

BUDGET MEETING, DECEMBER 6, 2018

The second Budget Meeting of the Gloucester Township Municipal Utilities Authority was held on Thursday, December 6, 2018 at 5:30 P.M. at the Gloucester Township Municipal Utilities Authority Building, 401 W. Landing Road, Blackwood, New Jersey.

The following members were present: Mr. Calabrese, Mr. Pillo, Mr. Bianchini, Mr. Schmidt, Mrs. Bradley and Mr. Garbowski.

Also present were: Mr. Long, Mr. Leisse, Mr. Brickley, Mr. Applegate, Mr. Carr, Mr. Engelbert and Mrs. Hrynio.

Mr. Mercado and Mr. Cardis were not present.

Chairman Calabrese stated that Mrs. Bradley would be seated for the vacant seat.

The Chairman read the commencement statement noting that the meeting was advertised in the Courier Post and notice was placed on the bulletin board of the Township of Gloucester and the Gloucester Township Municipal Utilities Authority; the meeting was recorded.

Chairman Calabrese stated that no action would be taken at this meeting.

Chairman Calabrese stated that we would begin with reviewing the Proposed 2019-2020 Solid Waste Operating Budget and Supporting Revenue. The meeting was turned over to Mr. Applegate.

Mr. Applegate stated that he had no comments as there were no changes made to the Solid Waste Operating Budget.

Chairman Calabrese asked if anyone had any questions or comments. There were none.

Chairman Calabrese stated that we would move on to the 2019-2020 Solid Waste Capital Budget and referred the meeting over to Mr. Leisse.

Mr. Leisse stated that we have identified costs for three (3) items for the 2019 – 2020 Solid Waste Capital Budget:

- A) Recycle Trucks - \$600,000 – Two Recycle Trucks. One to replace the truck that was damaged from the fire and a second truck to maintain the fleet. We are in the seventh year of the single stream program and it is time to start replacing trucks from the original fleet.
- B) Recycle Carts - \$64,000 – To increase the quantity of the 96 gallon carts. This cost is for 1,160 additional carts. We are down to approximately 700 carts.
- C) Dump Truck - \$250,000 – The youngest dump truck we have is twelve years old. It is a truck that is used quite frequently. This needs to be addressed somewhat soon.
- D) Miscellaneous Capital/Site Maintenance - \$20,000 – This is for draining of the pond – and items required in accordance with our NJDEP Permit

Mr. Leisse reviewed the 5-Year Solid Waste Capital Plan. In 2021, we have identified the need for another recycle truck and after that we have identified recycle trucks in alternating years. Also in 2021, we have a pick-up truck – looking to turn over the fleet of pick-up trucks. We have identified the need for a grass & leaf packer in 2022.

Chairman Calabrese asked if there were any questions. Mr. Brickley stated that there is an exceptionally long lead time with getting these trucks. The longer we wait to replace these vehicles, our operating budget may be taxed with maintenance and repairs – money that would be better spent on Debt Service.

Chairman Calabrese asked if there were any other questions or comments. There were none.

Chairman Calabrese stated that we would move on to the Sewer Operating Budget. Mr. Applegate stated that there were no changes made to the Sewer Operating. His only comment was that the rate structure that we have in place today will continue to support this budget. We are in good shape.

Chairman Calabrese stated that we would move on to the Sewer Capital Budget.

Mr. Leisse referred the Board to Page 1 of the Sewer Capital Budget. He stated that he would go through the items one by one:

- A) Equipment Replacement - \$275,000 – Replace aging pumps, drives and controls.
- B) Telemetry - \$50,000 – New servers/hardware to host data (Xylem)
- C) Standby Generators - \$250,000 – Lincoln Avenue, Evesham, Brookwood & Stephens Drive. In the future, we will looking to upgrade some of the aging generators.
- D) Sewer Rehab Program - \$500,000 – Fresno & Fay Ann. We have discussed looking at areas of concern and the crews are televising these areas. We are finding some good news but we also see terracotta pipes and ACP pipe. We want to be proactive with those locations.
- E) Buildings & Grounds - \$25,000 – Telecommunications/Fobs
- F) Computer Upgrade - \$30,000 – New Server/IT (Edmunds) & 4 Computers
- G) Electrical Upgrade - \$5,000 – Uninterruptable Power System
- H) Pump Station Upgrades - \$350,000 – Prospect Avenue, Orr Road, Erial Road & Glen Oaks
- I) Administration/Maintenance Buildings - \$25,000 – New cameras & stairwell
- J) Vehicles - \$175,000 – Heavy Duty Service Truck is about 15 years old and is reaching the end of its useful life. Also pick-up trucks and mini excavator.

Mr. Leisse then reviewed the 5-Year capital. The only year that stands out is the 2021 budget. We will be looking at a two million dollar IB Loan to take on some of the larger pump station upgrades, sewer rehab and replacement of standby generators.

Chairman Calabrese asked if anyone had any comments or questions. Mr. Applegate stated that the 2020 Capital budget is being funded using cash we have on hand. It is replacing what we would be paying for the 1993 debt. The 2021 Capital Budget includes getting another loan that will replace the 1993 debt.

PUBLIC PORTION

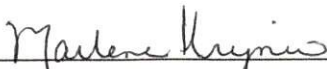
There was no one present.

Chairman Calabrese stated that we are in serious need of recycling trucks.

Chairman asked for motion for adjournment.

On motion of Mr. Bianchini, second by Mrs. Bradley, the meeting adjourned.

All signified their approval by stating aye.



Marlene Hrynio, Recording Secretary

APPROVED DECEMBER 20, 2018 REGULAR MEETING