

EAST WINDSOR MUNICIPAL UTILITIES AUTHORITY
Minutes of Regular Meeting
Thursday, September 13, 2012

The regular monthly meeting of the East Windsor Municipal Utilities Authority was held on Thursday, September 13, 2012 at the Administration Building on Wiltshire Drive and called to order by Chairperson Moore at 8:00 p.m..

The following Members were present:

Linda Moore
Leonard J. Millner
Steven Kurs
William Lawler

Absent:
Marc Platizky
Marc Lippman
Michael Shifman

Also present:

Edwin Schmierer, Esq., of Mason Griffin & Pierson
David Klemm, of Hatch Mott MacDonald
Ronald Christ, Finance Officer
Richard Brand, Executive Director
Skip Lovejoy, Water Superintendent
Dolores Borosko, Board Secretary

Chairperson Moore asked the Board Secretary to read the statement announcing that the notice and agenda of this meeting were mailed to the Windsor Hights Herald, Trenton Times and Trentonian on September 7, 2012. An agenda was posted on the official bulletin board of the Authority and delivered to the Township Clerk for posting on the bulletin board at the East Windsor Township Municipal Complex on September 7, 2012. Chairperson Moore then asked for a roll call after which she asked if any Member had an objection to holding this meeting as advertised. No one objected.

Chairperson Moore asked for comments from the audience on any item not on tonight's agenda and hearing no one the Chairperson moved to a discussion of delinquent accounts. Chairperson Moore stated that she had been speaking with Mr. Brand about the procedures for delinquent accounts because in certain communities within the township many people have just abandoned their properties and other residences within the townhouse and condo developments are concerned about pipes freezing during winter months and damage to adjoining residents. After giving the Board Members an explanation of the current procedure Chairperson Moore requested more information and recommendations from staff so that the process can be shortened.

Chairperson Moore requested a motion to approve the 2013 Fiscal Budget for water. A motion to approve both the Operating and Capital Budgets for water was made by Mr. Millner, seconded by Mr. Kurs and approved with the following vote: AYES: Mr. Millner, Mr. Lawler, Mr. Kurs and Chairperson Moore. NONES: None. ABSTAIN: None ABSENT: Mr. Platizky, Mr. Lippman and Mr. Shifman.

Resolution

WHEREAS, the Annual Budget and Capital Budget for the East Windsor Municipal Utilities Authority for the fiscal year beginning, 12/01/12 and ending, 11/30/13 has been presented before the governing body of the East Windsor Municipal Utilities Authority at its open public meeting of September 13, 2012; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$3,310,960, Total Appropriations, including any Accumulated Deficit if any, of \$3,610,487 and Total Unrestricted Net Assets utilized of \$299,527; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$928,500 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$778,500; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the East Windsor Municipal Utilities Authority, at an open public meeting held on September 13, 2012 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the East Windsor Municipal Utilities Authority for the fiscal year beginning, 12/1/12 and ending, 11/30/13 is hereby approved; and

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations; capital lease arrangements; service contracts; and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the East Windsor Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on November 15, 2012.

Chairperson Moore requested a motion to approve the 2013 Fiscal Budget for wastewater. A motion to approve both the Operating and Capital Budgets for wastewater was made by Mr. Kurs, seconded by Mr. Lawler and approved with the following vote. AYES: Mr. Milner, Mr. Lawler, Mr. Kurs and Chairperson Moore. NONES: None. ABSTAIN: None ABSENT: Mr. Platizky, Mr. Lippman and Mr. Shifman.

Resolution

WHEREAS, the Annual Budget and Capital Budget for the East Windsor Municipal Utilities Authority for the fiscal year beginning, 12/01/12 and ending, 11/30/13 has been presented before the governing body of the East Windsor Municipal Utilities Authority at its open public meeting of September 12, 2012; and

WHEREAS, the Annual Budget as introduced reflects Total Revenues of \$4,910,843, Total Appropriations, including any Accumulated Deficit if any, of \$4,355,185 and Total Unrestricted Net Assets utilized of \$NONE; and

WHEREAS, the Capital Budget as introduced reflects Total Capital Appropriations of \$809,500 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$809,500; and

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

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BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations; capital lease arrangements; service contracts; and other pledged agreements; and

BE IT FURTHER RESOLVED, that the governing body of the East Windsor Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on November 15, 2012.

