, unbecoming of an MUA member, Chair, and now a council person, stop the social media harassing and stop lying about me.

Motion to close to public comments not on the agenda was made by Mr. Pitsker, seconded by Mr. McDermott, and carried via unanimous vote.

14. Commissioners' Comments

Mr. McDermott had no further comments.

Mr. Pitsker asked Ms. McCabe about the pipeline walk. Ms. McCabe responded that it is on the calendar to call the railroad to schedule for early November, once the vegetation has died down. Mr. Pitsker asked if anyone can attend. Ms. McCabe responded an e-mail will be sent out as an invitation as well as outlining the appropriate safety gear. Mr. Pitsker stated he will be going.

Ms. Wheaton commented thanks for bringing it Andy as we may have to advertise as a meeting depending upon the number of board members in attendance, but I'm interested as well.

Mr. Pitsker inquired if the pipeline walk should be opened to the public and have them see what types of things we go through. Mr. Furrey answered if you want to make an open invitation to learn about what the MUA is about and where it is and how it operates, I don't see a problem. Mr. Pitsker added it is a nice walk and it has a purpose to inspect the lines and also for people to understand the learning process of what we do and what it takes. Ms. Bright stated there are concerns about safety and the public walking and I am not sure if the railroad will allow it. Mr. Furrey and Mr. Pitsker agreed they did have a problem with us walking so they probably will not allow the public.

Mr. Galway commented it is a good idea to have the hybrid meeting it is a good opportunity for flexibility. I saw email for proposal from Mr. Schappell and it looks good and if we can have it wrapped up by May it will be important to the town.

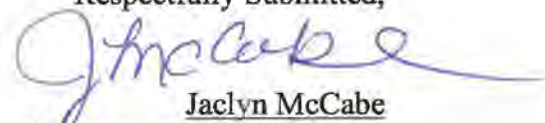
15. Chairman's Comments

Mr. Furrey commented the MUA is doing a great job and he thanked everyone. We will keep working together to get these projects moving forward. Everyone's involvement is important and for the subcommittees we will keep focusing on them to meet goals. Like Mr. Galway said, water to town center is pretty critical. I am glad we are moving that ahead and on pace to possibly getting it done by the spring of next year.

16. Adjournment

Motion to adjourn the meeting at 8:48 pm was made by Mr. McDermott, seconded by Mr. Pitsker and declared unanimously carried by Mr. Furrey.

Respectfully Submitted,



Jaclyn McCabe

Minutes approved 11/18/21

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY

These minutes are a synopsis of the meeting that took place on 11/18/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:06 pm

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Mike Furrey
Dave McDermott arrived at 7:08 pm
Andy Pitsker
Kristin Wheaton
Scott Galway
Paul Kearney

The following professionals were present:

Donelle Bright, Administrator; Rich Wenner, MUA Attorney; Steven Benosky, Engineer; James Schappell, Engineer; Jaclyn McCabe, Recording Secretary.

5. Open Meeting to the Public (for Agenda Items Only)

Mr. Pitsker motioned to open to the public for an agenda items only, which was seconded by Mr. Kearney, and carried by unanimous vote. Ms. McCabe informed there were no members of the public in attendance, no correspondence to be read into the record, and no hands raised virtually.

Mr. Kearney made the motion to close to the public, which was seconded by Mr. Pitsker, and carried by unanimous vote.

6. Approval of Bills: #21-54 Approval of Bills

Mr. Kearney stated he wanted to ensure that equipment that is purchased, for example: leaf blowers, batteries, and the impact gun, are secured and accounted for. Mr. Furrey asked where the items are stored. Ms. Bright answered they are stored at PS3 or locked in the truck. Ms. Bright added there is also an inventory taken when items are purchased.

Mr. Kearney made the motion to approve Resolution #21-54 which was seconded by Mr. Pitsker, and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton, and Mr. McDermott.

7. Approval of Minutes:

a. 10/21/21

Mr. Pitsker made the motion to approve the October 21, 2021 minutes, which was seconded by Mr. Furrey and declared carried by affirmative votes of Mr. Furrey, Mr. McDermott, Mr. Pitsker, Ms. Wheaton, and Mr. Galway.

8. Resolutions:

a. #21-55 Resolution Authorizing the VTMUA Chair to Endorse Permits Related to Pump Station Number 2 Upon the Recommendation of the VTMUA Engineer

Mr. Furrey asked if this is for any permit. Ms. Bright responded this is for general permits for Pump Station 2. Mr. Furrey inquired if we spoke about making a general resolution for any permit. Mr. Pitsker stated we spoke about it but need legal counsel to discuss that. Mr. Furrey asked Mr. Wenner if it has to be tailored to a specific project or if it can be a general resolution. Mr. Wenner stated you can do it in general, however, this is tailored to Pump Station 2 as this is where the need for the execution would be as permits are coming in on a regular basis. Mr. Wenner added we can do a general resolution authorizing the chair to sign any permit upon recommendation of the engineer. Mr. Furrey stated we will consider the resolution #21-55 for now and if another resolution for general permitting is needed it will be revisited.

Mr. McDermott made the motion to approve Resolution #21-55 which was seconded by Mr. Pitsker, and declared carried by affirmative votes of Mr. Furrey, Mr. Kearney, Mr. Pitsker, Ms. Wheaton, and Mr. McDermott.

9. Administrator Update

Ms. Bright reported for PS2 we are awaiting the review and approval of the environmental planning document and moving forward according to the Dewberry timeline. Additionally, the DEP has reached out and they have moved the document over the environment and cultural review team.

Ms. Bright said the sewer service area mapping this will be redone with the existing town center area included. The engineers are working on this and it is almost completed.

Ms. Bright stated the capital items list is provided. Ms. Bright added we reached out to the condos about the fencing and it is determined it is our fence, not the condos, so we will address and repair the fence hopefully before winter hits.

