

BORDENTOWN SEWERAGE AUTHORITY
MEETING MINUTES
December 19, 2016

The meeting was called to order by Chairman, James E. Lynch, Jr., at 6:00 p.m. in the Conference Room of the Authority located at 954 Farnsworth Avenue, Bordentown, New Jersey.

In compliance with the Open Public Meetings Act, adequate notice of this meeting was provided in the following manner:

- a. Posting written notice on the Official Bulletin Board of the Bordentown Sewerage Authority on February 27, 2016,
- b. Mailing written notice to THE TIMES and BURLINGTON COUNTY TIMES on February 27, 2016; and
- c. Filing written notice with the Clerks of the City of Bordentown and Township of Bordentown and mailing written notice to all persons who requested and paid for same on February 27, 2016.

The following persons were in attendance: Board Members James E. Lynch, Jr., M. Ellen Gulbinsky, Stephen Monson, Leonard J. de Groot, Zigmont F. Targonski, and Joseph R. Malone III. Also in attendance were: Executive Director Richard D. Eustace, Administrative Manager Elizabeth J. Kwelty, the Authority's Solicitor Thomas J. Coleman, III, the Authority's Engineer Richard B. Czekanski, and Township of Bordentown Liaison Deputy Mayor Stephen Benowitz.

On motion by Monson, seconded by Targonski, it was moved to approve the regular meeting minutes of the November 21, 2016 meeting.

No discussion on the minutes.

Recorded vote:

| | |
|------------|---|
| Ayes: | Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone |
| Nays: | None |
| Abstained: | None |
| Absent: | None |

On motion by de Groot, seconded by Targonski, it was moved to adopt Resolution 2016-086, approving the December payment of bills from the Operating Fund in the amount of \$170,871.02 of which \$99,924.20 is a payroll transfer and \$2,421.45 is a capital expense.

No discussion on this Resolution.

Recorded vote:

Ayes: Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone
Nays: None
Abstained: None
Absent: None

On motion by Gulbinsky, seconded by de Groot, it was moved to adopt Resolution 2016-087, approving the payment of December bills from the Escrow Fund in the amount of \$14,399.07.

No discussion on this Resolution.

Recorded vote:

Ayes: Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone
Nays: None
Abstained: None
Absent: None

On motion by Targonski, seconded by Malone, it was moved to adopt Resolution 2016-088, approving the credits and/or refunds of customer accounts in the amount of \$1,185.78.

No discussion on this Resolution.

Recorded vote:

Ayes: Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone
Nays: None
Abstained: None
Absent: None

I. AGENDA ITEMS FOR DISCUSSION AND/OR ACTION:

A. PUBLIC AGENCY COMPLIANCE OFFICER

On motion by de Groot, seconded by Gulbinsky, it was moved to adopt Resolution 2016-089, authorizing the designation of Richard D. Eustace as the Public Agency Compliance Officer (P.A.C.O.) for the Authority.

No discussion on this Resolution.

Recorded vote:

Ayes: Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone
Nays: None
Abstained: None
Absent: None

B. AWARD OF CONTRACT:

On motion by de Groot, seconded by Gulbinsky, it was moved to adopt Resolution 2016-090, authorizing the 2017 agreement (Contract 2017-C1) for extraordinary, unspecifiable, services between the Bordentown Sewerage Authority and Lookfirst Technology, LLC for operating system and computer hardware maintenance support in the amount of \$13,140.00.

In answer to Mr. Malone and Mr. Targonski, Mrs. Kwelty confirmed the three information technology resolutions are annual agreements.

Recorded vote:

| | |
|------------|---|
| Ayes: | Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone |
| Nays: | None |
| Abstained: | None |
| Absent: | None |

C. AWARD OF CONTRACT:

On motion by Gulbinsky, seconded by Malone, it was moved to adopt Resolution 2016-091, authorizing the 2017 agreement (Contract 2017-C2) for extraordinary, unspecifiable services between the Bordentown Sewerage Authority and Harris Computer Systems for professional application software support in the amount of \$16,780.34.

