

**APPROVED**

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RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY  
REGULAR MEETING MINUTES

OCTOBER 15, 2015

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

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**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
Dr. Dougherty	Here
Mr. Kendzulak, Jr.	Here
Chair Kinsella	Here
Mr. Tully	Here

Also present were Greg LaFerla, RTMUA Chief Operator / Director; Regina Nicaretta, RTMUA Executive Secretary; Nancy Wohlleb, PE, Hatch Mott MacDonald; C. Gregory Watts, Esquire, Watts, Tice & Skowronek.

**3. PLEDGE OF ALLEGIANCE**

**4. APPLICATIONS:**

- a) Application for Preliminary Sewer Service Class II-B, Junction Road Associates, LLC (Flemington Junction, LLC) (Block 16.01 Lots 37.01 & 54)

**5. RESOLUTIONS:**

Resolution #2015 - 62      Approval of Preliminary Sanitary Sewer Service, Class II-B, TWA Required, Junction Road Associates, LLC (Flemington Junction, LLC) (Block 16.01 Lots 37.01 & 54)

Mrs. Wohlleb – The capacity that they are requesting is 19,610 gpd / 65.59 EDUs; the capacity that they have reserved is actually is 19,425 gpd / 64.75 EDUs so what we deduced is regarding the capacity that they have; they have the capacity for the number of residential units that they are proposing for this project, they are slightly short for the construction of their community center / clubhouse. My understanding of the Authority practice is for standard clubhouses in these types of residential developments is typical to assign at least 1 EDU for such a facility unless there is something unique and out of the box for the use of the facility but that doesn't appear to be the case here. The Application which is a I-B, TWA required has a slight deficit. We're okay with submission of the TWA; we have some technical work to work out before we actually sign and endorse the document but we see no reason at this point to hold the TWA up but the issue that has come up is this very slight capacity deficit.

Mr. Kinsella – What's your recommendation for it?

Mr. Watts – In order to follow our regulations, what would normally happen is the project would have to be constructed, CO's issued and then the developer could apply for the 1 EDU for the clubhouse. It can't be allocated at this present time in order to stay within our Rules and Regulations.

Ms. Schwager – I'm with Ingerman. When we were going through all the craziness with the Township having some capacity and you having some capacity, we were so focused on the units that we forgot about the clubhouse. It's a very small amount but the clubhouse is the first thing that gets occupied for us because that's where our management offices are and where our maintenance offices are; it's not like a normal clubhouse which might just be for a single family community where there might just be activities in it, our management offices are in it.

Mr. Kinsella – Is it like a sales office?

Ms. Schwager – It's a rental office. So it's really important that we get those EDUs up front; we submit our Treatment Works Application for them including all those EDUs and it's such a small tiny portion. We're making application, revising our Application to include that now; I'm not sure if you can explain what the complication may be in just adding that 1 EDU now.

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Mr. Watts – The capacity as I understand it, is what was originally allocated to the site plus what was transferred from the Township. Is that correct?

Ms. Schwager – Correct but had we asked for it then, it wouldn't have been an issue to get it then.

Mr. Watts – Right but what was already allocated was allocated some time ago and you took everything that the Township had, if I'm correct?

Ms. Nicaretta – They have 1 or 2 EDUs left.

Mrs. Wohlleb – Yes, they have 2 EDUs left.

Mr. Watts – So perhaps that's a better avenue; if the Township would let one of those EDUs go for this project because the Authority must stay within its proper procedures and policies.

Dr. Dougherty – When you went to the Planning Board with your prints, was the clubhouse on it?

Ms. Schwager – Yes, everyone missed it; you guys have had our plans, we've had our plans. It was just so crazy because it was so out of the norm, that the Township had capacity, and you weren't giving capacity and there was a lot of back and forth that we weren't involved with between yourselves and the Township that when we gave the numbers, and it's our fault, when we gave the numbers we didn't include the clubhouse because we were so focused on the larger number.

Dr. Dougherty – For the record, there was really no back and forth because the way it was set up with the Township, they had their capacity which was not enough for your project and the property had its capacity which wasn't enough for your project but there was no back and forth. How do we resolve this?

Mr. Watts – Personally, I'd rather see it come from the Township or we're put in the position of either making them wait until the end or violating our procedures. If the Township is willing to do it then that solves the problem.

Mr. Kinsella – The Township liaison will be here in about five or ten minutes.

Ms. Schwager – I have to leave by 5:30 pm tonight.