Ms. Bright updated on the water infrastructure, which is a town project, that Suez had questions on the lines being a loop system and if there will be multiple locations for metering water. Ms. Bright added there will be a follow up meeting next week. Additionally, Suez will be looking into a partial reimbursement since the system is owned by the town. Ms. Bright stated she is still looking into ownerships aspects for use of the American rescue Plan funding. Mr. Furrey asked if Ms. Bright had the information on how to spend the funds yet. Ms. Bright responded she knows how to spend it but the Federal government has not given the final guidelines. Mr. Furrey said it was his understanding that it had been finalized. Ms. Bright stated she will double check. Mr. Furrey asked for clarification on the meeting date with Suez, which is important as it will discuss the arrangements between Suez and the town. Mr. Schappell answered the meeting is November 30th. Mr. Furrey stated his understanding is that Suez knows how serious the town is and is ready to move with the project. Mr. Galway questioned if the entire town center would be using wholesale water or if it is for specific sections. Ms. Bright responded it will be the area not already franchised by Suez. Mr. Furrey added there is a franchise area map that is color coded and clearly outlines where the franchises are. Mr. Furrey stated that Suez is aware of the upgrades that will be needed on their franchise area. Mr. Furrey added that Main Street and the part of Rt 94 towards the Vernon Inn will be all Vernon franchise. Mr. Kearney asked is this line would be near the water crossing by the Vernon Inn. Mr. Furrey answered that will be a difficult phase to complete because of stream. Mr. Furrey added the approximate cost to go from the Daily Bean and loop it around Rt 94 would be \$2 million dollars. Ms. Bright added that is not just for the pipe but for the completion of the entire project. Mr. Schappell added the tank will be in the ballpark of \$600,000-\$1.1 million depending on the type of foundation, if land needs to be acquired, and other unknown factors. Mr. Schappell stated the \$2 million estimate is for the entire project. Mr. Galway and Mr. Kearney asked where a storage tank would be placed. Mr. Schappell answered it is hard to say not knowing the hydraulics in the system, as it is owned by Suez. Mr. Schappell stated in a meeting with Corey Stoner, it could be across from the Daily Bean, as there is a local high point there, but there is nothing set in stone. Mr. Furrey added there could be another location up Rt 94 near the Dairy Queen. Mr. Pitsker stated that the general map should be placed on the website for clarification. Ms. Bright stated this is on the website for reference. Mr. Furrey asked Mr. Schappell updates on the survey. Mr. Schappell stated one of the big take aways from the initial meeting with Suez was they gave the Ok for Vernon to operate portions as a distribution system and be a bulk water purchaser. Now that that is agreed upon and no further hurdles, the surveyor work is scheduled to start tomorrow, with 5 days of work. Mr. Schappell added in the meantime sections of the specifications are being worked on. Mr. Schappell stated he will work with Ms. Bright and the town to get any front-end documents

needed for the bid portion; however, the one thing to keep in mind that since ARP funds are being utilized specific language may be required and included in the contract documents. Mr. Furrey stated there are very specific requirements on how work is awarded. Mr. Furrey asked if the survey and the bid specifications are completed will it be possible to have the bid out in the first or second week of January. Mr. Schappell answered that this is possible. Mr. Furrey asked if difficulty obtaining piping is expected. Mr. Furrey added when he spoke to Suez, he was informed that they are having difficulty obtaining piping. Mr. Schappell answered that supplies may be a challenge but if we get a contractor with more abilities to use multiple vendors it will hopefully avoid some manufacturing difficulty. Mr. Schappell added it is a possibility and recently has been a challenge. Ms. Wheaton asked if it is possible to have an early procurement of the materials. Mr. Schappell answered he is unsure of how that would work but the earlier we can order the materials would at least decrease the risk of potential supply issues. Mr. Furrey responded this has to go out to bid and after the contractor is awarded, they purchase the materials. Ms. Wheaton stated that a separate bid can be opened for just the contractor to do installation and the supplies can be purchased beforehand. Mr. McDermott asked if the contractor would do the labor only. Mr. Furrey answered what Ms. Wheaton is suggesting is two separate bids one for materials and one for a contractor. Ms. Wheaton stated she is thinking just for the pipeline, not all of the materials, as she has been experiencing shortages. Mr. Furrey stated he does not think this is feasible and we have time to wait as we are not going to put a bid out in the middle of December as he has heard it is not the best idea. Mr. Furrey added if this can be completed earlier it would be better and asked if Mr. Schappell needs to get the specifications done as soon as possible. Ms. Bright added that this does need to be completed as the county is planning on paving that section of road in the spring. Mr. Schappell said he obtained a contact for a supplier while at the conference and he will call them to get an idea of the current supply chain. Mr. Furrey added the faster we can move on completing the plans the better off we are. Mr. Furrey continued maybe mid-December is the best time to put out a bid as no one else is and there may be more response. Mr. Furrey asked is we have to obtain a state permit for the Rt 94 section and since it is not a long stretch a waiver may be granted.

Mr. Pitsker inquired about the budget Mr. Bright answered the budget is doing well and numbers are being ran with updates on the website tomorrow. Ms. Bright added the new budget is being worked on but a meeting will need to be held with the finance committee to review it. Mr. Pitsker asked about the rate updated for SCMUA. Ms. Bright answered that they preliminary rates have been received and there is a 3% increase which is over \$2 million; however, the debt service stays the same.

10. Licensed Operator Report

Mr. Furrey questioned if the alarm issue has been corrected. Ms. Bright answered that Mr. Cornetto assessed the issue and determined the transducer going off and not alerting the phones; this has been rectified. Mr. Furrey asked if Mr. Cornetto is responsive to which he was answered that he is. Mr. Furrey asked about the grinder issue at pump station 3. Ms. Bright replied it was handled. Mr. Furrey asked about the renovations to pump station 3. Ms. Bright stated that the pricing has been requested. Ms. McCabe added that pricing was to be obtained this week and sent to us for review. Mr. Furrey inquired who would be doing the work and was answered a DPW employee, with prior experience, would be completing the job.

Mr. Furrey added that in addition the operator report from Mr. Lazier, the backup operator report is attached from Chris Steelman. Mr. Furrey stated Mr. Steelman inspects the system once a month and adds pictures and documents his findings, which are included in the packet. Mr. Pitsker inquired about the lock on the door at pump station 2 stating that the screws are sticking out and can be easily removed. Ms. McCabe reported the lock has been replaced.

