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APPROVED

2 RARITAN TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY

3 In the Matter of: :
4 RATE HEARING : Transcript
5 : of
6 : Proceedings
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7 Thursday, December 13, 2017
8 Raritan Township MUA
9 365 Old York Road
10 Flemington, New Jersey
11 Commencing at 5:05 p.m.

12 BOARD MEMBERS PRESENT:

13 JOHN KENDZULAK JR., Chairman
14 LAWRENCE GRAND, Treasurer
15 JOHN TULLY, Secretary
16 GARY HAZARD Asst. Treasurer/Secretary

17 ALSO PRESENT:

18 REGINA NICARETTA, Executive Secretary
19 GREGORY LaFERLA, Chief Operator/Director
20 DAN MADDEN, Consulting Engineer
21 MICHAEL CRAGIN, Auditor

22 A P P E A R A N C E S:

23 WATTS, TICE & SKOWRONEK
24 BY: C. GREGORY WATTS, ESQUIRE
25 Attorneys for the Commission

MICHAEL LOMBARDOZZI, CSR, CRR
Somerville, New Jersey 08876
mlombardozzi92@gmail.com

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WITNESS PAGE

E X H I B I T S

NO. DESCRIPTION PAGE

(No exhibits marked.)

1 CHAIRMAN KENDZULAK: This meeting of
2 the Raritan Township Municipal Utilities
3 Authority is called to order. This meeting has
4 been advertised in accordance with the Open
5 Public Meetings Act, setting forth the time, and
6 the Raritan Township Municipal Utilities
7 Authority as the place of said meeting. A copy
8 of this agenda has been posted on the office
9 bullet board.

10 Roll call, Regina.

11 MS. NICARETTA: Mr. Grand?

12 COMMISSIONER GRAND: Here.

13 MS. NICARETTA: Mr. Hazard?

14 COMMISSIONER HAZARD: Here.

15 MS. NICARETTA: Mr. Kendzulak?

16 CHAIRMAN KENDZULAK: Here.

17 MS. NICARETTA: Mrs. Robitzski?

18 Mr. Tully?

19 COMMISSIONER TULLY: Here.

20 CHAIRMAN KENDZULAK: Pledge

21 allegiance.

22 (Whereupon, the pledge of allegiance
23 is recited.)

24 CHAIRMAN KENDZULAK: Applications,
25 there are none.

1 Public rate hearing. Okay. I'm
2 going to announce that the public rate hearing is
3 open to the public, and I'm going to turn it over
4 to Mike, from Bowman & Bowman, our auditor, to go
5 through and discuss the sewer charges and the
6 connection fees. Mike?

7 MR. CRAGIN: Good evening. We're
8 going to be talking about the two rates. The
9 user rate will be increasing from \$636 to \$648, a
10 dollar a month increase, and the base fee will go
11 from \$165 to \$168. These increases represent
12 about a 1.9 percent increase in the rate. The
13 rate increase is necessary to support the
14 anticipated debt service the authority will be
15 issuing in approximately May of 2019 of \$4.1
16 million. It will also help to support
17 contractual increases and other increases for
18 authority expenditures.

19 The connection fee will be going
20 down from \$4,039 down to \$3,946. The reason for
21 the change is the total equivalent dwelling units
22 increased by approximately 385 from last year;
23 most of them being commercial, 190 was an
24 increase in commercial. It decreased the average
25 cost per EDU down to 3946.

1 CHAIRMAN KENDZULAK: Okay. Any
2 questions from commissioners with regards to
3 this?

4 Any questions from members of the
5 public with regards to the rates?

6 MR. WATTS: The record should
7 reflect there are no members of the public
8 present.

9 CHAIRMAN KENDZULAK: Okay. There
10 being none, is there a motion to close the public
11 hearing?

12 COMMISSIONER TULLY: Moved.

13 COMMISSIONER HAZARD: Second.

14 CHAIRMAN KENDZULAK: All in favor?

15 (Whereupon, a voice vote is taken; a
16 chorus of "ayes" heard.)

17 CHAIRMAN KENDZULAK: Okay.

18 (Whereupon, the hearing concluded at
19 5:06 p.m.)

