

APPROVED

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING MINUTES

FEBRUARY 16, 2017

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:

Dr. Buza	Here
Mr. Kendzulak, Jr.	Here
Mr. Kinsella	Here
Mrs. Robitzski	Here

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

3. PLEDGE OF ALLEGIANCE

4. APPLICATIONS:

None

5. **RESOLUTIONS:**

REORGANIZATION

Mr. Watts - At this point in the meeting, we will conduct our Reorganization. I will open up to the members the nomination for the position of Chairperson.

Resolution #2017 - 06 Appointment of Chairperson

Mr. Kendzulak, Jr. made a motion to nominate Mr. Kinsella, Dr. Buza seconded the motion. All were in favor. Mr. Kinsella abstained.

Resolution #2017 – 07 Appointment of Vice - Chairperson

Mr. Kinsella made a motion to nominate Dr. Buza, Mr. Kendzulak, Jr. seconded the motion. All were in favor. Dr. Buza abstained.

Resolution #2017 - 08 Appointment of Secretary

Mr. Kendzulak, Jr. made a motion to nominate Mrs. Robitzski, Dr. Buza seconded the motion. All were in favor. Mrs. Robitzski abstained.

Resolution #2017– 09 Appointment of Treasurer

Dr. Buza made a motion to nominate Mr. Kendzulak, Jr., Mr. Kinsella seconded the motion. All were in favor. Mr. Kendzulak, Jr. abstained.

Resolution #2017 – 10 Appointment of Assistant Secretary / Assistant Treasurer

TABLED

Resolution #2017 – 11 Establishment of Meeting Dates

Dr. Buza made a motion to approve Resolution #2017 – 11, Mr. Kendzulak, Jr. seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 12 Designation of Depositories

Dr. Buza made a motion to approve Resolution #2017 – 12, Mrs. Robitzski seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 13 Authorization of Signatories

Dr. Buza made a motion to approve Resolution #2017 – 13, Mrs. Robitzski seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 14 Designation of Official / Legal Newspapers

Dr. Buza made a motion to approve Resolution #2017 – 14, Mr. Kendzulak, Jr. seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 15 Appointment of Certifying Officer

Mr. Kendzulak, Jr. made a motion to approve Resolution #2017 – 15, Mrs. Robitzski seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Appointment of Professionals

Resolution #2017 – 16 Appointment of Auditor
(Contract not to Exceed \$40,000.00)

Mr. Kendzulak, Jr. made a motion to approve Resolution #2017 – 16, Mrs. Robitzski seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 17 Appointment of Bond Counsel
(Contract not to Exceed \$8,000.00)

Mr. Kendzulak, Jr. made a motion to approve Resolution #2017 – 17, Mrs. Robitzski seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 18 Appointment of Legal Counsel
(Contract not to Exceed \$30,000.00)

Mr. Kendzulak, Jr. made a motion to approve Resolution #2017 – 18, Dr. Buza seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 19 Appointment of Special Counsel
(Contract not to Exceed \$30,000.00)

Dr. Buza made a motion to approve Resolution #2017 – 19, Mr. Kendzulak, Jr. seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 20 Appointment of Consulting Engineer
(Contract not to Exceed \$140,700.00)

Mr. Kendzulak, Jr. made a motion to approve Resolution #2017 – 20, Dr. Buza seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 21 Appointment of Part – Time Consulting Engineer
(Contract not to Exceed \$52,000.00)

Mr. Kendzulak, Jr. made a motion to approve Resolution #2017 – 21, Mrs. Robitzski seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 22 Appointment of Special Projects Engineer
(Contract not to Exceed \$75,000.00)

Dr. Buza made a motion to approve Resolution #2017 – 22, Mr. Kendzulak, Jr. seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

END OF REORGANIZATION

Resolution #2017 – 23 Approval for Contract Modification #5 Motor Control
Center Replacement Project
(Contract Modification amount \$3,578.75)

Mr. Kendzulak, Jr. made a motion to approve Resolution #2017 – 23, Dr. Buza seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 24 Return of L & E Escrow

Dr. Buza made a motion to approve Resolution #2017 – 24, Mr. Kendzulak, Jr. seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

Resolution #2017 – 25 Approval for Contract Modification #2 Woodside
 Farms Pump Station Rehabilitation
(Contract Modification / Final Payment amount \$57,397.06)

Mr. Watts – This is the result of the claim by Pact Two for the additional money for the delay. We were able to save \$7,000.00 for the Authority by negotiating with the Contractor.

Mrs. Robitzski made a motion to approve Resolution #2017 – 25, Mr. Kendzulak, Jr. seconded the motion.

Roll Call Vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mrs. Robitzski	-	Yes

6. **Approval of Minutes:** Minutes of January 19, 2017

Mr. Kendzulak, Jr. made a motion to approve the minutes from the January 19, 2017 meeting. Dr. Buza seconded the motion. All were in favor. Mrs. Robitzski abstained.

