
RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING MINUTES

MARCH 21, 2013

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:**

Chair Del Vecchio	Here
Dr. Dougherty	Absent
Mr. Kendzulak, Jr.	Here
Mr. Kinsella	Here
Mr. Tully	Here

Also present were Bruce Miller, RTMUA Executive Director; Greg LaFerla, RTMUA Chief Operator; Regina Nicaretta, RTMUA Executive Secretary; James G. Coe, PE, Hatch Mott MacDonald; C. Gregory Watts, Esquire, Watts, Tice & Skowronek.

3. **PLEDGE OF ALLEGIANCE**

4. **APPLICATIONS:**

- a) Application for Final Sanitary Sewer Service Class I-B, Toll NJ, LP (Mt. View @ Hunterdon – formerly Hilltop) (Block 44 Lot 24)

5. RESOLUTIONS:

Resolution #2013 - 23 Approval of Final Sanitary Sewer Service, Class I-B, TWA Required Toll Brothers, LP (Mt. View @ Hunterdon – formerly Hilltop) (Block 44 Lot 24)

Mr. Tully made a motion to approve Resolution #2013 - 23, Mr. Kendzulak, Jr. seconded the motion. All were in favor.

Resolution #2013 - 24 Acceptance of Performance Guarantee and Authorization to Sign Development Agreement, Toll NJ, LP (Mt. View @ Hunterdon) (Block 44 Lot 24)

Mr. Tully made a motion to approve Resolution #2013 - 24, Mr. Kendzulak, Jr. seconded the motion. All were in favor.

Resolution #2013 - 25 Authorization to Sign Reservation Agreement for Wastewater Treatment Capacity, Flemington Concrete Products, LLC (Block 27 Lot 30.03)

Mr. Kinsella made a motion to approve Resolution #2013 - 25, Mr. Tully seconded the motion. All were in favor.

Resolution #2013-26 Award of Bid for Flemington Wet Weather Facility Settling Tank Repairs

Mr. Kendzulak, Jr. made a motion to approve Resolution #2013-26, Mr. Kinsella seconded the motion.

Roll call vote:

Chair Del Vecchio	-	Yes
Dr. Dougherty	-	Absent
Mr. Kendzulak, Jr.	-	Yes
Mr. Kinsella	-	Yes
Mr. Tully	-	Yes

Resolution #2013-27 Raritan Headwaters Association Membership

Mr. Kinsella made a motion to approve Resolution #2013-27, Mr. Tully seconded the motion. All were in favor.

Resolution #2013-28 Suspension of User Fees for Block 16.01 Lot 35,
Building J

Mr. Kinsella made a motion to approve Resolution #2013-28, Mr. Kendzulak, Jr. seconded the motion. All were in favor.

Resolution #2013-29 Amendment to Agreement for Reservation of
Wastewater Treatment Capacity, Hunterdon Medical
Center (Hunterdon Orthopedic Institute Realty
Company) (Block 15 Lot 14)

Mr. Kendzulak, Jr. made a motion to approve Resolution #2013-29, Mr. Tully seconded the motion. All were in favor.