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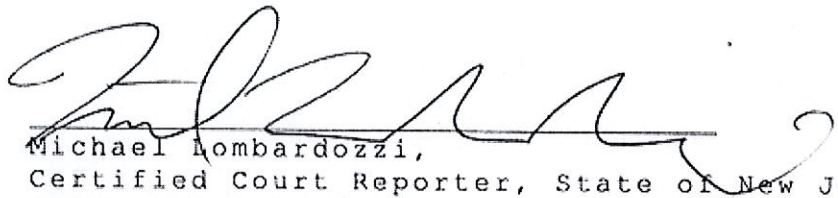
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C E R T I F I C A T E

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I, Michael Lombardozzi, a Notary Public and Certified Court Reporter of the State of New Jersey, do hereby certify that the foregoing is a true and accurate transcript of the testimony as taken stenographically by and before me at the time, place, and on the date hereinbefore set forth.

I do further certify that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel and that I am not financially interested in this action.



Michael Lombardozzi,
Certified Court Reporter, State of New Jersey
CERT #: 30X100239700
Date: 01/09/2019

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING MINUTES

December 13, 2018

365 Old York Road, Flemington, New Jersey
(908) 782-7453 Office (908) 782-7466 Fax

Resolution #2018 - 84 Authorization for Additional Payment in connection with the Flemington Borough Route 31 Interceptor Sewer Relocation

Mr. Tully made a motion to approve Resolution #2018 - 84, Mr. Grand seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

Resolution #2018 - 85 Approval for Final Payment Flemington Borough Route 31 Interceptor Sewer Relocation Project

Mr. Grand made a motion to approve Resolution #2018 - 85, Mr. Tully seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

Resolution #2018 - 88 Release of Performance bond and Authorization to Execute Development Agreement / Maintenance Guarantee, Toll NJ, L.P. (Mt. View @ Hunterdon)

Mr. Tully made a motion to approve Resolution #2018 - 88, Mr. Grand seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

Resolution #2018-89 Designation of Public Agency Compliance Officer

Mr. Grand made a motion to approve Resolution #2018 – 89, Mr. Tully seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

Resolution #2018-90 Approval of and Authorization to Execute Wastewater Treatment Capacity Transfer Agreement and Agreement for Reservation of Wastewater Treatment Capacity Agreement Raritan Township to Healthquest of Central Jersey, LLC (Block 9 Lot 16) / Emerald Sky, LLC (Block 9 Lot 17.01) (Enclave at Raritan, LLC) (COAH)

Mr. Grand made a motion to approve Resolution #2018 – 90, Mr. Tully seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

Resolution #2018-91 Resolution of Appreciation to Gregory A. LaFerla for Service to the Raritan Township Municipal Utilities Authority

Mr. Kendzulak, Jr. – I'd like to read the full resolution (reads resolution in its entirety). With this, also comes a plaque. Congratulations and best of luck to you and enjoy your retirement.

Mr. Tully made a motion to approve Resolution #2018 – 91, Mr. Grand seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

6. **Approval of Minutes:** Minutes of November 15, 2018

Minutes were carried to the January 2019 meeting.

7. **Treasurer's Report / Payment of Bills:**

Mr. Kendzulak, Jr. - The bills totaled \$566,397.21. All appears to be in order. You'll see two in there; one is to cover to the end of this year, November 30th. If you go to the last red page, you'll see where we're ending up this year at 92.79%. Again, this is a pre-audited number, Mrs. Struening has a note down there that says "this doesn't reflect any fixed – assets", but there are going to be other things that are going to happen to this, but I think we should be under budget. If you go down to last green page; this is the portion of the budget from December 1st, it says through the end of the month but there may be some other bills that will come in since it's early yet. Some of this stuff is front loaded, the insurance is a big chunk of change, that was eighty something thousand dollars and there were some other bigger ones that technically we pay up front but we're pretty much where we kind of were last year at this point at 6.35%.

Mr. Tully made a motion to approve the payment of bills. Mr. Grand seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

8. **Citizens' Privilege:**

None

9. **Adjourn into Closed Session by Motion, if Needed**

Mr. Kendzulak, Jr. – We will be going into Closed Session to discuss Personnel Matters and we do anticipate taking official action once we come out of Closed Session.