No discussion on this Resolution.

Recorded vote:

| | |
|------------|---|
| Ayes: | Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone |
| Nays: | None |
| Abstained: | None |
| Absent: | None |

D. AWARD OF CONTRACT:

On motion by Gulbinsky, seconded by de Groot, it was moved to adopt Resolution 2016-092, authorizing the 2017 agreement (Contract 2017-C3) for extraordinary, unspecifiable services between the Bordentown Sewerage Authority and Duplitrion, Inc. for imaging system software onsite maintenance support in the amount of \$6,750.00.

No discussion on this Resolution.

Recorded vote:

| | |
|-------|---|
| Ayes: | Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone |
| Nays: | None |

Abstained: None
Absent: None

E. PCB SAMPLING:

On motion by Targonski, seconded by Gulbinsky, it was moved to adopt Resolution 2016-093, authorizing the award of contract for PCB sampling and reporting plus completion of PCB pollutant minimization plan as per the Bordentown Sewerage Authority NJPDES Permit #NJ 0024678 in the amount of \$16,500.00 to Remington & Vernick Engineers.

No discussion on this Resolution.

Recorded vote:

Ayes: Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone
Nays: None
Abstained: None
Absent: None

II. PROFESSIONAL REPORTS:

A. EXECUTIVE DIRECTOR:

OPEN SEWER CONNECTION ACCOUNTS:

East Haven Woods (Thorntown Lane Project); 4 Anna Rose Court approval of S-4 application and connection fee of \$7,684.00 was received. Petro 314 Site approval of S-1, S-2, S-3, and S-4 applications.

Department of Environmental Protection inspector determined the Township and City collection systems are in compliance with permit conditions. The executive director spent 13.00 hours and the administrative staff spent 14.00 hours on developer projects. Mr. Eustace asked if anyone has any questions about the monthly financial report.

840 ROUTE 206, LLC DISCUSSION WITH APPLICANT:

Mr. Czekanski provided a summary of the project to date. The initial application did not have enough information to provide an exact connection fee amount. So, with the information provided and based on the history of Authority hotel projects, we endeavored to provide an idea of known charges that were applied to similar projects in the past.

The applicant would like a reduction in connection fees. There is discussion about reducing the amount of washing machines, and changing the pool filtration system. The applicant is looking for a waiver of fees for all space on the first floor including meeting rooms, fitness rooms, and open/common areas. All other projects in the Authority

service area have paid flow rates for external square footage of the building including spaces designated as lobby, office space, fitness rooms, and meeting rooms.

The applicant was asked to provide exact numbers for the car wash connection fee calculation including the maximum number of cars washed per day, and the reclaim rate for the conveyance system. The applicant was also asked to provide details of the open/common areas of the hotel for the hotel connection fee. The finalized numbers from the applicant will allow for a correct connection fee to be determined.

The applicant says they have a contract with Fort Dix joint base. This contract states the meeting rooms are closed for military personnel and every person in the meeting room will be staying in the hotel. There will be no outside use of the Assembly rooms. The applicant is requesting all open/common areas on the first floor (lobby, breakfast nook, fitness area, meeting rooms) to be excluded from the connection fee.

Mr. de Groot asked about the military contract. Mr. Monson asked why the Authority would be concerned with outside use. Mr. Czekanski said it does not matter who the contract is with. The issue and request is based on any individual in the assembly room is staying at the hotel in one of the 119 rooms. The usage paid for in the room connection fee should cover any usage in the assembly rooms.

Mr. de Groot feels the extra money for meeting rooms is completely justified.

Mr. Lynch asked to hear from the applicant. Mr. Spadaccini, attorney for the applicant spoke to the board about the contract with the military and that the layout of the hotel with the extra meeting rooms is only for the military. Mr. Spadaccini expressed that the applicant is prepared to pay the 40% down payment of the connection fee before the end of the year to hold the 2016 connection fee rates. As a result of the military contract pending, Mr. Spadaccini feels that there is no precedent being set in waiving extra fees.