Mr. Kinsella – He said he'd be here by about 5:15 pm.

Ms. Schwager – Is that the deputy mayor?

Mr. Kinsella – No, it's not the deputy mayor, its Mike Mangin and he's a committeeman but he is the liaison.

Mr. Watts – The 2 EDUs, what can they do with it anyway?

Ms. Schwager – I can absolutely ask that; I would ask that we move forward with what you have. The other technical question for me is that we have to submit the Treatment Works Application for all of the EDUs; will you be okay for signing the Treatment Works Application?

Mrs. Wohlleb – You can state under your technical document that you're designing this gravity sewer and it's going to be able to convey the flow from the proposed activity and that part we can endorse. The part where it's sticky, following what the general counsel has laid out is here is there's a section on the TWA where we have to state that there is capacity and while it exists out there in terms of it's available to you, we can't sign it and dot the i and cross the t to it because it hasn't come through. If it's coming from the Township, it hasn't come here. The only other way again you could resolve it which is what we stated earlier is if you can somehow get by with a sales trailer, we've done that before where we know it's a temporary connection and it's got a limited time, if you can get by with that until you get the other buildings Co'd then you could come back to us and get the clubhouse Co'd.

Ms. Schwager – Just so I understand; if the clubhouse is the first thing we deliver, we have to wait for all the other units to get CO'd to get the 1 EDU for the clubhouse or is it once the clubhouse was CO'd you'd give us the EDU?

Mrs. Wohlleb – You have to wait for all of the buildings.

Mr. Kendzulak, Jr. – Are those EDUs designated for COAH though?

Ms. Schwager – It's a hundred percent affordable project and we are required to build that building as part of our tax credit process.

Mr. Kendzulak, Jr. – So it's COAH?

Ms. Schwager – Yes, the whole project. For me, understanding what your regulations are, I'm not quite sure.

Mr. Watts – We can't increase the allocation we are giving you by 1 EDU or any EDU until it's built out.

Ms. Schwager – Couldn't we just apply for another EDU?

Mr. Watts – No, because the Application was made a long time ago by the owners and an allocation was given and you received another allocation by the Township so we can't do that without going through a Point System allocation and we're not prepared to do that. I would suggest you go to the Township.

Dr. Dougherty made a motion to approve Resolution #2015 - 62, Mr. Tully seconded the motion.

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

Resolution #2015 - 63      Resolution of Raritan Township Municipal Utilities Authority Declaring its Official Intent to Reimburse Expenditures for Project Costs from the Proceeds of Debt Obligations

Mr. Langhart – I'm bond counsel for the Authority; we've done this for prior transactions that we do for the NJEIT; all this does is allow us to reimburse ourselves from bond proceeds while we close our deal with NJEIT for any expenditures we make now from our General Fund. If we have to lay out money for engineering plans or any kind of equipment we just keep track of it and when we get our bond proceeds we take some of that money and we reimburse ourselves and we make ourselves whole. It doesn't commit us to do anything; it doesn't make us go forward with a project it just gives us the option to financially make us whole again when the whole thing is done. If you have any questions, I'm happy to answer them.

Mr. Kendzulak, Jr. – Just a general comment, when I saw this, I'm aware of the projects like the headworks and there's a whole bunch of other things in Exhibit A and I talked to Mr. LaFerla and Mr. Langhart, this doesn't commit us to do anything but the bottom line is can we afford this by incurring all of this debt if we took it on and bonded this. It's something that Mr. Kiel needs to look at; what we had talked about with Mr. Kiel at the last meeting was how long can we push these projects out and stagger them instead of going through and doing everything in one shot in one year. All this resolution does is give us the ability to do that; it's not committing us to do anything but I think we should very carefully look at where we go and how much we bite off here because at some point we are going to have to pay for it.

Mr. Langhart – We would probably borrow the money in 2017 at the earliest then we can capitalize interest; we can push it out probably until 2018 depending on the projects. It might be that we don't start paying back until 2019; we'd look at our existing debt, maybe some of it's coming off the books and we can layer that back in. The typical process we go through so we don't have the rate increases if we can avoid it if possible. You are correct; we do have to do that analysis to make sure.

Mr. Kendzulak, Jr. – This is one thing I would ask Mrs. Wohlleb and Mr. LaFerla, what is the priority, how much time can we stagger this thing out? Granted, it's nice to do all this stuff in one shot but at some point it's got to be paid for.

