

REGULAR MEETING, JULY 19, 2018

The Regular Meeting of the Gloucester Township Municipal Utilities Authority was held on Thursday, July 19, 2018, at 6:45 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, Mrs. Bradley and Mr. Garbowski.

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

Council Liaison Orlando Mercado was also present.

Chairman Calabrese stated that Mrs. Bradley would be seated for Ms. Guevara and Mr. Garbowski would be seated for Mr. Schmidt.

On motion of Mr. Bianchini, second by Mrs. Bradley, Ms. Guevara was excused as she was ill and Mr. Schmidt was excused as he was on vacation.

All signified their approval by stating aye.

Mr. Kirk Applegate, CPA, RMA, Authority Auditor from Bowman & Company was present during the Workshop Portion of the meeting to go over the February 28, 2018 Audit/Exit Conference and to answer any questions the Commissioners may have.

Mr. Applegate stated that there were no findings in the Audit this year. The Authority is in a real strong financial position. Service revenues were up almost a half million dollars from 2014 (over a five year period of time) due to the rate increases and new connections, such as the Premium Outlets. Mr. Carr and his staff continue to monitor expenses, so we are not spending money frivolously and that unspent money goes back into surplus.

The 1993 Bonds are paid off as of March 1, 2018.

One point of interest which has an impact on our financial statements – but not a significant one where we have to address it. The State PERS liability dropped over one million dollars for this Authority from last year to this year. The contributory factors are that the Pension Fund Investments are doing better and the State increased their funding percentage, so they are putting a little bit more into the fund in order to offset this liability.

Regarding the Solid Waste Budget – Everything is pretty consistent with previous years. The revenues are fairly stagnant @ \$310,000/year. The Township did pay the full amount of the Global Agreement.

The one significant item that we always talk about is Debt Service Coverage. It is a bond covenant we have that states that our net revenues (revenues + interest – Operating Expenses) must be 110 times greater than the annual debt services. We were able to exceed the amount that we needed by \$863,000 – 165% over that amount. We are doing real well with that part of it.

The last item Mr. Applegate wanted to bring to the Board's attention is the Management's Discussion & Analysis. Mr. Carr & Mrs. Hrynio prepare this document. It is a very informative piece of the audit. Mr. Applegate recommends that the Board read this information. It discusses the finances, the operations of the Authority, planned projects on the horizon, etc.

And the final item Mr. Applegate wants to bring to the Board's attention is on Page 1 of the Exit Conference Report – Risk of Fraud. This is the Board's responsibility. If anyone brings anything to the Board's attention – even if you think it's frivolous - please inform the Executive Director and if need be – he will pass it on to Mr. Applegate and they will look into it.

It was another excellent audit. He thanked Mrs. Hrynio and her staff for their cooperation.

The Board had no questions.

Chairman Calabrese thanked Mr. Applegate for his report.

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

On motion of Mr. Bianchini, second by Mr. Garbowski, the Minutes of the Regular Meeting of June 21, 2018 were approved.

AYE: Mr. Garbowski, Mrs. Bradley, Mr. Bianchini, Mr. Pillo and Mr. Calabrese.

R-07-18-70 - Resolution to pay bills out of the Operating Fund.

On motion of Mr. Pillo, second by Mr. Bianchini, the above resolution was adopted on a roll call vote.

AYE: Mr. Garbowski, Mrs. Bradley, Mr. Bianchini, Mr. Pillo and

Mr. Calabrese.

R-07-18-71 - Resolution to pay bills out of the Renewal and Replacement Account.

On motion of Mr. Bianchini, second by Mr. Garbowski, the above resolution was adopted on a roll call vote.

AYE: Mr. Garbowski, Mrs. Bradley, Mr. Bianchini, Mr. Pillo and Mr. Calabrese.

R-07-18-72 - Resolution to pay bills out of the Plans & Specifications Account.

On motion of Mr. Pillo, second by Mr. Bianchini, the above resolution was adopted on a roll call vote.

AYE: Mr. Garbowski, Mrs. Bradley, Mr. Bianchini, Mr. Pillo and Mr. Calabrese.

