

WASHINGTON TOWNSHIP MUA
Regular Meeting
 December 7, 2011

The Regular Meeting of the W.T.M.U.A. was called to order at 7:35 p.m. on December 7, 2011. Adequate notice of this meeting of the W.T.M.U.A. was given to the Daily Record and the Courier News on February 7, 2011. Notice was also posted on the Municipal Building Bulletin Board.

Members Present: Messrs. Akin**, Strawn, Napolitano
 Alt. Members Present: Messrs. Popper*
 Members Absent: Messrs. Cullen
 Alt. Members Absent: Messrs. Kramer
 Township Liaison Present: Messrs.
 Township Liaison Absent: Messrs. Roehrich
 Staff Members Present: Executive Director Pucilowski, Secretary Waller, Attorney Gregory

*arrived at 8:04pm

**absent from 8:10pm – 8:45pm

RATE HEARING – 2012 RATES

Mr. Pucilowski, the WTMUA Executive Director, was sworn in by Mr. Gregory. Mr. Pucilowski attested that he prepared budgets and rate schedules for 2012. He is recommending that the proposed water and sewer rates be adopted. These rates were marked Exhibit A for the record. The procedures to prepare the budget and rates were described by Mr. Pucilowski. A 5% increase is being recommended for both water and sewer rates in order to cover the 2012 operating expenses. Notices of the Rate Hearing were published in the Daily Record, Observer Tribune and Hunterdon County Democrat; mailed to the Municipal offices and posted on the WTMUA bulletin board. These notices were marked Exhibit B for the record. The Rate Hearing was opened to the Public and the WTMUA Board for questions. There being no questions, the Rate Hearing was closed at 7:44pm.

2011 BUDGET REVIEW – ADJUSTMENT TO DCA BUDGET SUBMISSION

RESOLUTION
AMEND WTMUA WATER 2011 FISCAL BUDGET

No. 11-12-H

WHEREAS, N.J.A.C. 5:31-2.8 provides that the Director, Division of Local Government Service may approve the amendment of the budget of any Authority when there are increases in budgeted costs with corresponding increases in budgeted revenue; and

WHEREAS, the Washington Township MUA has amendments to the 2011 budget and seeks approval of the Director for said amendments;

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority, in the County of Morris and State of New Jersey, hereby request the Director of Local Government Service to approve the amendment to the 2011 budget as follows:

Adjust Water Appropriations as follows:

	<u>From</u>	<u>To</u>	<u>Difference</u>
Water Operating Wages	156,200	166,200	10,000
Water Operating Other Expenses	414,185	404,185	(10,000)
	570,385	570,385	0

BE IT FURTHER RESOLVED, two certified copies of this budget amendment shall be transmitted to the Director within 3 days of the adoption of this Resolution.

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INTRODUCED AND PASSED: December 7, 2011

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, approving Resolution 11-12-H amending the WTMUA Water 2011 Fiscal Budget submission to the DCA.

AYES: Messrs.: Akin, Strawn, Napolitano

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

2011 BUDGET REVIEW – ADJUSTMENT TO CAPITAL BUDGET LINE ITEMS

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, to amend the WTMUA 2011 Capital Budget line items as presented. Motion was carried by the following vote:

AYES: Messrs.: Akin, Strawn, Napolitano

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

NOVEMBER 2011 CHECKBOOK REGISTER

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, to approve the November 2011 Checkbook Register as presented. Motion was carried by the following vote:

AYES: Messrs.: Akin, Strawn, Napolitano

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

2012 RATE INCREASE

<p>RESOLUTION ADOPTING 2012 RATE SCHEDULE AND AMENDING WTMUA RULES AND REGULATIONS</p>

No. 11-12-B

WHEREAS, upon proper notice having been made and a public hearing having been held pursuant to the Municipal and County Utilities Authorities Law to amend the Washington Township Municipal Utilities Authority (“WTMUA”) service charges for 2012 as set forth in Rate Schedule of the Rules and Regulations, Appendix A attached hereto; and

WHEREAS, for the reasons set forth in said public hearing and to ensure adequate revenues will be available to pay the expenses of operation and maintenance of the utility systems for the year 2012 it is the desire of the WTMUA to amend its Rules and Regulations to replace the 2011 rate schedule with the 2012 rate schedule, Appendix A attached hereto; and

WHEREAS, all other sections of the WTMUA’s Rules and Regulations inconsistent with the new rate schedule set forth in Appendix A, are hereby amended to be consistent with the 2012 Rate Schedule.

