



State of New Jersey

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MEMORANDUM

To: Landowner Equity and Land Preservation Committee
From: Margaret Nordstrom, Executive Director
Subject: Committee Meeting Minutes – May 31, 2016
Date: June 9, 2016

A Landowner Equity and Land Preservation Committee meeting was held on Tuesday, May 31, 2016 at the Highlands Council office in Chester. Committee Members present: Committee Chair Walton, and Committee Members Dressler, Francis, and Visioli.

Staff Members present: Margaret Nordstrom, John Maher, James Humphries, Kim Ball Kaiser, Jim Hutzelmann, Carole Ann Diction, and Annette Tagliareni

Also present by phone: Lisa LeBoeuf, Assistant Counsel, Governor's Authorities Unit.

Committee Chair Walton opened the meeting at 2:06pm.

Update on Highlands Water User Fee – Legal Opinion

Chief Counsel Maher provided answers to the two questions raised at the Committee's May 10th meeting.

A legal opinion on whether a water use fee can be imposed on only purveyors of Highlands sourced water or if such a fee must be imposed Statewide.

Mr. Maher stated that he has resolved his initial concern that a water user fee might need to be imposed on a statewide basis, and is now satisfied that such a fee may be imposed on only purveyors of Highlands-sourced water, provided the fee is reasonable and non-discriminatory.

Clarification regarding what the Highlands Act and RMP policy implications may be regarding a change to the current HDC value of \$16,000/per credit based on a voluntary receiving area market driven rate.

On the question of increasing the price offered by the HDC Bank to purchase HDCs from the initial value set by the HDC Bank of \$16,000, Mr. Maher stated that in his opinion attempting to substantially increase the price would violate the Highlands Act and the State TDR Act; and that, even if it were permitted, such a change would require a new technical report and an amendment of the RMP, adopted by the Council after at least five public hearings throughout the Highlands Region and at least one public hearing in Trenton.

The Committee then discussed the contents of any proposed resolution supporting a water user fee that it may recommend for consideration by the Council. Chairman Walton stated that he would discuss with Council Chairman Rilee the Committee's request that staff draft a proposed resolution for the Committee's review.

The meeting was adjourned at 2:50pm.