11. Engineer Report

Mr. Furrey asked if any further updates, outside of the written report, would like to be discussed. Mr. Benosky stated since the report was issued there have been additional updates. Mr. Benosky said that the sewer service area map is being updated based on the town center area. Mr. Benosky added the pump station one easement ditch and sent over recommendations providing more detail on what is happening with the ditch and remediations recommended. Mr. Pitsker asked if the ditch will be filled with stone. Mr. Benosky replied that it will be filled in with stone in the areas that are not in the original condition. Mr. Pitsker inquired the timeline to complete this. Mr. Furrey asked if the DPW will do the work to which was answered they should be able to handle that job. Mr. Furrey requested the report be sent out and having the DPW completing the work. Mr. Benosky spoke to the force main evaluation walk through in which Mr. Schappell went on. Mr. Benosky stated the walk through was successful in that nothing alarming was noted and a memorandum will be issued. Mr. Furrey asked if the final bid specification is completed to go out to bid. Mr. Benosky said they are being finalized but confirmation for what is needed on the front-end documents is being awaited. Ms. Bright said she will get the documents needed from the town for completion. Mr. Pitsker asked Mr. Schappell if the discrepancies from the map and the force main walk through have been sorted out. Mr. Schappell stated that this has not been done yet. Mr. Schappell added the walk was challenging at times with some discrepancies between the plans and the as built. Mr. Schappell stated a more detailed walk may be necessary to review the areas in question. Mr. Benosky added the plans represent close to how it was constructed but not 100% accuracy as to how it was constructed. Mr. Pitsker added there were certain landmarks that were not able to be located by reading the plans. Ms. Wheaton agreed and noted the air release valve could not be found. Mr. Furrey asked if there is a need for air release valves. Ms. Bright added that no air release valve was found. Additionally, Ms. Bright added that she does not believe there is an easement for the property owned by Mt. Creek, where the line feeds into pump station 3, which is overgrown on top of the line. Ms. Bright stated she will speak to Mt. Creek to see if they will allow us to come on and clear the vegetation on the pipe, or if they will do it. Mr. Pitsker added that coordinates should be placed on the map, as it was originally done in 1985, and things need to be validated again. Mr. Schappell stated that they uploaded a GIS map to the phone that can also add coordinates to, add layers to the app, drop pins, and add pictures, that all can easily be shared. Mr. Pitsker added this software could help take care of some of the issues being experienced.

12. Open to the Public for Items Not on the Agenda

Mr. Kearney motioned to open to the public for items not on the agenda, which was seconded by Mr. Pitsker, and carried by unanimous vote. Ms. McCabe informed there were no members of

the public in attendance, no correspondence to be read into the record, and no hands raised virtually.

Mr. McDermott made the motion to close to the public, which was seconded by Mr. Kearney, and carried by unanimous vote.

13. Commissioners' Comments

Mr. Kearney commented that the water portion of the projects are starting to move forward and he is anticipating something good out of it.

Mr. Pitsker asked if any new connections have been made in the last 30 days. Ms. Bright and Ms. McCabe responded there have not been any new connections. Mr. Pitsker asked if a connection campaign may be a good idea for next year as the connection fees have been reduced. Ms. Bright answered it would be good for the township to have a campaign especially for the areas which have lines available. Ms. Bright added there has been a lot of interest in Vernon and a campaign may attract developers. Mr. Pitsker added there are a lot of homes on the Rt 94 corridor and potentially additionally federal funds to add infrastructure to connect this area. Mr. Pitsker stated there has to be more connections, especially with the increase with SCMUA. Mr. Furrey asked if the town has a marketing department to do this kind of work. Ms. Bright stated there's an economic development committee. Ms. Wheaton added there is also the Chamber of Commerce. Mr. Furrey requested they both be invited to the next meeting so that we can give the information on current projects and help market Vernon. Mr. Pitsker added that different marketing strategies should be considered to expand the user base.

Mr. McDermott commented that he mirrored Mr. Pitsker saying we have to do whatever we have to do in order to expand or else it is going to be very lean times. Mr. McDermott added if we have to invite people to meetings and have dialog that is what it will take to get support.

Mr. Galway commented that the audience needs to be expanded upon to show the citizens of Vernon what we are trying to do and what the funds are being used for so people understand what is really happening. Mr. Galway asked if there is a plan currently to go down to the Vernon Inn. Mr. Schappell said part of the reason the current project is being expedited is because it is in the 515 corridor and we need to get it in before the paving project begins for the County. Mr. Schappell added the section to Vernon Inn has a significant stream crossing which would require permits, is more complicated, and is not impacted by the 515 paving. Mr. Galway asked if this would be like a "wish list" type of item. Mr. Galway added it used to be a good business and people have been trying to get in there but because of this reason it has not worked out, which is unfortunate. Mr. Galway asked about the sewer expansion area and if it is available yet. Ms. Bright responded there is no line down Rt 94, on the one side is connected, we have generally brought discussion to the engineer on areas that we can eventually expand to. Ms. Bright added at this time we are currently focusing on the water and pump station 2.

Ms. Wheaton commented one thing that came up on the pipeline walk is the high connection fees and a certain part of it is out of our control. Ms. Wheaton asked if there is a way to reduce fees by offering a credit towards future service fees which could help make Vernon more attractive. Mr. Furrey said he would be interested in discussing this and agreeable to this. Ms. Wheaton also questioned about the permit required for the Vernon Inn to be connected. Mr. Schappell

answered that this was not part of the plan because it will not be impacted by the paving project. Mr. Schappell added that the water and sewer projects are separate but we can visit the feasibility if there is an incentive for that person to have sewer. Mr. Furrey said that is a phase 2 interest and we will see what the funding looks like when we are done with the first phase. Ms. Wheaton added that would also be an expansion on the work being performed on the state highway. Mr. McDermott added this has been discussed before but we looked into this possibility of running the pipe over top and it came back as non-feasible. Mr. Furrey added horizontal drilling is very expensive. Mr. Kearney stated that it would be visible on the top of the stream, and it is something that happens. Additionally, things could have changed in the last few years in regards to feasibility and costs.

14. Chairman's Comments

Mr. Furrey commented the council has approved Mr. Galway to approve him as Alternate #1. Mr. Furrey added he appreciated everyone's work and progress is being made.

15. Adjournment

Motion to adjourn the meeting at 8:14 pm was made by Mr. McDermott, seconded by Mr. Kearney and declared unanimously carried by Mr. Furrey.

Respectfully submitted,



Jaclyn McCabe

Recording Secretary

Minutes Approved 12/16/21

REGULAR MEETING MINUTES
VERNON TOWNSHIP
MUNICIPAL UTILITY AUTHORITY

These minutes are a synopsis of the meeting that took place on 12/16/2021. Copies of the recording are available at the office of the Vernon Township Municipal Utilities Authority (the "MUA").

