
RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING MINUTES

MAY 16, 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	Here
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

Mr. Del Vecchio – We will be going out of order a little to go into a short Closed Session.

Mr. Watts – We will be going into Closed Session to discuss Contractual Matters regarding the Township of Raritan and we do not anticipate any action once we come out of Closed Session.

Mr. Kinsella made a motion to adjourn into Closed Session for the above stated purpose and Mr. Tully seconded the motion. Closed Session was from 5:02pm – 5:26pm.

4. APPLICATIONS:

- a) Application for Sanitary Sewer Service, Class II-A, Ferber Construction Management (Chase Bank) (Block 9 Lots 14.01 & 15)

Mr. Watts – Ms. Nicaretta and I spoke about this and there is a memo about it that she enclosed. The Authority needs to address the issue on the capacity so that the Developer knows what capacity he has or doesn't have and where it's coming from. As you can see from the memo, there was a tentative allocation under the last Point System; the Developer never sent plans so we couldn't make the allocation, so it's sort of sitting in limbo. The Authority needs to determine if it will grant that capacity if there are reports or plans that show that much capacity is needed or whether you won't and they have to wait to reapply; we've never had this come up before.

Mr. Miller – The situation is they have capacity under the Point System, and the project is on two pieces of property. The developer is here, they can explain.

Mr. Martell – The property is right next to Sonic, it's a deep piece of property. The proposal is to construct a Chase Bank at the front of the property, leaving about two and a half acres to the rear. We have received all our outside approvals and we hope to be under construction for the bank in two or three months. With the two and a half acres to the rear, there are certain technical aspects of the development of that property that are going to require that it be developed in coordination with Jack Cust; so to be direct with the Board, we do not know what we want to do back there. It's clearly an infill area and clearly it's an area we hope to, within a short period of time, come before the Planning Board or the Board of Adjustment with an application for the development of that rear piece. Focusing on the rear piece there have been some conceptual discussions that it would be developed in concert with Mr. Cust's conceptual apartments which is to the back to the rear of his property and maybe we do something together where we create kind of a larger apartment unit development; that's one possible opportunity. A medical office is a possibility; quite frankly, we just have not focused on it at this point, to a point where it is refined. In an ideal world, we'd like to move forward with the Chase Bank, which would allow us to start construction and get that completed and operational. We'd like to hold onto the capacity because it is certainly going to be used; the question is how much of it is going to be used. I hope to be able to tell you that within two or three months. Can we table that discussion for two or three months?

Mr. Kendzulak, Jr. – Basically what we are looking for is some kind of engineering plans or some type of good faith plan on what you are doing with this?

Mr. Coe – Plus it would have to be in accordance with the zoning.

Mr. Kendzulak, Jr. – I understand you are not the only individual that is in this situation where you went to a point allocation and received it conditionally but things haven't been done on your end to definitely have that capacity. What I would propose to do is to put a time line on this type of capacity; that there are certain things that have to be done by a time limit and by that point if you don't meet that deadline, you would have to go back and reapply again through another Point System allocation. I would propose six months.

Mr. Martell – Just to be clear, when we proposed to buy this property from Mr. Shuman, it sat around for a long time; we immediately developed this thing for Chase, our desire for the other piece is to do something that makes sense for the benefit of the town and for the benefit of us, do a good project back there and move on. I think six months is certainly more than generous and if we could reappear before the Board prior to that; but just so the Board is clear, whether it's going to require Planning Board approval which is consistent with the zoning or Board of Adjustment approval, which if we went with apartments, would require Board of Adjustment approval, consistency with the zoning is what I picked up on.

Mr. Kendzulak, Jr. – That would be a "D" use variance.

Mr. Martell – Yes.

Mr. Watts – We have an understanding with the Township, we can't reserve capacity for a development that requires a variance like that. You have to get the variance approval and then we could make the allocation.

Mr. Martell – We hope, within a six month period of time, there will be an application before the Board of Adjustment for that use variance. So we would get that "D" variance without site plan but come before the Board and say it's a real project and if not, it will take a different direction and we will do something consistent with the zoning. Six months will allow us to explore those opportunities.

Mr. Kendzulak, Jr. – The six months or as far as we define what the finish line is, where you need to be, it's not that you got your "D" variance you can say now you can develop it, I think what we are looking for is some type of site plan approval.

