

RARITAN TOWNSHIP
MUNICIPAL UTILITIES AUTHORITY

APPROVED

In the Matter of:	:	
	:	Transcript
RATE HEARING	:	
	:	of
RESOLUTION #2023-75 -	:	
Establishment of Connection Fee	:	Proceedings
	:	
RESOLUTION #2023-76	:	
Establishment of Sanitary Sewer	:	
User Fee	:	
	:	
RESOLUTION #2023-77	:	
Establishment of Sanitary Sewer	:	
Surcharge	:	

-----X

Thursday, December 14, 2023
365 Old York Road
Flemington, New Jersey 08822
Commencing at 5:00 p.m.

C O M M I S S I O N E R S:

JOHN TULLY, Chairman
GARY HAZARD, Vice Chairman
JEFF ANCLIEN, Treasurer
FRANK SCIPIONE, Secretary

A L S O P R E S E N T:

REGINA NICARETTA, Executive Secretary
MIKE SCISS, Exec. Director/Maint. Supervisor
RAYMOND FRANK, Chief Operator
DANIEL A. MADDEN, Consulting Engineer
(Johnson, Mirmiran & Thompson)
MICHAEL CRAGIN, Auditor
(Bowman & Company) - Appeared Telephonically

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

ARCHER & GREINER, P.C.
BY: JASON SENA, ESQUIRE
Attorney for the Commission

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

TABLE OF CONTENTS

WITNESS	PAGE
---------	------

(No witnesses sworn.)

E X H I B I T S

NO.	DESCRIPTION	PAGE
-----	-------------	------

(No exhibits marked.)

Resolution 2023-75 on Page 4

Resolution 2023-76 on Page 5

Resolution 2023-77 on Page 6

1 CHAIRMAN TULLY: This meeting has
2 been advertised in accordance with the open
3 public meetings act, setting forth the time and
4 Raritan Township Municipal Utilities Authority as
5 a place of said meeting. A copy of this agenda
6 has been posted on the office bulletin board.

7 Regina?

8 MS. NICARETTA: Mr. Anclien?

9 COMMISSIONER ANCLIEN: Here.

10 MS. NICARETTA: Mr. Hazard?

11 COMMISSIONER HAZARD: Here.

12 MS. NICARETTA: Mr. Scipione?

13 COMMISSIONER SCIPIONE: Here.

14 MS. NICARETTA: Mr. Sipos?

15 Mr. Tully?

16 CHAIRMAN TULLY: Here.

17 Please stand for the pledge.

18 (Whereupon, the pledge of allegiance
19 is recited.)

20 CHAIRMAN TULLY: There are no
21 applications. Correct?

22 Okay. We're going to move on to the
23 public rate hearing. We are getting Mike Cragin
24 on the phone right now.

25 And just remember, if anybody has to

1 say anything, one person at a time, so that he
2 can record properly.

3 (Whereupon, there is a brief pause in
4 the proceeding.)

5 MR. SENA: So do you want to, John,
6 go ahead and go through the part of the rate
7 hearing where you go over the connection fee and
8 the sewer usage fee?

9 CHAIRMAN TULLY: Yeah. All right.
10 So you want the resolutions?

11 MR. SENA: Yeah.

12 CHAIRMAN TULLY: Okay. So resolution
13 75, 2023-75, is establishment of the connection
14 fee at \$4,359 per EDU.

15 MR. CRAGIN: Correct. So the
16 connection fee was calculated based on the
17 Authority's capital base, defined by N.J.S.A.
18 40:14B-22. It is based on the Authority's
19 equivalent dwelling units of 9,313, and the
20 capital base was 40,594,579, which resulted in
21 the connection fee of \$4,359.

22 CHAIRMAN TULLY: Okay. Anybody have
23 any questions for Mike?

24 Can I get a motion to approve the
25 resolution?

1 COMMISSIONER ANCLIEN: So moved.

2 COMMISSIONER SCIPIONE: Second.

3 MS. NICARETTA: Mr. Anclien?

4 COMMISSIONER ANCLIEN: Yes.

5 MS. NICARETTA: Mr. Hazard?

6 COMMISSIONER HAZARD: Yes.

7 MS. NICARETTA: Mr. Scipione?

8 COMMISSIONER SCIPIONE: Yes.

9 MS. NICARETTA: Mr. Tully?

10 CHAIRMAN TULLY: Yes.

11 Resolution 2023-76, the establishment
12 of the sanitary sewer user fees. Resolution
13 stipulates that -- establishes \$694 per EDU per
14 year; that amount, \$179 per EDU is designated as
15 the base user fee.

