
Public Hearing

before

ASSEMBLY AGRICULTURE AND NATURAL RESOURCES COMMITTEE

ASSEMBLY BILL No. 661

*(“Pinelands Water Resources Protection Trust Bond Act”;
authorizes bonds for \$70 million; and appropriates \$5000)*

LOCATION: Committee Room 9
State House Annex
Trenton, New Jersey

DATE: 9:30 a.m.
February 10, 1998

MEMBERS OF COMMITTEE PRESENT:

Assemblyman John C. Gibson, Chairman
Assemblywoman Connie Myers, Vice-Chair
Assemblyman Larry Chatzidakis
Assemblywoman Clare M. Farragher
Assemblywoman Barbara Buono
Assemblyman Herbert C. Conaway Jr.

ALSO PRESENT:

George J. LeBlanc
Jeffery T. Climpson
*Office of Legislative Services
Committee Aides*



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ASSEMBLYMAN JOHN C. GIBSON (Chairman): I'll open the public hearing on the bill.

Please read the title of the bill.

While he's getting that-- It's A-661. I'm, in fact, the sponsor of it. It proposes a \$70 million bond issue for Pinelands projects, together with certain funding for studies.

MR. LeBLANC (Committee Aide): More detail? Of the \$70 million, \$50 million would be used for grants or loans to counties, municipalities, or other local authorities or agencies in the Pinelands area for infrastructure capital projects necessary to protect water resources while accommodating development in regional growth areas in Pinelands town and village management areas.

ASSEMBLYMAN GIBSON: Thank you very much. I would-- Is Mr. Harrison here? (affirmative response)

Do you want to enter something on the record, Mr. Harrison?

B I L L H A R R I S O N: Good morning. I'm Bill Harrison, Assistant Director, New Jersey Pinelands Commission. There was just passed out to you a collection of materials on the bill. Let me, because of your time constraints, just briefly go through.

In 1985, the Legislature approved and then the voters approved the Pinelands Infrastructure Bond Act, which authorized \$30 million for infrastructure projects in regional growth areas within the Pinelands. All that money, plus some money that has been returned in interest payments on loans, has been appropriated, and there is a list of projects that's been done. That bond act was very successful in facilitating growth in those portions of the

Pinelands, namely, regional growth area, where growth is supposed to occur. It also facilitated the purchase of Pinelands Development Credits, resulting in the preservation of agricultural lands and lands in the preservation area in the Pinelands.

The money has been gone for a couple of years. There is still some money trickling back in from the repayment of loans, but the Commission has identified a need for well over the \$70 million that is authorized by this bond act in other infrastructure projects. In addition, this bond act would expand where the money could go to Pinelands towns and villages. Pinelands towns and the town of Hammonton, in the borough, there are pressing needs for -- related to the upgrade of their sewage treatment plants that we think appropriately should be paid for statewide.

In addition, last year the Legislature enacted the rural economic development legislation to facilitate -- permitted economic development in the more rural portions of the Pinelands, and that's why the bill is including Pinelands villages in the areas for which grants could be made.

In addition, the bond act would provide for money for wastewater treatment plants for schools in the Pinelands. It's been a major problem with schools expanding, where they're not connected to public sewers, needing to fund treatment plants that would meet the Commission's water quality standards.

And finally, the bond act would provide for a study of the Kirkwood-Cohancey Aquifer, which is the major water supply in the Pinelands, as to how much water can be safely taken out of it without there being any environmental impact.

We feel that this bond act is important to making a Pinelands plan work. In addition, this has been supported by the Pinelands Municipal Council -- just endorsed it last year, and then at its meeting last week, endorsed the current bill -- The New Jersey Builders Association, The Pinelands Preservation Alliance, the South Jersey Economic Development District, so it has a broad spectrum of support, and we hope when the time comes, the Committee will report it favorably.

ASSEMBLYMAN GIBSON: Thank you for that. Why don't you remain seated. There may be a question or two from Committee members that they may want on the record.

There was one other that signed up to be able to comment on this public hearing -- two folks. John Holtz and Nancy Keller, New Jersey American Water Company.

Do you want to enter some testimony on the record, please?

JOHN F. HOLTZ: Good morning.

ASSEMBLYMAN GIBSON: Mr. Holtz, good morning.