Mr. Watts – I think this applicant should plan on coming back in five months to give us an update and then at the end of six months we need to be in a position to enter into a Reservation Agreement or they should have their application pending for that variance.

Mr. Kendzulak, Jr. – For these other projects, Ms. Nicaretta identified two other ones that have the same thing, is define what the finish line is.

Mr. Watts – So you want to also write to the other two applicants and say we are going to give you six months.

Mr. Kendzulak, Jr. – Yes, I think it should be fair across the board.

Dr. Dougherty – Are you merging these lots?

Mr. Martell – Yes.

Mr. Kinsella – They are not conjoined yet?

Mr. Martell – No.

Mr. Del Vecchio – I like the idea of the six months, what I would like to find out is an end point, my thought would be that at minimum, their stuff would have to be in at the Township.

Mr. Watts – Or, you can have them be prepared to be required to enter into a Reservation Agreement by the end of the year or by the end of six months. So if they need a use variance they can get that application in before that so it's being acted on.

Mr. Kendzulak, Jr. – Just so the finish line is defined and if you don't meet it you know what happens. We don't want you to have an expectation of what is in your mind that you met it but in our minds you did not. I want to know going forward that we clearly define, at least from this body, what we are looking for.

Mr. Martell – I think like Counsel suggested, it is imperative that we appear at the five month mark. There's a chance that we have a status update regarding if we have an application pending or we just filed and we have a Planning Board meeting in however long.

Mr. Watts – Within that six month period, they have to either be prepared to sign a Reservation Agreement or their application has to be before either Board before granting capacity. The Board will treat the other two the same way and they will be notified.

Mr. Miller – Since we only approve whole EDUs, the 1.25 EDUs on the Application should be rounded up to 2 EDUs; the Resolution should be amended to reflect that.

Ms. Nicaretta – They are planning to start building the bank within two or three months, how will that affect any Reservation Agreement for that?

Mr. Watts – What was allocated under the Point System; 20 EDUs?

Ms. Nicaretta – Yes, but there is no formal Reservation Agreement for that.

Mr. Watts – Well they can get the two as a matter of right under the current policy and that will be irrespective of the 20 EDUs.

Ms. Nicaretta – I will do a Reservation Agreement with the owner of the one block and lot; Block 9 Lot 14.01?

Mr. Watts – Yes and then a Transfer Agreement right before the property changes hands.

Mr. Del Vecchio – Okay, so what we'll do, since they have 2 EDUs for this, we'll hold the other 18 EDUs for the other half.

Mr. Watts – Or we just give them the 2 EDUs as a matter of right, irrespective of any other conditional allocation and when they are ready to reserve the original 20 EDUs, we'll address it.

5. RESOLUTIONS:

Resolution #2013-31 Approval of Sanitary Sewer Service, Class II-A,
Ferber Construction Management (Chase Bank)
(Block 9 Lots 14.01 & 15)

Dr. Dougherty made a motion to approve Resolution #2013 - 31, Mr. Kendzulak, Jr. seconded the motion. All were in favor.

Resolution #2013 - 32 Authorization to Execute Reservation of Wastewater
Treatment Capacity Agreement, Islamic Center of
Hunterdon County (Block 43 Lot 13)

Ms. Tubman – This project has an application pending with the Raritan Township Planning Board, that application is variance free and based upon calculations and discussion with your consulting engineer, they are requesting to reserve 4 EDUs.

Mr. Coe – I can confirm that we did go through the plan for the structure and it's consistent with what we've done in the past for places of worship and 4 EDUs is the appropriate allocation.

Mr. Del Vecchio – And it falls under our “up to 5 EDUs policy”.

Dr. Dougherty made a motion to approve Resolution #2013 - 32, Mr. Kendzulak, Jr. seconded the motion. All were in favor.

6. Approval of Minutes: Minutes of May 16, 2013

Mr. Kinsella made a motion to approve the minutes from the May 16, 2013 meeting. Mr. Tully seconded the motion. All were in favor. Mr. Del Vecchio abstained.

7. Treasurer's Report / Payment of Bills:

Mr. Kendzulak, Jr. - The bills totaled \$583,847.64.

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

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

8. Citizens' Privilege:

None

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. Tully seconded the motion. All were in favor.

**RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
WORK SESSION MINUTES**

MAY 16, 2013

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

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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 –

Mr. Watts – We have a situation that we haven't had before. We have a property with a sanitary sewage allocation; they have a proper reservation agreement for the regular development but also for COAH. This is the Cedar Grove property. The property went into default and Team Capital Bank has taken it from mortgage foreclosure. The bank, rightfully so, wants to make sure it has the capacity for the property it now owns. Normally when property changes hands, we do a Transfer Agreement but in this case my recommendation, because we don't have parties to sign that they are agreeing to transfer it, the property has, as a matter of law, been transferred, that we simply do an Amendment to the two existing Agreements, one for COAH and one for the regular one, and just insert Team Capital Bank so they pick it up right where it is so they have to meet the same deadlines. When they sell it, we'll go through our normal procedure but in this case I recommend that the Board authorizes an Amendment to the Agreement putting the bank as owner. Once the Amendment is done, we will bring it back before you to pass a resolution to approve it.

Mr. Del Vecchio – I don't think any of us have a problem with that.

b) Engineer –

Mr. Coe – I want to make sure the Board stays in the loop on this; Robin Hill Pump Station, there have been a lot of questions over the past several months regarding fences or not, gates or not. At the last meeting there was concern over the Authority rights to build fences that may obstruct the access to the bridge. Mr. Watts has provided the Authority with a memo in that regard. I spoke with him today, and it's my recommendation and I believe Mr. Watts agrees that we proceed as planned, the plans provide for an eight foot unobstructed easement in which a six foot path will be restored; similar to what was there when the project was started; a six foot wide, pedestrian path. Then we are done. I know we had discussion on trying to stop the quads from utilizing the path but I think it was decided to leave the issue of the four wheelers to somebody else, perhaps law enforcement or whoever and the Authority will build the fence the way it was originally going to be built. The job needs to get done. All I'm looking for, since the Board has been so involved with this, is for you to say yes, we agree.

Mr. Del Vecchio – We agree.

Mr. Watts – I think the Board of Education should get one more letter from us saying that based upon an inspection that we had our engineers perform, it's their opinion that the bridge is not safe or needs to come down or be repaired and then we can wash our hands of this. The Board of Education's attorney has not answered phone calls or letters.

Mr. Kendzulak, Jr. – Can we go on record as what you're saying is that we have nothing to do with that.

Mr. Watts – Again, I think I should send the Board of Education's attorney another letter and remind him that the bridge and path have nothing to do with the Authority. I think that would be wise.

Mr. Kendzulak, Jr. – Mr. Coe, I have a question on the Woodside Farms Pump Station project. The homeowner's association is currently signing the LURP form? They're the owner of that? Why wouldn't we be signing it?

Mr. Coe – Apparently they are the property owners.

Mr. Kendzulak, Jr. – Mr. Coe, the DEP and the FWWF Renewal of the permit, where do we stand with that?

Mr. Coe – It's in the hands of DEP and Ms. Margaret Carmeli.

Mr. Watts – We're waiting for a response from the State.

Mr. Kendzulak, Jr. – Flemington Borough is in the loop with it, right? Regarding the Flemington Borough Agreement, Mr. Phil Velella said they feel like they're giving something up when it comes to this instantaneous flow, how we're measuring it. What I'd like to do is have a meeting, keep it small, with Mr. Velella, myself, Mr. Coe and Mr. Jerry Harris and find out if we're going anywhere

with this thing; is there a deal breaker, if there is, let's expose it and if we can't fix it then we know we'll have to live by the old Agreement with it. If it's a matter that we can come to language with the engineers, get them to both agree on it, let's tailor the language to make it work. He's been getting a lot of push back on his end from his people so unfortunately, though we're progressing, there's been a big step back. Mr. Vellella was hoping we could meet on May 29th. Mr. Coe, I don't know if that works for you and I don't know if it's going to work for Mr. Harris either. He mentioned the FWWF and the NJDEP and it maybe reflective in the language we used in the last draft that they may think we are going to jump in and pay more than we should.

Mr. Watts – That shouldn't matter because the underlying Agreement still is the 80 / 20 split.

Mr. Kendzulak, Jr. – He did mention that ratio. I'd like to find out where we stand with this whole thing. If we highlight the things we're in disagreement with, if we can't deal with it, we can't deal with it and we know where we are. We modify the Agreement with where we can come to an agreement and maybe these issues are dealt with item by item like we did the last time. What I don't want to do is take it to a point and forget about it.

Mr. Coe – The 29th is okay with me.

