

APPROVED

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RARITAN TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY

In the Matter of: :
: Transcript
RATE HEARING :
: of
: Proceedings
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Thursday, December 11, 2019
Raritan Township MUA
365 Old York Road
Flemington, New Jersey
Commencing at 5:05 p.m.

BOARD MEMBERS PRESENT:

JOHN KENDZULAK JR., Chairman
VALERIE ROBITZSKI, Vice Chairman
JOHN TULLY, Secretary

ALSO PRESENT:

REGINA NICARETTA, Executive Secretary
RAY FRANK, Chief Operator
DAN MADDEN, Consulting Engineer

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

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

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

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TABLE OF CONTENTS

WITNESS

PAGE

(No witnesses sworn.)

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 bulletin board.

10 Roll call, Regina, please.

11 MS. NICARETTA: Mr. Grand?

12 Mr. Hazard?

13 Mr. Kendzulak?

14 CHAIRMAN KENDZULAK: Here.

15 MS. NICARETTA: Mrs. Robitzski?

16 VICE CHAIR ROBITZSKI: Here.

17 MS. NICARETTA: Mr. Tully?

18 COMMISSIONER TULLY: Here.

19 CHAIRMAN KENDZULAK: Okay. Pledge of
20 allegiance.

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

23 CHAIRMAN KENDZULAK: We have the
24 public hearing on our agenda, and this is for the
25 establishment of the schedule of sewer use

1 charges, as well as the connection fees.

2 This is a letter that we received
3 from Bowman & Company that I'd like to read into
4 the record. It's addressed to Chairman and
5 Members and Management of the Raritan Township
6 Municipal Utilities Authority.

7 The 2020 budget includes \$6.6 million
8 in operating appropriations, referenced on sheet
9 F-1, which is also -- which is a 2.9 decrease in
10 the operating appropriations, or \$200,000 less
11 than the 2019 operating budget. Also included in
12 the 2020 budget is \$874,750 in capital budget
13 appropriations, referenced on Sheet CB-3 in the
14 budget, approximately half of which will be
15 funded through the shared service agreement with
16 Flemington Borough.

17 As a result of the total increase in
18 appropriations of \$587,000, or 3.2 percent, it is
19 necessary to raise the base and user rates by 2
20 percent. The base rate will increase by \$3 to
21 \$171 for the year. The user rate will increase
22 by \$13 to \$661 for the year. The budget includes
23 \$280,000 of net position to offset the need for a
24 further rate increase.

25 Additionally, as a result of the

1 connection fee calculation as of November 30,
2 2018, the connection fee will increase by \$19,
3 from \$3,946 to \$3,965. This increase is based on
4 increases to the capital base through debt,
5 payments, and capital asset acquisitions.

6 Okay. Public hearing is open to the
7 public.

8 I see there's no one in the audience.

9 Any questions or comments with
10 regards to the proposed increases to either the
11 base user rate, the user rate, or the connection
12 fee rate? The connection fee is based -- is a
13 statutory --

14 MR. WATTS: That's a statutory
15 number. We have no choice. You can charge less,
16 but authorities do not typically do that. So
17 that number's set.

18 The user fee is set, because it's
19 based upon the budget that's been approved by the
20 state. And the base user fee is -- has been
21 calculated in the way we've always calculated it
22 in the past.

23 CHAIRMAN KENDZULAK: Okay. Any
24 questions or comments?

25 There being none, is there a motion

1 to close the public hearing?

2 COMMISSIONER TULLY: Moved.

3 VICE CHAIR ROBITZSKI: Second.

4 CHAIRMAN KENDZULAK: All in favor?

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

7 CHAIRMAN KENDZULAK: Okay. The
8 public hearing is now closed.

9 (Whereupon, the hearing concluded at
10 5:04 p.m.)