PUBLIC PORTION

There was no one present.

ENGINEER'S REPORT

Mr. Leisse presented his report during the Work Shop portion of the meeting, a copy of which is attached and made part of these minutes.

R-07-18-73 - Resolution Authorizing the Award of Bid for the Sewer Rehabilitation Project to Insituform Technologies, Inc.

On motion of Mr. Bianchini, second by Mr. Pillo, the above resolution was adopted on a roll call vote.

AYE: Mr. Garbowski, Mrs. Bradley, Mr. Bianchini, Mr. Pillo and Mr. Calabrese.

CONFLICT ENGINEER

Nothing to Report.

SOLICITOR

Mr. Long stated that his report stands as presented during the Work Shop portion of the meeting.

There was no need for an Executive Session; therefore **R-07-18-74** was not adopted.

EXECUTIVE DIRECTOR'S REPORT

Nothing Additional to Report.

SECRETARY'S REPORT

R-07-18-75 - Resolution Certifying that Each Member of the Governing Body has Received the Annual Audit and Personally Reviewed the Annual Audit, and Have Specifically Reviewed the Sections of the Annual Audit Report Entitled "General Comments" and "Recommendations", in Accordance with N.J.S.A. 40A:5A-17.

On motion of Mr. Bianchini, second by Mr. Pillo, the above resolution was adopted on a roll call vote.

AYE: Mr. Garbowski, Mrs. Bradley, Mr. Bianchini, Mr. Pillo and Mr. Calabrese.

R-07-18-76 - Resolution Authorizing the Removal of \$138.00 for the Period April 1, 2018 – December 31, 2018, for the Property Designated as 1711 Hollywood Avenue, Block 4708, Lot 17, Account Number 80836-0, Gloucester Township, As the Property is Uninhabitable Due to a Fire that Occurred on April 1, 2018, and Turning off the Maintenance Screen Until the Property is Habitable.

On motion of Mr. Bianchini, second by Mr. Pillo, the above resolution was adopted on a roll call vote.

AYE: Mr. Garbowski, Mrs. Bradley, Mr. Bianchini, Mr. Pillo and Mr. Calabrese.

PUBLIC PORTION

There was no one present.

COMMENTS COUNCIL LIAISON

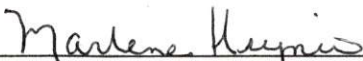
Mr. Mercado congratulated the Board on the clean audit. He is going to share the Management's Discussion & Analysis with his colleagues on Council. It is a very informative piece.

COMMENTS AND RECOMMENDATIONS FROM THE BOARD

The Board thanked Mr. Applegate & Staff for a great job on the Audit.

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

All signified their approval by stating aye.



Marlene Hrynio, Recording Secretary

APPROVED AUGUST 16, 2018 REGULAR MEETING

**ENGINEER'S REPORT
GLOUCESTER TOWNSHIP M.U.A.**

July 19, 2018

1. Ronald Janney Electrical Contractor, Inc. has completed the installation of new generators at the Twin Streams and Woodland Pumping Stations. The work has been accepted and inspected. The final payment application has been recommended under separate cover.
2. Bids for the current Sewer Rehabilitation Project were opened on June 26th. A recommendation to award has been forwarded under separate cover.
3. The contracts for emergency generators at the Raintree Pumping Station and the Administration Building have been executed and distributed. Generator submittals have been received and are currently under review. A recommendation for partial payment has been submitted under separate cover.
4. Atlantic City Electric has concluded their study of the power quality that services the Cherrywood Pumping Station. My office will review the findings when provided by ACE and make recommendations to improve conditions of the incoming power.
5. On June 18th, I attended a Public Information meeting at the Gloucester Township Municipal Office regarding the NJDOT Route 42 bridge replacement project over Blackwood Trail. A coordination meeting is being scheduled by the NJDOT's design engineer with the GTMUA and CCMUA to review project details.
6. My office is in the process of collecting survey information at Orr Road and Glen Oaks for potential upgrade projects.

End of Report

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