Christopher Vernon, Principal and Developer, spoke about the details of the military contract which requires the hotel to be open December 31, 2017. Mr. de Groot provided information based on his knowledge of the military. Mr. Vernon then provided more details on the car wash volumes. The system he is purchasing has the highest water recycling rate. Their target is 60,000 vehicles per year and reclaim 84% – 85% of water.

Mr. Monson asked if Mr. Czekanski is missing any other critical information from the Hotel portion of the application. Mr. Czekanski

explained that there are missing items like pool filter type and number of washing machines. The other issues about lobby areas that could one day turn to office space is not something Mr. Czekanski can make a decision on. All other projects in the Authority service area are charged for open/common areas.

Mrs. Gulbinsky confirmed Mr. Czekanski's statement that the Authority needs to remain consistent. If the Authority makes an exception and we have other developers and permittees who have been treated a certain way, and suddenly we waive something for one permittee that leaves us vulnerable to legal action.

Mr. de Groot asked if the State of New Jersey has averages for car washes. Mr. Lynch explained that the applicant is going to furnish us information about their system. You can't use state numbers for a different system.

The TWA has not yet been submitted because the flow has to be finalized.

It was asked of the applicant if they are willing to pay 40% of the maximum calculated connection fees at this time. Mr. Spadaccini clarified that they wish to pay 40% of the minimum fees. Mr. Monson clarified that 40% is for both the Hotel and Car Wash.

Mr. Lynch recommends keeping both projects (hotel and car wash) together. Mr. Eustace confirmed to Mr. de Groot that a deferred connection fee agreement is normal practice for this Authority. The developer signs the agreement, pays 40% up front and then pays the remaining balance in 12 monthly payments. A certificate of occupancy will not be issued unless the full connection has been paid as per the signed revocable S-4.

Mrs. Gulbinsky asked how the Authority calculates open space/common areas. Mr. Coleman confirmed the Authority charges for open space/common areas. Mrs. Gulbinsky feels if any concessions are provided, the Authority will have to remember this forever as it would deviate from our Rules and Regulations. All board members said they do not want to change the rules.

Mr. Lynch summarized the meeting by confirming the Authority will accept the payment of connections fees from the applicant before the end of the year in order to be able to pay the 2016 connection fee rates.

Mr. Spadaccini also wanted to talk about the connection fee credits for the existing structure. The Authority previously decided on a credit of five

units. The applicant would like more consideration provided based on the structure layout being built and type of use.

Mr. Monson voiced concerns about whether or not the project should be able to move forward paying 2016 rate when all the information has not yet been received.

Mr. Czekanski and Mr. Coleman assured Mr. Monson that if all of the information is not received this entire issue is moot. The professionals will not allow the project to move forward without the appropriate documentation.

Mr. Eustace is authorized to sign the deferred connection fee agreement on behalf of the Authority provided the professionals have received all outstanding items.

B. GENERAL COUNSEL:

Mr. Coleman briefly updated the board on the month's activities. Mr. Coleman's time was spent on 840 Route 206, LLC hotel and car wash, as well as Bordentown Waterfront deed and easements, worked with Bordentown Township's engineer on the Central Crossings utilities issues and Petro project professionals.

C. ENGINEER:

Mr. Czekanski reported briefly on the month's activities and his report is attached to these minutes and made a part thereof.

Mr. Eustace requested an explanation of the three Treatment Works Applications of Bordentown Waterfront Community be provided to the Board. Across the railroad tracks and right or left into the development, there is only a small portion of the sewer in the Township right-of-way. Everything the Authority is going to own is in the public right-of-way plus the pump station. Ownership of the sewer lines is clearly indicated by the separation of the Treatment Works Approval applications. The Authority will not maintain any lines in the privately owned property within the community.