MR. HOLTZ: Thank you. My name's John Holtz, and I'm with New Jersey American Water Company, and quite simply and briefly, we're just here to commend you, Mr. Chairman, for sponsoring this ambitious yet very necessary program. Perhaps more than any other industry, our business is dependent upon the health of New Jersey's environment. After all, our primary commodity is water.

We're very interested in the protection of groundwater, surface water, and the aquifers. They are all interconnected in one way or the other.

So we look forward to working with you, Mr. Sponsor, and the other members of the Committee as we move along and the bill advances through the Committee.

Thank you.

ASSEMBLYMAN GIBSON: Thank you very much.

Are there any questions?

Why don't you stay there, just in case there are some questions, John.

Any questions from the Committee members?

Assemblywoman.

ASSEMBLYWOMAN MYERS: Thank you.

Mr. Harrison, have you applied to the Environmental Infrastructure Trust, as the Wastewater Treatment Trust is now called, for financing for any of these projects? The Legislature, through the predecessor committee that Assemblyman Gibson chaired last session, enacted the Environmental Infrastructure Trust to leverage Federal funds to finance water and sewer projects throughout the State, and it seems to me that's an ideal mechanism for funding the kind of projects that you have proposed through this legislation.

MR. HARRISON: The Pinelands communities have applied. By and large, they have not been successful. The town of Hammonton has gotten money from the Infrastructure Trust. But generally the higher priority items are those dealing with existing problems with treatment plants. Largely what this is trying to do is to facilitate new development in areas where development is permitted under our regulations, and the towns have just not been successful

in the Commission's view, and I think a lot of the groups supporting its view is that there should be a separate mechanism for funding for Pinelands communities, recognizing that most of the Pinelands development is severely restricted. And if the Pan is going to work, there needs to be a mechanism to allow and facilitate development in those portions of the Pinelands where development is permitted to occur.

ASSEMBLYWOMAN MYERS: I can understand that -- through you, Mr. Chairman -- but the State Development and Redevelopment Plan envisions centers accommodating development throughout the State, in areas outside the Pinelands. I'm sure you're familiar with the goals of the State Plan. The Governor has recently stated that she will have State agencies implement the State Plan. I represent a largely rural district where development is expected to be accommodated in centers, and there are serious questions about the need for additional sewers and water supplies.

More than 80 percent of our district is dependent on our aquifers in my district, on well water. We have very limited sewer capacity, and reading this bill it seemed to be a bill written for the Highlands and my area of the State, as well as yours.

So, you know, I think that the goals are good, but I would want to share in this initiative for my district because we need to have our aquifers studied. There are serious questions with the rampant development that we've been seeing in the last 10 years about the adequacy of water supplies and the need for additional infrastructure.

MR. HARRISON: Just one thing-- I'm limited in my geographic focus, but the Pinelands Plan serves as the State Plan in the Pinelands area,

and what we are trying to do is facilitate that Plan in the same way the Governor is trying to work on having the State Plan implemented throughout the State. We think it's very compatible with the Governor's goals, which is not to say that there are not needs in other parts of the State. I only get to focus on the Pinelands, and that is why we're here advocating this bill.

ASSEMBLYMAN GIBSON: Okay, thank you, both.

ASSEMBLYWOMAN FARRAGHER: Mr. Chairman.

ASSEMBLYMAN GIBSON: Assemblywoman.

ASSEMBLYWOMAN FARRAGHER: Yes, Mr. Chairman. I would just like to take note of the fact that what most particularly is being protected here and needs to be studied here is the impact on the Kirkwood-Cohancey Aquifer system. Portions of that system underlie parts of Monmouth County, including Freehold Township and Howell Township, both of which I represent. And, in fact, there is a large reservoir along the Manasquan River in Howell Township, but even more than that, what needs to really be looked at as far as the Kirkwood-Cohancey Aquifer is the effects of a couple of Superfund sites that we have had within and overlying the aquifer system, including longtime landfill in Freehold Township, which is just over the ridge from my house.

This is, I believe, something that is greatly needed, and I, of course, will support it, even though we do not derive our water, in Freehold Township, from that aquifer. We tap into two others, one which is very deep and one of which is not as deep but is vitally important to towns like Marlboro and Manalapan in Freehold Township, which have seen huge growth. They're now, I would venture to say some -- at least 50,000 residents in those two

towns and, in fact, in the whole area. Since the last census, we've seen an enormous increase in population.