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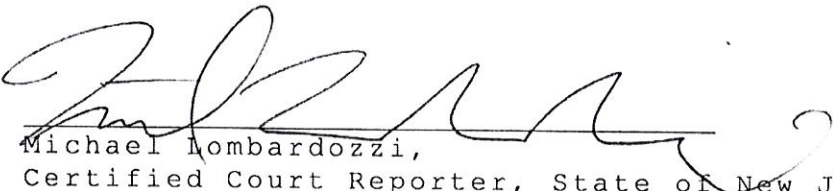
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C E R T I F I C A T E

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

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

17
18
19 
20 Michael Lombardozzi,
21 Certified Court Reporter, State of New Jersey
22 CERT #: 30X100239700
23 Date:
24
25

APPROVED

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING MINUTES

December 12, 2019

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

6. **RESOLUTIONS:**

Resolution #2019-81 Establishment of Connection Fee

Mrs. Robitzski made a motion to approve Resolution #2019 – 81, Mr. Tully seconded the motion.

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

Resolution #2019-82 Establishment of Sanitary Sewer User Fee

Mrs. Robitzski made a motion to approve Resolution #2019 – 82, Mr. Tully seconded the motion.

Resolution #2019 - 83 Adoption of Certified Budget for FY 2020

Mrs. Robitzski made a motion to approve Resolution #2019 – 83, Mr. Tully seconded the motion.

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

Resolution #2019 - 84 Establishment of Administrative Salaries

Mr. Tully made a motion to approve Resolution #2019 - 84, Mrs. Robitzski seconded the motion.

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

Resolution #2019 - 85 Designation of Public Agency Compliance Officer

Mrs. Robitzski made a motion to approve Resolution #2019 – 85, Mr. Tully seconded the motion.

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

Resolution #2019 - 86 Authorization to Execute Sludge Cake Agreement
between Raritan Township Municipal Utilities Authority
and Stony Brook Regional Sewerage Authority

Mr. Watts – If you read the resolution, it is authorizing you to execute it at such time as both Mr. Frank and I approve it. There are some items in the Agreement that were unclear and a couple of other items. What we are asking you to do is to pass this resolution authorizing the chairman to sign it once Mr. Frank and I have signed off on it.

Mrs. Robitzski made a motion to approve Resolution #2019 – 86, Mr. Tully seconded the motion.

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

6. **Approval of Minutes:** Minutes of November 21, 2019

Mrs. Robitzski made a motion to approve the minutes from the November 21, 2019 meeting. Mr. Tully seconded the motion. All were in favor. Mr. Kendzulak, Jr. abstained.

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

Mr. Kendzulak, Jr. - The bills totaled \$434,631.42. All appears to be in order. It's a little bit different than in the past because we've added on an additional month, December, to get us into a normal, calendar year, fiscal budget. If you go through and look at where we are for the period ending through November 30, 2019; we're at 85.66% and that would be accounting for most of November, which is pretty good, where we are. If you look at the last page, where we added in, just for the month of December, we're at 41% but recognize we haven't paid all of our bills. Mrs. Struening only paid a portion of the December bills so far. Both of these are going to be reconciled as a result of the Audit, so I'm going to speculate the numbers will go up a bit but I'm fairly confident we'll be under budget for the year.

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

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

8. **Citizens' Privilege:**

None

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

10. **Adjournment of Regular Meeting:**

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

APPROVED

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
WORK SESSION MINUTES

DECEMBER 12, 2019

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.

2. **Correspondence:**

a) Mr. Bruce S. Friedman of NJDEP to Ms. Jennifer Ubel of Raritan Township regarding Proposed Amendment to WQM Plan (Block 41 Lot 34)

Mr. Madden – They came in maybe about nine months ago. This is one of the steps you have to do to get the service area map changed. They went to the DEP and requested it. I don't know if they went through Hunterdon County, Mr. Bogen, or not but from what I'm reading, it's for one EDU.

Mr. Tully – The Township just approved a convenience store on the corner, between Old Hill and Route 12.

Mr. Kendzulak, Jr. – That's the old Ubel farm. My understanding is when Mr. Ubel came in, he was just interested in getting one EDU for his house if his septic went bad. There's a sample resolution enclosed, but I would make it crystal clear that this is just for that single-family unit and we will not consider any provisions in the future of accommodating capacity of any kind for anything else.

Mr. Watts – The map itself should only be changed to include their particular lot. Even if there's a convenience store right next store, that should still be outside the sewer service area.

Mr. Tully – It is a separate lot.