Mr. Kurs asked Mr. Brand for highlights of major savings and Mr. Brand responded that major savings are for sludge disposal and hauling, insurance and electric. The Board requested Mr. Brand include this information in his power point for the public hearing.

Chairperson Moore spoke about issues raised regarding the MUA holding telephone conferences in place of regular meetings, she stated that she had requested that the attorney's research the issue and render an opinion. Mr. Schmierer responded by stating that he had researched the law and written a memo regarding the regulations. There is no problem with holding a telephone conference but it must be noticed the same as regular meetings and held on a speaker phone in the conference room so that any member of the public that walks in can sit, listen to the discussion and comment if they so desire. Mr. Schmierer recommended placing

notice for telephone conferencing on the MUA website as an added measure for notification. Mr. Schmierer also recommended recording of telephone conference meetings the same as we do regular board meetings. Mr. Schmierer continued stating that by following the above recommendations the MUA would be in compliance with the Open Public Meetings Act.

Mr. Millner raised an issue of concern regarding regular board members who are not physically present at a regular board meeting but are calling in from outside and participating on speaker phone being able to vote. Mr. Millner stated that he has an objection to a member on the telephone voting and feels that an alternate who is present should vote. Mr. Schmierer stated that this issue could easily be addressed in an amendment to the Rules and Regulations. Mr. Schmierer recommended that this issue be held until the amendment for changes in the shut off policy were complete and then both changes could be revised at the same time if that is acceptable to the Board. The Board was agreeable to making both changes at the same time.

Chairperson Moore requested information on the McGraw Hill infrastructure improvements. Mr. Brand informed the Board that McGraw Hill is doing \$680,000.00 of repair and replacement along Route 571 and McGraw Hill has also been discussing the payments for connection fees and OTTF fees. Mr. Brand explained that the OTTF fees will be based on the DEP requirements for cooling towers and this has been explained to McGraw Hill. Mr. Millner asked if there would be a deduction in connection fees for the cost for the repairs and replacements being done by McGraw Hill and Mr. Brand stated that there would not. Chairperson Moore asked if there was any further discussion and hearing none asked for a motion to approve the resolution. A motion to approve and adopt Resolution 2012-25 to infrastructure repairs and replacement for McGraw Hill Companies Project was made by Mr. Lawler, seconded by Mr. Kurs and unanimously approved.

Resolution 2012-25

WHEREAS, McGraw-Hill Companies, the owners of property known as Block 63, Lots 6, 8, 9, 10, 48, 49, and 51 as shown on the official tax map of the Township of East Windsor has requested the East Windsor Municipal Utilities Authority ("Authority") approve onsite infrastructure repairs and replacement necessary to isolate the north and south campus of their property; and

WHEREAS, the Authority requested additional upgrades to the meter pits, installation of 12" DIP water line along Route 571 also known as Princeton-Hightstown Road to extending north from the intersection of One Mile Road to the opposite side of the main entrance to the McGraw-Hill South Campus; and

WHEREAS, the Authority and its Engineers Hatch Mott MacDonald have approved the revised plans which include WTR-1 Rev.7-27-12 Thru WTR-7 Rev.7-27-12, SCD-1 Rev. 7-27-12 Thru SCD -3 Rev. 7-27-12, and DET-1 Rev. 7-27-12 Thru DET-4 Rev. 7-27-12; and

WHEREAS, all work being performed is in compliance with the Authority regulations; and

WHEREAS, McGraw-Hill shall obtain all necessary permits including but not limited to NJDEP/BSDW, Mercer County Soil Erosion, and Mercer County and East Windsor Township Road Openings; and