Resolution #2013-30 Audit Report Review

Mr. Schreck – We've audited the financial statements of the RTMUA and we have issued our Audit Report. I'd like to walk you through a few of the numbers on the financials which begin on page ten of your financial statements. Statements of net assets, your total current assets are now 6.6 million up from 5.7 million a year ago. Your total assets are 36.2 million up from 34.1 million a year ago. So your assets have gone up. However, when we turn the page and look at the liability, they have also gone up. Your liabilities went to 9.7 million up from 6.8 million. The fund surplus also went down from 27.3 million to 26.4 million. What does all this mean? Turn the page and we'll look at the operations for the year. From an operational stand point, the operating loss is \$565,000.00 as compared to \$546,000.00 last year. But remember, within that number is depreciation expense which is a non-cash expense depreciating all of your fixed assets. So, if you look at it from an operational stand point, you did not lose money, you made about \$100,000.00 before the additional non-operating expenses. From an operational stand point, you did okay; \$100,000.00 in operating profits outside of depreciation. But when we look at the non-operating expenses, you had to pay the appropriation to Raritan Township as you have over the last couple of years and your interest expenses on your debt bringing your total loss for the year to \$793,000.00, which is reducing your surplus from last year of 27.3 down to 26.4. You've lost a little bit of money, it was expected, it was in your budget. You actually did better than the budget, your budget had you basically using \$400,000.00 of surplus; you did a little better than that from an operations stand point. That was good news. The other thing I'd like to point out is you had additional debt on the books and records this year. As you recall, two years ago you went out and got Revenue Bonds to do some improvements

and if you look at page 20 and 21, in the financial statements under Bonds Payable so all bonds from a couple of years ago were 3.8 million which have been paid down to 3.6 million but turning the page here's all of our new debt in the amount of 2.5 million that you have brought on to do additional improvements. So your debt has increased in regard to the needs of the facility. You just have bigger debt service of which Flemington Borough does participate in. Mr. Miller and I met with Flemington Borough today and walked them through all the calculations as we have done in the past and what their responsibility is in regards to debt service payments. It was pretty easy based on last year, we had all of those meetings and things of that nature so we followed the exact same process and procedures so they are pretty happy and satisfied. I told them after they take a look at the bill to give Mr. Miller or myself a call if they have any questions. So I think we're all set in regard to the Flemington Borough receivable. The other thing I'd like to point out is on page 31 our Findings and Recommendations we do have one finding for the year while we were preparing the financial statements and basically that finding is saying that there were some extremely complex issues in your financial statements in regard to all the debt service, in regard to the Flemington Borough receivable, how it is calculated, there is a deferred revenue in that calculation so there are some pretty significant accounting transactions. So you did have a little more assistance with some Journal Entries to get the books and records up to speed in regard to that, so we did put that in the financial statements. I talked to Mr. Miller and the accounting staff about it, you're going to make a couple of changes going forward to see if you can eliminate this finding as you go forward and I think you can. Each year now for the past couple of years, we've had a finding; we put some processes in place to make sure there are better internal controls in regard to the things the Authority records in the financial statements. I have no issues that it will be any different from the last couple of findings. You did hire a CPA / RMA, she helps out part-time in regard to doing some Fixed Assets work, Mrs. Phipps is extremely intelligent, I think she is the exact person you do need in regard to running some accounting issues past. She has the capabilities to help you record those Journal Entries and with some of the tougher accounting issues that may arise during the year. My suggestion would be to use Mrs. Phipps as a resource. She has really good skills and I think she'll help tremendously inside this organization. I'll be glad to entertain any questions or comments from Commissioners.

Mr. Kendzulak, Jr. – Going back to your Recommendation where you say “We recommend that the individuals responsible for governance obtain training as deemed appropriate on relevant accounting principles to better select and apply such principles in the Company's financial statements.” Is that being solved by implementing and using Mrs. Phipps?

Mr. Schreck – Absolutely; she has the background, the credentials and the expertise for all of those principles, so you guys really have it in place now. She came in late in this Fiscal Year and really wasn't used in regard to some of the issues. Use her and that will take care of this issue.

Mr. Kendzulak, Jr. – The other thing is as far as cash flow, how are we projecting out as far as cash flow issues over the next year, this budget year here.

Mr. Schreck – I just got the budget so I have to take a look at it. I think you're okay; you have Flemington Borough paying on a pretty regular schedule now, I do believe you'll be okay but I will get back to you on that.

Mr. Kendzulak, Jr. – The last thing as far as debt and debt service and just projecting out over the next couple of years and impacts that it may have on our budget because we're looking to take on more debt over the next year here.