7. Treasurer's Report / Payment of Bills:

Mr. Kendzulak, Jr. - The bills totaled \$522,445.78. All appears to be in order. If you go to the last pink sheet, and you look down at the bold number, 21.4%, the percent used of the budget; this is an artificially inflated number at this point because there are payment of bills early on that are essentially prepaid like the insurance which is a decent chunk of change which we pay the first half of the year. Also, there are expenses included in here that will be pulled out and applied to the 2016 Budget after the Audit is completed. The other number that is written in, 19.87%, as of last year at this time, you can see we're a bit above that, but that 19.87% reflects the final audited number last year.

Dr. Buza made a motion to approve the payment of bills. Mrs. Robitzski seconded the motion.

Roll call vote:	Dr. Buza	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mr. Kinsella	-	Yes
	Mr. Tully	-	Yes

8. Citizens' Privilege:

Mr. Kinsella – Anyone here who would like to speak? Please state your name and address.

Ms. Barbara Sachau of Glenway Drive – When you do these motions, it's very hard for someone who doesn't come to all of your meetings to know who you're referring to when you refer to them as Pam or John; I think it would be better to mention them by their whole name like when you appointed the consulting engineer you said John or something from JMC or something.

Mr. Kinsella – That would be Dan Madden of JMT who is here.

Ms. Sachau – I'm new here and I don't know all of the names so I think it would be helpful when people come. The second thing is, the auditor that you appoint, how many years have you had the same auditor and do you have competitive bidding for the positions so costs can be reduced?

Mr. Kinsella – We've had Bowman & Company, I would say, probably seven years now?

Mr. Watts – We had Withum Smith & Brown and switched to Bowman & Company. It's a professional service so it's not competitively bid but we do get proposals and we had one firm for a long time and then Withum Smith & Brown and now Bowman & Company for at least four years.

Ms. Sachau – I know Hunterdon County recently had a problem with their auditors that they had for a long time and they got new auditors and it's a whole new picture it seems, so sometimes change is good. The last thing is because of the seven percent increase and I'd like to hear about why you went up so high in one year.

Mr. Kinsella – We've been increasing fees for a number of years, we have a five-year plan for our increases. They've been increased because of major projects that we've had to do in order to modernize and keep the plant functional. Also, pump stations and the sixty – one miles of pipe; the pump stations were getting a little long in the tooth, and they've had to be rehabilitated and brought up to new standards and new efficiencies. The stations are modernized and running more efficiently than before, there will be less maintenance on them now and that's not always shown on the project end but its shown on overtime and things like that. We're pretty much done with the pump stations. We have a major project coming up at the plant itself, the clarifiers.

Mr. LaFerla – The clarifiers hold the secondary sludge that goes into it and it settles out the sludge and the clear water goes off and that's what gets discharged into the river after chlorination and de-chlorination.

Mr. Kinsella – Those clarifiers have been there since when?

Mr. LaFerla – Since 1984, the first two and the other two were put in in 1988.

Mr. Watts – One thing you might want to do, there's a group called the Association of Environmental Authorities (AEA), if you go on their website you can get information on what user fees are charged by authorities throughout the State of New Jersey and you'll see for plants our size, three and a half million gallons per day, our user fees are very competitive, they are right in the middle so the fees are competitive with what other people are paying throughout the State.

Ms. Sachau – Some of those places are probably; to make that kind of a judgment, some places are very high in New Jersey because of corruption and all that stuff sometimes, so that's not a fair assessment. With the pumps, did you say that they were losing their ability to do the pumping they need to do and you needed to replace the pumps? Is that what you were saying?

Mr. LaFerla – The pump stations, yes.

Ms. Sachau – They weren't doing the job.

(many voices speaking at once)

Mrs. Sachau – So there was no way to keep it down a little bit this year, under seven percent? Do you see that in the future next year?

Mr. Kinsella – We see another increase next year just because of all the bonding that we've had to do to make all of these improvements, there is debt

involved that has to be paid. I think we talked about this looking at 2018 and maybe into 2019 until things start settling down a little bit. At that time, all the necessary repairs will have been done and this has all been laid out by our auditors as far as cost projection, the previous engineering firm helped us make those projections and we tried to do it with the least amount of cost as possible; we spread everything out. For a number of years we didn't have to do anything but as the plant got older, things started happening.

Ms. Sachau – Thank you for answering my questions.

Mr. Kinsella – You're welcome, any time.

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

10. **Adjournment of Regular Meeting:**

Mr. Kendzulak, Jr. 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

FEBRUARY 16, 2017

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) Email from Alfred R. Coco, PE of Menlo Engineering to Nancy Wohlleb, PE of Mott MacDonald regarding Raritan Town Square / Raritan Junction (Block 16.01 Lots 35, 36 & 38 / Block 16.02 Lot 41)

Mr. LaFerla – Mott MacDonald had been working on this; we don't know if this 11.5 EDUs is a good number or not and I guess we basically need to know if Mott MacDonald should keep working this or not.

