

APPROVED

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING MINUTES

JUNE 21, 2018

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

(908) 782-7466 Fax

1. **MEETING CALLED TO ORDER AT 5:00 PM**

The meeting of the Raritan Township Municipal Utilities Authority (RTMUA) was called to order stating that the meeting had been advertised in accordance with the Open Public Meetings Act setting forth the time with the RTMUA office as the place of said meeting. It was further stated that a copy of the Agenda was posted on the RTMUA office bulletin board.

2. **ATTENDANCE ROLL CALL:**

Mr. Grand	Absent
Mr. Hazard	Here
Mr. Kendzulak, Jr.	Here
Mrs. Robitzski	Here
Mr. Tully	Here

Also present were Greg LaFerla, RTMUA Chief Operator / Director; Regina Nicaretta, RTMUA Executive Secretary; Dan Madden, PE, Johnson, Mirmiran & Thompson; C. Gregory Watts, Esquire, Watts, Tice & Skowronek.

3. **PLEDGE OF ALLEGIANCE**

4. **APPLICATIONS:**

None

5. **RESOLUTIONS:**

Resolution #2018-43 Audit Report Review for Fiscal Year Ending November 30, 2017

Mr. Kendzulak, Jr. – We received a copy of the Audit report, I'm going to request that Mr. Cragin come to the next meeting just to answer some questions in regards to it. I did go through and review it and we all went through and looked at it, in particular the Schedule of Findings and Recommendations. Mr. Hazard, I believe you sat in on the Exit Conference?

Mr. Hazard – Yes, I did.

Mr. Kendzulak, Jr. – There was just one issue associated with engineering expenses and corrective measures have already been implemented. Are there any questions associated with the Audit report?

Mrs. Robitzski made a motion to approve Resolution #2018 – 43, Mr. Hazard seconded the motion.

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

Resolution #2018-44 Corrective Action Plan

Mrs. Robitzski made a motion to approve Resolution #2018 – 44, Mr. Tully seconded the motion.

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

Resolution #2018-45 Authorization to Accept Proposal for Smoke Testing
(Proposal = \$8,520.00)

Mrs. Robitzski made a motion to approve Resolution #2018 – 45, Mr. Tully seconded the motion.

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

Resolution #2018-46 Authorization to Accept Proposal for Trenchless
Technology: Point Repair System
(Proposal = \$8,520.00)

Mr. Kendzulak, Jr. – The price is the same as the proposal before it?
Ms. Nicaretta – Yes, I questioned that too.
Mr. LaFerla – Yes, it's the same.

Mr. Tully made a motion to approve Resolution #2018 – 46, Mrs. Robitzski seconded the motion.

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

Resolution #2018-47 Authorization to Advertise for Chemicals and Receive
Bids for the Purchase of Chemicals

Mrs. Robitzski made a motion to approve Resolution #2018 – 47, Mr. Tully seconded the motion. All were in favor

Resolution #2018-48 Approval of and Authorization to Sign Renewal of Reservation of Wastewater Treatment Capacity Agreement, Lexington Square Partners, LLC (Block 16 Lot 14.02)

Mr. Tully made a motion to approve Resolution #2018 – 48, Mrs. Robitzski seconded the motion. All were in favor.

Resolution #2018-49 Approval of and Authorization to Sign Renewal of Reservation of Wastewater Treatment Capacity Agreement, Flemington 202 Properties, LLC (Block 72.23 Lot 31.01)

Mr. Tully made a motion to approve Resolution #2018 – 49, Mrs. Robitzski seconded the motion. All in favor.

Resolution #2018-50 Authorization for Termination of Maintenance Bond, Pact Two, LLC

Mrs. Robitzski made a motion to approve Resolution #2018 – 50, Mr. Tully seconded the motion.

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

Resolution #2018-51 Authorization for Termination of Environmental Maintenance Bond, Pact Two, LLC

Mr. Hazard made a motion to approve Resolution #2018 – 51, Mrs. Robitzski seconded the motion.

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

Resolution #2018-52 Authorization for Termination of Maintenance Bond,
DeMaio Electrical Company, Inc.

Mr. Tully made a motion to approve Resolution #2018 – 52, Mrs. Robitzski seconded the motion.

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

Resolution #2018-53 Authorization for Termination of Environmental
Maintenance Bond, DeMaio Electrical Company, Inc.

Mr. Tully made a motion to approve Resolution #2018 – 53, Mrs. Robitzski seconded the motion.

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

Resolution #2018-54 FBS Partnership III, L.P. Block 71.02 Lot 21, Block 71
Lot 21

Mr. Watts – This is the Fisher Brothers site. As you know we undertook to take steps to grant them another year or to take it back. They never responded, they've been notified, the capacity has reverted, they paid base user fees for the full quarter but the reversion occurred on May 31, 2018 so for the month of June 2018, we are refunding the base user fee.

Mrs. Robitzski made a motion to approve Resolution #2018 – 54, Mr. Tully seconded the motion.