1. Call to Order

The regular meeting of the MUA was convened at 7:06 pm

2. Statement of Compliance

Pursuant to the Open Public Meetings Act, Chapter 213, PL 1975, adequate notice as defined in Section 3D of Chapter 231, PL 1975 of this regular meeting was provided to the public and the press on December 22, 2020 by delivering to the press such notice and posting same at the municipal building and filed with the office of the MUA as well as posted on the website.

3. Salute to the Flag

4. Roll Call of Members and Professionals

The following Members were present:

Dave McDermott
Andrew Pitsker
Kristin Wheaton
Paul Kearney

The follow member was absent:

Scott Galway

The following professionals were present:

Donelle Bright, Administrator; Rich Wenner, MUA Attorney; Steven Benosky, Engineer; James Schappell, Engineer; Rob McNinch, Auditor; Howard Lazier, Licensed Operator; Brian Tipton, Special Council; Jaclyn McCabe, Recording Secretary

5. Elections:

a. Chairperson

Motion to nominate Mr. Kearney for Chairman was made by Mr. Pitsker, and seconded by Mr. McDermott. Motion was carried by affirmative votes of: Ms. Wheaton, Mr. McDermott, Mr. Pitsker, and Mr. Kearney.

Ms. Wheaton asked for a discussion on why this change was taking place. Mr. Kearney responded that Mr. Furrey had resigned.

Mr. Wenner swore in Mr. Kearney as Chairman.

b. Vice Chairperson

Motion to nominate Mr. Pitsker for Vice Chairman was made by Ms. Wheaton, and seconded by Mr. Kearney. Motion was carried by affirmative votes of: Mr. Kearney, Mr. McDermott, and Ms. Wheaton. Mr. Pitsker abstained from voting.

6. Executive Session: Resolution #21-56 For Purposes of Litigation and Contract Negotiations

Ms. Wheaton made the motion to approve Resolution #21-56, to enter into executive session for purposes of litigation and contract negotiations, which was seconded by Mr. McDermott, and declared carried by affirmative votes of Mr. Kearney, Mr. Pitsker, Ms. Wheaton, and Mr. McDermott.

Mr. Pitsker made the motion to reconvene the regular meeting, which was seconded by Mr. McDermott and declared carried by unanimous votes.

Ms. Bright noted an additional resolution, #21-62, authorizing a contract with a new sewer repairer, will be added to the agenda to be voted upon during that portion of the agenda. This will be to replace an existing employee who will be leaving at the end of the month.

7. Open Meeting to the Public (for Agenda Items Only)

Open public comments were opened before agenda item 6.

Mr. Pitsker motioned to open to the public for an agenda items only, which was seconded by Ms. Wheaton, and carried by unanimous vote. Ms. McCabe informed there was no correspondence and no persons virtually or in person wishing to speak.

Mr. Pitsker motioned to close the meeting for agenda items only, which was seconded by Ms. Wheaton, and carried by unanimous votes.

Agenda item 6 was addressed.

8. Approval of Bills: #21-57 Approval of Bills

Mr. Pitsker made the motion to approve Resolution #21-57 which was seconded by Mr. McDermott, and declared carried by affirmative votes of Mr. Kearney, Mr. Pitsker, Ms. Wheaton, and Mr. McDermott.

9. Approval of Minutes:

a. 11/18/21

Ms. Wheaton made the motion to approve the 11/18/21 minutes, which was seconded by Mr. Pitsker and declared carried by affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Ms. Wheaton.

10. Resolutions:

a. #21-58 Approving Late Introduction of the 2022 Budget

Ms. Bright stated this is done annually for the MUA as the statutory date is in November, and our budget runs January-December, we introduce it later than other authorities. Ms. Bright added this needs to be passed before introducing the budget. Mr. Pitsker inquired when we will be introducing the budget. Ms. Bright responded it is the next resolution. Mr. McNinch stated this is a housekeeping measure as the budget is to be introduced 60 days before year end. Due to the fact that this is less than 60 days this resolution needs to be adopted before the introduction of the budget.

Ms. Wheaton motioned to approved resolution # 21- 58, which was seconded by Mr. Pitsker., and declared carried by affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Ms. Wheaton.

b. #21-59 2022 Authority Budget Resolution

Ms. Bright stated her and Mr. Pitsker met, as members of the finance committee, to review the 2022 budget. Ms. Bright said she is aware of the increasing rates and the hardship this is on the rate payors; however, the 3% increase by SCMUA has to be addressed. Ms. Bright added in order to keep the rates as is, that the rate stabilization fund, which come from connection fees, will be used along with some net position. Ms. Bright stated, as the CFO, she does not recommend using the \$130,000 of net position, especially since the SCMUA bill is nearing, which will increase by \$525,000, for debt service, in 2023. Ms. Bright added that there are some monies that will move to fund position at the end of the year but will only last for so long. Ms. Bright cautioned the board on using the fund balance in order to maintain current rates. Mr. McNinch stated he agreed with Ms. Bright and 2023 is a big factor. Mr. McNinch added we have been able to utilize net position and the last few years being under budget, has provided breathing room; however, 2023 needs to be considered and as long as some of the revenue forecast does come in as planned, this is not an issue. However, right now by utilizing the \$130,000, there will not be a lot of breathing room going into next year. Ms. Bright added that the MUA is working on other sources of revenue, and as long as those come into fruition, the budget will be more comfortable. We do have to keep in mind that we