Mr. Kendzulak, Jr. – To me, I think it's appropriate at this point to transfer it over to JMT. What I would suggest is that we set up a Capacity Committee Meeting with our new engineer and just go through where we are with capacity because obviously there are demands out there that we're going to have to entertain in the future. I think it would be prudent to set up that meeting in the next couple of weeks.

Mr. Kinsella – What we can do is, we'll have the Capacity Committee Meeting sometime before our next meeting and at the next Board meeting we can discuss it with the Full Board.

3. **Unfinished Business:**

None

4. **New Business:**

None

5. **Professional Reports:**

- a) Attorney - none
- b) Engineer –

Mr. Madden – I have the results of the smoke test on Commerce Street; we found a few defects. We haven't gone back and looked at the actual issue with these manholes but we did see the open cleanout. If you look at the depression where the cleanout is, that could be a significant issue. I don't know how much drainage area there is there but you can see a definite swell there and that thing is right in there needing just a \$5.00 or \$10.00 cap.

Mr. Kendzulak, Jr. – This manhole cover here, is this in a low-lying area also?

Mr. Madden – Yes, it's adjacent to the stream. The picture is under Manhole E202-2. There's a stream right there behind the 7-11.

Mr. LaFerla – That's pretty much the area where the pipe is broken.

Mr. Kendzulak, Jr. – So these may be things to look at short term; maybe get out there, pop that manhole and see what's going on. The cap looks like a quick fix.

Mr. LaFerla – I'll have the guys out tomorrow or next week to look it all over.

Mr. Kinsella – So bottom line, what does this report tell us right now?

Mr. Madden – It's just one sewer we investigated with the smoke testing, these are obvious things that popped up, Mr. LaFerla gave me video of some of the line, to look at. There were some active leaks in those lines; in other words, there was groundwater coming in. Those pipes may have been completely below the groundwater level so we may not see the smoke in the smoke test but in the upper portion where the air can get out, it was coming out around the perimeter of the manhole and it's worth looking at because these are points of infiltration.

Mr. Kinsella – So this is a contributing factor of what's happening at Pump Station #1.

Mr. Madden – Correct.

6. **RTMUA REPORTS:**

a) ADMINISTRATIVE / OPERATIONS REPORT

1. Chief Operator / Director's Report

Mr. LaFerla – The Union Contract expires this year. I know they're having a union meeting next week so I'm sure you'll hear from Mr. Broderick in the near future.

Mr. Watts – The Personnel Committee, once we hear from the Union, ought to sit down and look at the Contract and the demands.

- a) Overtime Recap
- b) Septage / Greywater Recap

- 2. Laboratory Summary
- 3. Maintenance Summary
- 4. Readington Flows

c) COMMISSIONERS' COMMENTS

Mr. Kendzulak, Jr. – I'd just like to welcome Mr. Madden and Mrs. Robitzski to the RTMUA.

Dr. Buza – Welcome, both of you.

Mr. Kinsella – I would just like to say that as of now, since Mr. Mangin is here and we've had some preliminary discussion regarding the presentation for the Township Committee; it looks like as of now, the tentative date is the third Tuesday of the month, March 21st. I spoke to the Mayor and March has come pretty fast and we may have to push it back a little bit because Mr. Madden is new and needs to get on board and he'll be part of this presentation and I'd like to have him somewhat up to speed.

Mr. Mangin – Just reach out to the Mayor and just let her know what date it will be so we can get you on the Agenda.

Mr. Kinsella - When we have our Capacity Meeting, then we'll be able to tell you when and we'll be able to get Mr. Madden up to speed on the information we have and tie in all the capacity numbers that we have. As far as the re – zone goes for Raritan Town Square and the Costco area, is that a definite?

Mr. Mangin – They haven't come in front of the Planning Board yet but they said they were definitely doing it.

Mr. Kinsella – So they want to switch from retail over to an affordable housing?

(could not hear Mr. Mangin's response, spoke too low)

7. **Discussion:**

- a) Signing of Documents (Signatories Sheet)

Ms. Nicaretta – Everyone signed the form I needed.

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

Chair Kinsella – We will be going into Closed Session for purposes of discussing pending litigation with NJDEP, contractual matters with HCRHS and personnel matters and we don't anticipate taking any formal action at the conclusion of Closed Session.

Dr. Buza made a motion to adjourn into Closed Session for the above stated purpose and Mr. Kendzulak, Jr. seconded the motion. Closed Session was from 5:36 pm – 6:12 pm.

9. **Adjournment of Work Session:**

Dr. Buza made a motion to adjourn the Work Session. Mr. Kendzulak, Jr. seconded the motion. All were in favor. The Meeting ended at 6:13 pm.