The net effect of that, because of where all the waterways are and where they flow, impacts the Pinelands. In fact, my area, where I live, is actually northern Pinelands even though it's not included in the Pinelands Preservation Plan. We're the northern edge of the Pinelands.

So I wholeheartedly support this bill, and I would urge others to do so as well.

ASSEMBLYMAN GIBSON: Thank you, Assemblywoman.

Any other comments before I close the public hearing?

Yes, someone in the back.

THERESA LETTMAN: I signed up to speak.

ASSEMBLYMAN GIBSON: I'm sorry. I thought that-- Well, come on up. I apologize. Give us your name and representation and enter your testimony on the record.

MS. LETTMAN: Yes, I'm Theresa Lettman, and I'm Project Manager, and I'm here today on behalf of the Pinelands Preservation Alliance. We support Assembly Bill No. 661. We dedicate our efforts to the protection of the natural resources of the Pinelands and also the Pinelands Comprehensive Management Plan. This Plan recognizes the need for both preservation of the region's marvelous environmental features and also for the economic growth.

And we're aware that in order for the Plan to survive, supportive economic development in the regional growth areas must be as strong as our support for the preservation of the natural resources.

Assembly Bill No. 661 provides funding for essential infrastructure projects in the area where development is called for and provides exactly the kind of support needed to assure continuation of the entire Pinelands Plan. Assembly Bill No. 661 goes beyond just providing funds for the necessary infrastructure in the regional growth area, but it provides for a thorough study of the Kirkwood-Cohancey Aquifer.

This provision of the bill is extremely important. The Kirkwood-Cohancey, which underlies most of southern New Jersey, holds an estimated 17 trillion gallons of water, a seemingly inexhaustible supply. However, it's essential to recognize that the Kirkwood-Cohancey is a shallow system and that any significant lowering of the groundwater table has potential to seriously reduce the stream flows, reducing the delivery of fresh waters to bays and estuaries with disastrous effects on the shellfish industry, and to wreak havoc on the wetlands and the agriculture which is so important in the Pinelands.

Already over 100 million gallons per day of Pinelands water leaves the system by way of wastewater discharges to the Delaware and the Atlantic Ocean. No one knows how much water usage and net outflow which is safe for long-term sustainability of this aquifer.

And I just want to end in saying PPA enthusiastically endorses the three objectives of Assembly Bill No. 661: the infrastructure to promote economic growth, projects to eliminate surface water discharge protecting water quality, and the long overdue study for the Kirkwood-Cohancey Aquifer.

Thank you.

ASSEMBLYMAN GIBSON: Thank you very much, and I'm sorry we--

MS. LETTMAN: I do have copies.

ASSEMBLYMAN GIBSON: I'm glad we didn't miss that positive testimony.

MS. LETTMAN: And I do have copies of my statement.

ASSEMBLYMAN GIBSON: Okay, we'll pass those out to Committee members.

MS. LETTMAN: Thank you.

ASSEMBLYMAN GIBSON: We'll hear from Jim Sinclair, New Jersey Business and Industry on the public hearing for the Pinelands bond issue.

JAMES SINCLAIR: Mr. Chairman, I'm Jim Sinclair, from the New Jersey Business and Industry Association, and I'd like to thank you for putting forward one very important component of this bill. The study of the Cohancey Aquifer is probably the most important environmental issue that will be considered in this Legislature in this session, for a long time. The Business and Industry Association -- actually since the Pinelands Act was first formed, one of the key issues that was addressed when we did the Pinelands was our ability to take a look and conserve and utilize this resource, the water resource, and to do it in an environmentally safe and effective and efficient way. And we have been waiting a long time for this study, because without this study, we're just speculating, one way or the other, about how we might utilize this in the long run.

So thank you very much. I truly believe that this is, probably, the most significant environmental question that-- We may not solve it -- solve all the policy issues, but at least we'll have the science on the table after we get finished with this part of it.

Thank you, sir.

ASSEMBLYMAN GIBSON: Okay. Thank you, Mr. Sinclair.

Now, assuming that there's no other testimony for the record on the public hearing on the Pinelands bond issue, I'll close the public hearing.

Thank you all very much for your participation.

(HEARING CONCLUDED)