



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION
NATURAL & HISTORIC RESOURCES
Engineering and Construction
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CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

BOB MARTIN
Commissioner

February 10, 2011

Dear Hopewell Township Committee:

Commissioner Bob Martin of the New Jersey Department of Environmental Protection (Department) has asked me, as the Administrator of the Office of Engineering and Construction, to write to you regarding Honey Lake Dam. As an area resident, Commissioner Martin must recuse himself on this issue.

The Department would like to clarify its position regarding the potential decommissioning of the Honey Lake Dam. The Department's Bureau of Dam Safety and Flood Control is responsible for ensuring the safety of all dams statewide. Honey Lake Dam has been designated as a Class I, high hazard structure due to downstream structure vulnerabilities. The dam does not possess adequate spillway capacity, therefore, the Department has required that the dam be rehabilitated or decommissioned in order to bring the dam into compliance with the Safe Dam Act. The Department has not driven the decommissioning of the dam over the rehabilitation, and has no preference as to the final outcome provided that compliance with the regulations is achieved. However, the Department had requested and received in June 2010 \$1,000,000 from the NJ State Legislature (P.L. 2010, c.16) with the intent of assisting the Mercer County Soil Conservation District (MCSCD) with the public safety concerns that the Hunt Lake and the Honey Lake dams present.

The MCSCD, considered a state agency under the Department of Agriculture, is the current sponsor of the dam and has indicated that it would pursue decommissioning if a suitable new sponsor did not come forward by February 1, 2011. The MCSCD would not be an eligible sponsor for rehabilitation of the dam under current Natural Resources Conservation Service (NRCS) requirements. The NRCS had established the February 1, 2011 deadline in order to ensure that the project would be eligible for federal funds for 100 percent of design and 65 percent of construction for decommissioning, or for rehabilitation, if an eligible sponsor with taxing authority had been found. This requirement disqualified the MCSCD from proceeding with rehabilitation using NRCS funding. Please note that eligibility does not indicate that NRCS funding is guaranteed; this national funding is highly competitive.

The dam decommissioning process can be terminated even after NRCS begins design work for dam removal if a new owner steps forward and agrees to rehabilitate the dam, bringing the dam into compliance with the Safe Dam Act. Over the last year, the NRCS has investigated various alternatives and developed cost estimates for both the rehabilitation and decommissioning of the Honey Lake Dam. The NRCS has estimated the cost of rehabilitation at \$2.8 million, while the cost of the decommissioning alternative was estimated at \$2.5 million. Design costs can be twenty percent of the total estimate. Please note that these estimates include modifications to satisfy both NRCS and the Department's regulations; without NRCS involvement, the estimate for rehabilitation could be twenty percent less.

The Department is planning a new application period in the late in 2011 for low interest loans for either rehabilitation or decommissioning of dams statewide from the 2003 Dam, Lake, and Stream Project Revolving Loan Fund. New owners of Honey Lake dam could also apply for this financial assistance.

The Department will continue to work with the Township representatives and the lake residents to provide any technical information needed while all parties deliberate whether they may want to assume responsibility for this dam and proceed with rehabilitation. We expect that the meeting with the Township, lakeside homeowner representatives, and the involved agencies, scheduled for Monday, February 14, will clarify the issues that need to be resolved. The Department will also participate in any subsequent general public meetings that the Township decides to conduct.

Please contact me at (609-292-9236) or dave.rosenblatt@dep.state.nj.us if you would like to further discuss this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Rosenblatt", written in a cursive style.

David Rosenblatt
Administrator

C: Amy Cradic, Assistant Commissioner, DEP Natural & Historic Resources
Paul Pogorzelski, Hopewell Township Administrator