Mr. Monson asked about the Bordentown Waterfront Community Phase II properties where the homes are constructed below level. Phase II will flow gravity to Phase II pump station. Phase II pump station will pump to Phase I pump station. Phase I pump station pumps to treatment plant via force main on Route 130.

Mr. Malone asked for the flow out of the Edgewood Motel and previously existing trailers that were on Route 130.

III. PUBLIC PARTICPATION:

In attendance was Township Liaison Deputy Mayor Stephen Benowitz who left before the end of the meeting at 6:55pm. In attendance for applicant 840 Route 206, LLC was attorney Dino Spadaccini, Principal Chris Vernon, Engineer Matt Walsh, Engineer Mark Malinowski, and Property Manager John Oliver.

On motion by Monson, seconded by Targonski, it was moved to approve Resolution 2016-094 and meet in executive session.

Recorded vote:

| | |
|------------|---|
| Ayes: | Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone |
| Nays: | None |
| Abstained: | None |
| Absent: | None |

On motion by Targonski, seconded by Malone, it was moved leave executive session.

Recorded vote:

| | |
|------------|---|
| Ayes: | Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone |
| Nays: | None |
| Abstained: | None |
| Absent: | None |

On motion by Gulbinsky, seconded by Targonski, it was moved to adjourn the meeting at approximately 7:40 p.m.

Recorded vote:

| | |
|------------|---|
| Ayes: | Lynch, Gulbinsky, Monson, de Groot, Targonski, Malone |
| Nays: | None |
| Abstained: | None |
| Absent: | None |

Respectfully submitted,

APPROVED ON:

January 17, 2017


Stephen Monson, Secretary

**BORDENTOWN SEWERAGE AUTHORITY
ENGINEER'S STATUS REPORT FOR DECEMBER 2016 MEETING
PREPARED BY REMINGTON VERNICK & ARANGO (RV&A) ENGINEERS**

DEVELOPMENT TOPICS:

- **Bordentown Waterfront Phase II: River Side of River Line Tracks:**
 - ▶ **Apartments/Townhouses:** There are three NJDEP treatment works permit applications associated with this development namely, the Authority's portion of the sanitary sewer collection system located within the Township's right of way along with the pump station force main piping; the Authority's pump station; and the privately owned portion of the sanitary sewer system. Last week, all three permit applications were judged to be administratively complete by the NJDEP. The permit review period is approximately 2.5 months.
 - ▶ **Volunteers of America on Burlington Road:** This proposed private conveyance system has its wastewater discharge flowing into the Phase II complex. We are waiting for a response to our review letter comments.
- **Rising Sun Road Pump Station Improvements:**
 - ▶ **Force Main System:** The Authority has received the NJDEP treatment works permit. This week the Applicant's engineer is commencing work on the pump station design upgrade work. In order to replace the force main easements must be obtained to access the construction area.
 - ▶ **Route 206 Sanitary Sewer by Armory:** Work was substantially completed last week. Approximately 460 linear feet of 8 inch diameter pipe was replaced with 15 inch diameter pipe to eliminate a bottleneck within the conveyance system.

- **Rising Sun Road Petro Restaurant:** Two S-4 applications for payment in 2016 have been received, one for the fuel pumps (\$75,000.00) and a second for a building addition that will contain an Arby's restaurant (\$36,000.00). Any acceptance is conditional on both our review comments being addressed and an acknowledgement of acceptance of a Petro financial contribution from GS Realty who is financing the downstream Rising Sun Road conveyance system improvements.
- **Enterprise Rent A Car:** The Applicant proposes to convert a portion of their office building to a hand wash car wash area. A proposed oil/water separator installation has been provided. We are providing review comments.
- **Route 206 Marriott/Car Wash Site:** On two occasions last week Ms. Kwelty; Mr. Eustace and Richard Czekanski met with the Applicant's representatives to discuss the basis of the connection fee calculations. This site is located across from Mastori's restaurant on Route 206. Over the past 6 months there has been demolition and site work activity at the site.