Mr. Tully made a motion to approve Resolution #2015 - 63, Mr. Kendzulak, Jr. seconded the motion.

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

Resolution #2015 - 64 Authorization for Termination of Environmental Maintenance Bond, DeMaio Electrical Company, Inc.

Dr. Dougherty made a motion to approve Resolution #2015 - 64, Mr. Kendzulak, Jr. seconded the motion. All were in favor.

Resolution #2015 - 65 Authorization for Termination of Maintenance Bond, Coppola Services, Inc.

Mr. Kendzulak, Jr. made a motion to approve Resolution #2015 - 65, Dr. Dougherty seconded the motion. All were in favor.

Resolution #2015 - 66 Authorization for Termination of Maintenance Bond, Yannuzzi and Sons, Inc.

Mr. Tully made a motion to approve Resolution #2015 - 66, Mr. Kinsella seconded the motion. All were in favor.

6. **Approval of Minutes:** Minutes of October 15, 2015

Dr. Buza made a motion to approve the minutes from the September 17, 2015 meeting. Mr. Kendzulak, Jr. seconded the motion. All were in favor. Mr. Tully abstained.

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

Mr. Kendzulak, Jr. - The bills totaled \$592,733.03 and everything appears to be in order. It is a bit high this month but if you look there is payment for the MCC; there's \$103,000.00 payment there. If you look at the last orange sheet of paper at the bottom right hand corner, you'll see we're about 78% of our budget and if you look you can conservatively say we are nine months through the year and a little more than that so we are pretty much right on budget.

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

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

**8. Citizens' Privilege:**

Mr. Mangin – A couple of quick things; just so you know last night at 10:30 pm the Planning Board approved the Creekside development. They slightly downsized the project as requested by the Board. It's a 246 senior unit development and a 50 unit apartment complex and COAH for inclusionary housing. So they'll be out to get all of their other approvals as part of the decision by the Planning Board; just to let you know they'll be coming here too. Also, Mr. Kinsella's question is on the next agenda meeting, the amended ordinance to make all the commissioner's salaries the same.

Mr. Kinsella – That's this coming Tuesday?

Mr. Mangin – I believe it's this coming Tuesday, yes. I think you should show up.

Mr. Kinsella – I will show up.

Mr. Mangin – I can't speak for the other governing body officials but in Executive Session I think mostly everyone was in favor of it.

Mr. Kinsella – Was there anything else? You spoke to Ms. Schwager?

Mr. Mangin – She wanted to see if I could get her 1 EDU, I said I thought we had a couple left; she wanted me to commit in the parking lot. I told her that wasn't how it worked that she had to write a note to the Mayor and it'll be brought up in session.

Mr. Kinsella – Just so you understand Mr. Mangin, we're not trying to play hard ball with this whole thing, but we are constricted by our procedures and it

would be a huge process for us to all of a sudden create an EDU for this Application. The Township has 2 EDUs for COAH.

Mr. Mangin – I understand, you'd be opening a door for someone else to come in and ask for the same thing.

Dr. Dougherty – It was their error for not applying for the 1 EDU; my question was didn't you have the plans presented to the Planning Board and they said "everybody looked at them" but their calculations are what they ask for, not our interpretation of their calculations. So in all fairness the Township and the Authority are put on the spot but if the Township could give them another EDU that would solve the problem.

Mr. Mangin – It will be discussed, I don't think there will be a problem but it will be discussed. One last thing, we had a situation where a letter was written several weeks ago to the Mayor and the Mayor read it and spoke to the resident and asked if I could handle it since I was the liaison to the RTMUA. Mr. LaFerla has been very helpful with a customer. We sent our code official out on an unannounced call to visit the house, to check the house out to see if someone was living there, if there was furniture or a bed because they were using their lateral which was witnessed when it was TV'd. We asked them to complete the project now. I don't know if he has to pay the Connection Fee.

Ms. Nicaretta – He came in today and paid the Connection Fee and got his Certificate of Compliance.

Mr. Mangin – Great; Mr. LaFerla was very helpful and was a helpful listening ear.

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

**10. Adjournment of Regular Meeting:**

Dr. Dougherty made a motion to adjourn the Regular Meeting. Mr. Kendzulak, Jr. seconded the motion. All were in favor.

APPROVED

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY  
WORK SESSION MINUTES

October 15, 2015

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

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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. Kinsella – The whole Bushkill thing, you're way ahead of them on this? Things are working out okay with their engineers?