Mr. Schreck – I believe it will affect your rate. You're going to have more debt service that you'll need to pay on and the money has to come from somewhere. Unfortunately, the projects that you're doing need to be done to a facility that's aging as yours is. Unfortunately, you expended all of your cash prudently first as much as you could before you went out for bonding but now you have to bond for the projects and someone needs to pay for this and it'll probably be through a rate increase.

Mr. Kinsella made a motion to approve Resolution #2013-30, Mr. Kendzulak, Jr. seconded the motion.

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

6. Approval of Minutes: Minutes of February 21, 2013

Mr. Kendzulak, Jr. – Mr. Kinsella, have you heard from Mr. Bell? Has the easement hit the Freeholders yet?

Mr. Kinsella – I haven't heard anything from him. Ms. Nicaretta hasn't received anything yet. I was personally assured by him that it would get done.

Mr. Tully made a motion to approve the minutes from the February 21, 2013 meeting. Mr. Kendzulak, Jr. seconded the motion. All were in favor.

7. Treasurer's Report / Payment of Bills:

Mr. Kendzulak, Jr. - The bills totaled \$726,279.44.

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

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

Mr. Del Vecchio – At this point we're going to change the order of the Agenda and we're going to go into Closed Session then we'll go into Citizens' Privilege.

Mr. Watts – The purpose of Closed Session is to discuss contractual matters and action may or may not be taken.

9. Adjourn into Closed Session by Motion, if Needed

Mr. Del Vecchio made a motion to go into Closed Session, Mr. Tully seconded the motion. Closed Session was from 5:30 pm – 5:43 pm.

8. Citizens' Privilege:

Mr. Watts - Mr. Allen Fineberg is here and as we discussed in Closed Session, all of the conditions precedent to the release of the 97,000 gallons per day of capacity to the Authority have been met. So Linque is prepared to authorize the release; the only outstanding issue was the determination of the Connection Fee to be inserted into their Reservation Agreement which we discussed and I believe it was the consensus of the Authority that due to delays that were really beyond everybody's control, and the things that happened with the Township and the Planning Board, that the Authority is willing to impose the Connection Fee that was in effect through the end of 2012, which would be \$3,929.00 per EDU. So we don't need official action since we already approved the form and when it's done and in final form we'll send it to you to be signed and it will contain that number for the EDUs.

Mr. Fineberg – Thank you.

Mr. Del Vecchio – Any other's for Citizens' Privilege?

Mr. Boch – I'm David Boch and this is my wife Donna Boch; we're the property owners at the Robin Hill Pump Station. We're here in reference to some comments we'd like to make in regards to a letter that we received from our lawyer, Lou Miller, who received it from Mr. Watts. There are five points and I'd like to comment on three of them. The first one is you had agreed to survey the site to ensure that the neighbors fence doesn't encroach on the property; you did that and it does not encroach and we do appreciate you doing that for us. The second one is back in the December - January time frame, we talked about landscaping. The landscaper had been out to the property and we were assured we would have some input into landscaping plans and we would like to comment that we have not seen the plans yet and we are hoping we still will have some input with that. The third point is probably the most important to us and that is in the letter it says the Authority will not erect any type of gate at the entrance to the driveway, that the pump station site itself will be fenced and locked for security reasons. I know we talked about this before but I want to reiterate that the fact that this is an easement that is on our property, there's a driveway you constructed and it is a huge liability to us and to you just as this light pole issue was a liability to you. The liability of this driveway; we have seven quads in the neighborhood that use this and it's an open invitation to drive quads across the bridge. We are dealing with the bridge with the Board of Education and we don't know how that is going to turn out; even if that bridge is gone, our neighbor has built a bridge across the stream so it's not going to stop the quads. During the summer, an entire pool was built next door with trucks using the driveway; we couldn't stop them, the police couldn't stop them and you couldn't stop them. So the fact that there's a driveway there, people are going to use it. We've been challenged by neighbors that its public property repeatedly no matter how many times we tell them it's not, its private property with an easement. They don't believe it. There's liability here; there's trees, poles, fences and a JCP&L box.