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

Resolution #2018-55 Authorizing Gregory LaFerla to Execute NJDOT Utility Engineering and Construction Agreement and Utility Engineering and Construction Agreement Municipal Amendment

Mr. Tully made a motion to approve Resolution #2018 – 55, Mrs. Robitzski seconded the motion.

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

6. **Approval of Minutes:** Minutes of May 17, 2018

Minutes were carried to the July 2018 meeting.

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

Chair Kendzulak, Jr. - The bills totaled \$476,766.36; everything appears to be in order. If you go to the last yellow page, we're at 56.16% of our budget. Typically, we've paid six and a half months of bills and percentage wise we're kind of right on. If you look at where we were this time last year, 56.65%, we're right on budget.

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

Roll call vote:	Mr. Grand	-	Absent
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Yes
	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 for purposes of discussing pending litigation matters with NJDEP over the FWWF and the ACO and pending litigation with COAH and we don't anticipate taking any formal action at the conclusion of Closed Session. Mr. Hazard made a motion to adjourn into Closed Session for the above stated purpose and Mr. Tully seconded the motion. Closed Session was from 5:19 pm – 5:37 pm.

10. **Adjournment of Regular Meeting:**

Mr. Tully made a motion to adjourn the Regular Meeting. Mrs. Robitzski seconded the motion. All were in favor. Mr. Hazard left the meeting at 5:38 pm.

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
WORK SESSION MINUTES

APPROVED

JUNE 21, 2018

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

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-
1. **The Work Session** of the Raritan Township Municipal Utilities Authority will be called to order upon the adjournment of the Regular Meeting.
 2. **Correspondence:**
None
 3. **Unfinished Business:**
None
 4. **New Business:**
None
 5. **Professional Reports:**
 - a) Attorney - none
 - b) Engineer –

Mr. Madden – The I & I program, over the next couple of days we're working with Mr. LaFerla to see if we can come up with a reasonable plan that the DEP will accept.

Mr. Tully – Is there any way to quantify the I & I fixes? You patched Commerce Street, is it a thousand gallons a day, five thousand?

Mr. Madden – It's very hard to.

Mr. Kendzulak, Jr. – We had budgeted \$60,000.00 for I & I and our expenditures toward that is not a problem. The only problem was we didn't accommodate for the Commerce Street carry over into this year. I think we really should, seriously look to purchase our own flow meter or meters so we can try to measure this stuff. What does it cost to buy? If we can't do it this year due to financial issues, we should look to budget for it going into next year. Why don't we look into it, get some prices and figure out if we buy one or two? We could get a baseline, drop in a meter and then we do the repairs and then see what happens. What's the magnitude? The clarifiers, what's going on with those?

Mr. LaFerla – It goes out to bid in July; I've given tours to a few people who want to see the existing ones. Things are moving along.

Ms. Nicaretta – If it's not at next months meeting it's at the August meeting.

Mr. Kendzulak, Jr. – The repairs to the sludge holding tank? Where does that stand?

Mr. Madden – I was in touch with the tank people, they've been getting the materials together, they had to fabricate the steel. They'll be showing up here. It's in the works.

Mr. Kendzulak, Jr. – By next month?

Mr. Madden – I certainly hope by next month.

Mr. Kendzulak, Jr. – Anything else anyone wants to add?

Mr. Madden – We included the study of the manholes. We didn't find the smoking gun, I'm sorry to say.

Mr. Kendzulak, Jr. – There are some recommended repairs; are we capable of doing any of those repairs?

Mr. LaFerla – No, they need to be grouted.

Mr. Madden – I did talk to the vendor today and they're going to try to come out next week to take a look at it.

Mr. Kendzulak, Jr. – I saw some of these manhole rims that are shifted. We can do that.

Mr. LaFerla – The manhole rim is done.

Mrs. Robitzski – What's next?

Mr. Madden – The thought is to do it systematically at this point, basin by basin. We want to do one section, get it done, then move to the next. We're starting at the worst first and then go from there. It'll be ongoing.

Mr. Kendzulak, Jr. – Is it safe to say, once we have that item from Pierce, there are already places you want to use it at?

Mr. LaFerla – Yes. We should have that by the middle of July.

Mr. Kendzulak, Jr. – After the smoke testing is done by the end of July, and that shows some stuff, we will know if we can do the repairs in house or do what we did with Commerce Street.

Mr. LaFerla – Commerce Street still needs to be grouted, there's still leaks there. We fixed the hole but not I & I. We have to get that grouted still.

Mr. Madden – We put a sleeve in the line, basically because we didn't want the line to collapse. It was showing signs that it could fail. When they go to re-establish the lateral, they have to cut a hole. That has to be sealed up. I'm hoping we can do this under the bid threshold.

Mr. Kendzulak, Jr. – Reasonably, maybe by the fall or September, we should have a list of what we want to do.

Mr. Tully – Mr. LaFerla, when you do the smoke testing, let me know and I'll put it on the Townships website.

Mr. Kendzulak, Jr. – Anything else Mr. Madden?