Mrs. Wohlleb – Their status is they know that a report has been prepared but they have not received the report yet. They wanted to see the flow data but it was appropriate to start with the sub – committees with a review first and the full Board should be informed first before the developer; the report is technically still a draft and I wanted to make sure the full Board had the benefit of making any additional comments.

**6. RTMUA Reports:**

a) Operations Report

1. Chief Operator / Director's Report –
  - i) Overtime Recap - ok
  - ii) Septage / Greywater Recap - ok
2. Laboratory Summary - ok
3. Maintenance Summary - ok
4. Readington Flows - ok

c) Commissioner's Comments:

None

**7. Discussion:**

- a) Board of Commissioner's Authorization for Mr. LaFerla and Mrs. Struening to attend the AEA Annual Meeting and Conference in AC (November 17 – 18, 2015) AND Prospective Commissioner & Attorney Attendance

Ms. Nicaretta – Mrs. Struening needs to know who is going and who is not going. I don't know if any of you already spoke to her.

Mr. Kinsella – I'm not going.

Mr. Kendzulak, Jr. and Mr. Tully – Not going.

Ms. Nicaretta - Dr. Buza, are you?

Dr. Buza – When do I need to let her know by?

Ms. Nicaretta – It's in the information in your book, I think it is October 23<sup>rd</sup>.

Dr. Buza – I don't know if I would or not.

Ms. Nicaretta – You should speak to Mrs. Struening directly if you are. Are you going Dr. Dougherty?

Dr. Dougherty – I'm considering it but I might just go down for the day.

Ms. Nicaretta – Okay, then if you could also let Mrs. Struening know by the deadline that would be helpful. I told her I'd tell everyone they needed to let her know by the deadline.

b) 3<sup>rd</sup> Quarter 2015 Capacity Evaluation

Mrs. Wohlleb – As expected it was a dry quarter; the third quarter represents July, August and September of this year. Our plant flows were obviously at the low end, it was 2.27 MGD. Our existing flows, being so low combined with what we report to the State with who our open TWA's are suggest that we are committed in the State's eyes a total of 2.4 MGD which suggests we have a remaining capacity of 1.4 MGD. Obviously when we look at our more detailed allocations and commitments; what I've tried to do with this report is to pull together some of the more recent comments of the report, particularly we had a request from Flemington Borough to show the fact that Flemington Borough has a contract for up to 1.08 MGD that they could flow to us. So should Flemington Borough build out or create their flows such that they go above what they have typically done, which seems to decrease on a dry weather basis, they typically flow about .7 or .8 MGD but because we had a dry quarter they were very low, they were down about .67 or something like that so Flemington Borough had asked that in this report we recognize the difference between their contract amount of 1.08 MGD and their existing flows. That difference to them translates as their available capacity so I tried to bring that out and to be consistent I did the same thing with Readington although again, Readington, I'm used to seeing their numbers at or slightly over their 1.25 MGD allocation. Those are two significant changes that kind of throw us off the allocation comparison from previous quarters. Of course the other thing I did was correct the report so it only shows actual commitments and contracts, it doesn't show potential which points to the item one on the first page of the letter which is related to the allocation request for Johanna Foods. Outside of that, just on the day to day connections coming in and minor allocations going out there was probably a net effect of 2,100 gpd so in it all coming together we turn to the sixth page of the report which is the more detailed table which shows our current plant flow of 2.27 MGD; the summation of all of our allocations and contracts and the rolling effect of what will be the Flemington allocation and Readington allocation as compared to their contract limit we come up with a commitment for this quarter of 3.255 MGD. When you compare that to 3.8 MGD it shows we have a remaining capacity of .545 MGD. Though again, it was a dry quarter.

c) Final Draft Report Bushkill Interceptor System Analysis

Not discussed.

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

Mr. Watts – I think it would be appropriate to consider a motion to go into Closed Session for the purpose of discussing Personnel Matters, Contractual Matters which deal with Johanna Foods and with all our contracts for people who have Wastewater Treatment Capacity Reservation Agreements and potential litigation. We do not anticipate any official action will be taken once we come out of Closed Session.

Dr. Dougherty made a motion to adjourn into Closed Session for the above stated purpose and Mr. Kendzulak, Jr. seconded the motion. Closed Session was from 5:41 pm – 7:07 pm.

**9. Adjournment of Work Session:**

Mr. Kendzulak, Jr. made a motion to adjourn the Work Session. Mr. Tully seconded the motion. All were in favor. The Meeting ended at 7:08 pm.