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority as follows:

1. The Rules and Regulations of the Washington Township Municipal Utilities Authority are hereby amended by the adoption of the 2012 rate schedule as set forth on Appendix A attached hereto.
2. All other sections of the WTMUA’s Rules and Regulations inconsistent with the new rate schedule set forth in Appendix A, are hereby amended to be consistent with the 2012 Rate Schedule.
3. This resolution shall take effect immediately.

DATED: December 7, 2011

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Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, to approve Resolution 11-12-B revising the WTMUA Rules and Regulations with the new 2012 Rates.

AYES: Messrs.: Akin, Strawn, Napolitano
NAYS: Messrs.: None
ABSTAIN: Messrs.: None

2012 WATER AND SEWER BUDGETS

<p>RESOLUTION 2012 Authority Sewer Utility Budget WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY for the FISCAL YEAR: from January 1, 2012 to December 31, 2012</p>

No. 11-12-C

WHEREAS, the Annual Budget and Capital Budget for the Washington Township Municipal Utilities Authority's Sewer Utility for the fiscal year period beginning January 1, 2012 and ending December 31, 2012, has been presented before the governing body of the Washington Township Municipal Utilities Authority at its open public meeting of December 7, 2011; and,

WHEREAS, the Sewer Utility Annual Budget as introduced reflects Total Revenues of \$2,505,510, Total Appropriations, including Accumulated Deficit if any, of \$2,505,510 and Total Unrestricted Net Assets utilized of \$0; and,

WHEREAS, the Sewer Utility Capital Budget as introduced reflects Total Capital Appropriations of \$351,120 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$351,120; and,

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and,

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Washington Township Municipal Utilities Authority, at an open public meeting held on December 7, 2011 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Washington Township Municipal Utilities Authority's Sewer Utility for the fiscal year beginning January 1, 2012 and ending December 31, 2012, is hereby approved; and,

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and,

BE IT FURTHER RESOLVED, that the governing body of the Washington Township Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on February 1, 2012.

INTRODUCED AND PASSED: December 7, 2011

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RESOLUTION
2012 Authority Water Utility Budget
WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
for the
FISCAL YEAR: from January 1, 2012 to December 31, 2012

No. 11-12-D

WHEREAS, the Annual Budget and Capital Budget for the Washington Township Municipal Utilities Authority's Water Utility for the fiscal year period beginning January 1, 2012 and ending December 31, 2012, has been presented before the governing body of the Washington Township Municipal Utilities Authority at its open public meeting of December 7, 2011; and,

WHEREAS, the Water Utility Annual Budget as introduced reflects Total Revenues of \$1,125,705, Total Appropriations, including Accumulated Deficit if any, of \$1,080,037 and Total Unrestricted Net Assets utilized of \$45,668; and,

WHEREAS, the Water Utility Capital Budget as introduced reflects Total Capital Appropriations of \$782,580 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$782,580; and,

WHEREAS, the schedule of rates, fees and other charges in effect will produce sufficient revenues, together with all other anticipated revenues to satisfy all obligations to the holders of bonds of the Authority, to meet operating expenses, capital outlays, debt service requirements, and to provide for such reserves, all as may be required by law, regulation or terms of contracts and agreements; and,

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

NOW, THEREFORE BE IT RESOLVED, by the governing body of the Washington Township Municipal Utilities Authority, at an open public meeting held on December 7, 2011 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the Washington Township Municipal Utilities Authority's Water Utility for the fiscal year beginning January 1, 2012 and ending December 31, 2012, is hereby approved; and,

BE IT FURTHER RESOLVED, that the anticipated revenues as reflected in the Annual Budget are of sufficient amount to meet all proposed expenditures/expenses and all covenants, terms and provisions as stipulated in the said Authority's outstanding debt obligations, capital lease arrangements, service contracts, and other pledged agreements; and,

BE IT FURTHER RESOLVED, that the governing body of the Washington Township Municipal Utilities Authority will consider the Annual Budget and Capital Budget/Program for adoption on February 1, 2012.