Mrs. Boch – There are four teens on quads; seven quads, two are from the neighborhood above us and five are from our cul-de-sac. The four from the cul-de-sac are driven by teens and one is driven by an adult with a hunting blind up in the woods which is adjacent to the school playground. They are nonstop from late Spring until late Fall. The only reason they're in our yard and we're subject to the liability is the driveway.

Mr. Boch – So our view is a gate has to be erected across that driveway.

Mrs. Boch – I understand the concerns with a chain, it is not safe. But if there's some sort of substantial gate that goes from our neighbors gates and fences that he put up around his pool, across our property, and if they scoot through it, all we have to do is put a piece of fence up and then no one gets through but your trucks.

Mr. Kendzulak, Jr. – Is the easement also for the school?

Mr. Boch – We have an easement with the school to use the path for kids to walk to the school.

Mr. Kendzulak, Jr. – Would this block the easement of the path for the kids to pass?

Mr. Boch – My thought is you could leave a two or three foot wide area for them.

Mrs. Boch – Something that's not wide enough for a quad to pass through.

Mr. Del Vecchio – What is the distance from the end of the driveway to the pump station?

Mr. LaFerla – Approximately three hundred feet.

Mr. Coe – I talked with the School Board's attorney and they're talking about taking down the bridge; are they thinking about surrendering the easement?

Mr. Boch – We haven't heard from our attorney on that point. We know their attorney is talking with you and that they're making considerations but we don't have an answer yet. Our intent would be to terminate the easement with the school because there would be no need for an easement that is specifically for kids to walk to school. Just to reiterate even with that bridge gone, it's not going to stop people from driving down there to get across.

Mr. Kendzulak, Jr. – Does the bridge encroach on Board of Education property?

Mrs. Boch – Maybe it does. I talked to the Board of Education two years ago and a representative came out to look at the bridge. To be honest they chose to ignore it. That was before they knew the condition of the bridge that they do own. If one of those kids hits a pole back there or a piece of equipment, then we're all sucked in.

Mr. Boch – You know that the neighbor has put a gate from his yard onto the easement which is clearly intended to service the pool and you will have equipment and unauthorized people using the driveway. If someone gets hurt, we are all liable. This is an unacceptable situation.

Mrs. Boch – We are the property owners but we have nothing to do with it; we have no influence over it but we have been sucked into something here.

Mr. Del Vecchio – Well, we clearly cannot put a chain across it.

Mr. Kinsella – How about bollards? Maybe collapsible bollards?

Mr. Kendzulak, Jr. – The quads will just go over or around them.

Mr. Kinsella – When they're riding a quad they're on a thorough fare before they get there so they are already engaged in an illegal act. We can't be responsible for something they do before they get there. It's really an enforcement situation.

Mr. Del Vecchio – If you have a fence there, you will want a sign on the fence that says “Private Property; Property of the RTMUA; No Trespassing” and you’ll need reflectors on it.

Mrs. Boch – Something has to be done.

Mr. Boch – If you’re going to put a fence around the pump station; and I mentioned this to Mr. Miller at one point; you could consider extending that all the way to the neighbors fence or within three feet of it to allow kids to walk past it; it will be very obvious that it’s impossible to drive around it.

Mr. Coe – What you’re describing is down by the pump station or by the road?

Mr. Boch – What I just described is down by the pump station.

Mr. Del Vecchio – It would have to be on our easement. I don’t know how much room there is.

Mr. Coe – You could do that. If the school was going to give up the rights to the path; that would make sense basically to put it all the way over to the property line.

Mrs. Boch – Or as we said, leave a space big enough for pedestrians; I take no issue with kids and their bicycles going up to Desmares to ride in the parking lot. A quad will never squeeze through a three foot opening.