16 Mike?

17 MR. CRAGIN: Correct. So those rates
18 were established in order to support the
19 Authority's operating budget, total anticipated
20 revenues of 8,020,000, and total appropriations
21 of \$7,888,635.

22 The Authority is also utilizing some
23 net position in order to -- in order to fund its
24 capital budget. The capital budget for this year
25 is in the amount of \$5,254,664. The user fee was

1 calculated based on a 3 percent increase, which
2 increased the user rate by \$20 and the base rate
3 by \$5 for the year.

4 CHAIRMAN TULLY: Any questions?
5 Motion?

6 COMMISSIONER ANCLIEN: So moved.

7 MR. SCIPIONE: Second.

8 MS. NICARETTA: Mr. Anclien?

9 COMMISSIONER ANCLIEN: Yes.

10 MS. NICARETTA: Mr. Hazard?

11 COMMISSIONER HAZARD: Yes.

12 MS. NICARETTA: Mr. Scipione?

13 COMMISSIONER SCIPIONE: Yes.

14 MS. NICARETTA: Mr. Tully?

15 CHAIRMAN TULLY: Yes.

16 Resolution 2023-77, the establishment
17 of sanitary sewer surcharge. The sanitary user
18 fees are \$694 per EDU, which consists of \$179 per
19 EDU designated as a base user fee and \$515 per
20 EDU as the flow component. The Authority is
21 proposing a surcharge structure be adopted for
22 the sanitary sewer system users for excess
23 gallons used in a month -- do I have to read all
24 this?

25 MR. SENA: I'm going to ask --

1 Chairman, if it's okay, I'm going to ask the
2 Authority's engineer, Dan Madden, just a few
3 basic questions, to explain, for the record, the
4 proposed surcharge.

5 CHAIRMAN TULLY: Go ahead.

6 MR. SENA: Mr. Madden, can you
7 identify yourself and what you do, where you
8 work, for the record?

9 MR. MADDEN: Yes, my name is Daniel
10 Madden. I'm a licensed professional engineer in
11 New Jersey. I work for JMT. We are the
12 consultant for the RTMUA Sewer Authority --
13 Authority, sorry.

14 MR. SENA: As the consulting engineer
15 for the Authority, can you describe, generally,
16 the plant's operations, in terms of the capacity,
17 and how it's assigned to property owners?

18 MR. MADDEN: Yes. The plant is
19 designed for the treatment of 3.8 million gallons
20 per day. Existing flow rates are combined with
21 already approved allocations that have been
22 granted in prior years and paid for, and
23 sometimes, when we have people exceeding these
24 flows, we are behind the eight ball, we don't
25 have enough capacity for the plant to operate.

1 MR. SENA: Is it true that the
2 plant's capacity is also limited by DEP permit?

3 MR. MADDEN: That is correct.

4 MR. SENA: Can you describe the
5 effective cost to the RTMUA when users exceed
6 their allocated flow -- their allocated capacity?

7 MR. MADDEN: Well, yeah, the costs
8 are associated with other users that we can't
9 bring on, because we're at capacity, and we have
10 no availability to have new connections made.
11 There's other losses with staff for excessive
12 flow rates, you know, time spent on operations.
13 And the -- the lost revenue is, I guess, the
14 other thing, on different connections, and what
15 could come in with connection fees, et cetera.

16 MR. SENA: How about -- do you know
17 what I mean when I say inflow and infiltration?

18 MR. MADDEN: I do.

19 MR. SENA: Commonly known as I&I.

20 MR. MADDEN: I do.

21 MR. SENA: Are there also costs
22 associated with I&I?

23 MR. MADDEN: Right. For us to
24 recover that excess flow, we would have to spend
25 probably in the neighborhood of 8 to \$9 per

1 gallon, that we calculated based on some studies
2 we performed, to offset that extra flow that
3 we're getting from other users. So the surcharge
4 is intended to help recover that money to be used
5 for I&I studies, and repairing I&I, to combat the
6 issue we're having for people exceeding their
7 flows.

