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**WASHINGTON TOWNSHIP MUA**  
**REGULAR MEETING**  
December 5, 2012

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The Regular Meeting of the W.T.M.U.A. was called to order at 7:31 p.m. on December 5, 2012.

Adequate notice of this meeting of the W.T.M.U.A. was given to the Daily Record and the Courier News on February 3, 2012. Notice was also posted on the Municipal Building Bulletin Board.

Members Present:	Messrs.	Cullen, Napolitano*, Akin, Mascott
Alt. Members Present:	Messrs.	Kramer**, Babb
Members Absent:	Messrs.	Popper
Alt. Members Absent:	Messrs.	
Township Liaison Present:	Messrs.	
Township Liaison Absent:	Messrs.	Kennedy
Staff Members Present:	Executive Director (E.D.) Pucilowski, Secretary Waller, Attorney Gregory	
*arrived at 8:16pm		
**arrived at 7:58 pm		

**PUBLIC 2013 RATE HEARING**

Mr. Pucilowski, the WTMUA Executive Director, was sworn in by Mr. Gregory. Mr. Pucilowski attested notices were sent to the Daily Record, Observer Tribune, Hunterdon Democrat, and Hunterdon Review newspapers; mailed to the Municipal offices and posted on the WTMUA bulletin board as required. The proof from the newspapers will be marked Exhibit A for the record. The procedures to prepare the budget and rates were described by Mr. Pucilowski. A 4% increase is being recommended for sewer rates and a 10% increase for water in order to cover the 2013 expenses, debt service, reserves, and maintenance. A copy of the rate schedule will be marked Exhibit B for the record. The Rate Hearing was opened to the Public and the WTMUA Board for questions. It was confirmed that the rates presented and recommended were the rates discussed in the rate meetings prior to the Hear. The Rate Hearing was closed at 7:38pm.

**2013 RATE INCREASE**

<b>RESOLUTION ADOPTING 2013 RATE SCHEDULE AND AMENDING WTMUA RULES AND REGULATIONS</b>
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No. 12-12-A

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 2013 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 2013 it is the desire of the WTMUA to amend its Rules and Regulations to replace the 2012 rate schedule with the 2013 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 2013 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 2013 rate schedule as set forth on Appendix A attached hereto.

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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 2013 Rate Schedule.
3. This resolution shall take effect immediately.

**DATED:** December 5, 2012

Motion was made by Mr. Mascott, and seconded by Mr. Akin, to approve Resolution 12-12-A. Motion was carried by the following vote:

AYES:        Messrs.:        Cullen, Akin, Mascott, Babb  
NAYS:        Messrs.:        None  
ABSTAIN:     Messrs.:        None

**APPROVAL OF MEETING MINUTES**

Motion was made by Mr. Akin, and seconded by Mr. Mascott, to approve the February 1, 2012 Meeting Minutes. Motion was carried by the following vote:

AYES:        Messrs.:        Cullen, Akin, Babb  
NAYS:        Messrs.:        None  
ABSTAIN:     Messrs.:        Mascott

**2013 WATER AND SEWER BUDGETS**

**RESOLUTION**  
**2013 Authority Sewer Utility Budget**  
**WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**  
**for the**  
**FISCAL YEAR: from January 1, 2013 to December 31, 2013**

No. 12-12-B

**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, 2013 and ending December 31, 2013, has been presented before the governing body of the Washington Township Municipal Utilities Authority at its open public meeting of December 5, 2012; and,

**WHEREAS**, the Sewer Utility Annual Budget as introduced reflects Total Revenues of \$2,597,210, Total Appropriations, including Accumulated Deficit if any, of \$2,597,210 and Total Unrestricted Net Assets utilized of \$0; and,

**WHEREAS**, the Sewer Utility Capital Budget as introduced reflects Total Capital Appropriations of \$654,500 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$654,500; 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 5, 2012 that the Annual

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**WASHINGTON TOWNSHIP MUA**  
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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, 2013 and ending December 31, 2013, 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 6, 2013.