Mr. Kendzulak, Jr. – I don’t have plans in front of me to visualize but is there a way to put a split rail fence that you could have that would never deny access, you could get into and service the pump station, but a narrow gap would be left that people can get around at the end of the split rail fence but they couldn’t get out of it back there, they wouldn’t be able to go any further. They’d be stuck at the pump station.

Mr. Coe – You could put two staggered fences, like a maze, where they could walk but a quad couldn’t get through it.

Mr. Del Vecchio – Or you could use the bollards back there. We wouldn’t need to get past the bollards; they could be spaced for people to walk between them or get a bicycle between them but not get a quad through.

Mr. Tully – Mr. Kinsella is correct, it is still an enforcement issue if they are on the street with the quads.

Mr. Kendzulak, Jr. – I’m not looking at a gate at the end of the driveway, what I’m looking at is down by the pump station; we don’t need our guys inhibited; they should be able to go right down there to do what they have to but by the same token it’s still within our easement. We can put a chain link fence here, and keep it narrow enough that it’s a detriment to quads.

Mr. Del Vecchio – What I would do, if we put up a chain link fence there, is sink some extra poles so it’s a narrow space between them, maybe three feet apart so even if the chain is cut, they still have to deal with the posts. The other

thing I would do is put a sign at the end of the driveway where they come in, that says "This is Private Property; RTMUA Property; No Trespassing".

Mr. Coe – We'll look at that and see if it works.

Mr. Del Vecchio – Put some signs at the street end; maybe "Private Property; for use by the RTMUA; No Trespassing except for Pedestrian Traffic Only and / or RTMUA Personnel." This way something is posted.

Mr. Boch – I have one last request. As you know we are putting our house on the market and the project seems to be nearing completion. We ask that you begin to clean it up; there are branches and all kinds of other stuff back there.

Mr. Coe – Okay.

Mrs. Boch – Thank you for listening to us.

10. Adjournment of Regular Meeting:

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

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
WORK SESSION MINUTES

MARCH 21, 2013

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) James G. Coe of Hatch Mott MacDonald to Bruce P. Miller of RTMUA re SCADA Phase II and Main Treatment Blower System Improvement Air Header Change Order

Mr. Coe – At the last meeting a question came up on the Change Order and I did look into it and sent this letter which explains what happened with respect to that issue. There was an error made by Hatch Mott MacDonald not recognizing that the existing Tee's in the blower building were eight inch connections rather than twelve inch. What I'm indicating here is that was clearly an error that could have been handled by adapting; showing that the blowers needed to be adapted to the eight inch Tee's either by putting in a reducer or by cutting in a new Tee but what wasn't apparent was the condition of the header itself. There's a forty foot piece of header that when they took the old blowers out it became apparent that it wasn't in good enough condition and there were some repair sleeves that had to be put on the pipe. It probably wasn't as apparent as the Tee's were and those were either leaking or deteriorated in some way. After some discussion it became apparent that the best solution would be to replace the forty foot piece of pipe with stainless steel which would upgrade it to what the rest of the air piping in that building is. The Change Order in total was \$14,000.00; what I am proposing in this letter is to not charge the Authority for any of the work in coming up with the solution, reviewing it and specifying it, negotiating the Change Order etc. and provide the Authority with a credit of \$1,522.80 and also not charge the Authority for any work that had not been billed to date.

Mr. Tully - Where does the \$14,000.00 come from? Wasn't it \$60,000.00 or something for the whole Change Order?

Mr. Coe – Yes, this was the only one brought up at the meeting last month. The other items had to do with certain electrical work and so forth.

Mr. Del Vecchio – There were a number of items.

Mr. Tully – I never saw a breakdown of it. I thought the whole \$60,000.00 was for the piping issue.

Mr. Coe – No.

Mr. Kinsella – Mr. Coe, can you describe how the blowers fit into this forty foot long pipe? At the end of the pipe there's what?