WHEREAS, McGraw-Hill will grant to the Authority approximately a one thousand two hundred (1,200 LF) linear feet X twenty (20') feet in width nonexclusive, perpetual easement along Route. 571, property known as Block 63, Lots 6 and 8 as shown on the official Tax map of the Township of East Windsor and along the western corner of Lot 6, south up to Lot 118 for the purpose of using and maintaining said Easement area for the future installation of a water line; and

WHEREAS, McGraw-Hill will grant additional easements in which the Authority has existing sewer mains located on their property; and

WHEREAS, McGraw-Hill had entered into a Developer's Agreement on January 31, 2007 with the Township of East Windsor, which require McGraw-Hill Companies to shut down its onsite

well and purchase additional water from the Authority; and

WHEREAS, McGraw-Hill will apply for the additional water allocation as described by the NJDEP Rules and regulations pertaining to cooling towers and approved by East Windsor Municipal Utilities Authority.

NOW, THEREFORE, BE IT RESOLVED by the East Windsor Municipal Utilities Authority as follows:

1. The Chair and Secretary of the East Windsor Municipal Utilities Authority are hereby authorized and directed to execute appropriate documentation as approved by the Authority Attorney evidencing the approval of plans entitled: "Infrastructure Repairs and Replacement Project: "McGraw-Hill Companies Block 63, Lots 6, 8, 9, 10, 48, 49, and 51 as shown on the official Tax Map of the Township of East Windsor".
2. The East Windsor Municipal Utilities Authority approval of McGraw-Hill Companies "Infrastructure Repair and Replacement Project" is conditional on the respective parties entering into a Capacity Allocation and Developers On-Tract and Off-Tract Agreement, which will include but not limited to the specific infrastructure improvements mentioned in this Resolution, the stipulation of a specific allocation of water for the onsite Data Processing Facility and the submittal of an application to the New Jersey Department of Environmental Protection Agency – Bureau of Water System Engineering for an allocation of water to meet the water service requirements of said Data Processing Facility.
3. A certified true copy of this Resolution shall be furnished to the McGraw-Hill Companies upon its adoption

A motion for approval of dates for Rate Hearings on October 18, 2012 and November 15, 2012 was made by Mr. Millner, seconded by Mr. Kurs and unanimously carried.

Mr. Millner made a motion to approve Operating bills in the amount of \$222,233.16 and payrolls in the amount \$64,220.06 and \$62,916.60; seconded by Mr. Kurs and unanimously carried.

The Operating Report was approved on a motion made by Mr. Kurs, seconded by Mr. Lawler and unanimously approved.

A motion was made by Mr. Kurs, seconded by Mr. Millner to approve the Finance Officer's Reports for July and August. The motion was unanimously approved.

On a motion made by Mr. Shifman, seconded by Mr. Kurs the Attorney's Report was unanimously approved. Mr. Millner asked if there was settlement on the NJEIT Loan's and Mr. Brand responded that loans have not been settled yet because there are a few outstanding bills from CPI. Mr. Kurs asked Mr. Christ why Cycle A and Total receivables on his finance report were both stating not completed. Mr. Christ explained that there were many issues with the software conversion which had held up the billing.

The Attorney's report was approved with a motion by Mr. Lawler, seconded by Mr. Millner and unanimously approved.

The Engineer's report was approved on a motion made by Mr. Millner, seconded by Mr. Kurs and unanimously approved. Mr. Kurs requested information on the problems incurred during the directional drilling being done under the New Jersey Turnpike roadway. Mr. Brand stated that a problem occurred while drilling the pilot hole beneath the turnpike. The problem is known as "frac out" which is the discharge of drilling mud to the ground surface. In this case, the drilling mud appeared on the roadway surface of the turnpike. The drilling operation stopped immediately and the Turnpike Authority temporarily halted traffic to remove the drilling mud from the roadway surface. Mr. Klemm informed the Board that Hatch Mott MacDonald had reviewed the situation and was making recommendations to the turnpike so that problems could be avoided during continued and future work.

There being no further items for discussion the meeting was adjourned.

Respectfully,

A handwritten signature in cursive script, appearing to read "Steven Kurs".

Steven Kurs, Secretary