

**SOUTH AMBOY REDEVELOPMENT AGENCY**  
**MINUTES OF THE JANUARY 5, 2017 MEETING**

**Public Session**

Chairman Kevin Meszaros called the meeting to order and led the Agency Commissioners, professionals and attending public in the Salute to the Flag. He then certified that this meeting had been advertised as prescribed by law.

ROLL CALL: Benjamin Block, Tony Gonsalves, Kevin Meszaros, John O'Connell, Camille Tooker

ABSENT: Zusette Dato, Craig Coughlin, Esq.

Also in attendance: Eric Chubenko, Executive Director  
Kevin McManimon, Esq.  
Mayor Henry

Chairman Meszaros opened the meeting by introducing the evening's bill list and said the general bill list contained fees for monthly legal services, rent and utilities. (*Agenda Items no. 7.B.1.*)

Benjamin Block made a Motion to approve the Bill List as submitted. The Motion was seconded by Tony Gonsalves.

ROLL CALL: Block – yes, Gonsalves – yes, Meszaros – yes, O'Connell – yes, Tooker – yes

There was no Escrow list presented at this meeting.

Chairman Meszaros called for a Motion to approve the December 1, 2016 Agency Meeting Minutes (*Agenda item no. 12. A.*)

A Motion to approve the December 1, 2016 Agency Meeting Minutes as presented was made by Tony Gonsalves. Camille Tooker seconded the motion.

ROLL CALL: Block – yes, Gonsalves – yes, Meszaros – yes, O'Connell – Abstain, Tooker – yes

Eric Chubenko then by introduced Kevin McManimon from the firm McManimon, Scotland & Baumann, LLC who provided the Commissioners with the following summary of the proposed settlement terms for the Resolution of the outstanding litigation among SARA, the City of South Amboy and the South Amboy Redevelopment Agency:

- NRG will pay \$100,000, for the purpose of covering McManimon, Scotland & Baumann legal fees for the litigation through September 30, 2015. Also, the firm has separate bills for services to get NRG to finalize the Settlement terms and the Settlement Agreement. This resolution authorizes payment of such invoices in an amount not to exceed \$15,000.
- NRG will transfer, to SARA, an approximately 2 acre-sized portion of the larger NRG owned parcel. It will be necessary to subdivide that 2-acre portion (the "Settlement Parcel") from the larger parcel, and SARA will be responsible for effectuating that subdivision. Mark Rasimowicz has already prepared a survey and legal description of this 2-acre parcel. The City of South Amboy Planning Board also will need to approve the subdivision.

- The conveyance will be As-Is. NRG will have no liability with respect to the environmental condition of the Settlement Parcel.
- SARA will indemnify NRG for any releases or spills that may occur on the Settlement Parcel after the conveyance (unless such release or spill is caused by NRG).
- Costs for ISRA compliance - In order for NRG to convey the Settlement Parcel to SARA, it will be necessary to comply with certain requirements under the Industrial Site Recovery Act (ISRA). NRG has an environmental report that was submitted to the DEP that they will provide when the Settlement Agreement is finalized. That report should give a better idea whether this part of the Settlement Parcel is affected by material environmental issues. As noted, we have built into the Agreement the right to decline, for any reason, to take title to the Settlement Parcel. So, if a more thorough environmental investigation (including review of their report and any investigation SARA does separately) reveals serious issues, SARA may not want to take title.
- SARA has the right to decline to accept title to the Settlement Parcel for any reason (most likely, if at all, because of the environmental condition).
- The parties will dismiss all the claims in the NRG litigation and the Redevelopment Agreement will be terminated.
- Monetary Liens - all monetary liens have been discharged. A Notice of Settlement will be recorded upon execution of the Settlement Agreement. This is a document recorded in the County's land records that gives notice of SARA's interest in the property. That should sufficiently protect SARA against a subsequently filed lien, although we would have to close within 120 days of filing of the Notice. Moreover, NRG has agreed to record a Memorandum of the Settlement Agreement, which is another recorded document evidencing SARA's interest in the property. That memorandum will either be discharged when we close or when SARA notifies NRG that it does not want the Settlement Property, if applicable.

Camille Tooker asked for clarification and it was confirmed that there are no restrictions regarding what the property is used for. South Amboy City Council also will need to approve the Agreement by Resolution at its next meeting.

Kevin Meszaros called for a Motion on Resolution Approving A Settlement Of Genon Rema, LLC And NRG Energy, Inc. V. South Amboy Redevelopment Agency And The City Of South Amboy Docket No. MID-L-0390-13. (*Agenda Item no. 7.A.2.*)

Camille Tooker made a Motion to approve Resolution M 01-05-17:01. The Motion was seconded by Tony Gonsalves.

ROLL CALL: Block – yes, Gonsalves – yes, Meszaros – yes, O'Connell – yes, Tooker – yes

Eric Chubenko then addressed recent correspondence from TRC regarding Wische and the former South Amboy Sewage Treatment Plan. A summary follows:

1) Wische - TRC has indicated that they need another \$34,090 to complete the remedial investigation report for the property. TRC identified that there is \$50,000 left in the initial HDSRF Grant, but that they would have to file an amended proposal to the DEP to release these funds towards completion. If approved, it appears as though the remaining funds would cover this work.

2) Former South Amboy Sewage Treatment Plant - TRC has indicated that there is a requirement that the City's former Sewage Treatment Plant property have a remedial investigation report completed by May

17, 2017. TRC has submitted a cost estimate for the work to be performed for the City in the amount of \$74,800. It does not appear that any money was ever awarded to the City to complete this work.

With regard to TRC's qualification with the City or SARA, Kevin McManimon said that if you engage a company to perform a specific task, and they did that and this is a next step they may not need to be requalified and approved.

Eric Chubenko said that he would further investigate and coordinate the appropriate representation at an upcoming meeting if there were any decisions to be made by this Board.

Kevin McManimon exited the meeting at this time.

Camille Tooker said that the remediation work on the Ferry terminal is going well. She was told the other day that they would be done within three weeks. Meetings continue with regard to the terminal and design.

Benjamin Block asked what was going on with Lower Main Street and the stones that were present at that location. Camille Tooker said that was Seth Yaroni's Raritan Point mixed use commercial and residential project that was approved a few years ago.

Camille Tooker added that the roadway from Broadway to Radford Ferry Road is going to be repaved by the County in early Spring.

Camille Tooker noted that Ryan Homes pulled permits for their second building.

Benjamin Block asked for an update on Sherman and the Manhattan Beach Club project. Mayor Henry said that they were going to have representatives from Sherman so that the City could get an update on what they're doing. He knew that they were in discussions with a few developers. Eric Chubenko confirmed that Sherman was actively pursuing developers from smaller to larger firms across the United States.

Chairman Meszaros opened the meeting to the public. With no public wishing to speak, Chairman Meszaros closed the public portion of the meeting. He then requested a Motion to adjourn.

A Motion to adjourn was made by Camille Tooker. Tony Gonsalves seconded the Motion.

Voice vote taken: all in favor.

Meeting adjourned.

Submitted by:

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Stacey Kennedy