Mr. Coe – There's a room not quite as big as this one and the pipe goes from one side of the room to the other, out of the walls on both sides. That's the header pipe. There are two places where blowers connect to it.

Mr. Kinsella – So it's like a manifold?

Mr. Coe – Yes and the discharge from the new blowers are twelve inch discharge pipes and they need to connect to a twelve inch flange. There's plenty of room between where the blowers are mounted to the header to adapt whichever way you need it to. The header itself is a twelve inch pipe but the Tee's from the old blowers were only eight inch flanges. There could have been room to put in an 8 x 12 reducer that would have cost about \$600.00 or something like that.

Mr. Kinsella – Why would you reduce it anyway?

Mr. Coe – You could do it one of two ways. The pipe that was there, the flange that was there was welded to the header so it wasn't a fitting, it wouldn't have been as simple as to take a 12 x 12 x 8 Tee out and put in a 12 x 12 x 12 Tee. It would have been a matter of cutting it out the eight inch Tee portion of that header and then welding in a 12 x 12 Tee. At that point you'd be investing more on a piece of header pipe that was already deteriorating.

Mr. Kinsella – Why wasn't this forty foot pipe going to be changed as part of the job to begin with?

Mr. Coe – It was felt there wasn't a need; even the addition of the blowers was kind of a change. In other words the SCADA project didn't originally include the blowers at all. It was going to include variable speeds on the old blowers and then it was brought up we'd be putting variable speeds on blowers that were forty years old. So we said there are more efficient blowers made now; they're more efficient blowers made now, they're quieter, more energy efficient and it makes sense to replace the blowers. We didn't go to the next step of why don't we replace the piping too. In retrospect you could say maybe we should have. But if we did you would have paid for it anyway.

Mr. Del Vecchio – As a side note we should start watching the electric bill for usage now. We should see a drop.

3. Unfinished Business:

None

4. New Business:

None

5. Professional Reports:

- a) Attorney - none
- b) Engineer –

Mr. Kendzulak, Jr. – Mr. Coe, I see you have Pre-Construction meetings being scheduled; we should be inviting Flemington Borough to both of them.

Mr. Coe – We've never invited them in the past but I'd be glad to do that.

Mr. Kendzulak, Jr. – I think it's appropriate to give them the invitation, if they come they come if they don't they don't. They're going to be paying for this too.

Mr. Kinsella – We should let them know when the meetings are.

Ms. Nicaretta – I send it to them, Raritan Township and Readington Township after the Reorganization meeting every year.

Mr. Del Vecchio – The MCC?

Mr. Coe – There's a lot of cleaning to do but there's nothing that was felt to be of eminent failure. They just finished it up and we are supposed to get the report within the next three to four days.

Mr. Kinsella – We have 1200 amp service down there now. We should guesstimate out to 1600 and 2000 amp.

Mr. Coe – First we want to guesstimate out to what we're really going to need.

Mr. Del Vecchio – There might be a lot of amperage that's not being used.

Mr. Coe – Right. I don't know that we'd ever get to 2000 amps.

Mr. Kinsella – I'm thinking in case if phosphorus or anything like that ever came in.

Mr. Coe – The only thing I can think of that would create a significant power load would not be phosphorus but ultra violet disinfection if the Authority at some point needed to go to which I don't foresee.

6. RTMUA Reports:

- a) Administrative Report

Mr. Kendzulak, Jr. – Mr. Miller, I have some questions here. I see you have here that we're eighty three percent complete with SCADA Phase II; what is left?

Mr. Coe – It's mostly in, there's some testing and programming to be done.

Mr. Del Vecchio – Mostly software stuff but all the hardware is in.

Mr. Kendzulak, Jr. – And the Robin Hill Pump Station?

Mr. Miller – That's about seventy something percent complete.

Mr. Kendzulak, Jr. – Here's the question I have. Almost thirty engineering hours have been devoted to the Boch's requests?