Mr. Tully made a motion to adjourn into Closed Session for the above stated purpose and Mr. Grand seconded the motion. Closed Session was from 5:18 pm – 5:25 pm.

Mr. Kendzulak, Jr. – We're back into open session. This will be memorialized at the next meeting; I'd like to move a resolution for Ray Frank to take over as Chief Operator effective January 1, 2019, for a six-month appointment through June 30, 2019. There will be a \$10,000.00 annualized salary during that period of time.

Mr. Watts – Should Mr. Frank go back to his former position, there will be no loss of seniority, and the appointment is subject to confirmation with the Union which they've done verbally but in writing that they are okay with him going back to the Union if necessary, at the end of the six – month period.

Mr. Kendzulak, Jr. – Is there a motion?

Mr. Tully – Motion.

Mr. Kendzulak, Jr. – Is there a second?

Mr. Grand - Second

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Absent
	Mr. Tully	-	Yes

10. Adjournment of Regular Meeting:

Mr. Tully made a motion to adjourn the Regular Meeting. Mr. Grand seconded the motion. All were in favor.

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
WORK SESSION MINUTES

APPROVED

DECEMBER 13, 2018

365 Old York Road, Flemington, New Jersey
(908) 782-7453 Office (908) 782-7466 Fax

1. **The Work Session** of the Raritan Township Municipal Utilities Authority will be called to order upon the adjournment of the Regular Meeting.

Mr. Kendzulak, Jr. – Mr. LaFerla, there's something you want to go over and then we'll let you and Mr. Frank go.

Mr. LaFerla – In the back of my report is a quote for the new pickup truck; we put the money in the budget for it. We would like to get it.

Mr. Kendzulak, Jr. – It's through State Contract?

Mr. LaFerla – Yes.

Mr. Watts – You can authorize it now and adopt a resolution next month.

2. **Correspondence:**

- a) Gregory A. LaFerla, Chief Operator / Director of RTMUA to Marc Saluk of HC Office of Economic Development regarding Grant Program (and Memo from Board of Freeholders of Hunterdon County)

Mr. Kendzulak, Jr. – Ms. Nicaretta, he's looking for a paragraph in writing?

Mr. Hazard – They've acted on it and approved it, but there's a ten percent, \$5,000.00 that has to come from us. The County is putting out a bid for \$50,000.00, so it's a grant, to do an economic study on this facility working with Master Plans, not just for Raritan Township but also for Flemington Borough, and the Township supports it.

Mr. Kendzulak, Jr. – When we had our meeting, they did mention the \$5,000.00, but they said our engineers' services as far as developing the scope of work would be applied toward that. That was my understanding. Anything in house, meaning our engineering work would be applied to that five percent.

Mr. Madden – For what it's worth, Mr. Bogen told me, and we've been tracking it, the time spent on the Wastewater Management Plan (WMP), we can get reimbursed.

Mr. Kendzulak, Jr. – I think we've exceeded the \$5,000.00 already, so we may have met our obligation with regards to that. This is something that is moving the Authority forward. Without this WMP, we're not going anywhere.

Mr. Madden – We have a good handle on what’s going on in Raritan Township, it’s Flemington Borough that’s our issue. The wording I gave them to go in this was “to do a more in-depth study of Flemington” because they’re an urban location, for the WMP, it’s all generated by population.

Mr. Hazard – There’s a lot of work here that needs to be done.

Mr. Kendzulak, Jr. – This paragraph here, who is going to tailor this thing to basically say that Raritan Township MUA will pay in kind services or whatever. In the end we’ll be spending \$5,000.00.

Mr. Madden – I think whatever you spend, he’s going to be able to pay you back even though it’s going to be more than \$5,000.00.

- b) Christopher Bolka, Env. Spec. 3 of NJDEP to Tony Saracini, VP of Johanna Foods, Inc., regarding Compliance Evaluation and Assistance Inspection

Mr. Kendzulak, Jr. – I guess this is tied to some exceedances and Johanna is going to get penalized by the DEP.

Mr. Tully – This is in conjunction with the overages we’ve already billed them for?