8 MR. SENA: Now, are all of the
9 potential costs that you described, are those
10 items budgeted or unbudgeted, in terms of can you
11 anticipate them completely?

12 MR. MADDEN: No, we cannot.

13 MR. SENA: So it's fair to say, then,
14 that a lot of those costs are things that you
15 couldn't include in the budget, because you don't
16 know if and when they're going to occur.

17 MR. MADDEN: That is very true.
18 That's correct.

19 MR. SENA: Okay. Can you describe
20 the surcharge structure in Resolution 2023-77 --

21 MR. MADDEN: Yes, the --

22 MR. SENA: -- and the amounts?

23 MR. MADDEN: Yes. We broke down the
24 user fee into a flow component and a base
25 component, base fee, and 4.7 -- \$4.70 per

1 thousand gallons is effectively what we're
2 charging people under that rate. So the idea is
3 to increase that -- that charge by 35 percent for
4 any flow that goes over -- between 1 and 10,000
5 gallons, and 45 percent for anything between
6 10,001 and 20,000 gallons, and 55 percent over --
7 for anything over 20,000 gallons, per day in a
8 month, or average over a month.

9 MR. SENA: In your professional
10 opinion as the Authority's consulting engineer,
11 do you feel that those amounts would be
12 sufficient to cover the unbudgeted, unanticipated
13 expenses that we described earlier?

14 MR. MADDEN: I do, yes.

15 MR. SENA: And can you describe in a
16 bit more detail the -- how the surcharge would be
17 calculated, if a user goes over the allocated
18 capacity, in terms of how it's triggered, and how
19 it would be charged, based upon the number of
20 days in the month?

21 MR. MADDEN: Right. The flows are --
22 the calculation is based on the average per day
23 over a month time. So, in other words, it would
24 be -- if they're exceeding their allotment in
25 that month by anything from 0 -- you know, 1

1 gallon and over, those fees -- that excess amount
2 would be applied -- would have the new rate
3 applied, the increased rate applied.

4 MR. SENA: Is it correct to say that
5 it would be charged -- if a user goes over for
6 the month, on average, then that overage, the
7 average would be charged each day per month?

8 MR. MADDEN: That is -- that is
9 correct.

10 MR. SENA: Okay.

11 MR. MADDEN: The intent is to assess
12 that per each day in that month.

13 MR. SENA: Correct. So if an
14 individual homeowner went over one day, they're
15 not going -- it's not going to kick in.

16 MR. MADDEN: No, as long as their
17 average for the month doesn't exceed their
18 allocation. In the case of a single homeowner,
19 it would be 300 gallons per day. So we would
20 not -- even if one day was -- they were 310, they
21 would not be subject to this, if their average
22 for that month was under 300.

23 MR. SENA: Okay. That's all the
24 questions I have, unless any members of the board
25 have any questions.

1 COMMISSIONER ANCLIEN: And this would
2 be for all users?

3 MR. MADDEN: Correct.

4 MR. SENA: Yes. That's a great
5 question, Commissioner Anclien.

6 Is it correct that the fee applies to
7 all users of the system across the board who are
8 rate payers?

9 MR. MADDEN: That is correct.

10 MR. SENA: No further questions.

11 CHAIRMAN TULLY: Okay. Any other
12 questions, anyone?

13 Okay. Can I get a motion to approve
14 Resolution 2023-77?

15 COMMISSIONER HAZARD: So moved.

16 COMMISSIONER SCIPIONE: Second.

17 MS. NICARETTA: Mr. Anclien?

18 COMMISSIONER ANCLIEN: Yes.

19 MS. NICARETTA: Mr. Hazard?

20 COMMISSIONER HAZARD: Yes.

21 MS. NICARETTA: Mr. Scipione?

22 COMMISSIONER SCIPIONE: Yes.

23 MS. NICARETTA: Mr. Tully?

24 CHAIRMAN TULLY: Yes.

25 MR. SENA: This concludes the rate

1 hearing.

2 CHAIRMAN TULLY: That concludes the
3 rate hearing.

4 (Whereupon, the hearing concluded at
5 5:28 p.m.)