Mr. Miller – Yes, its' twenty - nine point something hours. Whoever signed it, saw in red, down the side, my figures. I started to tick them off and I said this is tremendous. I can give you the exact dollars if you want it.

Mr. Kendzulak, Jr. – While we're on this topic; I made a comment when I went over the Treasurer's Report, we are at eighty – seven percent of our Engineering Budget and a lot of it is General Consulting. Why are we so high? We're only three to three and a half months into our Fiscal Year.

Mr. Tully – Does it include the Boch's?

Mr. Miller – I know Mrs. Struening has a schedule that shows what is out and what is reimbursable.

Mr. Kendzulak, Jr. – I'm talking about General Consulting. Why are we three and a half months into the year and at eighty – seven percent? Look at page one about three quarters of the way down. We only have \$8,500.00 left for the year, why?

Mr. Miller – Yes. I can get you a detailed listing of it. I know Mrs. Struening has it and I'll get it from her.

Mr. Kendzulak, Jr. – My question is why are we at eighty – seven percent? It says eight – seven percent, we should know why now.

Mr. Del Vecchio – What's probably under General Consulting is the stuff being done with the MCC. I'm just trying to figure it out.

Mr. Kendzulak, Jr. – Here's the thing, we shouldn't be doing that at this point. I want to know now, not later. All I'm asking for at the next meeting is when I start asking obvious questions on some of these line items, why we're so high or why we're over, I think we should have the answer and not speculate. This is a substantial chunk of change when we're only a quarter of the way through the year and we've basically tapped out our budget.

Mr. Miller – Beside that line item, are there any other ones?

Mr. Kendzulak, Jr. – The sludge disposal line; we're a little high on that.

Mr. LaFerla – We're a little high on that because we ran some extra boxes from when ACUA closed down for two weeks.

Mr. Del Vecchio – I would agree with Mr. Kendzulak, Jr. as far as we should take a look at what we spent on the Engineering budget and know if there's stuff in there that shouldn't be in there and should be in a Capital Project somewhere or something in there that will eventually be moved to a Capital Project.

Mr. Coe – The only thing I can think of that I've spent some time on is the Flemington Borough stuff.

Mr. Kendzulak, Jr. – That would be charged to Flemington though.

Mr. Miller – No, I had asked you folks about that with the Contract and you said we get charged for all of that.

Mr. Kendzulak, Jr. – Then what is the FWWF engineering for? We had \$20,000.00 budgeted and we've spent \$22,000.00. What's getting charged there?

Mr. Miller – What are we doing out there?

Mr. Kendzulak, Jr. – Do you understand my frustration here? I'm asking questions and I can't get an answer. All I want is when I ask a question, I can have an answer provided.

Mr. LaFerla – Some of it is because we're working on the new permit.

Mr. Kendzulak, Jr. – Okay. Who went to AEA?

Mr. Miller – I did.

Mr. Kendzulak, Jr. – "The Integrated Water Resource Management Approach by Robert Weimar & Brandon Vatter of HMM. It was an excellent presentation, which has been published..." What was it all about?

Mr. Miller – It's an entirely new way of looking at the way they're handling water resources now.

Mr. Coe – Traditionally, the DEP and EPA has taken treatment plants to tasks and putting almost all the onus on getting clean water by regulating point sources of discharge mainly on treatment plants.

Mr. Kendzulak, Jr. – Mr. Miller, what did you get out of this and what does it do for the Authority where we are going to take something from it and implement it here.

Mr. Miller – The big point they made as Mr. LaFerla well knows, is everything is TMDL, TMDL and that's what our permit is based on. So what they said is the trend that's happening, and New Jersey is on board with this, is they're saying they don't want to look at TMDL; they want to look at the whole watershed. So it may be an impact on our permits.

Mr. Kendzulak, Jr. – This George Hawkins thing?

Mr. Miller – I gave you a link.