need to keep sticking to the budget and managing spending as it is a positive to the fund balance. Mr. Pitsker inquired what would be left in net position if the \$130,000 is utilized. Ms. Bright answered \$500,000, with the anticipation of additional funds leftover from this year to be added. Mr. Pitsker added there are many moving parts that will happen and other towns have been able to stabilize rates as well; however, this year the Borough of Sussex is raising rates by 4%, so we are taking a risk by anticipating additional revenue. Mr. Pitsker stated he is ok with it but say we raise by 2%, to a regular homeowner would be about \$20 more a year based on 1 EDU. Mr. Pitsker stated we may be caught in a crossfire if we decide to go this route and utilize net position. Mr. Pitsker would like it on the record to understand we can hold the rate for another year, but it is unknown what will happen next year, and we may be in a similar situation like Sussex. Mr. Kearney asked what the average EDU is per household. Ms. Bright answered it is determined by bedroom; single bedroom is .6, a 2 bedroom .8, which many of the condos are since they are a 1 bedroom with a loft, and 3 bedrooms is a full EDU. Mr. Kearney asked if \$20 is the high end. Mr. Pitsker answered not necessarily since there are multiple large users, like Acme and Minerals, who will be hit with a larger amount. Mr. Pitsker added one problem with rates, because of the way SCMUA charges us, it is impeding business coming in, which is concerning. Mr. Pitsker added he does not want to raise rates, there was even exploration on having different rates for commercial and residential, but at the same time everyone needs to pay their fair share. Mr. Pitsker stated, personally, using the net position and anticipating more revenue is a risk and it is his concern. Mr. Kearney added predicted revenue is not guaranteed and there has been many predictions that have never transpired, some now seem realistic; however, 2023 is around the corner and needs to be dealt with starting now or next year. Ms. Wheaton inquired how long it took the net position to accumulate to its current standing. Ms. Bright answered it has taken since 2018 to accumulate. Mr. McNinch said that is correct as around that time there was a lot of savings and the fund started to build. Ms. Wheaton asked if we expect the savings to continue to be able to generate more net position. Ms. Bright answered in the upcoming budget monies were moved around being close to what was expended in the last year. Additionally, we do need flexibility if transfers are needed due to emergencies. Ms. Bright stated she is very confident in the budget for 2022. Mr. Pitsker asked if the \$130,000 from the net position was not used what the increase to the rate payors would be. Ms. Bright answered about \$81 per EDU or about a 5% increase. Mr. Pitsker stated that is what can explode if we do not have more connections to maintain the rates. Ms. Bright said that more connections are needed and the board has done a good job trying to make it more attractive, for example, cutting connection fees. Ms. Wheaton said she tends to rely on the advice of the CFO and professionals. Mr. Pitsker asked Mr. Kearney if the public has an opinion in this discussion.

Ms. Peg Distasi commented she has reservations here, like she hears in Mr. Pitsker's voice, that a huge increase will be slammed down the road to make it look like you're doing a good job now. In my opinion, as a homeowner and budget keeper, I would rather it be done a little at a time to be able to plan and budget. Everyone knows that bigger things will be on the way but giving a small increase now and next year you're working to your goal.

Ms. Jessi Paladini asked if this comment is on the budget. Mr. Kearney replied that it is. Ms. Paladini commented that before Ms. Distasi mentioned it, she did not think about it but she has to agree that the MUA has been touting there was no budget increases, but it is because

you have been using surplus, and then you will hit people with a huge increase. You make it look like you're doing a good job by saying expenses are cut and no increases and then you hit everyone next year when you know it is the most difficult year, what are you going to do then? I think you ought to do it a little at a time as everyone knows utilities go up. Ms. Paladini stated she was the MUA Recording Secretary for 9 years and I was there at the beginning and I know how people got up and screamed and hollered, but the reality was that the rates were right in line. I did not agree with charging EDUs, and I was just the secretary and had no say, but I felt that you should put meters on everyone's water and sewer and charge on actual use. The meters would have cost approximately \$200 per household and you could pass that cost on each person. To do it on EDU is arbitrary because some people are paying too much and some too little. The fact is that Vernon was always in line with other municipalities and although some people say that it is much higher, you will always have that. Ms. Paladini continued to say that utilities always rise, look at the gas prices right now. So, I do not think you should keep the increase withheld now to say you're doing a good job, I think you should start the increase now.

Ms. Distasi commented saying she kind of agreed with Mr. Pitsker and its time to consider a residential and commercial split. Up until now everyone is on the same level and it may be a benefit.

Mr. Kearny said that it is something to explore and asked if it can be legally done. Mr. Pitsker added we have looked at it and need more time to go over that as there is not a good model. Mr. Kearney added we may need more commercial properties in order to do this. Ms. Wheaton asked if this means charging commercial a different rate. Ms. Bright replied yes and they do already make up a bulk to the users. Mr. Kearney added this may make sense down the line but maybe not at the present time. Mr. Pitsker added we can not do the 5% increase now but can we do 2% to spread it out over time and do what is right for the rate payers. Ms. Bright stated she will update the paperwork to reflect the 2% rate increase, but does not want to state the calculations at this time in order to be sure of the exact number. Ms. Bright added that the 2% will be an increase of \$14.4330 per EDU. Ms. Bright added the numbers will be adjusted and the total dollar amount proposed, revenue, and net position, will be different from the budget that was distributed. Ms. Bright said some net position will still be used but not as much as originally shown. Mr. Pitsker stated there is a give and take on both sides this way. Ms. Wheaton said she agreed with the increase. Ms. Wheaton stated she disagrees somewhat with some of the comments that were made suggesting we look good now as the MUA has done a good job in assembling the net position through the various ways of saving. Ms. Wheaton said she feels as though the money in the fund balance should be saved for a rainy day, as that day will come. Mr. Pitsker added there has been a great job of doing preventative maintenance which is costing the MUA less as we are stopping the breakage before it happens. Mr. Kearney added that is what asset management plans are for and the preventive maintenance is saving money. Mr. McNinch agreed with Ms. Bright and the boards comments as right now, in the current budget, there are many unknowns. Mr. McNinch added if things go as planned it's a non-issue and gives future rate stabilization. Additionally, the 2% increase, coupled with the existing net position, gives a bit more breathing room. Mr. McNinch stated, based on public comments, people do anticipate small increases in the utility bills and its not unusual to have that happen. Mr. Kearney stated he agreed and bills in life are not stable and people can not expect their rate to stay the same

forever, this does not happen, and the thought of having a huge increase a year from now is not the way to go. Mr. Kearney added the small increases will help the rate payers to adjust their budgets accordingly. Mr. McNinch commented as far as tonight's budget, before it is introduced, there would need to be a rate hearing for the 2% increase, which has to be advertised 20 days before hand. Mr. McNinch added we may have to hold off on the adoption until the rates are approved by the board. Ms. Bright added if we do not get notified before the 20th of approval of the budget, could we hold a special meeting for the board to approve it. Mr. McNinch replied we can do a temporary budget, recognizing it for the first few months or quarter, which can be done now with the idea of the 2% increase in mind. Mr. McNinch added once we have the rate hearing then move forward with everything on the DCA side. Ms. Bright said a preliminary vocal resolution to approve a temporary budget for the start of 2022 which would equate to 25% of what this year's budget can be done or we can do this at the next meeting. Mr. McNinch added once submitted we will update what the authority's intent is and go from there. Ms. Bright added if this is what the board would like to do, we will motion to accept the budget with the 2% rate calculation and I will make all the adjustments as necessary.