**INTRODUCED AND PASSED:** December 5, 2012

Motion was made by Mr. Mascott, and seconded by Mr. Akin, to approve Resolution 12-12-B. Motion was carried by the following vote:

AYES: Messrs.: Cullen, Akin, Mascott, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

**RESOLUTION**  
**2013 Authority Water Utility Budget**  
**WASHINGTON TOWNSHIP MUNICIPAL UTILITIES AUTHORITY**  
for the  
**FISCAL YEAR: from January 1, 2013 to December 31, 2013**

No. 12-12-C

**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, 2013 and ending December 31, 2013, has been presented before the governing body of the Washington Township Municipal Utilities Authority at its open public meeting of December 5, 2012; and,

**WHEREAS**, the Water Utility Annual Budget as introduced reflects Total Revenues of \$1,204,470, Total Appropriations, including Accumulated Deficit if any, of \$1,204,470 and Total Unrestricted Net Assets utilized of \$0; and,

**WHEREAS**, the Water Utility Capital Budget as introduced reflects Total Capital Appropriations of \$1,416,100 and Total Unrestricted Net Assets planned to be utilized as funding thereof, of \$1,416,100; 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 5, 2012 that the Annual Budget, including appended Supplemental Schedules, and the Capital Budget/Program of the

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**WASHINGTON TOWNSHIP MUA**  
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Washington Township Municipal Utilities Authority's Water Utility for the fiscal year beginning January 1, 2013 and ending December 31, 2013, 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 6, 2013.

**INTRODUCED AND PASSED:** December 5, 2012

Motion was made by Mr. Mascott, and seconded by Mr. Akin, to approve Resolution 12-12-C. Motion was carried by the following vote:

AYES:        Messrs.:        Cullen, Akin, Mascott, Babb

NAYS:        Messrs.:        None

ABSTAIN:     Messrs.:        None

**B2013 LATE BUDGET SUBMISSION**

<b>RESOLUTION</b> <b>LATE SUBMISSION OF 2013 BUDGETS</b>
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No. 12-12-D

**WHEREAS**, the Washington Township Municipal Utilities Authority (Authority) held Meetings on September 5<sup>th</sup>, October 3<sup>rd</sup> & 24<sup>th</sup>, and November 7<sup>th</sup>, 2012 where the operating and capital budgets for FY 2013 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 2013.

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

(1) The additional time taken to develop the FY 2013 Authority Budgets was prudent given the magnitude of needs in the Sewer and Water Utilities.

(2) The late submission of the FY 2013 Authority Budgets warranted.

**INTRODUCED AND PASSED:** December 5, 2012

Motion was made by Mr. Mascott, and seconded by Mr. Akin, to approve Resolution 12-12-C. Motion was carried by the following vote:

AYES:        Messrs.:        Cullen, Akin, Mascott, Babb

NAYS:        Messrs.:        None

ABSTAIN:     Messrs.:        None

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**WASHINGTON TOWNSHIP MUA**  
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**2013 TEMPORARY BUDGET**

**RESOLUTION  
APPROVING TEMPORARY  
SEWER AND WATER UTILITY  
OPERATING AND CAPITAL BUDGETS  
FOR THE**

**FISCAL YEAR: FROM JANUARY 1, 2013 TO DECEMBER 31, 2013**

No. 12-12-E

**WHEREAS**, at its open public meeting of December 5, 2012, as Resolutions 12-12-B and 12-12-C, the Washington Township Municipal Utilities Authority approved the Sewer and Water Utility Annual Budgets and Capital Budgets for the fiscal year beginning January 1, 2013 and ending December 31, 2013; 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 7, 2012; 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, 2013 and ending December 31, 2013 approved at its open public meeting of December 5, 2012 is hereby adopted as a temporary budget until such time the NJDCA approves the budget submissions made, or that may be required.

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

**INTRODUCED AND PASSED:** December 5, 2012

Motion was made by Mr. Mascott, and seconded by Mr. Akin, to approve Resolution 12-12-E the October and November checkbook registers. Motion was carried by the following vote:

AYES: Messrs.: Cullen, Akin, Mascott, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

**OCTOBER AND NOVEMBER 2012 CHECKBOOK REGISTERS**

Motion was made by Mr. Mascott, and seconded by Mr. Akin, to approve the October and November checkbook registers. Motion was carried by the following vote:

AYES: Messrs.: Cullen, Napolitano, Akin, Popper, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

**SEPTEMBER AND OCTOBER BILLING ADJUSTMENTS**

Motion was made by Mr. Akin, and seconded by Mr. Mascott, to approve the September and October Billing Adjustments. Motion was carried by the following vote:

AYES: Messrs.: Cullen, Napolitano, Akin, Popper, Babb

NAYS: Messrs.: None

ABSTAIN: Messrs.: None

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**VOUCHERS OVER \$5,000**

Motion was made by Mr. Akin, and seconded by Mr. Mascott, that vouchers for DJ Egarian, dated 9/11/12, in the amount of \$13,449.63; Toby Barkman, dated 9/21/12, in the amount of \$10,333.57; Carus, dated 10/18/12, in the amount of \$5,399.68; Samuel Stofthoff, dated 10/26/12, in the amount of \$24,080; Taylor Oil, dated 11/7/12, in the amount of \$7,703; Gregory & Reed, dated 11/7/12, in the amount of \$7,669.39; DJ Egarian, dated 11/12/12, in the amount of \$10,251.25 and Toby Barkman, dated 11/8/12, in the amount of \$7,186.76 approved for payment and authorized by the signature of the proper official. Motion was carried by the following vote:

AYES:        Messrs.:        Cullen, Napolitano, Akin, Popper, Babb  
NAYS:        Messrs.:        None  
ABSTAIN:     Messrs.:        None

**JIF EPL POLICY**

There is a Public Officials Liability Course that will provide a credit off the EPL premium if Commissioners go to the class. Details to be provided

Motion was made by Mr. Mascott, and seconded by Mr. Akin, to approve the \$20,000 deductible and a \$250,000 co-insurance level for the JIF EPL policy. Motion was carried by the following vote:

AYES:        Messrs.:        Cullen, Napolitano, Akin, Popper, Babb  
NAYS:        Messrs.:        None  
ABSTAIN:     Messrs.:        None

**CUSTOMER REQUEST FOR IRRIGATION WELL**

A commercial customer has requested permission to drill their own irrigation well for their commercial purposes. The request was discussed. Exceptions can be granted for hardship and agricultural purposes. The Attorney will review the Authority's Rules and Regulation, prior approved exemptions and the impact on the Regency at Long Valley Agreements. An application should be filled out by the customer and back flow prevention program needs to be followed. To be discussed further at the next meeting.

**FUSION LOUNGE**

To be tabled until Closed Session.

**REGENCY AT LONG VALLEY**

The attorneys are discussing the watering of the pond to retain wetlands and the adjustment to the payment. Additional information has been requested by the Authority attorney. The current Agreements continue until they are revoked by the Authority. M. Pucilowski will review the wetland requirements with the Planning Board.

**BLACK OAK GOLF COURSE**

Currently waiting for the customer's decision on if they want to pursue a connection loan with the Authority.

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**GROVE STREET PUMP STATION**

Working on bid specifications. Information that was provided at a seminar suggested that the specifications should be stronger. In the process of incorporating the suggestions into the general conditions.

**DIRECTOR'S REPORT**

- Parker Road Water Line Extension: The Allocation Permit has been submitted. Approval has been provided to do survey work on the Old Farmers Road School property for the proposed booster station. The EPA has begun house-to-house surveys. There are some commercial properties that will require more than one connection.
- Storm (Sandy): The fuel supply for generators was good. Currently waiting for FEMA kick off. The Passaic Sewerage Authority was closed and are currently using other sources for the sludge. The other sources will cost more.
- The LVSTP sand replacement is complete.
- The preliminary estimate is approximately \$32,000 per home for the sewer line extension. M. Pucilowski will pass this information on to the residents.
- The 72 hour pump test had some difficulties due to reporting within the new legal specifications that went into effect right after the test was run and due to some anomalies with the test. There is no determination on what caused the anomalies. It has been acknowledged that the placement of the monitoring wells within the easement is unusual. The placement was due to Mr. Smith being uncooperative in allowing the monitoring wells on his property but outside the easement. The DEP allowed the placement of the wells within the easement. The preliminary report will be passed on to the DEP for a confirmation on the buffer size. The official report will be ready in two to three weeks.
- A letter was sent to account #1667 with the water credit. There has been no response.
- The Excavation specification will go out for bid after the Grove Street Pump Station
- Brookside Court residents provided a formal request for replacement of the water main. This has been included in the 2013 Budget.

**CLOSED SESSION – 8:50 PM**

<b>RESOLUTION CLOSED SESSION</b>
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No. 12-12-F

WHEREAS, it is necessary for the Washington Township Municipal Utilities Authority to discuss a matter relating to Litigation, Personnel and Contract Negotiations 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 aforesighted matter will be discussed.

INTRODUCED AND PASSED: December 5, 2012

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Motion was made by Mr. Akin, and seconded by Mr. Napolitano, to go into Closed Session to discuss Litigation and Personnel matters. Motion was carried by the following vote:

AYES:        Messrs.:        Cullen, Napolitano, Akin, Mascott, Babb, Kramer  
NAYS:        Messrs.:        None  
ABSTAIN:     Messrs.:        None

**OUT OF CLOSED – 9:50 PM**

Motion was made by Mr. Mascott, and seconded by Mr. Napolitano, to adjourn the meeting.

AYES:        Messrs.:        Cullen, Napolitano, Akin, Mascott, Babb, Kramer  
NAYS:        Messrs.:        None  
ABSTAIN:     Messrs.:        None

Meeting Adjourned: 10:32pm

Respectfully Submitted,  
E. Jill Waller  
Secretary