INTRODUCED AND PASSED: December 7, 2011

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, to approve Resolution 11-12-C and 11-12-D with the discussed date changes:

AYES: Messrs.: Akin, Strawn, Napolitano
NAYS: Messrs.: None
ABSTAIN: Messrs.: None

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2012 LATE BUDGET SUBMISSION & 2012 TEMPORARY BUDGET

RESOLUTION LATE SUBMISSION OF 2012 BUDGETS

No. 11-12-E

WHEREAS, the Washington Township Municipal Utilities Authority (Authority) held Meetings on October 12th & 19th, and November 2nd, 2011 where the operating and capital budgets for FY 2012 were discussed, and;

WHEREAS, there were a variety of issue related to increases in the operating budget as well as a need to determine the priority of capital work required in the Sewer and Water Utilities, and;

WHEREAS, the appropriations in the Sewer and Water Utilities required a review of revenue, in particular the user fee structure, and;

WHEREAS, review of these matters took more time than was anticipated, and;

WHEREAS, the additional time was considered necessary given the problems of balancing the revenue needs with the appropriations required in FY 2012.

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority, that:

- (1) The additional time taken to develop the FY 2012 Authority Budgets was prudent given the magnitude of needs in the Sewer and Water Utilities.
- (2) The late submission of the FY 2012 Authority Budgets warranted.

INTRODUCED AND PASSED: December 7, 2011

RESOLUTION APPROVING TEMPORARY SEWER AND WATER UTILITY OPERATING AND CAPTIAL BUDGETS FOR THE FISCAL YEAR: FROM JANUARY 1, 2012 TO DECEMBER 31, 2012
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No. 11-12-F

WHEREAS, at its open public meeting of December 7, 2011, as resolutions 11-12-C and 11-12-D, the Washington Township Municipal Utilities Authority approved the Sewer and Water Utility Annual Budgets and Capital Budgets for the fiscal year beginning January 1, 2012 and ending December 31, 2012; and,

WHEREAS, said Budgets will be submitted to the New Jersey Department of Community Affairs, Division of Local Government Services, Authority Budgets and Finances (hereinafter referred to as NJDCA) on December 9, 2011; and,

WHEREAS, the NJDCA has not issued an approval of the budgets as submitted; and,

WHEREAS, the Authority cannot adopt its Sewer and Water Utility Annual Budgets and Capital Budgets without NJDCA approval; and,

WHEREAS, the Authority must have budgets to pay for ongoing operations.

NOW, THEREFORE BE IT RESOLVED, by the Washington Township Municipal Utilities Authority that:

1. The Sewer and Water Utility Annual Budgets and Capital Budgets for the fiscal year beginning January 1, 2012 and ending December 31, 2012 approved at its open public meeting of December 7, 2011 is hereby adopted as a temporary budget until such time the NJDCA approves the budget submissions made, or that may be required.

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2. This resolution shall take effect immediately upon signing by the WTMUA Chairman.

INTRODUCED AND PASSED: December 7, 2011

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, to approve Resolution 11-12-E and 11-12-F with the discussed date changes:

AYES: Messrs.: Akin, Strawn, Napolitano, Popper
NAYS: Messrs.: None
ABSTAIN: Messrs.: None

VOUCHERS OVER \$5,000

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano to the payment of the Cliffside Park voucher dated 12/1/14 for \$75,432.85 to refund the escrow. Motion was carried by the following vote:

AYES: Messrs.: Akin, Strawn, Napolitano, Popper
NAYS: Messrs.: None
ABSTAIN: Messrs.: None

VALLEY VIEW CHAPEL

The anticipated use of the building with the expansion, the future expansion plans as well as the impact of WMP on the connection was reviewed. It was agreed that the attorney will write up the sewer service agreement. The EDU calculation was reviewed and it was agreed that it would be discussed at a later date. A special meeting will be called if necessary to meet the goal of a December 25th Church Service.

MEETING AJOURNED FOR SHORT BREAK BETWEEN 9:15pm and 9:25pm

BILLING SOFTWARE

<p>RESOLUTION AWARDING NON-FAIR AND OPEN CONTRACT FOR AN EXTRAORDINARY, UNSPECIFIABLE SERVICE FOR PROCURMENT OF SOFTWARE FOR BILLING, ACCOUNTING AND WORK ORDERS</p>
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No. 11-12-A

WHEREAS, the Washington Township Municipal Utilities Authority (“Authority”) has a need to acquire software for Utility Billing, Financial Accounting and Customer Work Orders (“Software”); and

WHEREAS, a quotation for the Software has been provided by Edmunds & Associates in an amount of \$35,604.00 for their MCSJ Software attached as Exhibit A; and

WHEREAS, N.J.S.A. 40A:11-5(1)(a)(ii) of the Local Public Contracts Law (“LPCL”) exempts such Extraordinary Unspecifiable Services (EUS) from competitive bidding; and