Mr. Madden – I've been talking to Mr. LaFerla about the mapping, the GIS mapping; it's going to be part of the ACO too. We have gaps in the data and we're missing things and we've been talking about making that whole.

Mr. Tully – I have all the updated parcels for the County set up in our GIS if you want them.

6. RTMUA REPORTS:

a) ADMINISTRATIVE / OPERATIONS REPORT

1. Chief Operator / Director's Report

Mr. LaFerla – Number nine, Johanna Foods is hitting us again. Of course, they didn't know about it until we caught them. It's getting better they say but we're still sampling; the BODs were off the chart when we sent the samples out.

Mr. Kendzulak, Jr. – Do you know what that costs us?

Mr. LaFerla – We surcharge them. We surcharged them last year when it happened and they're still arguing that bill.

Mr. Kendzulak, Jr. – How is the number related to what it costs us?

Mr. LaFerla – It goes by the BOD and the solids.

Mr. Kendzulak, Jr. – So, we're creating more sludge or using more chemicals, so when we put the surcharge in, is that the cost of the extra chemicals and the cost to get rid of the extra sludge? I want to make sure we're made whole and we're penalizing them and it's covering our costs.

Mr. Tully – The surcharge should be at least the cost.

Mr. Watts – I don't know how it's calculated but it should be calculated to reimburse us for the end costs.

Mr. Madden – There's probably something in your rates already that show the charges.

Mr. Kendzulak, Jr. – Do the charges in our Schedule of Fees reflect the actual costs to us associated with the extra chemicals and extra sludge created? If we're charging them \$5,000.00 but it's costing us \$7,000.00 we

need to change our surcharge fee. You notified DEP, what are they going to do?

Mr. LaFerla – He called me, we have to send all of the BOD results to DEP once we get them and they'll probably end up fining them.

Mr. Kendzulak, Jr. – If we can go through and make sure our charge is adequate and covers any costs we have, I'd like that.

Mr. LaFerla – Number ten, we've had a number of people call regarding the letters we sent asking if they want to return capacity and no one wants to return it.

- a) Overtime Recap
- b) Septage / Greywater Recap
2. Laboratory Summary
3. Maintenance Summary
4. Readington Flows

Mr. Kendzulak, Jr. – Readington flows, I know they brought this up the last time, this past month was the first month they were under their 125,000. Is there a way that we can penalize them?

Mr. Watts – Not pursuant to their Agreement. What we should do is put them on notice how they've been exceeding it and we don't have the capacity to treat the extra flows and, notwithstanding the Agreement, have to institute some form of a surcharge if they continue to exceed their flow.

Mr. Kendzulak, Jr. – I think we should do that because obviously with what they're flowing, they're eating up our capacity when we have very little. If there's a penalty, maybe there's an incentive to fix up their I & I.

Mr. Watts – They should be told they need to fix it because they're not permitted to send more than that.

Mr. Kendzulak, Jr. – So, we'll put something together and send it out.

b) COMMISSIONERS' COMMENTS

None

7. **Discussion:**

a) Manhole Inspection Report

Previously discussed.

b) Bank Proposals

Mr. Kendzulak, Jr. – I had asked Mrs. Struening to put together a memo.

Mr. LaFerla – Mrs. Struening and I had three banks come in; Investor's Bank, Northfield Bank and TD Bank which is the one we currently use. Northfield started all of this off and they had offered us interest on our accounts and then we received offers from Investors and then TD. Northfield and TD were both 1.4% and Investors was 1.25%. Mrs. Struening and I talked about it and if it's okay with the Board, since we're already with TD, and they're one of the banks that offered the higher rate, we'd like to stay with TD. It's based on that two – million dollar amount to get the 1.4% interest.

Mr. Kendzulak, Jr. – It certainly makes sense that we do that but I know Mrs. Struening had some dialog with Mr. Grand where he questioned if we should keep everything in one bank. I don't understand where Mr. Grand is coming from, if it's a diversity thing but certainly it makes sense.

Mr. LaFerla – So, it's okay if we stay with TD Bank then?

Mr. Kendzulak, Jr. – At least for the time being, we'll see what Mr. Grand's concerns are.

(general consensus).

Mr. Kendzulak, Jr. – Two other things. One is that there are a couple of committees that aren't full. Mr. Tully, do mind being the Readington Township liaison?

Mr. Tully – Sure.

Mr. Kendzulak, Jr. – Personnel Committee, we need a second person. I guess that is going to have to be Mr. Grand. The second thing, I forgot about. It's the 2018 JIF thing. I haven't done it.

Mrs. Robitzski – I haven't done it.

Mr. LaFerla – Only two people have done it. Me and Mr. Grand. Mrs. Struening isn't happy; it's worth \$250.00 per person credit towards our insurance bill. You have until July 31st.

Mr. Kendzulak, Jr. – Maybe she can send out a reminder to us?

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

9. **Adjournment of Work Session:**

Mr. Tully made a motion to adjourn the Work Session. Mr. Kendzulak, Jr. seconded the motion. All were in favor. The Meeting ended at 6:04 pm.