Motion to introduce the budget, to include a 2% increase to the rates, was made by Mr. Pitsker, and seconded by Mr. McDermott, and declared carried by affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Ms. Wheaton.

c. #21-60 Resolution Designating Meeting Dates for 2022

Ms. Bright stated this resolution is to confirm meeting dates which will be advertised in the newspaper. Ms. Bright clarified that the January date is the 20th, not the 21st, as this was an error in typing.

Mr. Pitsker motioned to approve resolution #21-60, which was seconded by Ms. Wheaton, and carried by affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Ms. Wheaton.

d. #21-62 Authorizing Employment Contract with Dayshon Smith as Sewer Repairer

Ms. Bright stated that one of the current sewer repairer is going to move onto a full-time position and his position needs to be filled. After receiving resumes and conducting interviews, it was determined Dayshon Smith would be a good fit for the position.

Mr. Pitsker made the motion to approve resolution #21-62, which was seconded by Mr. McDermott, and declared carried by the affirmative votes of Mr. Kearney, Mr. McDermott, Mr. Pitsker, and Ms. Wheaton.

11. Work Session:

a. **New Business:** Discussion on Infrastructure to Market Vernon Township for New Development

Jennifer Hopper and Stephanie Scilingo came forth from the Chamber of Commerce to speak about strategies they think will help market Vernon Township. Ms. Hopper stated that there are businesses opening in Vernon; however, it is difficult to attract some businesses since hookups to public utilities are not always available. Potential business owners are looking at costs associated with that when they can go to surrounding towns and have them available. Ms. Hopper reviewed some of the past discussions on how to pay for the utilities to be installed and stated sometimes you have to spend money to make money. Another issue that was discussed is the red tape in Vernon and it has been challenging for new business owners as not all information is forthcoming on what will be needed to start up. Ms. Hopper discussed one thing that would be helpful to new developers or businesses would be to know the upfront costs for the type of business they are opening. Additionally, a checklist and timeline would be helpful to create a more streamlined process and to avoid missing important steps and required fees. Ms. Hopper added other feedback she has received from developers is that customer service is lacking within the departments and this needs to be improved to make people feel welcomed. Mr. Kearney commented on the fact that if you are not on the sewer system you would not want to pay for it, which he understands, so it is imperative that we get more businesses on the system so that it starts to pay for itself. Mr. Kearney added if the MUA defaults the debt falls to the town and then all tax payers pay for it anyway, so that is why we are looking for and appreciate the input to get this straightened out. Ms. Bright added that the debt is not just from the purchase of the sewer system from United Water, but the agreement with SCMUA is that we have to pay a debt service to every year. Ms. Bright added that we owe them around \$24-\$25 million, in addition to the expense of buying the system. Ms. Bright said there are programs that provide funding to have that debt bought, but it has to be able to take on the debt, which will be hard to attract a buyer. Mr. Kearney added it is a lot of debt without enough users on the system. Ms. Scilingo asked if the connection fee was a sliding scale or a set rate. Mr. Kearney answered that the connection fee has been reduced this year, which are based on the number of EDUs the building is rated for. Mr. Kearney added that there has to be a fee associated with hooking up as it is in the by-laws. Mr. Pitsker noted the connection fee has been cut in half to attract connections, especially from our local community, and if we can add more users, we will eventually be able to stabilize the rates or bring them down. Mr. Pitsker added that we have the capacity to take on 2x as many gallonage, from the deal in 2013, then we are currently using and paying for. Ms. Bright said that although our connection fee has been cut in half, there is still the very high connection fee from SCMUA, which we cannot change. Ms. Bright added that a sliding scale is a great idea, so the more EDUs you have, the less per EDU you will pay, which will entice larger business to come in and not pay such high fees. Additionally, with SCMUA, Vernon is the only town that has 60% of the connection fees returned into a rate stabilization fund, so with more connections we can use the 60% back to help offset rates. Ms. Bright added that this will run out if more connections are not made so we are using it responsibly. Ms. Bright spoke about water lines being put in and hopefully that will help draw in business. In regards to the customer service aspect, a complete package to hand out is a good idea. Ms. Hopper asked if there is a survey of people have replaced their septic system, that way we can see the properties that have either replaced or need to replace them, because people will not want to hook up to a sewer if their septic was just replaced. Ms. Bright stated we do get information from the health department but is unsure if there is a master list. Ms. Hopper also asked with the influx of cannabis retailers coming into town and she would assume they would need a lot of water and has this been factored in to

the projected water usage. Ms. Bight said it is not and usually for cultivation those areas would not be near the town center, where the lines are. Ms. Bright added that we do have to be mindful that we are not like towns in Bergen County and can not just hook right in to water and sewer. Ms. Hopper agreed and stated with all the turn over many people are from those areas and it is a little bit of a culture shock. Ms. Hopper added maybe an incentive can be given to help with new business startup, as the smaller business may not always have the capital to be able to invest in connections right away. Ms. Bright stated there is an ability to come before the board and request a hardship for connection fees, which would be broken out over a period of time. Ms. Bright added the MUA did this at fist when they took over and it could be a good point to add to the information sheet. Mr. Pitsker asked if there were models set up to show the difference between a residential and commercial hookup. Ms. Bright stated there are not. Mr. Pitsker added this is difficult to do and would be very vague; however, it may be a good idea, especially if someone is deciding on installing a new septic system. Ms. Bright stated this is easy to do for a home but it will vary by business. Mr. Pitsker added maybe we can start with a home model and go from there. Ms. Bright said EDU counts for businesses are based on what type of business it is, fore example, and office will be less then a restaurant or a car wash. Ms. Bright said she really likes the idea of an information sheet and packet and we will try to all work together to complete one. Mr. Kearney agreed a complete packet should be done and put in order. Ms. Hopper thanked the Board for being invited to the meeting. Ms. Bright added that she will get with the town to work on this. Also, since the website for the town and MUA are being redone, this would be a perfect time to make them more inviting and easier to use.

Jennifer Lubliner came forth from the EDAC. Ms. Lubliner stated she and the Township Business Administrator have been working on a checklist to utilize for new businesses and working with the Township. Ms. Lubliner added that other towns have a part-time or full-time volunteer that helps with coordination within the departments, which may be helpful for Vernon. Ms. Lubliner stated that established businesses and developers do not seem to have any trouble navigating the processes; it is the new and smaller business that require assistance. Additionally, another issue that has been identified is making tourists, especially those who come in for special events, feel more welcomed. Ms. Lubliner continued that most time the first thing a tourist sees is a marquee warning resident of things such as "heavy traffic plan alternate route and avoid area", which does not make people feel welcome to Vernon, making them less likely to return. Ms. Lubliner thanked the Board for the opportunity to work together to make some of these changes.