Mr. Kendzulak, Jr. – That’s my understanding.

- c) Chrissy Gerstnicker of NJDEP to RTMUA regarding Responsible Licensed Operator for RTMUA

Mr. Kendzulak, Jr. – Ms. Nicaretta sent this form back with Mr. Frank’s name. You sent it by fax too but did they receive the hard copy?

Ms. Nicaretta – Yes, I got confirmation from UPS.

Mr. Kendzulak, Jr. – That’s designating Mr. Frank as Chief Operator effective as of January 1, 2019.

Mr. Madden – Is he your licensed operator for both collection system and treatment?

Ms. Nicaretta – Yes, he as a C4 and a S4. I believe the other guys that have the S4 also have a C4.

3. **Old Business:**

None

4. **New Business:**

None

5. Professional Reports:

- a) Attorney - None
- b) Engineer –

Mr. Madden – The flow, we've been having some trouble getting the data but I think we have it straightened out. We're about six weeks behind; it had something to do with the spreadsheet. The Route 31 Interceptor has been negotiated. You have a report, regarding our analysis of the build - out that we went through with the Township for the County, these are the numbers we're showing. Our version of the WMP.

Mr. Kendzulak, Jr. – When are they going out to solicit for that?

Mr. Madden – I think it's already out. There is an RFP out.

Mr. Kendzulak, Jr. – If you can send a copy to all of the commissioner's so we can see what it is.

Mr. Madden – The smoke testing – we did the report on the initial part we were authorized to do. Your guys continued to do field work for other areas. We're getting the stuff and we're looking at it. They've found a bunch of clean outs that were knocked off. I forget where they just were.

Ms. Nicaretta – They just finished Townsende yesterday or the day before and they did Maple Glen right before that.

Mr. Madden – They found about forty – three broken clean outs. Some were in a grass area and some were in pavement.

Mr. Kendzulak, Jr. – The Flemington Wet Weather Facility had seven discharge events in the month of November. Readington, we thought their flows were getting under control, they were at 190,000 which is a lot higher than they've flowed before. It's been wet.

6. RTMUA Reports:

- a) ADMINISTRATIVE / OPERATIONS REPORT
 - 1.
 - a) Overtime Recap
 - b) Septage / Greywater Recap
 - 2. Laboratory Summary
 - 3. Maintenance Summary
 - 4. Readington Flows
- b) COMMISSIONERS' COMMENTS

7. **Discussion:**

a) Draft of Clean – Out Cap Ordinance

Mr. Watts – That's something that I'm working on that's not done yet. It's something that's going to go to the Township to get adopted so we can have some teeth; we have very limited enforcement abilities. I'll work with the Township Engineer and see if we can get an ordinance adopted by the Township. I think we can simply modify the existing ordinance with regard to the RTMUA.

b) Environmental Professional Development Academy

Mr. Kendzulak, Jr. – Mrs. Struening got Mr. Frank signed up. The way it was described to me was, it's very beneficial, it will be to Mr. Frank and to us.

c) Continued Additional Office Assistance

Mr. Kendzulak, Jr. - There's a memo in here from Mrs. Struening to Mr. LaFerla about additional assistance, looking to have Ms. Phipps stay on because there are vacations that are planned in the office and I don't have a problem with this. If she's willing to come in and help out, I think we need it.

Mr. Tully – Did we interview anyone yet?

Ms. Nicaretta – I'm not really part of that but I think Mrs. Struening and Mrs. Hallinger were going to set up interviews.

8. **Adjourn into Closed Session by Motion, if Needed**

Mr. Kendzulak, Jr. – We will be going into Closed Session to discuss Personnel Matters and Contractual Matters regarding Flemington Borough Debt Service, we do not anticipate any official action will need to be taken once we come out of Closed Session.

Mr. Tully made a motion to adjourn into Closed Session for the above stated purpose and Mr. Grand seconded the motion. Closed Session was from 5:44 pm – 6:06 pm.

9. **Adjournment of Work Session:**

Mr. Grand made a motion to adjourn the Work Session. Mr. Tully seconded the motion. All were in favor. The Meeting ended at 6:07 pm.