Mr. Kendzulak, Jr. – I just want the feedback, I don't have time to go to YouTube and watch this guy's video. What is this and what's it all about?

Mr. Miller – He's an advocate for our business. He basically says this is how you should present yourselves, not as a polluter. He's a very interesting speaker.

Mr. Kendzulak, Jr. – So what are we going to do with it?

Mr. Miller – Get ideas from it.

Mr. Kendzulak, Jr. – What do you envision we should be doing here then?

Mr. Miller – Little things like how we present ourselves on the website. All we have is what is absolutely required. If you want to spend the extra money to have the interactive stuff he has, you can do all kinds of magic stuff.

Mr. Kendzulak, Jr. – Are we going to do any of this stuff?

Mr. Miller – I don't know, I'll come up with some ideas, they're not free by any means and whether you think we're too small for it or we just pick up ideas from him.

Mr. Del Vecchio – What's the benefit of it in the long run?

Mr. Miller – We could come up with a big publicity thing and everyone in the Township will say where did you come up with the money to do that, why don't you give it to us?

Mr. Kendzulak, Jr. – I just wanted to know what it was about and what the benefit is and what are we going to do with the ideas. We're going to these things; what have we brought back that we actually implement and the value of going to these things.

Mr. Miller – The watershed thing is pretty obvious. Ninety percent of these things you go to and say, that's nice, and every once in a while you get an idea.

Mr. Kendzulak, Jr. – Here's one thing I'm scratching my head on, Mr. LaFerla, did you go to AEA?

Mr. LaFerla – No.

Mr. Kendzulak, Jr. – Why?

Mr. LaFerla – I had a class with Mrs. Struening that I went to.

Mr. Kendzulak, Jr. – That's what I'm scratching my head on, you attended a seminar on Pension, Retirement and Health Benefits and to me, I would think with the Permit and stuff like that you'd be at AEA and Mr. Miller would be at the Pension class.

Mr. LaFerla – I signed up for it before AEA rescheduled.

Mr. Kendzulak, Jr. – Mr. Miller, did you have this class?

Mr. Miller – Yes. I did it online. It's an online class that is required.

Mr. LaFerla – No, that's the one to register people, this was different.

Mr. Kendzulak, Jr. – I'm getting mixed up on who is doing what; Pension seems like an Administrative thing.

Mr. Miller – I'm the one who certifies it; I certify what Mrs. Struening does. She's the one who knows all the details and both of us took training for it. I don't know if this is a follow up to that.

Mr. LaFerla – No, this was a class about all the different changes and what is going on with them.

Mr. Miller – It's a follow up to the one Mrs. Struening and I took.

Mr. LaFerla – No, the one you and Mrs. Struening took was the one to register new hires. This class we went to was totally different.

Mr. Kendzulak, Jr. – What was talked about?

Mr. LaFerla – Mrs. Struening and I had questions on the union employees contract and they have to start paying for their health benefits and we weren't sure where they started in the tier, it's a four year thing and we didn't know if they started where we are or at the beginning.

Mr. Kendzulak, Jr. – It seems it would be more appropriate if you guys had flip flopped.

Mr. Miller – Mrs. Struening and I went to the one at AEA; it was originally in East Brunswick. Was this that AEA's presentation?

Mr. LaFerla – No.

b) Operations Report

1. Chief Operator'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:

7. Discussion:

a) Signing of documents (Group Affidavit Form)

Mr. Del Vecchio – At this time we will go into another Closed Session to discuss contractual and personnel matters. I don't foresee any action being taken.

8. Adjourn into Closed Session by Motion, if Needed

Mr. Kendzulak, Jr. made a motion to go into Closed Session, Mr. Kinsella seconded the motion. Closed Session was from 6:56 pm – 7:59 pm.

9. Adjournment of Work Session:

Mr. Tully made a motion to adjourn the Work Session. Mr. Kinsella seconded the motion. All were in favor. The Meeting ended at 8:00 pm.