Mr. Kendzulak, Jr. – With the concurrence of the Board, I think it's personally better if it were two people.

Mr. Watts – It's not a legal issue.

Mr. Kendzulak, Jr. – The two that are in disagreement are the two engineers where they can't get to this but if we can't have a meeting of the minds, so be it.

Mr. Kinsella – I think Mr. Miller should be at that meeting too just so they know it's not just a sub-committee.

Mr. Kendzulak, Jr. – Okay, but now we're bringing in another person and they'll need to bring in another person. What I don't want to do is get into those meetings we had in the beginning, if we make it too big, we're not going to come to a point, but maybe Mr. Diehl and Mr. Miller can add something to it. Another thing was with the Flemington Bill, they said it was inconsistent; they weren't paying for this, what's this? Mr. Miller and I had a discussion on this, and I think they were valid questions that Flemington Borough was raising; the problem was that this meeting that Mr. Miller, Mr. Schreck and Mr. Diehl had, Mr. Harris should have been at. In the future if Mr. Harris can't come, forget that meeting, you can't have these meetings without him there.

6. RTMUA Reports:

- a) Administrative Report - ok
- b) Operations Report
 - 1. Chief Operator's Report - ok
 - 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) Conditional Point System Capacity

Mr. Watts – We covered this previously and we'll send a letter out.

- b) Oakridge @ Flemington (Apts.) – Flemington South – Phase V

Mr. Del Vecchio – What is this Mr. Miller?

Mr. Miller – Basically, almost every other condo, townhouse kind of development; our Sewer Rental Unit Schedule for those go by one bedroom, two bedrooms, three bedrooms. One bedroom is billed as .80 units used, two bedrooms are billed as .90 units used, and three or more bedrooms are 1 unit used. Oakridge for some reason is being, and it's always been this way, no matter how many bedrooms they have, they are being billed 1 unit and someone brought it to our attention so I'm bringing it to yours. Should it be on a percentage basis as our Sewer Unit Rental Schedule says it should?

Dr. Dougherty – How far back does this go?

Mr. Miller – Forever but our resolution for errors only takes us back four years.

Dr. Dougherty – How much money are we talking about?

Mr. Miller – I haven't figured that out yet.

Mr. Kinsella – How many units are in there; about a hundred maybe?

Mr. Kendzulak, Jr. – Is this something the Capacity Committee should discuss?

Mr. Miller – Probably. They bill individually, about a hundred bills.

Dr. Dougherty – A hundred bills, four years.

Mr. Del Vecchio – You'd have to figure out the credit for each apartment, then you get into each tenant and if someone moved out of or into an apartment. Who was this brought to our attention by?

Mr. Miller – Ms. Kathy DeLuca but because of one tenant.

Mr. Del Vecchio – Why?

Ms. Nicaretta – Because they own two residences and one is getting billed one way and the other is getting billed another way and they saw the Sewer Rental Unit Schedule on the website.

Mr. Del Vecchio – Do we know everything else is being billed consistently?

Mr. Miller – I don't know yet.

Mr. Kendzulak, Jr. – If you do it here and find more, you have to do it for everyone.

Mr. Del Vecchio – Before we can discuss this one, what you'll need to do Mr. Miller is go through every one and figure out if we're billing consistently. It needs to be fair throughout the rate payers.

Ms. Nicaretta – The flow criteria for this development, it looks like they broke it down per bedroom too when they figured out the capacity for the development.

Mr. Miller – Maybe it's by the date of a development, when it was built.

Mr. Del Vecchio – Maybe before a certain date it was done a certain way and maybe after a certain date it was done another way. Mr. Miller, you need to research it.

Mr. Miller – Yes.

Mr. Del Vecchio – Then we'll have to calculate the impact.

Mr. Coe – You'll have to figure out which apartments have how many bedrooms in it, maybe through the tax office.

c) Raritan Township Allocation Request

Mr. Del Vecchio – We've discussed this somewhat in the previous Closed Session but we need to discuss it more.

8. Adjourn into Closed Session by Motion, if Needed

Mr. Watts – We will be going into Closed Session again to discuss Contractual Matters regarding the Township of Raritan and we do not anticipate any action once we come out of Closed Session.

Mr. Kinsella made a motion to adjourn into Closed Session for the above stated purpose and Mr. Tully seconded the motion. Closed Session was from 6:23pm – 7:19 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 7:20 pm.