Mr. Madden – They will need an injector pump.

Mr. Kendzulak, Jr. – We will do the resolution at the January meeting.

3. **Old Business:**

None

4. **New Business:**

None

5. Professional Reports:

- a) Attorney - None
- b) Engineer –

Mr. Madden – Not too much to add to what's there. We did some things with the GIS mapping. Mr. Frank told me that the flow meters just came in and we plan on setting them up. The first place we want to do is down towards Johanna Foods.

Mr. Kendzulak, Jr. – How has pump station #1 been reacting to rain?

Mr. Madden – We've been checking it and it's been doing very well. I think one of the things that has been helping is the water table seems to be low. With our November flow data from the plant, our new, current, rolling average is back down to 81%. I feel a little more comfortable that those numbers are back to normal.

6. RTMUA Reports:

- a) ADMINISTRATIVE / OPERATIONS REPORT

- 1. Chief Operator's Report

Mr. Frank – I advertised for the new operator's position. The advertisement ended on December 6th. I've been reviewing applications and had my first interview today. So the Board is aware of it, an employee had a slip and fall, there was ice from the night before and a little bit of snow in the morning and the snow was on top of the ice and one of the operators went down on it and broke his ankle and he's out until probably the middle of January.

Mr. Kendzulak, Jr. – The septage receiving, we ended up losing money this year, compared to last year, because of ACUA, about \$75,000.00. With this proposed relationship with Stony Brook, is that going to increase these numbers as far as generating income?

Mr. Frank – I think the numbers should improve because when I spoke to Stony Brook, they have two equal sized incinerators. They switch them out every six months, so any needed repairs, they work on them and have six months to complete them, while they use the other incinerator. They constantly rotate them without any disruption in service.

Mr. Kendzulak, Jr. – The decrease in revenue had to do with ACUA being shut down.

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

Mr. Kendzulak, Jr. – I understand that Readington is looking to expand within their service area of what they send to us. Their numbers for the most part have been very good for the last nine months of the year but we have talked about, in my mind, a substantial penalty if they exceed the 125,000 gpd because it has an impact on our capacity.

Mr. Watts – If they want to expand, they don't really need our permission to do so but we would have to make a change to the Agreement because the Agreement doesn't provide for the assessment of penalties.

Mr. Kendzulak, Jr. – We talked about opening dialog with Readington and making them aware that would be the case. When you look, the first three months, they were over the 125,000 gpd. What does that mean? That means they're jeopardizing potential capacity here at Raritan Township as well as our DEP permit. It's not an overly significant amount but it's over the contracted amount.

Mr. Watts – We can check the Agreement, perhaps they do have to come to us if they're going to sewer something else.

Mr. Madden – I believe they have to come to you either way if they need a TWA.

Mr. Kendzulak, Jr. – It shouldn't just be a slap on the wrist. It should be an eye-opening thing. We want to make sure they are going to do what they say. They say we're going to attack the I & I but words are cheap.

Mr. Madden – We made it a point to telling them that they would have to establish that they're flows are below the target. We told them they'd have to prove it over a period of time.

Mr. Watts – It might be a good idea to get Readington a letter in advance of them coming in for a TWA. It would be helpful if we could point out the history of their exceedances, you've never been called out in the past for it, you've never been charged for it, but if you're going to use up this extra capacity you think you have, we're afraid you're going to go over so this is how we want to do it. We're going to double the treatment costs.

Mr. Kendzulak, Jr. – It may be more than that because what is the cost of pulling that overage out of our system?

b) COMMISSIONERS' COMMENTS

7. **Discussion:**

None

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

Mr. Kendzulak, Jr. – We will be going into Closed Session to discuss ongoing litigation matters regarding the ACO and Flemington Borough; we do not anticipate any official action will need to be taken once we come out of Closed Session.

Mrs. Robitzski made a motion to adjourn into Closed Session for the above stated purpose and Mr. Tully seconded the motion. Closed Session was from 5:32 pm – 5:34 pm.

9. **Adjournment of Work Session:**

Mrs. Robitzski made a motion to adjourn the Work Session. Mr. Tully seconded the motion. All were in favor. The Meeting ended at 5:35 pm.