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

C E R T I F I C A T E

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

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

Michael Lombardozzi,
Certified Court Reporter, State of New Jersey
CERT #: 30X100239700
Date: 29 Dec 2023

APPROVED

Resolution #2023 - 78 Resolution Adopting Amended Budget for FY 2024

Mr. Anclien made a motion to approve Resolution #2023 – 78, Mr. Scipione seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 79 Adoption of Certified Budget for FY 2024

Mr. Anclien made a motion to approve Resolution #2023 – 79, Mr. Hazard seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 80 Authorization to Hire Kristi Gano for Part – Time Employment

Mr. Scipione made a motion to approve Resolution #2023– 80, Mr. Anclien seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023-81 Return of Legal & Engineering and Inspection Escrows

Mr. Anclien made a motion to approve Resolution #2023 – 81, Mr. Scipione seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 82 Authorizing Michael Sciss to Execute Treatment Work Approvals

Mr. Hazard made a motion to approve Resolution #2023 – 82, Mr. Scipione seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 83 Designation of Depositories, Authorization of Signatories, Electronic Funds Transfers and Cash Management Plan

Mr. Hazard made a motion to approve Resolution #2023 – 83, Mr. Anclien seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 84 Designation of Public Agency Compliance Officer

Mr. Anclien made a motion to approve Resolution #2023 – 84, Mr. Scipione seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 85 Appointment of Risk Management Consultant

Mr. Hazard made a motion to approve Resolution #2023 – 85, Mr. Scipione seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 86 Amendment of Personnel Policies and Procedures
Manual and Employee Handbook

Mr. Anclien made a motion to approve Resolution #2023 – 86, Mr. Scipione seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

Resolution #2023 - 87 Employment of M. Lynn Lamonte as Manager of
Accounting Operations / Human Resources
Administrator

Mr. Scipione made a motion to approve Resolution #2023 – 87, Mr. Anclien
seconded the motion.

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

6. **Approval of Minutes:** Minutes of November 16, 2023

Mr. Hazard made a motion to approve the minutes from the November 17,
2023 meeting. Mr. Anclien seconded the motion.

Roll Call Vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

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

Mr. Anclien - The bills totaled \$533,251.01. All appears to be in order.

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

Roll call vote:	Mr. Anclien	-	Yes
	Mr. Hazard	-	Yes
	Mr. Scipione	-	Yes
	Mr. Sipos	-	Absent
	Mr. Tully	-	Yes

8. **Citizens' Privilege:**

None

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

10. **Adjournment of Regular Meeting:**

Mr. Ancien made a motion to adjourn the Regular Meeting. Mr. Scipione seconded the motion. All were in favor.

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
WORK SESSION MINUTES

DECEMBER 14, 2023

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

APPROVED

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. **Old Business:**

None

4. **New Business:**

None

5. **Professional Reports:**

a) Attorney –

b) Engineer –

Mr. Madden discussed the paving project phase II, flow metering, flow review, and the system capacity.

6. **RTMUA Reports:**

a) ADMINISTRATIVE REPORT

Mr. Sciss went over the items in the Executive Director's report.

b) OPERATIONS REPORT

1. Chief Operator's Report

Mr. Frank discussed the items in the Chief Operator's report.

- i) Overtime Recap
- ii) Septage / Greywater Recap
- iii) Monthly Flows

2. Laboratory Summary

Mr. Sciss discussed the upcoming laboratory renovation.

3. Maintenance Summary

Mr. Sciss discussed the items in the Maintenance Report.

b) COMMISSIONERS' COMMENTS

None

7. **Discussion:**

None

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

Chair Tully – We will be going into Closed Session to discuss Contractual Matters, Litigation Matters and Personnel Issues; we do not anticipate any official action will need to be taken once we come out of Closed Session.

Mr. Anclien made a motion to adjourn into Closed Session for the above stated purpose and Mr. Scipione seconded the motion. Closed Session was from 5:45 pm – 6:30 pm.

9. **Adjournment of Work Session:**

Mr. Anclien made a motion to adjourn the Work Session. Mr. Hazard seconded the motion. All were in favor. The Meeting ended at 6:31 pm.