The proposed hotel is a 4 story structure containing 119 rooms. On the first floor is a lobby area; breakfast area; swimming pool; two larger assembly rooms and a boardroom.

Separately and located closer to the Route 206 railroad track overpass is a proposed freestanding building to be utilized as an automatic car wash.

It has been made clear to the Applicant's representatives both in writing and verbally that the Authority is willing to consider the hotel and car wash as two separate projects. Based on the inclusion of all the hotel facilities the hotel requires a NJDEP treatment works permit while separately the car wash does not. There had been little movement by the Applicant to justify the proposed car wash flow and Mr. Eustace believed by separating the projects the NJDEP treatment works permit application could be moved forward thereby expediting the overall project schedule. However at this time the Applicant is proposing modifications to their original hotel design in order to reduce the hotel projected flow and associated connection fee. The other Applicant incentive is to pay a connection fee in 2016 prior to the 2017 connection fee increase.

It is the Board's decision as to how to address the Applicant's December 16th correspondence regarding connection fee relief. At Tuesday's meeting the discussion concerning relief centered on the Applicant

stating based on contractual obligations military personnel will be housed at the hotel and the assembly rooms would only be used by hotel occupants for training and no outside use of these rooms will be contracted.

The letter asks for more relief than just the assembly areas. The letter requests relief from associating any first floor lobby area facilities with the connection fee. Lobbies have been included in the Authority connection fee calculations for all past hotel applications as well as office buildings; banks; etc.. Ignoring any credits for what previously existed on the site the amount of proposed relief is as follows:

Calculated 2016 Connection Fee With No Site Credits: \$668,348.00

Less voluntary deductions:

| Deduction Item | Discharge Deduction (GPD) | Monetary Deduction |
|--|---------------------------|--------------------|
| One washer used (instead of four) | -1740 | (\$87,000) |
| Cartridge pool filtration system (produces zero backwash water into the Authority's conveyance system, as opposed to standard filtration unit) | -206 | (\$10,300) |

Revised 2016 Connection Fee: \$571,048.00

Less deductions requested by Authority Board relief:

| Deduction Item | Discharge Deduction (GPD) | Monetary Deduction |
|--|---------------------------|--------------------|
| Exclusion of 2 assembly rooms and one boardroom due to military contract where the only use of these facilities will be hotel occupants. 351 possible outside attendees are excluded under this waiver at 3 GPD per person | -1053 | (\$52,650) |
| Exclusion of lobby area (Gathering area; fitness area; breakfast area) | -201 | (\$10,050) |
| Other first floor areas (Bathrooms; hallways; mechanical room, etc.) | -443 | (\$22,150) |

Revised Adjusted Connection Fee: \$486,198.00

The Applicant's letter combines car wash facility issues in with the hotel. Mr. Eustace requested supporting materials for any car wash flow consideration which have still not been submitted. We believe these type of discussions should not have reached the Board level as if information was submitted as requested numbers pulled out of air would not be presented for Board member's consideration. Briefly, items that have never been clarified by the Applicant are as follows:

- Working hours per day have been calculated to be 7.5 hours on one form and identified as 12 hours on another.
- Per the automatic vehicle conveyance system manufacturer the car wash can accommodate 70 cars per hour. This has not been disputed to date by the Applicant. On one form the Applicant used 500 cars per day.
- The car wash will possess a water recycle system. Per the manufacturer there is a range of efficiencies in their recycle systems. Mr. Eustace requested backup on what was actually being purchased as a lower efficiency unit will return more water to the collection system and have a dramatic effect on the connection fee amount.
- At Friday's meeting the Applicant stated the number of vehicles projected to be washed per day was 200. In the letter for the Board's consideration the number utilized was 164. So the range of vehicles per day presented to date ranges from 164 to 840 (12 hours by 70) with no supporting information.

**End of Report - Prepared by Richard B. Czekanski, PE, BCEE, CME
Remington Vernick & Arango Engineers**