Mr. Pitsker said there should be a charter for marketing added to the sub-committees. This way the charter can work on strategies in conjunction with the town to make Vernon more desirable.

12. Administrator Update

Ms. Bright updated the pump station 2 specifications were distributed for review. Mr. Benosky reported that everything is on time with the next step to submit the contract documents to IBank for review of the technical and contractual aspects of the document, which will be done in the next few days. Mr. Pitsker asked how far off timeline are we as there are a few things that are a little bit off. Mr. Benosky asked if Mr. Pitsker is referring to the environmental planning aspect

with IBank, to which he was answered yes. Mr. Benosky answered that it will be followed up with tomorrow and should not affect the bottom line of the schedule because the contract documents will be run concurrently. Mr. Pitsker stated his concern is the ordering of materials and distribution issues and asked where that stands. Mr. Benosky answered in some other pump stations they are working on many things are not too bad but the electronic items seem to be behind. Mr. Benosky added luckily those are things that are usually added at the end of the project; hopefully it will not impact the timeline of the project. Mr. Pitsker asked if the items can be reserved ahead of time if there is an anticipation of them being behind. Mr. Benosky answered some people do that and some utilities pre purchase some materials that get incorporated into the construction job but that can have a risk. Mr. Benosky continued that the contractor could get to the job and determine the item that was purchased will not work. If the items have a year or more lead time it may be a good idea to purchase them; however, Mr. Benosky does not think any of these items will have that lead time.

Ms. Bright updated on the sewer service area mapping and Dewberry should have it ready by January 13th, for the Board to review. It will be an updated area with the designated Town Center included. Once this is done, we can reevaluate for a request for the DEP to grant areas that were not included in the town center designation. Mr. Pitsker asked if the ESA areas will be noted that we were not able to acquire. Ms. Bright answered those would be delineated in the mapping, those are why there were not included when it was approved. Mr. Benosky stated they are doing their best to show all these areas without making the map too confusing or complicated but keeping it informative.

Ms. Bright updated on capital items, which were attached to the packet. Ms. Bright stated we will be moving forward on the 3 ditches by PS1. Ms. Bright added there have already been discussion on the first ditch and sent a memo regarding recommendations. After discussions with Mr. Schappell and Mr. Lazier, it is determined that larger river rocks will be used to fill the ditch 1 to prevent them from being washed away. Ms. Bright continued ditch 2 and 3 were found and will be addressed; the township will be addressing ditch 3 as part of the trail system that was just awarded. Ms. Bright added that because that portion is the responsibility of the MUA, it would be in the best interest to reimburse the town for filling it in. Ms. Bright stated she spoke to Mr. Lazier and the Director of the DPW to get laborers out in the early spring to repair ditch 2 and clear out over the actual sewer line to see directly over them. Mr. Pitsker asked Mr. Lazier does the town have equipment to go up the time. Mr. Lazier said that they have it but the slope is too dangerous to utilize it.

Ms. Bright updated on water infrastructure, a meeting was held with Suez, and we are waiting on boiler plate documentation. There will need to be two agreements, one to purchase water and one for franchise areas. Ms. Bright reached out to the town auditor regarding questions on ARP funds and ownership of the lines.

The sewer easement at Mt. Creek, which is overgrown, will be taken care of by Mt. Creek. Ms. Bright will reach out to determine when it will be done.

Ms. Bright stated that the budget was just introduced and the adoption is scheduled for the 20th of January. There are some large balances outstanding for the 4th quarter, which are due by the end

of the month. The building department has been notified and they have been on top of not issuing permits unless they are paid.

Ms. Bright stated there will be a meeting with the licensed operator and engineers to ascertain the project priorities for 2022. This past year we spoke about the force main along the railroad, as there is no real way to evaluate it, which may be able to be done this coming year. Ms. Bright added we will also be renovating the building at PS3, with either construction or a pre-fabricated shed. There are quotes coming in to determine pricing. Ms. Bright added the drainage ditches will be included in the capital projects for 2022.

Mr. Pitsker asked if there is a process for someone to connect to water developed. Ms. Bright answered that will have to be determined, as well as connection fees, and rates. Mr. Pitsker asked when that can be started. Ms. Bright answered we have to have the lines put in, which will be dry until the loop is connected. Also, the franchise area needs to be determined as well before that is done. Ms. Bright asked if a lateral was going to be installed on the dry main. Mr. Benosky stated he will confirm if that is in the plans. Mr. Pitsker stated he would like to be proactive and start the process so that when the line is installed, we have connections right away.

13. Licensed Operator Report

Mr. Lazier stated overall the system has been running smoothly. Mr. Lazier added one worker will be going to the DPW at the beginning of the year and our new hire will start soon. Ms. Bright added that he will start Monday.

Mr. Lazier stated the lift stations are clean. Mr. Lazier added he speaks with the laborers daily, before and after the shift, to go over day to day operations. Mr. Lazier noted that the stairs at PS2 were written up by the backup operator, but they were checked and passed. Mr. Kearney asked what the problem with the stairs are. Mr. Lazier said that it is rusty and inside, but it is sound. Ms. Bright added that it could be new standards, but since we are replacing the station in less than a year, the safety consultant said we can wait and does not need to be replaced. Mr. Lazier stated for PS3, he recommends, the building is redone, not a shed, because of the electrical and water that runs through the building. Mr. Pitsker asked how often the PS2 stairs should be inspected. Mr. Lazier answered annually and they also check it every time they go in.

Mr. Lazier asked about the 3 ditches that were being discussed and he does not think that our main is in the one ditch. Ms. Bright asked if he is referring to the ditch by the PAL, and there is not a line there, but further up the line is at the top. Ms. Bright added the ditch needs to be crossed to get to the manhole.

14. Engineer Report

Mr. Benosky stated there is one EDU calculation being work on for the urgent care, which will be sent to Ms. McCabe when it is completed. Mr. Kearney asked when the bid specs for PS2 will be ready to go out. Ms. Bright answered that IBank has to approve all the language before it is sent out to bid. Additionally, before it goes out the town has to pass a bond ordinance to issue the debt, which has timing limitations associated. Mr. Benosky stated he is hopeful that we are a few months away from being completed with IBank and the bid specs are more or less 100%

completed on their end. Ms. Wheaton asked, according to the timeline, if the bid speculations will be completed by February 4th, to which was answered that is what is currently planned.