WHEREAS, the Executive Director has filed a certificate with the Authority describing the nature of the work to be done; stating that is not reasonably possible to draft specifications; describing the informal solicitation of quotations; and describing in detail why the contract will meet applicable provisions of the statute. This resolution, the Executive Director’s Certification and the contract of procurement will be available for public inspection; and

WHEREAS, this is an award of a non-fair and open contract in accordance with N.J.S.A. 19:44A-20.5 and as required thereby: (1) the Executive Director has determined and hereby provides written certification that the value of the contract exceeds \$17,500, (2) Edmunds & Associates will submit a Business Disclosure Certification before contract award which certifies that Edmunds & Associates has not made any

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reportable contributions to a political or candidate committee in the Township of Washington in the previous year, and (3) the Contract will prohibit Edmunds & Associates from making any reportable contributions through the term of the contract; and

WHEREAS, the Executive Director hereby certifies that adequate funds are available for this purpose; and,

NOW, THEREFORE, BE IT RESOLVED by the **Washington Township Municipal Utilities Authority**:

(1) Upon receipt of the Business Entity Disclosure Form, the Executive Director is hereby authorized and directed to execute a form of contract with Edmunds & Associates for the purchase of MCSJ Software not to exceed \$35,604, per the attached Proposal and as approved by the Authority's attorney.

(2) A copy of this Resolution, the Executive Director's Certification and the Contract engaging Edmunds and Associates shall be kept on file and available for public inspection at the office of the WTMUA, 46 East Mill Road, Long Valley, New Jersey.

(3) This contract are made without competitive bidding as a "Extraordinary, Unspecifiable Service" in accordance with N.J.S.A. 40A:11-5(1)(a)(ii) of the Local Public Contracts Law, because it involves specifications that are undeterminable in nature due to the limited number of suppliers and the diversity of the software options and functionality that each supplier provides as well as customer support requirements which are dependant on the relationship with the current meter provider and the Washington Township Tax Office.

(4) A notice of this action shall be printed in the Authority's Official Newspaper within ten (10) days of the passage of this resolution.

(5) This Resolution shall take effect immediately upon passage according to law.

CERTIFIED AS TO CONTRACT VALUE AND FUNDS AVAILABILITY

Michael P. Pucilowski
Executive Director

DATED: December 7, 2011

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, to approve Resolution 11-12-A subject to the Executive Director having further discussion with Edmunds regarding reducing the maintenance fees. Motion was carried to the following vote:

AYES: Messrs.: Akin, Strawn, Napolitano, Popper

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

REGENCY AT LONG VALLEY

The developer is asking for a three year extension on their Water Service Agreement. It is recommended that the Agreement should be updated rather than extended. Issues of change in development use and firm capacity limitations might require changes to the Agreement. Revisions were reviewed. Status of pipe inspections and bond money will be reviewed prior to the finalization of the Agreement. There is a meeting for next week with the developer to discuss the Agreement.

CONTINUED SERVICE AGREEMENT

This topic is tabled until next meeting.

CLOSED – 10:22 PM

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RESOLUTION CLOSED SESSION
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No. 11-12-G

WHEREAS, it is necessary for the Washington Township Municipal Utilities Authority to discuss a matter relating to Personnel, Contract Negotiations and Litigation which matter is permitted by Section 7.6 of the Open Public Meetings Act (Chapter 231 of the Public Laws of the State of New Jersey for 1975) to be discussed in closed session in the absence of the Public; and

WHEREAS, the Washington Township Municipal Utilities Authority has determined that it is necessary in the public interest that the matter in fact be discussed in closed session, and has estimated that, as nearly as can be ascertained, the results of the discussion can be disclosed to the public when formally acted upon.

NOW, THEREFORE, BE IT RESOLVED by the Washington Township Municipal Utilities Authority, in the County of Morris and State of New Jersey, that the public be excluded from the closed portion of this meeting, during which only the aforesated matter will be discussed.

INTRODUCED AND PASSED: December 7, 2011

Motion was made by Mr. Strawn, and seconded by Mr. Napolitano, to go into Closed Session. Motion was carried by the following vote:

AYES:	Messrs.:	Akin, Strawn, Napolitano
NAYS:	Messrs.:	None
ABSTAIN:	Messrs.:	Popper

OUT OF CLOSED – 10:45 PM

Motion was made by Mr. Strawn, and seconded by Mr. Popper, to adjourn the meeting.

AYES:	Messrs.:	Akin, Strawn, Napolitano, Cullen
NAYS:	Messrs.:	None
ABSTAIN:	Messrs.:	None

Meeting Adjourned: 10:45 pm

Respectfully Submitted,
E. Jill Waller, Secretary