15. Open to the Public for Items Not on the Agenda

Motion to open to the public for items not on the agenda was made by Mr. Pitsker, and seconded by Ms. Wheaton. Ms. McCabe informed MS. Distasi had her had raised.

Ms. Distasi congratulated the elections of the Chairman and Vice Chairman. Ms. Distasi thanked the board for taking her suggestion on gradually increasing fees. She thinks it will be much easier to swallow during this inflationary time period we are sadly going into. Ms. Distasi would like to suggest and ask that the listing of the bills be put on the website, only the approval is listed, and would like if possibly the bills are listed to be reviewed by the public. Ms. Distasi added regarding infrastructure she thinks that there is a good plan but what is really important that coordination is done with the township to make the process easier. Ms. Distasi said it has been difficult, as a developer in town, which her and her husband have been, it has always been difficult to coordinate between the different departments. So, if you can do something to make it easier for the MUA and the departments to be able to assist, it will be a big advantage. Ms. Distasi said she thinks that a great job is being done, keep it up, and looks forward to continued success.

Ms. Paladini had a couple of items to discuss. Ms. Paladini congratulated Mr. Kearney, and if Inside Vernon was read today, you would see that I had suggested that the Chair be Mr. Kearney or Ms. Wheaton. Ms. Paladini said she is glad that Ms. Distasi's suggestion was taken and it is a great idea she had not thought of before. Ms. Paladini added she does not want resolutions added to the agenda, it shouldn't happen, except for maybe extreme circumstances. Ms. Paladini continued that the agenda goes out in advance to the public and the public should be able to know what you are doing or not doing. Ms. Paladini asked for the status of the appeal with the township and the SCMUA. Ms. Bright responded that the township did appeal the filing. Ms. Paladini stated she is just asking for the status not details. Ms. Bright said that we have filed for appeal. Ms. Paladini responded so you are not going to say whether or not there has been a decision yet. Ms. Bright responded she will not answer as legal counsel is no longer on the meeting. Ms. Paladini stated you realize that I am asking a simple question, if there has been a hearing or not, and its ridiculous saying you will not answer a simple question, and specifics are not being asked. Ms. Paladini said she will put in an OPRA. Ms. Paladini said there are still some users along the line that are not hooked up and what is the status, mainly Green Team Realty. Mainly because when she was in the building, as the Historical Society, on multiple occasions, we offered to and pay the hook up and we were told by the BOE not to do it, so why do they get a pass and not hook up. Law says that every person along the line has to hook up and why haven't they. Mr. Pitsker and Mr. Kearny answered good question and its something to look into. Ms. Bright reminded everyone that this is public comment so an answer is not necessary but I do want to say that they did hook up to the system and this board took care of it this year. Ms. Paladini said thank you for telling me that. Ms. Paladini said that nothing can be heard with the new system, and we are looking down on the MUA like a bird's eye view, and we can hear you but not the public, I have mentioned this to the new incoming council and I'm telling you and something needs to be done. Ms. Paladini asked what the \$10,000 you mentioned you would pay the town. Ms. Bright answered that administration is working on another microphone where the

public speaks and right now, we have regular microphones and ones connected to the computer and where the public stands it may be difficult to run there but it is being worked on. Ms. Bright stated regarding the drainage ditch, ditch 3 along the sewer easement, the MUA is responsible for ensuring its safety and the integrity of the main, so because of erosion, a head wall needs to be installed. Ms. Bright stated that the MUA would normally do that itself but because of where it is in relation to the bike and walking path, it was included in the bid specs, which is a benefit because of the increased cost of doing the job alone. Ms. Paladini said thank you and you do not have to be so elaborate but she did not hear at all.

A person in the audience asked if Green Realty is now connected as there is no indication of that. Ms. Bright answered it is and the line is connected in the back as the lines do not run along 94.

Mr. Pitsker motioned to close public comments, which was seconded by Mr. McDermott and carries by unanimous votes.

16. Commissioners' Comments

Mr. McDermott has no further comments.

Ms. Wheaton commented she would like to say thank you to Mr. Furrey for his contribution to this board's success. Ms. Wheaton said it has been discussed a few times throughout the year but I would like to recognize his leadership and direction that helped to accomplish so much. Ms. Wheaton suggests that we consider a token of recognition. Ms. Wheaton sat with the discussion with the Chamber of Commerce a checklist was brought up for new business owners to shepherd them through the office and I think we can do our part but so much will come from the town itself. Ms. Wheaton it may be good to ask a developer to assist in the process as those are the people that have gone through the processes.

Mr. Pitsker commented that from a business standpoint we have two positions open that need to be filled. So, we need to check with the attorneys on how to do that. Ms. Bright said that is a town council prerogative and as far as posting we do not need to advertise or post. Mr. Pitsker said thank you to Mr. Lazier and the repairers on keeping up with the system and completing the upgrades needed and this has been a good year. To Ms. Bright and Ms. McCabe what an outstanding year, a lot of work, and Ms. McCabe you coming on has been a blessing, and Ms. Bright your energy and tenacity to getting things done the MUA has been moving along at a very good pace. Mr. Pitsker added to Mr. Furrey has been a great asset that got us started in the right direction. To Mr. Kearney glad to have you as Chair, your experience will help move forward. We have had many comments on expanding marketing and we have to make more connections, it's a number one priority. Mr. Pitsker added this should be a project charter next year.

17. Chairman's Comments


Mr. Kearney thanked everyone for the opportunity to serve as Chair. Mr. Kearney thanks Mr. Furrey, he came on the board and gave us direction and drive. If Mr. Furrey decided to come on the board again, he endorses it. Mr. Kearney said in the past whenever there was an outgoing commissioner or chairmen something was given for their time served, it is volunteer not paid, and there has been a number of people that have come through that they did not receive it, and

we should continue to do this for people who put their time in for the town they live in. We should do this retroactively and recognition should be given.

18. Adjournment

Motion to adjourn the meeting at 9:31 pm was made by Mr. Pitsker and seconded by Mr. McDermott and declared unanimously carried by Mr. Kearney.

Respectfully Submitted,



Jaclyn McCabe, Recording Secretary

Minutes approved January 20, 2022